

Economics Ics Part 1 English Medium Online Test

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Sr	Questions	Answers Choice
1	If equilibrium price rises but equilibrium quantity is unchanged, the cause is	A. supply and demand both increase equally B. supply and demand decrease equally C. supply curve is vertical and demand increases D. supply increases and demand is same
2	When the price of a product falls and as a concequence the demand for the product increase. it will be.	A. Rise of demands B. Fall of demand C. Extension of demand D. Contraction on demand
3	The reward of their services cannot be fixed	A. wage earner B. rent receiver C. interest receiver D. profit earner
4	Law of diminishing marginal utility provides basis for:	A. Law of demand B. Law of supply C. Laws of returns D. Law of variable proportions
5	If elasticity of supply is greater than one. supply curve will be	A. horizontal B. vertical C. passing through origin D. touching y-axis
6	Minimum wage rate of labour is fixed by :	A. Government B. Trade unions C. Entrepreneurs D. Labourers
7	According to Malthus, population increase by	A. arithmetic progression B. geometric progression C. systematic progression D. automatic progression
8	MU curve	A. rises left to right B. is always vertical C. falls left to right D. is always horizontal
9	Underemployment of labour means	A. a worker does not get full time job B. a worker is not happy with present job C. a person does not get job according to his qualification D. a and c of above
10	Prof. Robins wrote a book in 1931 entitled.	A. General Theory of employment. Interest and money. B. An inquiry into the nature and causes of wealth of nations. C. Principle of economics. D. Nature and Significance of economic science.
11	An important factor which promotes large scale production is:	A. Extant of market B. Revolutionary changes in social life C. Culture and civilization D. All the three
12	Total cost curve in general is a.	A. Linear function B. Quadratic function C. Cubic function D. Long function
13	Which laws are always subjected to certain conditions.	A. Social B. Political C. Moral D. Economic

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14	When there is big change in quantity supplied resulting from a minor change inits price,its elasticity of supply will be.	A. Equal to unity B. Less than unity C. Equal to zero D. Greater than unity
15	If the supply of land is assumed to be perfectly inelastic which of the following rent will it yield.	A. Scarcity rent B. Differential rent C. Quasi rent D. Scarcity rent
16	Which of the following saying describes diminishing marginal returns in the short run?	A. When the cat is away, the mouse will play B. Too many cooks spoil the broth C. A rolling stone gathers no moss D. A stitch in time saves nine
17	A consumer's spending is restricted because of	A. marginal utility B. budget constraint C. demand curve D. unlimited wants
18	The product which have close substitute their demand is always.	A. More elastic B. Perfectly elastic C. Perfectly inelastic D. Less elastic
19	Standard of living of a country can be raised if it increases	A. labour force B. production C. money supply D. exports
20	The production function relates to	A. cost of output B. cost of input C. output to input D. demand to output