

## Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Normal profit is attained where:	A. $TR = TC$ B. $TR > TC$ C. $AR > MR$ D. $AR < MR$
2	Prof. Marshall thinks	A. Economics studies national welfare B. Economics studies personal welfare C. Economics studies total welfare D. Economics studies material welfare
3	The minimum wage is an example of	A. price floor B. price ceiling C. equilibrium wage D. efficiency of labour
4	Price elastic of demand measures	A. change in price caused by changes in demand B. the rate of change of sales C. the responsiveness of demand to price changes D. the value of sales at a given price
5	All factors of production are substitutable with each other. it is held by:	A. Wicksteed B. Hicks C. Pareto
6	Every country should have population	A. minimum B. constant C. optimum D. fast growing
7	The demand for a factor is called.	A. Composite demand B. Joint demand C. derived demand D. No demand
8	The good which are used to produce more goods are.``	A. Social goods B. Capital goods C. Consumer goods D. Public goods
9	The demand of a will expand when:	A. Other things do not remain constant. B. Price of the products changes. C. Value of money falls. D. None of the three
10	This is the assumption of law of demand	A. price of the commodity should not change B. Quantity demanded should not change C. Price of substitutes should not change D. Demand curve must be linear
11	during short period, diminishing returns may follow because	A. quantity of labour is fixed B. quality of labour is fixed C. quantity of capital is fixed D. quantity of any one factor is fixed
12	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
13	When MP curve cuts AP curve, the AP is at its.	A. Lowest point B. Highest point C. Neither of the two D. Either of the two
14	If the rate of inflation goes up. the real wages of labourers will :	A. Increase B. Decrease

		C. Remain the same D. None of the three
15	Labour intensive technique of production means.	A. More labour and less capital B. Less labour and more capital C. More labour and no land D. More land and no labour
16	In which year Alfred Marshall wrote a book entitled "Principle of economics"	A. 1850 B. 190 C. 1870 D. 1890
17	In factor market, which statement is true	A. wages are determined by MP B. Rent is fixed by landlords C. interest rate is determined by Govt. D. profit is determined by luck
18	$q = 4 + 2P$ it is a functional equation of.	A. Demand B. Supply C. Equilibrium of demand as supply D. None of the three
19	Profit is maximum when	A. TC and TR curves are parallel B. MC and MR curves are parallel C. TC and TR curves cross each other D. AC and AR curves cross each other
20	Economics	A. is more important than mathematics B. is a social science C. should be made compulsory for every student D. is difficult to study