

## NAT-ICOM Commerce Economics Hard Test

Sr	Questions	Answers Choice
1	Who is the writer of Wealth of Nation?	A. Marshall B. Adam Smith C. Robbins D. Keynes
2	Slope of demand curve is:	A. Negative B. Zero C. Positive D. Fixed
3	When price falls supply:	A. Expands B. Remains zero C. Contrasts D. Become fixed
4	Average revenue is equal to:	A. Price B. Marginal revenue C. Total revenue D. Average cost
5	The other name of law of decreasing return is:	A. Law of decreasing cost B. Law of increasing cost C. Law of constant cost D. Law of increasing returns
6	In monopoly the number of firms is:	A. One B. Three C. Two D. Unlimited
7	Factors of production are:	A. One B. Three C. Two D. Four
8	National income period is	A. One year B. Three years C. Two years D. Four years
9	Personal income means:	A. Own income B. Family income C. Govt. income D. Old income
10	When national income is increases:	A. Standard of living increases B. Standard of living decreases C. Remains same D. Bad thing
11	Inflation on prices:	A. Decrease B. Remains constant C. Increase D. Become zero
12	Phases of trade cycle are:	A. One B. Three C. Two D. Four
13	International trade has the benefits	A. One B. Three C. Two D. Unlimited
14	Canons of taxation describes	A. Marshall B. Keynes C. Robbins D. Adam Smith
15	Who wrote The Nature and Significance of Economics"	A. Adam smith B. Marshall C. Robbins D. Keynes

16	Who criticized Prof. Robbin's definition?	A. <span style="font-size: 14.44444465637207px;">Marshall, J.B</span> B. <span style="font-size: 14.44444465637207px;">Beveridge</span> C. <span style="font-size: 14.44444465637207px;">Clark</span> D. <span style="font-size: 14.44444465637207px;">Pigeou</span>
17	Which economist presented the Cardinal Theory of Utility:	A. <span style="font-size: 14.44444465637207px;">Marshall</span> B. <span style="font-size: 14.44444465637207px;">Canon</span> C. <span style="font-size: 14.44444465637207px;">Kroose</span> D. <span style="font-size: 14.44444465637207px;">J.B Say</span>
18	The quality of a good which satisfies a human want is called as:	A. Service B. Cost C. <span style="color: green;">Utility</span> D. None
19	According to law of diminishing marginal utility the marginal utility:	A. Increases B. Remains constant C. <span style="color: green;">Diminishes</span> D. Negative
20	Consumer goods are those goods which are used by a man:	A. <span style="color: green;">Directly</span> B. Off and On C. Indirectly D. Never
21	The elasticity of demand of durable good is:	A. <span style="color: green;">More than unity</span> B. Equal to unity C. Less than unity D. Zero
22	The unity method of elasticity of demand was presented by:	A. Adam Smith B. <span style="color: green;">Marshall</span> C. J.R Hicks D. Pigeou
23	What remains after deduction of direct taxes from the personal income:	A. NNI B. <span style="color: green;">DPI</span> C. NDI D. GNP
24	What is deducted from GNP to find GDP.	A. Depreciation allowance B. <span style="color: green;">Net income received from abroad</span> C. Indirect tax D. Transfer payments
25	What was the difficulty in the barter System:	A. Excess of goods B. Difference language C. <span style="color: green;">Lack of co-incidence</span> D. Difference in profession
26	In inflation prices:	A. <span style="color: green;">Increase</span> B. Do not change C. Decrease D. Become zero
27	Inflation will be useful for:	A. Labourers B. <span style="color: green;">Industrialist</span> C. Consumers D. Pensioners
28	The economy gets prosperity during:	A. Recession B. <span style="color: green;">Boom</span> C. Depression D. Recovery
29	It is a Federal Tax:	A. <span style="color: green;">Excise duty</span> B. Local tax C. Property tax D. None
30	Which Economists presented the law of diminishing marginal utility:	A. Robbins B. Malthus C. Adam Smith D. <span style="color: green;">Marshall</span>
31	The methods of measuring elasticity of supply are:	A. <span style="color: green;">Three</span> B. Two C. Four D. Five

32	According to law of increasing return marginal product:	<p>A. <b>increases</b></p> <p>B. Decreases</p> <p>C. Remains constant</p> <p>D. None of these</p>
33	The other name of law of diminishing return is:	<p>A. Law of supply</p> <p>B. Law of diminishing marginal utility</p> <p>C. Law of demand</p> <p>D. <b>Law of increasing cost</b></p>
34	The elasticity of demand of durable goods is:	<p>A. Zero</p> <p>B. <b>More than unity</b></p> <p>C. Less than unity</p> <p>D. Equal to unity</p>
35	Rent of building is included in:	<p>A. <b>Fixed cost</b></p> <p>B. Variable cost</p> <p>C. Marginal cost</p> <p>D. Selling cost</p>
36	Who is responsible for profit and loss in the business:	<p>A. <span style="font-size: 14.44444465637207px;">Capitalist</span></p> <p>B. <span style="font-size: 14.44444465637207px;">Entrepreneur</span></p> <p>C. <span style="font-size: 14.44444465637207px;">Labour</span></p> <p>D. <span style="font-size: 14.44444465637207px;">Middleman</span></p>
37	National income does not include:	<p>A. <b>Profit</b></p> <p>B. Wages</p> <p>C. Interest</p> <p>D. Transfer payments</p>
38	Who presented the quantity theory of money:	<p>A. Marshall</p> <p>B. Robbins</p> <p>C. <b>Taussig</b></p> <p>D. Keynes</p>
39	International trade has the benefits:	<p>A. One</p> <p>B. <b>Unlimited</b></p> <p>C. Two</p> <p>D. Three</p>
40	The economy gets maximum prosperity during:	<p>A. Recession</p> <p>B. Recovery</p> <p>C. <b>Boom</b></p> <p>D. Depression</p>
41	Ushr implies on:	<p>A. Agricultural product</p> <p>B. <b>Industrial product</b></p> <p>C. Agricultural &amp; industrial product</p> <p>D. None of these</p>
42	Who described Economics as a science of wealth:	<p>A. Pigou</p> <p>B. <b>Adam Smith</b></p> <p>C. Robbins</p> <p>D. Marshall</p>
43	If total expenditure decreases with the rise in price elasticity of demand will be	<p>A. Equal to unity</p> <p>B. Less than unity</p> <p>C. <b>Greater than unity</b></p> <p>D. Equal to zero</p>
44	Income elasticity show the relationship between:	<p>A. <b>Income and demand</b></p> <p>B. Income and consumption</p> <p>C. Income and price</p> <p>D. Income and saving</p>
45	The supply of land is:	<p>A. Infinity</p> <p>B. <b>Fixed</b></p> <p>C. Variable</p> <p>D. Zero</p>
46	The shape of AR and MR under perfect competition is:	<p>A. Vertical</p> <p>B. U-shape</p> <p>C. <b>Horizontal to ox-axis</b></p> <p>D. None of these</p>
47	The supply of perishable goods is:	<p>A. <b>Fixed</b></p> <p>B. Variable</p> <p>C. Minor change</p> <p>D. Zero</p>
48	The quality of a commodity which satisfies the human wants:	<p>A. Usefulness</p> <p>B. Loss</p> <p>C. <b>Utility</b></p> <p>D. Return</p>

49	Marginal cost curve always intersects average cost curve at:	A. The maximum point B. The central point C. The minimum point D. The vertical point
50	During a year aggregate value of produced goods and services of a country is called:	A. Per-capita income B. Net national income C. Personal income D. Gross national product
51	How many methods can be used for cultivation	A. One B. Two C. Three D. Four
52	Reward for labour is:	A. Interest B. Wages C. Profit D. Rent
53	Due to devaluation exports become:	A. Smaller B. Larger C. Cheaper D. Expensive
54	Reward for capital is called:	A. Rent B. Interest C. Wages D. Profit
55	Personal income includes:	A. Direct taxes B. Indirect taxes C. Undivided profit D. Both 2 <sup>nd</sup> and 3 <sup>rd</sup>
56	Macro Economics was introduced by:	A. Alfred Marshall B. J.M.Keynes C. N.W Senior D. J.B.Clark