



SmartKeeda

The Question Bank

Presents

TestZone

India's least priced Test Series platform

JOIN

12 Month Plan

2017-18 All Test Series

@ Just

₹ 399/-

300+ Full Length Tests

- Brilliant Test Analysis
- Excellent Content
- Unmatched Explanations

JOIN NOW

Micro Economics Questions for CGL Tier 1 and SSC 10+2

Micro Economics Quiz 1

Choose the right answer from the given options.

1. Under which market condition do firms have excess capacity?

A. Perfect competition B. Monopolistic competition C. Duopoly D. Oligopoly

2. Price theory is also known as

A. Macro Economics B. Development Economics C. Public Economics

D. Micro Economics

3. The terms “Micro Economics” and “Macro Economics” were coined by

A. Alfred Marshall B. Ragner Nurkse C. Ragner Frisch D. J.M. Keynes

4. ‘Economics is what it ought to be’ - This statement refers to

A. Normative economics B. Positive economics C. Monetary economics

D. Fiscal economics

5. The excess of price a person is to pay rather than forego the consumption of the commodity is called

A. Price B. Profit C. Producers’ surplus D. Consumer’s surplus

6. The ‘break-even’ point is where

A. marginal revenue equals marginal cost B. average revenue equals average cost

C. total revenue equals total cost D. None of the above

7. All economic goods are considered as _____ in economics.

A. Wealth B. Money C. Capital D. Materials

8. Total demand for goods and services at various levels of employment is called as

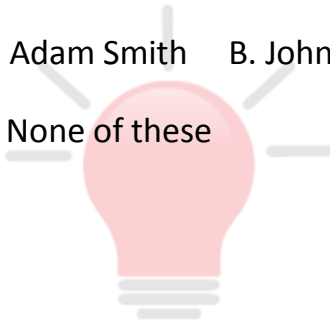
- A. Effective demand
- B. National demand
- C. Market demand
- D. Employment demand

9. Relationship between price of relation goods and quantity of a particular commodity is called as

- A. Income-demand
- B. Market-demand
- C. Cross-demand
- D. Price-demand

10. Macroeconomics as a separate branch came to be studied after the contributions of which economist?

- A. Adam Smith
- B. John Maynard Keynes
- C. F. Hayek
- D. Samuelson
- E. None of these



Smartkeeda
The Question Bank

Correct Answers:

1	2	3	4	5	6	7	8	9	10
B	D	D	A	C	C	A	A	A	B

Explanations:

1.

Monopolistic competition is a type of imperfect competition such that many producers sell products that are differentiated from one another and hence are not perfect substitutes.

Hence, the option B is correct.

2.

Price Theory: An economic theory that contends that the price for any specific good/service is the relationship between the forces of supply and demand. Its is also known as Micro Economics.

Hence, the option D is correct.

3.

John Maynard Keynes:

general studies economics

John Maynard Keynes was a British economist who practiced the modern terms of 'Micro Economics' and 'Macro Economics' and economic policies of government.

Hence, the option D is correct.

4.

'Economics is what it ought to be' - This statement refers to Normative economics.

Normative economics is a part of economics that expresses value or establishing judgments about economic fairness or what the outcome of the economy or goals of public policy ought to be.

Economists commonly prefer to distinguish normative economics 'what ought to be' from positive economics 'what is'.

Hence, the option A is correct.

5.

In terms of Producers' surplus is the amount that producers benefit by selling at a market price that is higher than the least that they would be willing to sell for. Similarly, Consumers' surplus is the monetary gain obtained by consumers because they are able to purchase a product for a price that is less than the highest price that they would be willing to pay.

Hence, the option C is correct..

6.

Break-even is the point of balance between making either a profit or a loss. The term originates in finance, but the concept has been applied widely since.

In economics & business, specifically cost accounting, the break-even point is the point at which cost or expenses and revenue are equal.

Hence, the option C is correct.

7.

All economic goods have value-in-exchange. An economic good is a consumable item that is useful to people but scarce in relation to its demand, so that human effort is required to obtain it. In economics, wealth refers to those scarce goods which satisfy our wants and which have money value. So wealth includes all economic goods.

Hence, the option A is correct.

8.

The famous economist Keynes applied the term effective demand to denote the total demand for goods and services at various levels of employment. Each level of employment represents a different level of aggregate demand.

Hence, the option A is correct.

9.

The demand for a commodity is affected by the changes in prices of the related goods also. The effect of changes in prices of a commodity on amount demanded of related commodities is called Cross Demand. The measure is calculated by taking the percentage change in the quantity demanded of one good, divided by the percentage change in price of the substitute good.

There are three types of Demand:

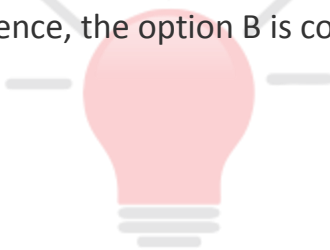
1. Price Demand
2. Income Demand
3. Cross Demand

Hence, the option A is correct.

10.

John Maynard Keynes's 1936 book, 'The General Theory of Employment, Interest, and Money' laid the foundations for Macroeconomics.

Hence, the option B is correct.



Smartkeeda
The Question Bank



SmartKeeda

The Question Bank

प्रस्तुत करते हैं

TestZone

भारत की सबसे क्फायती टेस्ट सीरीज़

अभी
जुड़ें

12 Month Plan

2017-18 All Test Series

@ Just

₹ 399/-

300+ फुल लेन्थ टेस्ट

- श्रेष्ठ विश्लेषण
- उत्कृष्ट विषय सामग्री
- बेजोड़ व्याख्या

अभी जुड़ें