

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Extension of supply will take place as a consequence of:	A. Change in price B. Change in population C. Change in technology D. Change in money supply
2	In case of perfectly elastic demand curve, the demand curve will be parallel to the.	A. Horizontal Axis B. Vertical Axis C. None of the above
3	If a firm shuts down temporarily, it will incur loss equal to	A. AFC B. AVC C. TFC D. TVC
4	One of the following NOT a assumption of the marginal productivity theory	A. units of factor are homogeneous B. mobility of factor C. low price of factor D. perfect competition
5	Who was the exponent of macro economics in recent times.	A. Adam Smith B. J.M. Keynes C. Marshall D. Maithus
6	The correlation between average wage (AW) and marginal wage (MW) under perfect competition is .	A. AW = MW B. AW > MW C. AW < MW D. None of the three
7	If equilibrium price rises but equilibrium quantity is unchanged, the cause is	A. supply and demand both increase equally B. supply and demand decrease equally C. supply curve is vertical and demand increases D. supply increases and demand is same
8	Quasi rent is a:	A. Short-run phenomenon B. Long-run phenomenon C. Short and long run phenoomenon D. None of the three
9	Labour is hirable but you cannot hire	A. capital B. land C. manager D. entrepreneur
10	Robbins definition of economics spell out the existence of	A. Economics problem B. Social problem C. Political problem D. Moral problem
11	If the price of a product increase from Rs. 12 per unit and as a consequence quantity demand of the product falls from 100 units to 50 units . The price elasticity of the product will be.	A. 2.5 B. 0.5 C. 1.5 D. 3.5
12	y = 20-5 x this function is.	A. Increasing function B. Decreasing function C. Constant function D. Exponential function
13	Which one is not determinant of demand	A. tastes B. income C. method of production D. price
14	Economies of scale	A. occur when increase in input less than proportionate increase in output B. suggest that firm's marginal cost curve lies above its average cost curve C. suggest that the firm's marginal

		cost curve is declining D. occur when average cost is falling
15	Economics problems arise because of	A. greed B. scarcity C. dishonesty D. laziness
16	A firm attains equilibrium under monopoly if:	A. MC curve intersect MR curve from below. MC = AC = MR B. MC curve intersects MR from above C. Any one of the above situations D. AR = MR
17	Price elastic of demand measures	A. change in price caused by changes in demand B. the rate of change of sales C. the responsiveness of demand to price changes D. the value of sales at a given price
18	Other things equal, if a good has more substitutes, its price elasticty of demand is	A. larger B. smaller C. zero D. unity
19	A positive statement	A. concerns what is B. is always accurate C. deals with values and opinions D. cannot be tested in the real world
20	General price level and real income of the people are correlated with each other	A. Negatively B. Positovely C. Normally D. Sub normally