

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 |