

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	All inputs can be varied in	A. short run B. long run C. both periods D. none of the period
2	Price of a product is determined in a free market	A. by demand for the product B. by supply of the product C. by both demand and supply D. by the government
3	When $MU=0$, TU is	A. minimum B. maximum C. increasing D. decreasing
4	Marginal revenue of a monopolist is	A. equal to price B. greater than price C. less than price D. increases with output
5	As output increase, one of the following costs will also increase:	A. Marginal cost B. Average cost C. Variable cost D. Fixed cost
6	Adam Smith wrote a book entitled "An enquiry into the nature and causes of wealth of nation" in.	A. 1784 B. 1792 C. 1776 D. 1796
7	A consumer in equilibrium when marginal utilities are	A. minimum B. highest C. equal D. increasing
8	Products A and B are substitutes whereas A and C are complement. With a rise in the price of product A, quantity demand of:	A. Product B will go up B. Product will fall C. Both the above will take place D. Nothing will take place
9	Natural environment that supports production of goods and services is included in	A. labour B. money C. capital D. land
10	A positive statement	A. concerns what is B. is always accurate C. deals with values and opinions D. cannot be tested in the real world
11	To the economist, investment refers to	A. sale of real estate B. creation of new capital C. purchase of a prize bond D. decrease in inventories
12	Optimum population is defined by the economists as the level of population at which	A. death rate equals birth rate B. labour productivity is maximized C. country achieves food self sufficiency D. national income per head is maximized
13	Saqib graduated one month ago. He is still unemployed. His unemployment is	A. structural B. frictional C. seasonal D. personal
14	Wealth of nations	A. is another name for united nations B. is name of a book C. indicates total wealth of rich countries D. contains formulas to earn wealth
15	Normal profit is	A. part of total cost B. part of economic profit

16 The borrower has to pay interest because of
A. His poverty
B. productivity of capital
C. greediness of capitalist
D. scarcity of capital

17 With rapid economic growth in a country the individual demand curve will:
A. Rise
B. Fall
C. Extend
D. Contract

18 How many types of markets according to time
A. 3
B. 4
C. 5
D. 6

19 Standard of living of a country can be raised if it increases
A. labour force
B. production
C. money supply
D. exports

20 Which one of the following is a functional equation of demand:
A. $Q - 20 + 2P = 0$
B. $Q - 3 - 3P = 0$
C. $Q + -2P = 0$
D. None of the three