

## Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Haris has a special taste for chicken rolls of college canteen. The owner of the canteen doubles the price of chicken roll. Haris did not respond to the increase in prices and kept on demanding the same quantity of chicken roll. His demand for chicken roll is	A. perfectly elastic B. perfectly inelastic C. elastic D. less elastic
2	Income elasticity of demand for normal good is always	A. 1 B. more than one C. negative D. positive
3	The rent which is paid in the short run due to perfectly inelastic supply of a factor is known as.	A. Differential rent B. Economic rent C. Quasi rent D. Scarcity rent
4	Under perfect competition	A. $AC = AVC$ B. $AR = AC$ C. $AR = MC$ D. $AR = MR$
5	Scope of economics is defined as:	A. Individual and aggregate economic behaviour of the people. B. Subject matter of economics. C. Welfare Economics. D. All of the above
6	Equilibrium	A. is a state that can never be achieved in economics B. is an important idea for predicting economic changes C. is a stable condition D. is an unstable condition
7	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
8	In mathematics which letters at the end of alphabet are used to represent variables	A. (u,v,w,x,y,z) B. (a,b,c,d,e,f,g) C. (a,b,c,u,v,w) D. ((x,y,z,a,b,c)
9	TC	A. starts from origin B. not from origin C. is parallel to y-axis D. parallel to x-axis
10	Ceteris paribus means	A. other things equal B. all variables are independent C. all relationships are inverse D. that no other assumptions are made
11	Land as used in economics	A. is a free gift of nature B. is unlimited in quantity C. is not hirable D. excludes oceans
12	Marginal revenue recommended by symbol	A. MR B. MC C. AR D. None of these
13	Which of the following is the subject matter of Economics.	A. Optimum use of limited resources for the satisfaction of unlimited human wants. B. Economic problems of the developing countries. C. Labour problems. D. Balance of payment problems.
14	Laws of return apply to firms working in	A. perfect competition B. monopoly C. oligopoly D. oligopsony

		C. small firm D. all kinds of market situations
15	Production of wealth means:	A. Driving a taxi B. Teaching a daughter C. A doctor serving his wife D. All the three
16	Law of decreasing returns generates	A. law of economic growth B. law of increasing costs C. law of variable costs D. law of decreasing costs
17	To promote capital investment in a country, what is essentially required is.	A. Basic infrastructure B. Bank credit C. Law and ordered D. Stock broker
18	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
19	When price elasticity of demand for normal goods is calculated, the value is always	A. positive B. negative C. constant D. greater than one
20	Malaysia enjoys monopoly on rubber, but which kind of monopolist is.	A. Natural monopoly B. Social monopoly C. Legal monopoly D. Implied monopoly