

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Common market of SAARC countries will be called:	A. International market B. National market C. Regional market D. None of the three
2	Who is unemployed	A. housewife B. college student C. a peer who lives on gifts from mureeds D. a freshly graduated engineer who is searching for a job
3	Total cost curve in general is a.	A. Linear function B. Quadratic function C. Cubic function D. Long function
4	If the price of a product rises, quantity demand if its substitute will.	A. Fall B. Rise C. Remain unchanged D. Fluctuate
5	When marginal revenue is zero, total revenue is	A. maximum B. minimum C. zero D. decreasing
6	Production of wealth takes place by:	A. A combination of output B. A combination of input C. Labour only D. Capital only
7	All non materials products which can satisfy human wants are called.	A. Economic goods B. Services C. Non-economics goods D. Services
8	Which of the following is <i>NOT</i> a characteristic of perfect competition?	A. free entry and exit of the firm B. demand curve of a firm is horizontal C. marginal revenue curve is horizontal D. individual firm can influence the price
9	One of the following NOT a assumption of the marginal productivity theory	A. units of factor are homogeneous B. mobility of factor C. low price of factor D. perfect competition
10	Marshall wrote the book	A. Classical economics B. Introduction to economics C. Micro economics theory D. Principles of economics
11	In the business world	A. a firm working under perfect competition wants to become a monopoly B. a firm working under monopoly wants to become a competitive firm C. monopoly price is always higher than competitive price D. competitive price is always higher than monopoly price
12	In law of diminishing returns at least one factor	A. must be constant B. must be owned by the firm C. must be purchasable D. must be efficient
13	The word "LIMITED" at the end of a firm's name means	A. it produces only commodity B. has limited capital C. cannot have more than 100 members D. shareholders liability to pay debt

		of firm cannot exceed value of their investment
14	If demand is unitary elastic, a 25% increase in price will result in	A. 25% change in total revenue B. no change in quantity demanded C. 1% decrease in quantity demanded D. 25% decrease in quantity demanded
15	Economic development of a country requires	A. skilled lobour B. diplomacy C. abundant natural resources D. a and c of aboce
16	A horizontal demand curve has a price elasticity of	A. zero B. infinity C. 1 D. variable
17	To the economist, investment refers to	A. sale of real estate B. creation of new capital C. purchase of a prize bond D. decrease in inventories
18	The price of a product double due to which its quantity demand falls to one half. The elasticity of demand for product will be:	A. Equal to unity B. Lass than unity C. Greater than unity D. Equal to zero
19	The position of the firm when it is earning maximum of profit and Profit = Total Revenue - Total cost are called	A. Perfect competition B. Under perfect competition C. Equilibrium of firm D. None of these
20	Adam smith was a	A. President of France B. a modern economist C. good sports man D. classical economist