

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	They can expand their business by selling shares in the stock market	A. proprietor of a business B. partners of the business C. joint stock company D. industrial cooperative societies
2	Average cost and marginal cost curves in the short-run are:	A. Quadratic function B. Linear function C. Cubic function D. Log function
3	When price elasticity of demand for normal goods is calculated, the value is always	A. positive B. negative C. constant D. greater than one
4	if X and Y scales are the same a line making 45-degree angle with X-axis has slope	A. 1/4 B. 1/2 C. 1 D. constant
5	A schedule of the amount of a good that would be offered for sale at all possible prices, at any one instant of time or during any period of time are called	A. Supply B. Demand C. Stock D. None of these
6	An example of money capital is	A. cash B. money in a savings account C. prize bond D. golden ring
7	This is not a function of the entrepreneur	A. supervise B. innovate C. lend money D. prepare plan
8	Validity of economics theories can never be proved with 100 percent certainty, because	A. ceteris paribus clause B. limited number of observation is possible C. very large number of economic theories proved false in the past D. b and c
9	Capital formation takes place when	A. people save a part of their incomes B. saved amount is invested C. investors expect good return D. all of the three
10	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
11	The law of increasing returns is also known as:	A. Law of increasing cost B. Law of diminishing cost C. Law of constant cost D. None of the three
12	When the price of a product increase by 100 percent and as a consequence, its quantity supplied increase by 125 percent, its elasticity of supply will be.	A. Less than unity B. Greater than unity C. Equal to unity D. Equal to zero
13	A seller can increase his sales revenue by charging a lower price, if the demand has	A. $e < 1$ B. $e = 1$ C. $e > 1$ D. $e = 0$
14	Economics is a science	A. Spiritual B. Social C. dismal D. moral

15	Constant are represented by symbol	B. V C. P D. U
16	Under monopoly the price is always equal to:	A. AR B. MR C. MC D. AVC
17	TC	A. rises continuously B. falls then rises C. is horizontal to x-axis D. is parallel to y-axis
18	Adam Smith wrote a book entitled "An enquiry into the nature and causes of wealth of nation" in.	A. 1784 B. 1792 C. 1776 D. 1796
19	Variable are represented by symbol	A. V B. U C. P D. C
20	When average product (AP) and marginal product (MP) are rising.	A. AP > MP B. AP = MP C. AP < MP D. AP = MP = 0