

Economics Ics Part 1 English Medium Chapter 2 Online Test

Sr	Questions	Answers Choice
1	MU curve	A. rises left to right B. is always vertical C. falls left to right D. is always horizontal
2	Indifference curves are convex to the origin because	A. two goods are perfect substitutes B. two goods are imperfect substitutes C. two goods are perfect complementary goods D. goods are jointly demanded
3	The quality of commodity that satisfies some human want or need is called	A. service B. demand C. utility D. efficiency
4	When $MU=0$, TU is	A. minimum B. maximum C. increasing D. decreasing
5	Diminishing marginal utility is the basis of	A. law of supply B. law of demand C. laws of returns D. none of the above
6	When MU is positive, TU	A. increases B. decreases C. remains constant D. is maximum
7	Utility and usefulness are	A. equal B. different C. opposite D. unrelated
8	Law of Equi marginal utility is a law of	A. production of wealth B. consumption of wealth C. distribution of wealth D. exchange of wealth
9	Law of substitution is another name for	A. law of diminishing MU B. law of equi-MU C. law of demand D. law of satisfaction
10	A consumer's spending is restricted because of	A. marginal utility B. budget constraint C. demand curve D. unlimited wants
11	Utility is most closely related to the term	A. useful B. useless C. necessary D. satisfaction
12	the term marginal in economics means	A. unimportant B. additional C. the minimum unit D. just barely passing
13	When marginal is negative, it must be true that	A. the average is negative B. the average is decreasing C. the total is negative D. the total is decreasing
14	In economics, one or more persons sharing common consumer budget is called	A. social group B. consumer union C. organisation D. household
15	A consumer in equilibrium when marginal utilities are	A. minimum B. highest C. equal

		D. increasing
16	Human wants are	A. one thousand B. few C. innumerable D. countable
17	Rotten eggs are	A. free good B. economic good C. service D. wealth