

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	When a supply of a commodity increases without change in price it is called	A. fall in supply B. expansion in supply C. contraction in supply in D. rise in supply
2	Profits arise	A. only in monopoly B. because of uncertainty C. shortage of goods D. like interest
3	Adam smith was a	A. President of France B. a modern economist C. good sports man D. classical economist
4	Choose the correct condition of equilibrium of firm	A. MC = MR B. MC curve cuts MR curve from below C. Both a and b D. MC + MR - AR
5	A firm maximizes profit of	A. MRP = wage rate B. MRP = ARP C. MRP is rising D. TRP = wages
6	He put forward the theory of profit	A. Keynes B. Adam Smith C. Knight D. Anyson
7	One of the following is not a characteristics of economic laws.	A. Economic laws lack exactitude B. Economic laws lack predictability C. They are not universal! D. They are not optional
8	Extent of market mainly depends upon.	A. Availability of means of transport and communication B. Nature of supply C. Government restriction D. Perishable goods
9	MC is given by slope of	A. TFC B. TC C. ATC D. AVC
10	According to Keynes interest is a payment for	A. use of durable goods B. use of capital C. use of money D. use of land
11	Price and demand are positively correlated in case of	A. necessities B. comforts C. Giffen goods D. Luxuries
12	Why should employ units of a factor to a point where	A. MP is negative B. MP is equal to price of the factor C. MP is positive D. MP is rising
13	Economics laws	A. must be followed B. are hated by people C. show economic behavior of people D. are unscientific
14	Rice mill is a :	A. Fixed capital B. Floating capital C. Sunk capital D. None of the three
15	The following affect rent EXCEPT	A. better location B. fertility of land C. cleverness of landlords

		D. scarcity of land
16	If the price of a product rises, quantity demand if its substitute will.	A. Fall B. Rise C. Remain unchanged D. Fluctuate
17	The composite demand for a product is generally:	A. Elastic B. Inelastic C. Equal to unity D. Equal to zero
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	Micro economics concentrates	A. on inflation B. international economics relations C. individual economics units D. economics development of Pakistan
20	The value of a product depends upon.	A. The number of dollars B. The numbers of dollars which can be given in exchange for it C. The current exchange rate. D. None of them