

## Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Ceteris paribus means	A. other things equal B. all variable are independent C. all relationships are inverse D. that no other assumptions are made
2	The law of demand will not be apply in case of	A. Inferior goods B. Superior goods C. Normal goods D. Non of them
3	The supply price of land is considered to be zero because .`	A. Its supply is limited B. Its supply is infinity C. In aggregate sense its cost of production s zero D. Its demand is limited
4	Short run means is a period	A. less than one year B. in which at least one input is fixed C. in which no input can be changed D. in which firms can easily enter or exit
5	When demand is perfectly elastic, an increase in supply will result in	A. decrease in quantity sold B. increase in quantity sold C. fall in price D. b and c above
6	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
7	When the demand of a product rises due to factors except price it will be.	<ul><li>A. Extension of demands</li><li>B. Rise of demand</li><li>C. Contraction of demand</li><li>D. Extension of demand</li></ul>
8	TC	A. rises continuously B. falls then rises C. is horizontal to x-axis D. is parallel to y-axis
9	Which one of the following is a day to day market.	A. The market of perishable goods B. The market of refrigerators C. The market of stationary D. None of the three
10	Which statement is true?	A. Economics is a physical and normative science B. Economics is a social and natural science C. Economics is physical and positive science D. Economics is a social and normative science
11	Marginal product indicates rate of change of	A. total product B. average product C. variable product D. all of the above
12	Quasi rent	A. is permanent B. is temporary C. arises in long run only D. means high rent
13	A consumer in equilibrium when marginal utilities are	A. minimum B. highest C. equal D. increasing
14	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
15	Which one will determine scale of production .	<ul><li>A. Financial resources</li><li>B. Production techniques</li><li>C. Extant of the market</li><li>D. All the above</li></ul>
16	The law of variable proportions was presented by.	A. Jevens B. Rayon C. Hicks D. Valentine
17	Natural environment that supports production of goods and services is included in	A. labour B. money C. capital D. land
18	The extent of market depends upon	A. Means of transport and communication B. Political instability C. Economics instability D. Trade restriction
19	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
20	He described economics as a science of material welfare	A. Robbins B. Marshall C. Ricardo D. Keyness