

Economics - ICS Part 1 Economics English Medium Chapter 1 Short Questions Test

Q1. Define Luxuries

Ans 1: The goods which are necessities or comforts but people having extra money want to get those are called luxuries. e.g. diamonds, expensive carpets

Q2. What is positive and normative economics.

Ans 1: Positive . Positive economics deals with facts and their interrelationship as they exist. i.e. to explain how the things are.

Ans 2: Normative economics ; uses value judgement and personal opinions about what the economy.

Q3. Utility depends upon knowledge define

Ans 1: Two hundred years ago petroleum had little utility because people did not know its use. A computer has no utility for a person who knows its use.

Q4. Write the principles of Micro economics .

Ans 1: Principles of microeconomics are few, but they are powerful and general study tools. opportunity cost, diminishing utility, diminishing returns, marginal cost.

Q5. Define Consumer goods.

Ans 1: These are the goods which can satisfy human wants directly. They have utility, these include things like bread, car, cycle, pen, shoes, purse etc.

Q6. Write the name of Basis of economic problem.

Ans 1: 1- End (want) 2- End or Wants 3- Means 4- Means

Q7. Difference between Marshall's view and Robbins' view.

Ans 1: Marshall's view : Marshall includes only material aspect of human welfare. So, scope of economics is limited.

Ans 2: Robbins' view: The concept of scarcity of resources is the basis of the definition given by Robbins.

Q8. Define Theory of consumer behaviour

Ans 1: The nature of human wants, laws of utility and consumer demand.

Q9. Define economics is a Social Science.

Ans 1: Social science means subjects such as History, Political Science, Sociology, Psychology, etc.

Q10. Define Theoretical economics

Ans 1: Formulation of principles, laws, theories which relate facts to each other.
