

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	A monopoly generally	A. allocates resources in a socially optimal way B. encourages greater income equality C. encourages greater efficiency D. produces less quantity than the quantity which minimies average cost
2	Scarcity means	A. non availability of goods B. high price of goods C. less supply than demand D. high profit of the firms
3	The demand for a factor is called.	A. Composite demand B. Joint demand C. derived demand D. No demand
4	$q = 4 + 2P$ it is a functional equation of.	A. Demand B. Supply C. Equilibrium of demand as supply D. None of the three
5	Robbins definition of economics spell out the existence of	A. Economics problem B. Social problem C. Political problem D. Moral problem
6	The basic goal of a firm is to	A. maximize revenues B. maximize employees' welfare C. maximize profit D. maximize output
7	When diseconomies of scale outweigh economies of scale the	A. long run AC curve rises B. marginal cost falls C. long run ATC curve falls D. AVC falls
8	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
9	How many merits of organization in text book	A. 7 B. 8 C. 9 D. 10
10	The wage which is paid in cash is known as.	A. Real wage B. Nominal wage C. Excess wage D. Low wage
11	$x = f(y)$.	A. x is a dependent variable. B. y is a dependent variables C. x and y are dependents variables. D. None of the three
12	The demand curve slopes downward from left to right because of:	A. Income effect B. Substitution effect C. Entry of new buyers D. All of the above
13	For production of goods we need factors	A. few B. 2 C. 4 D. unlimited
14	Production of wealth takes place by:	A. A combination of output B. A combination of input C. Labour only D. Capital only

15	When MU is positive, TU	A. increases B. decreases C. remains constant D. is maximum
16	The relationship between two variables that move in the same direction is called	A. neutral B. positive C. independent D. dependent
17	If a firm increases the ratio of capital to labour, it becomes more	A. labour intensive B. capital intensive C. output intensive D. input intensive
18	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
19	Economics theory means	A. economic policy B. economic principles C. descriptive economics D. economics facts
20	All factors of productions are variable in the:	A. Marked period B. Short period C. long period D. None of the three