

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Law of Equi marginal utility is a law of	A. production of wealth B. consumption of wealth C. distribution of wealth D. exchange of wealth
2	Assumptions of a law are called:	A. Constant B. Parameters C. Variables D. Dependent variable
3	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
4	The transformation of resources into economic goods and services is called	A. technical efficiency B. input C. production D. increasing returns
5	The price and sales of sugar both increase. What could be the cause of this?	A. a decrease in the income of the consumers. B. a decrease in the tax on sugar C. An increase in the wages of workers in the sugar industry D. An increase in the price of sugar substitutes
6	Excise tax is a part of	A. fixed cost B. variable cost C. implicit cost D. in not a part of cost
7	Total profit = ?	A. Per unit profit x output B. Per unit profit x input C. Per unit profit + output D. per unit profit - input
8	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
9	Who was the exponent of macro economics in recent times.	A. Adam Smith B. J.M. Keynes C. Marshall D. Maithus
10	One of the following is not an assumption of law of supply.	A. Political system should not changed B. Cost of production should not changed C. Production technique should not changed D. Cost of raw material should not changed
11	Long-run supply curve of labour is.	A. Negatively stoped B. Positively sloped C. Parallel to the horizontal axis D. Parallel to vertical axis
12	Economics of scale are of two kinds	A. temporary and permanent B. internal and external C. managerial and industrial D. natural and artificial
13	Members of business partnership in Pakistan are:	A. 2 to 20 B. 5 to 20 C. 2 to 25 D. 2 to 3
14	Consists of all kinds of wealth, other than free gifts of nature, which yield income are called	A. Capital B. Productivity of capital C. Both a and b

		D. None of these
15	According to law of equi-marginal utility a consumer will maximises his total utility when	A. He spends all his income on the product only B. He spends more on one and less on the other C. Marginal utility of the two goods are equalised D. Not only the marginals utility of the two goods are equalised, but also the marginal utility of each good is equal to its price.
16	The capital which loses it from whenever it is used, is	A. Circulating capital B. Fixed capital C. Money capital D. Real capital
17	Which of the following is correct with respect to resources	A. Money is a capital good B. Human skills are a labour input C. Entrepreneur is part of the labour input D. Natural resources include human input
18	One of the following is not an exception the law of demand.	A. Very high price products B. Very low price products C. Ignorance of consumers D. Non of the above
19	Wealth of Nations was written in	A. 1976 B. 1876 C. 1776 D. 1676
20	Under perfect competition MR and AR curves	A. are the same B. are different C. intersect each other D. are parallel