

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	A decrease in demand causes the equilibrium price to	A. rise B. fall C. remain constant D. indeterminate
2	One of the cause of low wage rate in Pakistan is:	A. Population explosion B. Labour policy C. Lack of monility of labour D. Lack of natural resources
3	When a competitive firm achieves long run equilibrium then	A. $P = MC$ B. $MR = MC$ C. $P = ATC$ D. all of the above
4	A firm earns economic profit when total profit exceeds	A. normal profit B. implicit costs C. explicit costs D. variable costs
5	The maintain social status in life, a person requires.	A. Bare necessities of life B. Comforts of life C. Luxuries of life D. All of them
6	The maximum point of TP curve is at quantity of labour where	A. Average physical product of labour is equal to 1 B. MPP of labour is at its maximum C. curves of APP and MPP of labour intersect D. MPP of labour is zero
7	Other things remaining the same, quantity supplied of a commodity increases with rise in price and decreases with fall in price are called	A. Law of Supply B. Law of Demand C. Law of equilibrium D. None of these
8	Malaysia enjoys monopoly on rubber, but which kind of monopoluit is.	A. Natural monopoly B. Social monopoly C. Legal monopoly D. Implied monopoly
9	Habib Bank limited means that.	A. Its capital is limited B. It shareholders are limited C. The liability of each shareholders is limited D. Non of the three
10	This is a tool in economic studies	A. market B. price C. firm D. functional relation
11	The utility of an additional unit of a product is	A. Law of demand B. Law of substitution C. Law of supply D. Law of diminishing marginal utility
12	In which form the largest percentage of national income is earned	A. interest income B. proprietor's income C. employees' income D. rental income
13	Normally MR curve intersects MC curve at points	A. 1 B. 2 C. 3 D. 4
14	Basic economic problem is	A. inflation B. unemployment C. scarcity D. lack of money
		A. increase in total revenue

15	If demand has unit price elasticity, a change in price causes	B. decrease in total revenue C. no change in total revenue D. indeterminate
16	Natural environment that supports production of goods and services is included in	A. labour B. money C. capital D. land
17	How many various form of partnership	A. 3 B. 4 C. 5 D. 6
18	The demand for a product is inelastic. In order to increase government revenue, the finance minister will :	A. Lower down the tax rate B. Increase the tax rate C. Not change the tax rate D. Double the tax rate
19	The submit the plan to the Registrar of Joint Stock Companies along with _____ documents	A. Two B. Three C. Four D. Five
20	The wage which is paid in cash is known as.	A. Real wage B. Nominal wage C. Excess wage D. Low wage