

Economics - ICS Part 1 Economics English Medium Chapter 2 Short Questions Test

Q1. Define Public Wealth.

Ans 1: These are the assets created for the benefit of the general public and are the common property of the whole society. e.g. government buildings, roads, railway, public parks etc.

Q2. Law of diminishing Marginal Utility define.

Ans 1: If other things do not change and a consumer increases the use of a commodity, the utility of every new unit of the commodity will be less than the utility of the previous unit.

Q3. Define Income.

Ans 1: Income is the amount or reward, which a person receives for his personal services or the services of his property.

Q4. Define Wealth

Ans 1: Wealth means all those things, which are used by the people and are not free.

Q5. Define National wealth

Ans 1: Natural resources of a country e.g. rivers, forests, minerals plus all public and private wealth like houses, machinery and roads is called national wealth.
Private wealth + Social wealth = National wealth.

Q6. What is consumer equilibrium.

Ans 1: When a consumer has chosen a combination of commodities which he thinks has the highest satisfaction, he is said to be in equilibrium.

Q7. Define Individual wealth

Ans 1: This includes all material things which a person possesses e.g. land, house, jewellery, cattle, watch, books etc.

Q8. What is indifference curve

Ans 1: An indifference curve is a graphical picture of consumer's preference.

Q9. Write kinds of wealth

Ans 1: There are four kinds of wealth.

- 1- Individual wealth
- 2- Public wealth
- 3- National wealth

Q10. What is Marginal Utility.

Ans 1: Marginal Utility is represents the increase in total utility when one more units is consumed.
