

Economics Ics Part 1 English Medium Chapter 7 Online Test

Sr	Questions	Answers Choice
1	With a fixed in the market period, if the demand of a product rises, then:	A. Price will fall B. Price will rise C. Price will remain the same D. None of the three
2	The transformation of resources into economic goods and services is called	A. technical efficiency B. input C. production D. increasing returns
3	Land is	A. hirable B. not hirable C. homogeneous D. a form of capital
4	Land, labour and capital are needed to produce goods. They are collectively called	A. elements of production B. factors of production C. tools of production D. cost of production
5	The supply of perishable goods is.	A. Elastic B. Inelastic C. Perfectly elastic D. None of the above
6	Given the demand curve, a rise in supply will.	A. Increase quantity supplied B. Price will fall C. Price will rise D. Both (a) and (b)
7	Labour is hirable but you cannot hire	A. capital B. land C. manager D. entrepreneur
8	An example of natural resource is	A. factory B. skilled doctor C. oil reserves in the ground D. oil reserves in storage tank
9	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
10	Equilibrium price of a product is determined by:	A. The government B. An industrialist C. Market competition D. An agriculturist
11	Natural environment that supports production of goods and services is included in	A. labour B. money C. capital D. land
12	For production of goods we need factors	A. few B. 2 C. 4 D. unlimited
13	Which is true	A. labour produces land B. land produces labour C. labour produces capital D. capital produces labour
14	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
15	Economic development of a country requires	A. skilled labour B. diplomacy C. abundant natural resources

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- 16 Which of the following input factor takes risk, innovates and coordinates
A. capital
B. labour
C. productivity
D. entrepreneur
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- 17 When both demand and supply fall in equal proportions, price of the product will .
A. Fall
B. Rise
C. Remain the same
D. None of the above
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- 18 The transformation of resources into economic goods and services is
A. input
B. production
C. entrepreneur
D. market
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- 19 Productivity of land can be raised by
A. decreasing farm size
B. intensive cultivation
C. better marketing
D. increasing money supply
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- 20 Land as used in economics
A. is a free gift of nature
B. is unlimited in quantity
C. is not hirable
D. excludes oceans
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