CSS SOLVED MCQs

BY

Tanbila Ghafoor

(M. Phil Economics University of Agriculture, Faisalabad

TANBILA GHAFOOR

CSS SOLVED ECONOMICS MCQS

CSS-ECONOMICS PART-I 2010

1. Demand curve in case of Giffen good is:
   a. Negatively sloped
   b. Vertical
   c. Positively sloped
   d. None of these

2. Price consumption curve in case of complementary goods is:
   a. Downward sloping
   b. Vertical
   c. Upward sloping
   d. None of these

3. In case of two goods, following utility approach, a consumer is in equilibrium when:
   a. MUx/Px = MUy/Py
   b. MUx/Px < MUy/Py
   c. MUx/Mx > MUy/Py
   d. Both (b) and (c)

4. In short run:
   a. Labor is variable
   b. Both labor and capital are variable
   c. Both labor and capital fixed
   d. None of these

5. When MC is equal to AC, the AC:
   a. Increases
   b. Decreases
   c. Remains constant
   d. None of these

6. Normal profit, excess profit and loss of the firm depends on level of:
   a. Average costs in short run
   b. Total costs in short run
   c. Marginal costs in short run
   d. All of these

7. In case of perfect competition, the sellers are:
   a. Two

b. A few

c. Very large

d. None of these

8. The firm is in equilibrium when:

a. Slope of TC = Slope of TR

b. Slope of TC is less than slope of TR

c. Slope of TC is more than slope of TR

d. None of these

9. The Marginal Revenue Product of labor MRPL is:

a. MR x MP

b. MR / MP

c. MR – MP

d. Both (b) and (c)

10. In case of imperfect competition the MRPL is the:

a. Supply of labor curve

b. Demand for labor curve

c. Both of these

d. None of these

11. Per Capita Income is calculated as:

a. N.I + Population

b. N.*Population

c. N.I/Population

d. Both (a) and (c)

12. Gross Domestic Product equals:

a. GNP – NFI

b. GNP + NFI

c. GNP – indirect taxes

d. **Both (a) and (c)**

13. The deposit multiplier is always:

a. Greater than one

b. Less than one

c. Equal to one

d. None of these

14. Money can be a standard of deferred payments only if the value of money itself:

    a. **Remains stable**

    b. Increases

    c. Decreases

    d. None of these

15. The fiscal policy with a deliberate policy action is:

    a. Expansionary fiscal policy

    b. Concretionary fiscal policy

    c. Discretionary fiscal policy

    d. **All of these**

16. Trade based on absolute advantage was presented by:

    a. Alfred Marshall

    b. **Adam Smith**

    c. Lionel Robbins

    d. None of these

17. According to Keynes, the relationship between money supply and rate of interest is:

    a. **Negative**

    b. Positive

    c. Indirect

    d. None of these

18. An object that is generally accepted in exchange for goods and services is called:

    a. Standardized money

    b. **Medium of exchange**

    c. Unit of account

    d. All of these

19. The account in balance of payment that consists of all transactions in financial assets is known as:

    a. **Capital account**

    b. Current account

    c. Official Reserve account

    d. None of these

20. The difference between exports and imports of visible items of a country is called:

    a. Budget surplus

b. Balanced budget

c. Balance of trade

d. Both (a) and (c)

CSS-ECONOMICS Paper-II (2010)

1. The best and comprehensive definition of economic development was presented by:
    a. Higgins
    b. Maddison
    c. Friedman
    d. None of these

2. Fishery is the sub sector of:
    a. Agriculture
    b. Manufacturing
    c. Mining
    d. Both (b) and (c)

3. Pakistan was the leading exporter before the separation of East Pakistan:
    a. Cotton
    b. Tea
    c. Rice[1]
    d. None of these

4. Pakistan devalued its currency in 1972 by:
    a. 131%
    b. 121%
    c. 100%
    d. None of these

5. Eighth Five Year Plan duration was:
    a. 1983 – 1988
    b. 1993 – 1998
    c. 1978 – 1983
    d. 1988 – 1993

6. Export Bonus Scheme (EBS) was introduced in:

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[1] Pakistan basic facts by Anwar Iqabal Qureshi

a. 1969

b. 1979

c. 1959

d. 1949

7. Primary deficit (primary balance) is the difference between total revenue and:

   a. Non-interest total expenditure

   b. Interest expenditure

   c. development expenditure

   d. All of these

8. Cooperative movement was started in sub-continent in:

   a. 1904

   b. 1914

   c. 1934

   d. None of these

9. The Ryotwari system[2] was introduced by the British rulers in the provinces of:

   a. Sindh, Madras and Mumbai

   b. Sindh, Punjab and Mumbai

   c. Sindh, Madras and NWFP

   d. Both (a) and (b)

10. Pakistan Agricultural Storage and Service Corporation (PASSCO) was established in:

    a. **1973**

    b. 1963

    c. 1953

    d. 1983

11. Who developed Physical Quality Life Index (PQLI) in his famous book named by "Measuring the Condition of the World's Poor: PQLI in 1987?

    a. **Morris D. Morris**

    b. Higgins

    c. Keynes

    d. None of these

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[2] **Ryotwari System was introduced** by Thomas Munro in 1820.

12. The Human Development Index (HDI) ranks all countries on the scale of:
   a.   **0 to 1**
   b. 1 to 100
   c. -1 to +1
   d. None of these

13. The United Nations designated The Fourth World as:
   a. Less developed countries
   b. Poor countries
   c. Least developed countries
   d. **All of these**

14. According to 'North-South Divide', the rich countries[3] are called:
   a. South countries[4]
   b. **North countries**
   c. Industrialized countries
   d. Advance countries

15. The loan which is given at a nominal rate of interest ranging from 1% to 3% is called:
   a.   Hard loan
   b. Conditional loan
   c. **Soft loan**
   d. All of these

16. The accumulation of a stock of debt so large as to threaten the country's ability to repay its past loan:
   a. Debt equity swap
   b. Debt trap
   c. **Debt overhang**
   d. None of these

17. "Rabi" season which begins in:
   a. April-June
   b. **October-December**
   c. January-February
   d. None of these

18. Government of Pakistan announced privatization policy in:

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[3] It is also known as first world.
[4] It's known as third world countries.

   a. 1981
   b. 1995
   c. **1991**
   d. None of these

19. The floating debt (short-term) consists of:
   a. Treasury Bills
   b. Market Treasury Bills
   c. MTBs for Replenishment
   d. All of these

20. The currency of IMF is called:
   a. **SDRs**
   b. ODRs
   c. Lira
   d. None of these

CSS-ECONOMICS PART-II 2011

1. The best measure of economic development is:
   a. **GNP**
   b. HDI
   c. PQLI
   d. None of these

2. Due to land reforms of 1972 the number of farmers benefited were around:
   a. 50,300[5]
   b. **71,500[6]**
   c. 81,201
   d. 40,301

3. The best measure of economic development, among the following is:
   a. Life expectancy
   b. Industrial development
   c. **Agricultural and industrial development**
   d. Development of services sector

4. As per 1990 census, the number of tenants in Pakistan were around:

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[5] Second land reforms, only 50,548 persons benefited from the **redistribution** of 308,390 acres during 1972-78.
[6] **Total benefiting persons** 71, 501, on the second land reforms. Ref: issue in Pakistan's economy by S. A. zaidi (2nd edition, 2005).

a. 16%

b. 20%

c. 25%

d. 13%

e. **None of these**

5. Area irrigated by different sources in Pakistan is around _____ Million hectares:

a. 17

b. 20

c. 15

d. **18[7]**

6. Which era (decade) in Pakistan is called "the decade lose":

a. 1960's

b. 1970's

c. 1980's

d. **1990's[8]**

e. 2000's

7. The urban employment in the informal industry is:

a. 72%

b. 50%

c. **30% [9]**

d. 79%

e. 60.5%

8. The effective tariff rate in Pakistan (Foreign Sector) is:

a. Below 10%

b. **Around 15% [10]**

c. Around 20%

d. Around 23%

9. The major objective of Monetary Authorities is:

a. **To control inflation and help the government**

b. Stability of the economy

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[7] 18.56

[8] (All economics mcqs correct answer mentioned 1960, the Wrong), correct answer 1990, ref: issue in Pakistan's economy by S. A. zaidi (2nd edition, 2006), see: introduction.

[9] According to economic survey of Pakistan in 2011-12 (chapter no. 12)

[10] According to economic survey of Pakistan in 2011-12

   c. To reduce unemployment and print money

   d. To control interest rate and promote investment

   e. None of these

10. Out of total revenue of Pakistan, the following percentage is spent on defence and debt services:

   a. **50%**

   b. 30%

   c. 90%

   d. 80%

   e. 70%

11. Under WTO, Pakistan has bounded tariff for agriculture around:

   a. **100%**[11]

   b. 50%

   c. 150%

   d. None of these

12. The best technique to measure competitiveness of trade is:

   a. Absolute advantage

   b. **Comparative advantage**

   c. Revealed comparative advantage

   d. Openness of the foreign sector

13. The agricultural share in GDP is around:

   a. **22%**

   b. 20%

   c. 15%

   d. 10%

14. Structural adjustment program in Pakistan led to:

   a. Increase poverty

   b. Reduce poverty

   c. Improve the economy

   d. **No significant impact**

15. The IMF loans are:

   a. **For short term**

   b. For long term

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[11]Refers: Impact of WTO policies on Agriculture by Dr. Muhammad Ajmal

   c. Both (a) and (b)

   d. None of these

16. Indirect taxes are around _____ of the revenue.

   a. 70%

   b. 80%

   c. 85%

   d. **None of these[12]**

17. In the last ten years, foreign debt servicing of Pakistan has:

   a. **Increased**

   b. Decreased

   c. Remained the same

   d. None of these

18. With the introduction of reforms in the foreign sector Pakistan's competitiveness has:

   a. **Improved**

   b. Deteriorated

   c. Improved and deteriorated

   d. Deteriorated and improved

19. The industrial share in the GDP is around:

   a. **20% [13]**

   b. 18%

   c. 22%

   d. 15%

20. Produce Index Unit is:

   a. **Per acre total production in a year**

   b. Per acre production of one crop in one acre

   c. Aggregate average production per acre

   d. None of these

1 (A)	2 (B)	3 (C)	4 (E)	5 (D)	6 (D)	7 (C)	8 (B)	9 (A)	10(A)
11(A)	12 (B)	13 (A)	14 (D)	15 (A)	16 (D)	17 (A)	18 (A)	19 (A)	20 (A)

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[12] According to economic survey of Pakistan, 2012-13, indirect taxes are around 74.3 percent of the revenue.
[13] According to Economic survey of Pakistan, 2011-12 is 'GDP 20.5%.