

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	A contour line which slopes downward from left to right and yield equal level of satisfaction to consumer with the given income is.	A. Negatively slop curve B. An indifference curve C. Positively sloped Curve D. None of the above
2	A firm decides to exit the industry when	A. AC starts rising B. MC starts rising C. price is less than LAC D. TC starts rising
3	Robbins in his definition	A. talks of scarcity of resources B. preached moral values C. supports Adam smith view D. none of the above
4	In economics, assumptions	A. make economics theory useless B. mean other things equal C. enable economics to simplify reality D. used in micro and not in macroeconomics
5	As output increases	A. MC curve firstly falls then rises B. MC firstly rises then falls C. MC continuously rises D. continuously falls
6	Price elastic of demand measures	A. change in price caused by changes in demand B. the rate of change of sales C. the responsiveness of demand to price changes D. the value of sales at a given price
7	Productivity of capital depends upon	A. quality of labour B. quality of raw materials C. quality of management D. all of the above
8	These are kinds of rent EXCEPT	A. differential rent B. scarcity rent C. mobility rent D. location rent
9	Minimum wage rate of labour is fixed by :	A. Government B. Trade unions C. Entrepreneurs D. Labourers
10	A professor is promoted to be a principle . What type of mobility will it be.	A. Vertical mobility B. Horizontal mobility C. Geographical mobility D. None of the three
11	Scarcity of goods means	A. non availability of goods B. high price of goods C. People don't want to get such goods D. the good is available but it is not free
12	The following are causes of shift in demand EXCEPT the one	A. change in income B. change in price C. change in fashion D. change in prices of substitutes
13	Habib Bank limited means that.	A. Its capital is limited B. It shareholders are limited C. The liability of each shareholders is limited D. Non of the three
14	The necessarv condition for equilibrium of firm is	A. AVC = AFC B. AR = MR C. MC = MR D. MC = AC

C. $MC = MR$
D. $TVC = TFC$

15 The long run average cost curve is tangent to various

A. short run TCs
B. short run ACs
C. AVCs
D. AFCs

16 Geographical mobility is not possible for

A. land
B. labour
C. capital
D. wealth

17 Market Price of Perishable

A. Commodities
B. Utility
C. Consumer
D. None of these

18 All non materials products which can satisfy human wants are called.

A. Economic goods
B. Services
C. Non-economics goods
D. Services

19 When marginal is negative, it must be true that

A. the average is negative
B. the average is decreasing
C. the total is negative
D. the total is decreasing

20 Production of wealth takes place by:

A. A combination of output
B. A combination of input
C. Labour only
D. Capital only