

Economics Ics Part 1 English Medium Online Test

Cr.	Questions	Anguara Chaisa
Sr	Questions	Answers Choice
1	Marginal land or no rent land is the land which:	A. Covers the cost of productions only B. Determines rent of the superiorlands C. Both a & D. None of the three
2	The demand for a factor depends on its.	A. MRP B. ARP C. MRP = ARP D. MRP &It ARP
3	Debenture holders recive.	A. Interest B. Wages C. Dividend D. Profit
4	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
5	A firm should shut down in the short run if it is not covering its	A. variable cost B. fixed cost C. total cost D. explicit cost
6	Gross profit does NOT include	A. rent of his own land B. interest of his own capital C. pure profit D. taxes
7	A schedule of the amount of a good that would be offered for sale at all possible prices, at any one instant of time or during any period of time are called	A. Supply B. Demand C. Stock D. None of these
8	Mobility of labour	A. increases efficiency of labour B. decreases wages of labour C. increases division of labour D. a and c of above
9	Every country should have population	A. minimum B. constant C. optimum D. fast growing
10	Average cost and marginal cost curves in the short-run are:	A. Quadratic function B. Linear function C. Cubic function D. Log function
11	The part of wealth, other than natural resources, which can be used for further production of wealth are called	A. Capital B. Revenue C. Fundamentals of economics D. None of these
12	If supply rises more than demand, price of the product will.	A. Fall B. Rise C. Not change D. Change
13	According to law of equi-marginal utility a consumer will maximises his total utility when	A. He spends all his income on the product only B. He spends more on one and less on the other C. Marginal utility of the two goods are equalised D. Not only the marginals utility of the two goods are equalised, but also the marginal utility of each good is equal to its price.
14	If in a production process, all inputs are increased by 10% and output increase by less than	A. economies of scale B. diseconomies of scale

	10%, then it is called	C. diminishing marginal returns D. negative economies
15	Law of decreasing returns generates	A. law of economic growth B. law of increasing costs C. law of variable costs D. law of decreasing costs
16	Which on of the following represents fixed cost:	A. Price of raw material B. Wages C. Interests on loan D. Rent of land
17	normative economics	A. deals solely with the facts B. is never studied in colleges C. involves opinions and interpretations D. is clearly preferable to positive economics
18	If a consumer moves upward along an indifference curve, his total utility	A. falls to zero B. does not change C. increases D. decreases
19	Scope of economics is defined as:	A. Individual and aggregate economic behaviour of the people. B. Subject matter of economics. C. Welfare Economics. D. All of the abpove
20	Market demand curve is a summation of all individual demand curves as	A. Vertical B. horizontal C. mathematical D. local