

QB365 Question Bank Software Study Materials

Introduction to Micro Economics 50 Important 1 Marks Questions With Answers (Book Back and Creative)

11th Standard

Economics

Total Marks : 50

Multiple Choice Question

50 x 1 = 50

- 1) 'Economics is a study of mankind in the ordinary business of life' - It is the statement of
(a) Adam Smith (b) Lionel Robbins **(c) Alfred Marshall** (d) Samuelson
- 2) The basic problem studied in Economics is
(a) Unlimited wants (b) Unlimited means **(c) Scarcity** (d) Strategy to meet all our wants
- 3) Microeconomics is concerned with
(a) The economy as a whole (b) Different sectors of an economy **(c) The study of individual economic units behaviour**
(d) The interactions within the entire economy
- 4) Which of the following is a micro economics statement?
(a) The real domestic output increased by 2.5 percent last year
(b) Unemployment was 9.8 percent of the labour force last year **(c) The price of wheat determines its demand**
(d) The general price level increased by 4 percent last year
- 5) Find the odd one out:
(a) "An inquiry into the Nature and the Causes of the Wealth of Nations" (b) "Principles of Economics"
(c) "Nature and Significance of Economic science" **(d) "Ceteris Paribus"**
- 6) The equilibrium price is the price at which
(a) Everything is sold (b) Buyers spend their money **(c) Quantity demanded equals quantity supplied**
(d) Excess demand is zero
- 7) Author of "An inquiry into the Nature and causes of wealth of Nations"
(a) Alfred Marshall **(b) Adam Smith** (c) Lionel Robbins (d) Paul A Samuelson
- 8) "Economics studies human behaviour as a relationship between ends and scarce means which have alternative uses" is the definition of economics of
(a) Lionel Robbins (b) Adam Smith (c) Alfred Marshall (d) Paul A Samuelson
- 9) Who is the father of Economics?
(a) Max Muller **(b) Adam Smith** (c) Karl Marx (d) Paul A Samuelson
- 10) "Economics is a science" The basis of this statement is _____
(a) Relation between cause and effect (b) Use of deductive method and inductive method for the formations of laws
(c) Experiments **(d) All of the above**
- 11) Utility means
(a) Equilibrium point at which demand and supply are equal **(b) Want - satisfying capacity of goods and services**
(c) Total value of commodity (d) Desire for goods and services

- 12) A market is
 (a) Only a place to buy things (b) Only a place to sell things (c) Only a place where prices adjust
(d) A system where persons buy and sell goods directly or indirectly
- 13) Which one of the following is not a point in the Welfare Definition of Economics?
 (a) Study of an ordinary man (b) Economics does not focus on wealth alone
 (c) Economics is the study of material welfare **(d) Economics deals with unlimited wants and limited means**
- 14) Growth definition takes into account
(a) The problem of choice in the dynamic framework of Economics
 (b) The problem of unlimited means in relation to wants (c) The production and distribution of wealth
 (d) The material welfare of human beings
- 15) Which theory is generally included under micro economics?
(a) Price Theory (b) Income Theory (c) Employment Theory (d) Trade Theory
- 16) _____ have exchange value and their ownership rights can be established and exchanged
(a) Goods (b) Services (c) Markets (d) Revenue
- 17) Identify the correct characteristics of utility
 (a) It is equivalent to 'usefulness' (b) It has moral significance (c) It is same as pleasure
(d) It depends upon consumer's mental attitude
- 18) Who has given scarcity definition of economic?
 (a) Adam Smith (b) Marshall **(c) Robbins** (d) Robertson
- 19) The process of reasoning from particular to general is
 (a) Deductive method **(b) Inductive method** (c) Positive economics (d) Normative economics
- 20) Total revenue is equal to total output sold multiplied by
(a) Price (b) Total cost (c) Marginal revenue (d) Marginal cost
- 21) _____ are transferable
(a) Goods (b) Products (c) Commodities (d) All of these
- 22) Capital goods also called as _____ good
(a) Consumer (b) Producer's (c) Free goods (d) None of these
- 23) $TR =$ _____
 (a) $P + Q$ (b) $P - Q$ (c) $P \div Q$ **(d) $P \times Q$**
- 24) Macro Economics is concerned with
(a) The theory as a whole (b) Different sectors of an economy (c) The Study of individual economic behaviour
 (d) The interactions within the entire economy
- 25) The book "An essay on the Nature and significance of economic science" written by.
 (a) Samuelson **(b) Lionel Robbins** (c) Adam Smith (d) Marshall
- 26) Who is renamed "Political Economy" as "Economics" in the late 19th century.
(a) Adam Smith (b) Alferd Marsxhal (c) Lionel Robbin (d) A.C. Pigou
- 27) The author of growth definition is _____.

(a) **Samuelson** (b) Adam Smith (c) Marshal (d) J.S. Mill

28) What is other name for Economics?

(a) **Political Economy** (b) Capitalist Economy (c) Socialist Economy (d) Traditional Economy

29) Who is regard Economics as a "dismal science", "pig science".

(a) **Ruskin and Carlycle** (b) Ricardo (c) Ragner Prisch (d) None

30) Price of a good is fixed by the forces of_____ of the good.

(a) **Demand and supply** (b) Income and consumption (c) Income and employment
(d) Capital and supply price of capital

31) _____ which analyses the interrelationship between economy and Environment.

(a) Rural Economics (b) Health Economics (c) **Environmental Economics** (d) Developmental Economics

32) A_____science is prescriptive in nature.

(a) positive (b) **normative** (c) both (a) and (b) (d) neither (a) nor (b)

33) Which of the following would not result in a rightward shift of the PPC?

(a) Increase in investment in capital stock (b) **Reduction in labour unemployment rate**
(c) Discovery of new oil deposits (d) Increase in the number of people

34) When we go from general assumption to particular production which method is used for constructing an economic theory?

(a) **Deductive method** (b) Inductive method (c) Partial method (d) General method

35) Production Possibilities Curve is also known as_____curve.

(a) Demand (b) Supply (c) Indifference (d) **Transformation**

36) Who gave the Wealth definition?

(a) Samuelson (b) Marshall (c) **Adam Smith** (d) Robbins

37) Which is the most satisfactory definition of economics?

(a) Wealth (b) Welfare (c) Scarcity (d) **Growth**

38) What is the unit of measurement of utility?

(a) **utils** (b) money (c) kilo (d) litre

39) Income can be classified into_____

(a) **2** (b) 3 (c) 4 (d) 5

40) What is the money income based on rate of inflation called?

(a) **real income** (b) money income (c) revenue (d) profit

41) How is deductive method also called?

(a) analytical (b) abstract (c) **both** (d) none

42) Identify the classical economist

(a) Ricardo (b) Adam smith (c) J.S.Mill (d) **all**

43) Who wrote "An essay on the nature and significance of economic science"?

(a) Adam Smith (b) Marshall (c) **Robbins** (d) Keynes

44) Who is the author of "General Theory of Employment, Interest and Money"?

(a) Adam Smith (b) Marshall (c) Robbins **(d) Keynes**

45) Which part of Economics deals with pricing of factors of production?

(a) consumption (b) production (c) exchange (d) distribution

46) Identify the odd one out.

(a) land - rent (b) labour - wages **(c) capital - interest** (d) organisation - price

47) Who is the Norwegian economist?

(a) J.M. Keynes (b) Adam Smith **(c) Ragnar Frisch** (d) Samuelson

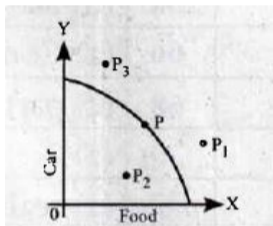
48) What deals with features of developed nations?

(a) Health Economics **(b) Developmental Economics** (c) Environmental Economics (d) International Economics

49) Identify intangible services.

(a) brand image (b) goodwill **(c) both** (d) none

50) In this PPC show the full employment point.



(a) P (b) P1 (c) P2 (d) P3