



UNIVERSITY OF UYO, UYO
POST-UME SCREENING EXERCISE 2006/2007 SESSION
ECONOMICS 0673

Instructions: From the words lettered A to D choose the correct answer based on the specific instructions given for each question

1. For each additional unit of a commodity we produce (a) The more we must give up for the second commodity (b) The greater the amount we must consume (c) The more we face decreasing cost of production.
2. In a free enterprise economy the three fundamental economic question of what, how and for who to produce are answered by (a) The technique of production (b) The price mechanism (c) Government action.
3. Economic studies individuals and organizations in society engaged in the (a) Production of goods and services (b) Exchange of good and services (c) All of the above.
4. The central economic system in every society is (a) to maintain in the world (b) to prevent riot in our city (c) the scarcity of economic resources.
5. The production possibility curve shows (a) how much of the resources of the society are used to produce a particular commodity (b) the various alternative combinations of two commodities that can be produced (c) the rate of unemployment in the economy.
6. The demand schedule shows the relationship between the quantities demanded of a commodity over a given period of time and (a) the price of the commodity (b) the tastes of consumers (c) the money income of consumers.
7. In order to induce producers to supply more of a commodity, a higher commodity price must be paid because producers usually face (a) decreasing production costs (b) economies of scale (c) increasing production cost.
8. The intersection of the market demand and supply curves for a commodity determines (a) the equilibrium price of the commodity (b) the pointy of neither surplus nor shortage for the commodity (c) All of the above.
9. An upward shift in the market demand curve for a commodity results in which of the following changes in its equilibrium price and quantity? (a) The price rises and the quantity falls (b) the price falls and the quantity rises (c) the price and quantity both rise.
10. Gross National Product is the market value of (a) all transactions in an economy during a one-year-period (b) all goods and services exchanged in an economy during a one-year period (c) all final goods and services produced in an economy during a one-year period.

11. An increase in government spending shifts aggregated demand schedule (a) upward by the increase in government spending (b) downward by the increase in government spending (c) upward by increase in government spending times the expenditure multiplier.
12. What is the major cause of labour unrest? (a) Workers are not well cared for by employees (b) workers are seasonally unemployed (c) workers lack required skills.
13. Inflation is a situation in which (a) there is a decrease in the purchasing power of the monetary unit (b) there is a decrease in the general price level (c) increase in the general price level exceeds increases in the rate of Economic growth.
14. Reserve requirements are imposed on commercial banks to (a) control demand deposit expansion (b) regulate commercial bank's profit (c) discourage the use of demand deposits as a medium of exchange.
15. How does monetary policy affect economic activity? (a) an expansion of money raises the rate of interest; increase investment spending (b) expansion of money supply lowers the rate of interest, increase investment spending and brings about a multiple increase in the level of income (c) an expansion of money supply lowers the rate of interest, increases investment and consumption spending and brings about a multiple increase in the level of income.
16. Economic bottle-necks – (a) Cause the cost of specific resources to increase (b) cause the cost of specific resources to decrease (c) prevent the economy from reaching full employment.
17. In a perfectly competitive market, the long-run profit maximization condition is: (a) $MR=Mc$ (b) $LMC=MR$ (c) $LMC=P=AR=MR=LAC$
18. Stagflation is a situation where (a) inflation is stagnated (b) inflation and unemployment are rising (c) only inflation is rising.
19. The consumption that does not depend on income is referred to as (a) autonomous consumption (b) independent consumption (c) free consumption.
20. All, except one of the following, are instruments of monetary policy (a) open market operations (b) bank rate (c) budget deficit.
21. A situation where a country is able to produce all commodities cheaper than the other in international trade is referred to as (a) comparative advantage (b) absolute advantage (c) reconciliation advantage.
22. In a perfectly competitive firm, the MR curve is horizontal because (a) product price falls as output increases (b) the law of diminishing marginal utility is at work (c) the firm is a price taker.

23. The central bank could increase the money supply by (a) increasing the discount rate (b) buying government securities in the open market (c) increase the reserve requirement.

24. All things being equal, an easy monetary policy during a recession will (a) lower the interest rate, increase investment and reduce net export (b) lower the interest rate, increase investment and increase aggregate demand (c) increase the rate of interest, increase investment and reduce net export.

25. An appreciation of the NAIRA (a) reduce the price of imported resources, lower input prices and increase aggregate supply (b) increase net exports and aggregate demand (c) increase aggregate supply and aggregate demand.

ANSWERS

1. C 2. B 3. C 4. C 5. B 6. A 7. C 8. C 9. A 10. A 11. 12. A 13. A 14. C 15.C 16.A 17. 18. C 19. A 20. C 21. A 22. A 23. B 24. B 25. A.



UNIVERSITY OF UYO, UYO
2007/2008 POST-UTME SCREENING EXERCISE
ECONOMICS 0320

Instruction: From the options lettered A to D choose the correct answer and shade accordingly in the spaces provided

1. The three principal economic units in any system are (a) trade, industry and banking (b) workers, consumer and share holders (c) households, firms and government (d) companies, industry and plant.

2. The reward which accrues to labour for participating in production is (a) interest (b) wage (c) bonus (d) profit.

3. The Malthusian theory of population does not concern itself with (a) growth of food production in arithmetical progression (b) growth of population in geometric progression (c) positive checks to population growth (d) development and growth for manpower.

4. One characteristics of labour is that it is (a) fixed in demand (b) fixed in supply (c) mobile (d) untrainable

5. When population is classified according to professions, it is called (a) geographical distribution of population (b) age distribution of population (c) sex distribution of population (d) occupation distribution population.

6. Revenue is the (a) total profit made after sales (b) amount spent on purchases (c) amount of goods produced (d) total money realized from sales.

7. The lower the price of commodity, the greater the quantity demanded. This is based on the assumption that consumer's (a) income is diminished (b) income remains the same (c) utility is diminished (d) population is high.
8. In a situation where demand is perfectly elastic, imposition of tax on a commodity to raise its price will result in (a) consumers increasing their demand for the product (b) consumer's demand for the product remaining unchanged (c) consumers shifting completely to substitute products (d) suppliers increasing the supply of the product.
9. Which of the following is a middleman in the chain of distribution (a) an entrepreneur (b) a producer (c) a banker (d) retailer?
10. Long-term loans can be secured from (a) commercial banks (b) discount houses (c) development banks (d) acceptance houses.
11. The tax levied on goods and services at each stage of production is (a) surtax (b) VAT (c) ad valorem tax (d) PAYE
12. The number of shareholders in a private limited liability company ranges from (a) two to seven (b) two to three (c) two to fifty (d) two to twenty.
13. The difference between payments and receipts for visible trade is called (a) bilateral trade (b) current balance (c) balance of payments (d) balance of trade.
14. One of the causes of the present high rate inflation in Nigeria is (a) increasing budget surplus (b) increasing factor costs (c) exchange rate appreciation (d) high capacity utilization.
15. The final stages in the production process of any commodity involve the movement from the (a) retailer to the wholesaler (b) producer to the wholesaler (c) retailer to the consumer (d) wholesaler to the retailer.
16. A change in demand for a normal good means (a) a shift in the demand curve (b) a change in the price elasticity (c) the demand changes as price changes (d) a movement along a given demand curve.
17. Given the cost function $C = 160 + 36Q$, what is the average cost of 20 units of output (a) N720.00 (b) 216.00 (c) N4.00 (d) N880.00
18. Which of the following financial institutions was originally known as a national debt? (a) Development bank (b) insurance company (c) mortgage bank (d) merchant bank.
19. Which of the following institutions assists the government in managing the national debt? (a) Commercial bank (b) the central bank (c) the capital market (d) the World Bank.
20. Which of the following is an example of direct tax? (a) Import duties (b) income tax (c) export duties (d) purchase tax.
21. A country whose economy is buoyant is likely to have (a) a weak currency (b) devaluation from time to time (c) a strong currency (d) balance of payment problems.

22. The Net National Product (NNP) is gross National Product (GNP) less (a) domestic product (b) foreign product (c) depreciation (d) investment.
23. A necessary condition for specialization in an economy is the existence of (a) a regulated market (b) a competitive market (c) a medium of exchange (d) adequate capital.
24. In a textile factory, the cost of cotton used is a typical example of (a) an average cost (b) a variable cost (c) a total cost (d) a fixed cost.
25. Black market can occur when (a) supply is in excess of demand (b) consumption of the commodity is restricted (c) prices are set by government above the equilibrium (d) prices are set by government below the equilibrium.

1. C 2.B 3. 4. 5.A 6. 7.B 8. 9.D 10. 11.B 12.A 13. 14. 15. 16. 17. 18. 19. 20.
21. 22. 23. 24.B 25.



UNIVERSITY OF UYO, UYO
POST-UME SCREENING EXERCISE 2008/2009 SESSION
ECONOMICS 0520

INSTRUCTION: From the options lettered A-D, pick the correct answers and shade accordingly.

1. The three major agents of an economic system are the (a) consumer, workers and producers (b) markets, telecommunication and banks (c) schools, hospital and universities (d) individuals, firm and government.
2. Which of the following is not an advantage of tabular presentation of data? (a) Enables easy location of required figures (b) makes for easy comparison of figures (c) occupies more space than mathematical equation (d) shows whether the figures are increasing or decreasing.
3. The problem of scarcity is reduced by (a) controlling consumptions of goods and services (b) producing everything needed by consumers (c) ensuring efficient allocation of resources (d) restricting consumer choices and tastes.
4. Which of the following factors of production consists of man made goods (a) land (b) labour (c) capital (d) entrepreneur?
5. A major limiting factor of mass production is (a) efficient management (b) adequate labour supply (c) small size of the market (d) adequate supply of raw materials.
6. Division of labour lends to (a) improved craftsmanship (b) the production of standardized goods (c) increase in the cost of goods (d) trade of barter.

7. Which of the following is an advantage of localization of industry? (a) Development of industrial firm (b) operation of palatial market (c) development slums (d) attraction of foreign capital.

Use the table below to answer question 8 Output Total Revenue (N)

| Output | Total Revenue (N) |
|--------|-------------------|
| 1 | 40 |
| 2 | 49 |
| 3 | 56 |
| 4 | 51 |
| 5 | 65 |

8. The marginal revenue when output is 4 units is (a) 5 naira (b) 8 naira (c) 56 naira (d) 61 naira.

9. The term under population refers to a situation where the population is (a) dispersed over the country (b) small in relation to available resources (c) greater than the available resources (d) concentrated in a few areas.

10. Which of the following is necessary for the survival of small firms in West Africa? (a) Access to land for development (b) inadequate collateral for banks loan (c) government assistance in the form of loans and tad holidays (d) high transportation cost.

11. Price elasticity of supply measures the responsiveness of quality supplied to (a) changes in supplier's income (b) changes in prices of other commodities (c) a change in the price of the commodity (d) a change in the demand for the product.

12. The shares which do not carry any fixed rate of dividend are known as (a) debentures (b) cumulative preferences shares (c) ordinary share (d) participating preference shares

13. The value of money is best determined by (a) input-output ratio (b) the purchasing power (c) the importance people attach to it (d) economics of scale.

14. Which of the following will be an effect of inflation? (a) wage earners will gain (b) borrowing of money will be restricted (c) money lenders will gain (d) borrowers of money will gain.

15. The market consisting of a network of dealers where corrosion can be bought and sold is known as (a) capital market (b) foreign exchange market (c) commodity market (d) the stock market.

16. Open Market Operation (OMO) means the: (a) provision of credit facilities by commercial banks (b) provision of credit facilities by the mortgage banks (c) buying and selling of government securities by the central bank.

17. Which of the following will ensure efficiency in the industrial sector for your country? (a) Indigenization (b) privatization (c) nationalization (d) liquidation.

18. Which of the following is not a direct effort to increase agricultural production? (a) Operation feed the nation (b) use of improved seedlings (c) increased loans to farmers and co-operative societies (d) National Youth Service Corps.

19. The act of selling goods in foreign markets at prices below those charged at home markets is called: (a) exchange (b) specialization (c) dumping (d) exporting.

20. One disadvantage of direct taxes is that (a) government's revenue is reduced (b) price of essential commodities fall (c) people are discouraged from additional work (d) firms make more profit.

21. Trade among West African countries is poor because the: (a) countries are self-sufficient (b) communication links are weak (c) number of banks is insufficient (d) people are not enterprising.

22. Which of the following items is under the capital account of a balance of payments? (a) Repayments of foreign loans (b) visible imports (c) invisible exports (d) cocoa exports.

23. A surplus in the balance of payments should be used to (a) subsidize multinational companies (b) build infrastructure for friendly nations (c) make donation developed countries (d) buy investments overseas.

24. In calculating the national income of a country, the cost of both raw materials and the finished products were included. This is a case of? (a) a double counting (b) price fluctuations (c) price differentiation (d) price discrimination.

25. Economic development is defined as: (a) outward shift of the production possibility curve (b) availability of micro good and services (c) growth accompanied by qualitative change in living standards (d) growth in the national income.



UNIVERSITY OF UYO, UYO
POST-UME SCREENING EXERCISE 2009/2010 SESSION
ECONOMICS 0410

INSTRUCTION: From the options lettered A-D, pick the correct answers and shade accordingly.

1. Productive resources can also be called: (a) principle of production (b) factors of production (c) items of production (d) labour and materials resources.
2. Data presented in tables are usually arranged in (a) charts and graphs (b) rows and columns (c) graphs and rows (d) column and charts.
3. Which of the following factors does not cause a change in demand? (a) Taste and fashion (b) vagaries weather (c) price of other commodities (d) price of the commodity.
4. The gap between demand and supply curves above the equilibrium price is (a) normal demand (b) excess demand (c) equilibrium quantity (d) abnormal demand.
5. A major function of the price mechanism is that it determines the (a) allocation of resources (b) amount of national savings (c) population of the country (d) number of goods and services.
6. Which of the following determinants of supply cannot be predicted easily? (a) Price of the commodity (b) new techniques of production (c) national emergencies (d) mobility of labour.
7. Small scale enterprises are important in a country because: (a) they usually produced goods for the dependants (b) They provide after sales only to the rich (c) the prices of their products are fixed (d) they render personalized services to the consumers.
8. Which of the following is regarded as fixed cost? (a) Expenditure on raw materials (b) expenditure on fuel (c) expenditure on power (d) rent and land.
9. A business outfit is said to be a public limited company when it (a) is owned by government (b) operates as a public corporation (c) is run by the public (d) sells its shares to members of the public.
10. The monopolist can determine: (a) price and output (b) price only (c) output only (d) price or output.

Use the table below to answer question 11 and 12.

| | | | | | | | |
|------------|---|----|---|---|---|---|----|
| Season (X) | 0 | 2 | 1 | 5 | 7 | 7 | 11 |
| Frequency | 7 | 11 | 6 | 7 | 7 | 4 | 3 |

In the distribution above, the mode is: (a) 2 (b) 3 (c) 4 (d) 5

11. The median is: (a) 2 (b) 3 (c) 4 (d) 5

12. The power of trade unions may be weakened when there is (a) optimum population (b) a weak government on power (c) over-population (d) a civilian government in power.

13. Malthus major contention is that: (a) population increased in arithmetic progression while food production increased in geometric progression (b) population increased in geometric progress while food production increased in arithmetic progression (c) population and food growth rate will in future be at par (d) nations have to get enough manpower to cultivate available land for food.

14. The problem of small markets in West African can be solved through (a) separate planning among the West African countries (b) meaningful co-operation among the West African countries (c) political stability in West Africa (d) impositions of high tariffs on West African exports (e) the central banks of West African countries.

15. Proportional tax refers to: (a) taxation of the rich only (b) equal tax rate for all people (c) unequal tax rate for all people (d) taxation of civil servant only,

16. The population which yields the biggest level of income per head is known as (a) over population (b) under population (c) extreme population (d) optimum population.

17. In ordinary partnership, the risks are (a) borne by the workers (b) borne by the creditors (c) imports and exports services (d) visible exports and visible imports.

18. The quantity demanded of a commodity is influenced only by changes in (a) taste (b) weather (c) price of the commodity (d) prices of other commodity.

19. Which of the following is an indirect tax? (a) Income tax (b) company tax (c) profit tax (d) sales tax.

20. The reward for capitals is: (a) interest (b) rent (c) risk (d) premium.

21. Unemployment that's arises because of introduction of new machines and equipment in production is called: (a) cyclical (b) structural (c) seasonal (d) disguised.

22. The primary objective of the Nigerian Industrial Development Bank (NIDB) is the provision of loans to: (a) farmers (b) manufacturers (c) estate agents (d) transporters

23. Small enterprises find it difficult to expand due to: (a) inadequate capital (b) lack of skilled manpower (c) the big level of technology required for expansion (d) their inability to provide after sales services.

24. Balance of payments deficit implies that a country is: (a) importing more than what she is exporting (b) consuming more than what she is producing (c) living below her means (d) more productive than other.

25. The reward which accrues to labour for participating in production is (a) interest (b) wage (c) bonus (d) profit.

ANSWERS

1.B 2.B 3.A 4. 5.A 6.A 7.C 8.D 9.D 10.A 11.A 12.C 13.B 14.B 15. 16.D 17.D 18.B 19.C 20.D 21.A 22.B 23.B 24.C 25.C



**UNIVERSITY OF UYO, UYO
POST-UME SCREENING EXERCISE 2010/2011 SESSION
ECONOMICS 0310**

INSTRUCTION: From the options lettered A to D, choose the correct answers and shade accordingly in the spaces provided.

1. The basic problem that Economics attempts to solve is the (a) ranking of goods and services (b) pricing of goods and services (c) scarcity of resources (d) foregoing of alternatives.

2. The ranking of consumers' needs in order of importance is termed (a) an opportunity cost (b) economic scale (c) a scale of preference (d) the making of choice.

Use the diagram below to answer question 3-5. The total number of fruits consumed by a family in a year is 720, and this is represented by the pie-chart below:

Pie Chart

3. The quantity consumed by the family is: (a) 60 (b) 120 (c) 200 (d) 240.
4. The sum total of the quantity of mango and orange consumed by the family is (a) 120 (b) 200 (c) 360 (d) 400.
5. The quantity of carrot consumed by the family is (a) 200 (b) 360 (c) 400 (d) 520.
6. Which of the following correctly illustrates the chain of distribution? (a) manufacturer wholesaler retailer consumer (b) consumer retailer wholesaler manufacturer (c) wholesaler manufacturer retailer consumer (d) distributor consumer wholesaler manufacturer
7. Rent and interest are rewards to (a) labour and capital respectively (b) land only (c) capital only (d) land and capital respectively.
8. Diminishing returns occur in the short run when there is a reduction in the (a) average product of the fixed factor (b) total product of the variable factor (c) total product of the fixed factor (d) marginal product of the variable factor.
9. In production, factory buildings are regarded as (a) variable costs (b) average cost (c) marginal cost (d) fixed cost.
10. A movement along the same demand curve is caused by the (a) price of the product (b) price of other products (c) income of the consumer (d) taste of the consumer.
11. Price elasticity of demand is expressed as
(a) Percentage change in price (b) Percentage change in quantity demanded (b) Percentage change in quantity demanded (c) Percentage change in income (d) Percentage change in quantity demanded
12. Demand curve is positively adopted because (a) supply always exceeds demand (b) demand always exceeds supply (c) price is an incentive to consumers (d) price is an incentive producers.
13. In a regulated market price is determined by (a) consumers (b) producers (c) auction (d) government.
14. Production takes place when (a) output is transformed into input (b) machines replaces human effort (c) input is transformed into output (d) there is specialization and division of labour.

15. In developing countries, it is easier to obtain accurate national income estimates through the (a) GNP (b) GDP (c) NDP (d) NNP.
16. In the particular flow of income, an increase in savings causes (a) an increase in imports (b) a decrease in the income stream (c) an increase in household consumption (d) a decrease in exports.
17. The ability on commercial banks to create money depends on the (a) reserve ratio (b) liquidity ratio (c) interest rate (d) capital base.
18. The return in banking sector in Nigeria is principally motivated by the need to (a) increase the capital base of banks (b) provide more money to run the economy (c) minimize the rate of bank failures (d) enhance efficiency in bank operations.
19. If government expenditures exceed revenue, this results in (a) balanced budget (b) national debt (c) budget deficit (d) budget surplus.
20. The backhanded approach to development is directed at (a) poverty alleviation (b) provision of educational infrastructure (c) provision of health services (d) improvement in workers income.
21. Acceptance to the theory of comparative advantage, specialization will result in (a) labour-intensity method of production (b) capital-intensity method of production (c) efficient allocation of resources (d) efficient distribution of output.
22. Dumping in international trade means selling a good at a (a) higher price at home than abroad (b) lower price at home than abroad (c) price that equates marginal cost with marginal revenue (d) price above marginal cost abroad.
23. Guided delegation as currently practiced in Nigeria implies that (a) market forces determine interest and exchange rate (b) government alone determine interests and exchange rates (c) market forces and government determine interest and exchange rates (d) exchange rate is regulated while interest rate is fixed.
24. An important function of the World Bank is to (a) provide short-run loans to members (b) encourage trade between members (c) promote capital-intensive production (d) provide long-term loans to members.
25. The mobility of labour is mainly determined by (a) the age workers (b) government policy (c) trade unions (d) wage rate differentials.

ANSWERS

1. C 2.C 3.B 4. 5.D 6.A 7.D 8.D 9.D 10.A 11.D 12.D 13.D 14.C 15.B 16.B 17.A
18. 19.C 20.A 21.A 22.A 23. 24. 25.B



UNIVERSITY OF UYO,UYO
POST – UTME SCREENING EXERCISE 2011/2012 SESSION
ECONOMICS 0510

INSTRUCTIONS: from to option lettered A to D, pick the correct answers and shade accordingly

1. Which of the following best describes the subject matter of the principles of economics (a) resource allocation in the economy (b) decision making by households (c) chose making by government (d) purchase of resources by society
2. Resources allocation means (a) which goods and services to produce with available land, labour and capital (b) spending of income by society (c) purchase of resources by society (d) spending of income by individuals.
3. Scarcity of economy means (a) shortage of a particular good (b) few buggy whips are manufactured (c) society's desire wants exceed satisfying capacity of resources (d) much money in the economy.
4. In a capital economy resources are allocated by (a) tradition (b) command (c) market (d) government.
5. Plan on going to a N500 football match instead of studying for an exam. The total opportunity cost of the match (a) depends on my score in the exams (b) is N500 (c) is what else I could have purchased with N500 plus the study time forgone (d) is the examination.
6. The phrase "time is money" gives (a) the idea of opportunity cost (b) the notion that everyone has a price (c) the idea that people work for free (d) the notion that no time wasted.
7. Which of the following is out of place (a) Adam Smith (b) Wole Soyinka (c) Alfred Marshal (d) Chukwuma Soludo?
8. Consumers are constrained by (a) money (b) prices (c) sellers (d) money and prices.
9. Which of these is not a factor of production (a) land (b) capital (c) banks (d) labour

10. Which of the following will not shift the demand curve? (a) Income (b) taste (c) own price (d) preferences.
11. A movement along the supply curve is the same thing as (a) a shift of the supply curve (b) change in quantity supplied (c) a change in quantity demanded (d) all of the above.
12. A shift in demand is a change in the (a) quantity demanded (b) price (c) demand and supply (d) quantities demanded at alternative prices.
13. In economics “ceteris paribus” means (a) winner takes all (b) equilibrium (c) all other things being equal (d) God willing.
14. The Apex Bank in Nigeria is a (a) First bank (b) Central Bank (c) Zenith bank (d) Union bank.
15. Income per head of population is called (a) head income (b) gross national income (c) gross national product (d) per capita income
16. When we are interested in assessing the overall performance of the economy over time, we look at (a) GNP (b) NNP (c) NI (d) DI
17. Consumer spending depends mainly on (a) investment (b) government spending (c) disposable income (d) firms.
18. In the consumption function $C = a + b Y_d$ autonomous consumption is given by (a) Y (b) C (c) a (d) b.
19. Which of the following is out of place (a) bonds (b) stocks (c) securities (d) cheque?
20. Which of the following is out place (a) inflation (b) unemployment (c) recession (d) boom?
21. The addition to total cost due to the production of an additional unit of a commodity is called (a) total variable cost (b) average cost (c) average fixed cost (d) marginal cost
22. MDGs is the abbreviation for (a) Michael Douglas Growths (b) Millennium Development Goals (c) Monthly Development Gadgets (d) Montgomery Demand Groups.
23. The MDGs target year is (a) 2010 (b) 2020 (c) 2015 (d) 2025
24. One of the ways of correcting a deficit balance of payment is to (a) increase exports (b) increase import (c) revalue the currency (d) reduce the currency in circulation.

25. Which of the following is out of place (a) NEEDS (b) SEEDS (c) TEES (d) LEEDS

ANSWERS

1A 2. A 3. C 4. C 5. C 6. A 7. B 8. D 9. C 10. D 11. B 12. D 13. C 14. B 15. D 16. A
17. C 18. 19. D 20.D 21.D 22.B 23.B 24. 25.C



**UNIVERSITY OF UYO,UYO
POST – UTME SCREENING EXERCISE 2012/2013 SESSION
ECONOMICS 5002**

Choose the word or group of words that is most nearly opposite to the underlined word in the sentences below:

1. A country's balanced of payments' is (a) the difference between exports and imports (b) a statement of the country's financial position with the rest of the world (c) the overall position of the country's current account (d) all of the above.
2. If a good has inelastic demand, then the burden of a tax on it will fall mainly on: (a) the consumer (b) the manufacturer (c) the retailer (d) the wholesaler
3. An increase in minimum wages in a country is likely to cause (a) voluntary unemployment in the short run (b) a fall in the general price level (c) a fall in the demand for labour (d) all of the above
4. If Mr. A earns 30,000 and pays N3000 in tax, while Mr. B earns N10,000 and pays N5000 in tax we say that the tax system is (a) progressive (b) proportional (c) regressive (d) none of the above
5. A product is said to be a normal good if: (a) people consume more of it as they become richer (b) the demand for it falls as income rise (c) there are substitutes for it (d) there are no substitutes for it.
6. Which of the following situations is likely to arise from a rapid increase in population? (a) a civil war (b) an increase in the output of goods and services (c) a strong labour force (d) food shortage
7. The practice of selling a product to different groups of customers at different prices is called: (a) product differentiation (b) price differentiation (c) price discrimination (d) price manipulation

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8. The term limited liability in the name of a company means that (a) the company has no liabilities (b) the company does not grant credit sales (c) the liability of the customers is limited to the amount they have invested (d) the liability of the shareholders is limited to the amount they have invested
9. The main distinguishing features of a consumers' cooperative is that (a) the consumers are the directors (b) the customers are the owners (c) the customers are mainly illiterates (d) the liability of the shareholders is limited to the amount they have invested
10. The term "legal tender" is used to refer to: (a) a legally binding contract entered into by a company (b) the document sealing an agreement (c) the notes and coins used in setting payments in a country (d) all of the above
11. A tax system is described as "progressive" if: (a) the residents are made to pay tax every year (b) a resident's rises as his/her income rises (c) residents are made to pay the same percentage of their income in tax (d) residents are made to pay less in taxes as the country becomes richer
12. When a country limits the quantity of a certain good that can be imported into its territory, it is said to have imposed: (a) a tariff (b) a quota (c) an exchange control (d) a ban
13. The term "disposable income" refers to: (a) personal income minus tax (b) personal income (c) personal income plus tax (d) personal income expenditure
14. Economics is classified as a social science because: (a) it is scientific in all its approaches (b) it is concerned with the problem of scarcity of resources (c) it is concerned with money and how to managed it (d) it is concerned with the material problems of the human society.
15. If in production, the quantity of one factor is increased while the quantity of the factor with which it is combined is not, we should expect (a) increasing venture to scale (b) decreasing returns to scale (c) constant returns to scale (d) increasing marginal physical output
16. A stock exchange is (a) a market where stocks for company equipment are exchanged (b) a market where stocks of company equipment are converted into cash (c) a market where company shares and government bond are bought and sold (d) all of the above.
17. Which of the following factors is likely to influence the quantity of a good that a person will buy at a particular time (a) the price of the good (b) the person's income (c) the prices of related goods (d) all of the above.
18. The point of equilibrium for a firm is reached when (a) marginal cost is equal to marginal revenue (b) marginal cost is falling as output rises (c) marginal cost is equal to average cost (d) average cost is constant.

19. When economists say that the central bank is the “lender of last resort”, they means that the bank is (a) the bank to go to when a company is in financial difficulties (b) the bank that other banks go to borrow from when they are in difficulties (c) the bank that lends money to government (d) all of the above
20. When a consumer’s real income rises he (a) increases consumption (b) buys less of an inferior good. (c) moves to a higher indifference curve (d) all of the above
21. Suppose two goods are substitutes, other things being equal, when the price of one of them rises (a) the demand for a second good will fall (b) the demand for a second good will rise (c) the prices of a second good will rise (d) the price of a second good will fall
22. The consumers maximum attainable utility is given by (a) an indifference curve which lies everywhere above the budget line (b) an indifference curve which is tangent to the consumer’s budget line (c) an indifference curve which lies everywhere below the budget in line (d) the middle point of the budget line
23. A tax statement is said to be progressive if (a) the tax rate remains the same regardless of the size of income (b) the tax increases the total volume of consumer expenditure (c) the tax rate increases as income increases (d) the tax rate declines as income increases.
24. Which of the following is not an important source of revenue for the federal government (a) personal income taxes (b) payroll taxes (c) corporate income taxes (d) property
25. Transfer payments do not include: (a) aid to the handicapped (b) social security payments (c) government expenditure on education and manpower (d) payments to farmers under certain agricultural programme

ANSWERS

- 1.A,2.A,3C,4.C,5.6.C,7.C,8.D,9.A,10.A,11.B,12.B,13.A,14.B,15.
16.C,17.A,18.A,19.B,20.D,21.B,22.B,23.C,24.D,25.B



UNIVERSITY OF UYO, UYO
POST-UME SCREENING EXERCISE 2013/2014 SESSION

Instruction: From the options lettered A-D, pick the correct answers and shade accordingly

1. A worker changes from one type of job to another in his life: this is called(a) geographical mobility of labour (b) occupational mobility of labour (c) immobility of labour (d) rural-urban migration.
2. When all factors inputs are reduced by half, the product possibility curve will shift.....(a) outwards (b) inwards (c) downwards (d) upwards
3. A list of consumers' wants arranged in order of priority is known as(a) a budget (b) an opportunity cost (c) scale of preference (d) choice
4. The transfer of owners of a public enterprise to individuals and firms is called (a) commercialization (b) nationalization (c) privatization (d) restructuring.
5. The theory of comparative cost advantage is associated with (a) Alfred Marshal (b) Adam Smith (c) David Ricardo (d) J. B. Say.
6. Which of the following is not an objective of the organization of petroleum Exporting Countries (OPEC)? (a)Stabilization of oil prizes (b) Co-ordinating (c) Harmonizing oil prices (d) Stagnation of developed economics.
7. Economics development is defined as (a) outward shift of the production possibility curve (b) availability of more goods and services (d) growth in national income.
8. The Economic Community of West African States (ECOWAS) is an example of(a) Bilateral trade (b) economics (c) regional marking board (d) international competition.
9. When the value of a nation's exports is greater than its imports (a) a favourable balance of trade exists (b) an unfavourable balance of payment exist (c) the net foreign trade is zero (d) inflation occurs.
10. One reason for the low agricultural production in West African Countries is that (a) agriculture employs the highest percentage of labour force (b) too much money is invested in agriculture (c) farmers lack the finance and technology required (d) the farmers are too large.
11. Mono-product economics are those that (a) produce one main commodity (b) produce only raw materials (c) depend on the export of their raw material (d) specialize in agricultural industries.

12. An essential characteristic of a market economic is (a) Government control (b) producer surplus (c) consumer surplus (d) consumer sovereignty.
13. In s capitalist system goods are produced for those who (a) want than most but cannot pay for them (b) can pay for them but do not want them .
14. An economy which exhibits features of both private and State enterprises is known as a (a) capitalist economy (b) mixed economy (c) communist economy (d) socialist economy.
15. The desire for goods without ability to pay is called (a) choice (b) effective demand (c) joint demand (d) wants.
16. Acceptability, durability, homogeneity and portability are all attributes of goods (a) markets (b) money (c) banks (d) government.
17. Mr. Bala’s income is N800.00 per month while that of Mr. Jatau is N1,200.00. If Mr. Bala and Jatau pay N80.00 and N120.00 respectively as taxes, the system is (a) progressive (b) regressive (c) proportional (d) ad-valorem.
18. Economic activities are undertaken to solve the problem of (a) consumption (b) opportunity cost (c) production (d) scarcity.
19. Government revenue from the groundnut industry is from (a) licenses (b) rents (c) royalties (d) taxes.
20. Among principles of taxation propounded by Adam Smith was that9a) a tax should be impossible to evade (b) a tax should be convenient to pay (c) no tax should be impossible to evade (d) there should be no taxation without representation.
21. The Central Bank controls credits in the economy through the use of (a) legal lender (b) travelers (c) foreign exchange instruments (d) open market operations
22. Wholesalers are often criticized because the (a) help to break the bulk (b) final producers (c) increase prices (d) provide after-scale services.
23. The numeration of the entrepreneur as a factor of production is called (a) wages (b) salary (c) interest (d) profits
24. Discounting a bill of change means the bill is(a) cashed over the counter (b)sold on the stock exchange (c) bought for less than its face value (d) sold to the highest bidder.
25. Age distribution is important because it helps the government to (a) check rural-urban drift (b) determine the numbers of foreigners (c) determine the number of factories (d) undertake effective planning.

ANSWERS

- 1B 2B 3C 4C 5C 6D 7C 8B 9A 10B 11A 12D 13C 14B
15D 16D 17B 18D 19C 20D 21C 22D 23D 24B 25C