

## Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	The demand curve is negatively sloped due to	A. Income effect B. Substitution effect C. Price effect D. All the three
2	According to Keynes interest is a payment for	A. consumer's preference B. producer's preference C. liquidity preference D. state bank's preference
3	A labourer resigns from service to start his own business. what type of mobility will it be.	A. Vertical mobility B. Occupational mobility C. Horizontal mobility D. Social mobility
4	Economics theory means	A. economic policy B. economic principles C. descriptive economics D. economics facts
5	Normal profit is	A. part of total cost B. part of economic profit C. part of fixed cost D. total revenue minus total cost
6	In factor market, which statement is true	A. wages are determined by MP B. Rent is fixed by landlords C. interest rate is determined by Govt. D. profit is determined by luck
7	Pakistan population is growing a rate of .	A. 2 % per annum B. 1.8 % per annum C. 2.9 % per annum D. 2.2 % per annum
8	Which one is the non-economic activity.	A. Service of a doctor B. Morning walk C. Service of teacher D. Service of an advocate
9	Law of diminishing returns is a universal law as:	A. It does apply in all aspects of an economy. B. Basically it applies in agriculture. C. It is hard to check it. D. It applies in industry as well
10	Perfectly inelastic supply curve is:	A. Parallel to vertical axis B. Parallel to horizontal axis C. Rises upward to the right D. Falls downward to the right
11	Rotten eggs are	A. free good B. economic good C. service D. wealth
12	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
13	In case of perfectly elastic demand curve, the demand curve will be parallel to the.	A. Horizontal Axis B. Vertical Axis C. None of the above
14	As out put increases, AC curve	A. falls B. rises C. remains constant D. all of the above
15	The product which have close substitute their demand is always.	A. More elastic B. Perfectly elastic C. Perfectly inelastic

		D. Less elastic
16	When supply rises more than demand price of the product will.	A. Rise B. Fall C. Remain unchanged D. Non of the three
17	Market system means	A. Socialism B. Capitalism C. a place where goods are traded D. all of the above
18	Internal economies of scale include	A. risk-bearing economics B. trade mark C. managerial economies D. a and c of above
19	One of the following is not an exception the law of demand.	A. Very high price products B. Very low price products C. Ignorance of consumers D. Non of the above
20	It is function of capital	A. provision of machinery B. payment of wages C. establish good relation with employees D. a and b of above