

ECONOMICS

2017

Time: 20 Minutes (Regular & Private) Max. Marks: 15

SECTION "A" (MULTIPLE CHOICE QUESTIONS)

1. Choose the correct answer for each from the given options:

- (i) According to Adam Smith, Economics is the science of:
- Material Welfare
 - Wealth
 - Scarcity and choice
 - none of these
- (ii) The quantity of a good which is offered for sale at a given price is called:
- Demand
 - Supply
 - Stock
 - Production
- (iii) National Income does not include:
- Interest
 - Profit & Rent
 - Wages
 - Transfer Payments
- (iv) This is not a direct tax:
- Income tax
 - Sales tax
 - Property tax
 - Wealth tax
- (v) All factors of production are variable in the:
- Market period
 - Short Run
 - Long Run
 - none of these
- (vi) Reward of Land is:
- Profit
 - Wage
 - Rent
 - Interest
- (vii) If a point is located at the mid of Demand curve, then Elasticity of Demand is:
- Equal to unity
 - Less than unity
 - More than unit
 - Infinity
- (viii) According to the law of Demand, if price rises, the quantity demanded:
- Contracts
 - Expands
 - Rises
 - Falls
- (ix) The law of Equi-marginal utility is also known as the:
- law of Substitution
 - law of Diminishing Returns
 - law of Demand
 - law of Supply
- (x) Large number of buyers and sellers is the essential characteristics of:
- Monopolistic Competition
 - Monopoly
 - Perfect Competition
 - Oligopoly
- (xi) Microeconomics is also known as the:
- Theory of National Income
 - Price Theory
 - Theory of Distribution of Wealth
 - Theory of International Trade
- (xii) Comparative cost theory was given by:
- David Ricardo
 - Adam Smith
 - Marshall
 - Robbins
- (xiii) The factor which organizes all the factors of production is termed as:
- Land
 - Labour
 - Capital
 - Entrepreneur
- (xiv) This is not a function of Money:
- Measure of Value
 - Medium of Exchange
 - Standard of Deferred Payments
 - General Acceptability
- (xv) Zakat is paid by:
- Salih-e-Nisab Muslims
 - All Muslims
 - non-Muslims
 - Citizens