

## Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	General price level and real income of the people are correlated with each other	A. Negatively B. Positively C. Normally D. Sub normally
2	A mechanism, or arrangement, which brings together buyers together buyers and sellers of particular goods or services are called	A. Market B. Revenue curve C. Contact D. None of these
3	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
4	Adam smith was a	A. President of France B. a modern economist C. good sports man D. classical economist
5	Markets where firms supply goods and services demanded by households are	A. factor market B. product market C. open markets D. resource markets
6	If a farmer moves from village to a town and establishes a small factory, it is a kind of mobility	A. geographical B. occupational C. social D. all of the above
7	If a firm shuts down temporarily, it will incur loss equal to	A. AFC B. AVC C. TFC D. TVC
8	The maximum number of parteners in a partnership is .	A. 20 B. 30 C. 15 D. 18
9	Specialization of labour has the advantage.	A. increased production B. introduction of new technology C. increases in self-sufficiency D. a and b of above
10	The production function relates to	A. cost of output B. cost of input C. output to input D. demand to output
11	All factors of production are substitutable with each other. it is held by:	A. Wicksteed B. Hicks C. Pareto
12	When demand is perfectly elastic, an increase in supply will result in	A. decrease in quantity sold B. increase in quantity sold C. fall in price D. b and c above
13	Gross profit includes	A. monopoly profit B. pure profit C. windfall profit D. all of the above
14	Utility is most closely related to the term	A. useful B. useless C. necessary D. satisfaction
15	Economic wants.	A. Can unlimited B. Capital goods C. Social goods D. Public goods

16	According to law of diminishing marginal utilities , a consumer maximises his total utility where.	A. $MU = MP$ B. $MU = AU$ C. $MU = TC$ D. $MU = P$
17	Diminishing marginal utility is the basis of	A. law of supply B. law of demand C. laws of returns D. none of the above
18	One of the following is not an assumption of the Ricardian theory of rent.	A. Lands are cultivated in sequence B. All lands are homogeneous C. All units of labour are identical D. There are original and indeductible powers of soils
19	According to Ricardo rents are high because prices of produce of land are	A. high B. low C. constant D. none of the above
20	Wants are unlimited for:	A. Poor person B. Rich person C. All persons D. None of them