

Economics Ics Part 1 English Medium Chapter 7 Online Test

Sr	Questions	Answers Choice
1	Long-run price of a durable good is always less than its short run price . it is because.	<p>A. Long -run supply is more elastic than short-run supply curve.</p> <p>B. Long -run supply is less elastic than short-run supply curve.</p> <p>C. Long and short-run supply curves are equally elastic</p> <p>D. None of the three</p>
2	Production in economic means	<p>A. factors of production</p> <p>B. doing some job</p> <p>C. output of goods</p> <p>D. profit</p>
3	Labour is hireable but you cannot hire	<p>A. capital</p> <p>B. land</p> <p>C. manager</p> <p>D. entrepreneur</p>
4	Land as used in economics	<p>A. is a free gift of nature</p> <p>B. is unlimited in quantity</p> <p>C. is not hireable</p> <p>D. excludes oceans</p>
5	When both demand and supply fall in equal proportions, price of the product will .	<p>A. Fall</p> <p>B. Rise</p> <p>C. Remain the same</p> <p>D. None of the above</p>
6	The transformation of resources into economic goods and services is called	<p>A. technical efficiency</p> <p>B. input</p> <p>C. production</p> <p>D. increasing returns</p>
7	Which of the following factors takes risk, innovates and coordinates	<p>A. capital</p> <p>B. labour</p> <p>C. bank</p> <p>D. entrepreneur</p>
8	Equilibrium price of a product is determined by:	<p>A. The government</p> <p>B. An industrialist</p> <p>C. Market competition</p> <p>D. An agriculturist</p>
9	When demand rises more than supply price of the product will.	<p>A. Rise</p> <p>B. Fall</p> <p>C. Remains unchanged</p> <p>D. None of the three</p>
10	Which is true	<p>A. labour produces land</p> <p>B. land produces labour</p> <p>C. labour produces capital</p> <p>D. capital produces labour</p>
11	Given the supply curve, a fall in demand will.	<p>A. Increase equilibrium quantity of the product</p> <p>B. Decrease equilibrium quantity of the product</p> <p>C. Not affect equilibrium quantity</p> <p>D. Not affect equilibrium price</p>
12	Productivity of land can be raised by	<p>A. decreasing farm size</p> <p>B. intensive cultivation</p> <p>C. better marketing</p> <p>D. increasing money supply</p>
13	If supply rises more than demand, price of the product will.	<p>A. Fall</p> <p>B. Rise</p> <p>C. Not change</p> <p>D. Change</p>
14	If the government supplies a product at a price less than the equilibrium price, it will create:	<p>A. Shortage</p> <p>B. Surplus</p> <p>C. Non of the two</p> <p>D. Equilibrium quantity</p>

15	Which of the following input factor takes risk, innovates and coordinates	A. capital B. labour C. productivity D. entrepreneur
16	An example of natural resource is	A. factory B. skilled doctor C. oil reserves in the ground D. oil reserves in storage tank
17	Land means	A. sea B. surface of earth C. natural forests D. all natural resources
18	The transformation of resources into economic goods and services is	A. input B. production C. entrepreneur D. market
19	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
20	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
