AEM251 List of Questions

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Q1 Which of the followings is not true of aggregate supply?

It can be equated to the indifference curve >>>>>>>>>>>

It is the summation of individual supply schedules

It is important for economic analysis

It is also called market supply

Q2 The schedule of the amounts of any commodity which a seller would bring to the market at various possible alternative prices within a particular interval of time is known as

Individual supply >>>>>>>>>>>

Aggregate supply

Demand

Market supply

Q3 The amount of stock of any commodity drawn into the market by the price ruling at that time is refered to as

Demand

Elasticity of demand

supply >>>>>>>>>>>

Aggregate supply

Q4 The quantity of a commodity that is called forth into the market over a particular period of time by a certain price is known as

Demand

Supply >>>>>>>>>>>

Aggregate Supply

Market Supply

Q5 Which of these factors is not a demand shifter?

Taste >>>>>>>>>>>

Fashion

C

Price

Q6 The followings are factors influencing the demand for a commodity except

Fashion

No change in real income >>>>>>>>>>>

population

obsolete goods

Q7 Which of the following is not a reason for the negative slope of the demand curve?

Price is inversely related to quantity demanded

A fall in the price of a normal good makes it less expensive and more is purchased of such good

A rise in price increases the purchasing power of the consumer >>>>>>>>>>>

A fall in price raises the real income of consumers

Q8 In the demand for a commodity, the law of demand is not violated if

The commodity is a giffen good

There is fear of a future increase in price of commodities

It is a normal good >>>>>>>>>>>

It is an ostentatious good

Q9 From the law of demand, the prices and quantities demanded of a commodity are

Indirectly proportional or related

Directly proportional or related

Inversely related >>>>>>>>>>>

Constantly proportional

Q10 Which of the following statements explain the law of demand?

The quantity demanded of a commodity increases as the price increases

The quantity demanded of a commodity decreases as the price decreases

The quantity demanded of commodity increases as the price decreases >>>>>>>>>>>

The quantity demanded of a commodity increases as the price remains constant

Q11 The schedule of total amounts of a commodity that would be purchased by all buyers in a particular commodity market at various possible alternative prices within a particular interval of time is the

Total demand

Market demand >>>>>>>>>>>

Aggregate demand

Individual demand

Q12 The schedule of amounts of a commodity which a person would buy at various possible alternative prices over a particular interval of time is the

Market demand

Individual demand >>>>>>>>>>>

Total demand

Aggregate demand

Q13 The quantity of a good or service the consumer is prepared to buy or service at a particular price is

Aggregate demand

Elastic demand

Demand >>>>>>>>>>>

Inelastic demand

Q14 Which of the following is most central to the behavior of every consumer?

Giffen goods

Luxury goods

Demand >>>>>>>>>>>

Supply

Q15 Which of the following is not a sub discipline of agricultural economics?

Agricultural Biochemistry >>>>>>>>>>>

Agricultural Resource Economics

Agricultural Policy development

Farm Management

Q16 In agricultural economics, the followings are studied except

Rumen of farm animals >>>>>>>>>>>

Organization of the farms

Availability of inputs and their prices

Marketing system of farm animals

Q17 Which of the following statements poses an economic problem?

Because resources are limited in supply resource allocation is important >>>>>>>>>>>

If there is scarcity but no alternative choice making is impossible

If there are alternatives but no scarcity goods are free

Because resources are limited in supply resource allocation is not give much preference

Q18 The following are basic concepts of economics except

Wants

Scarce resources

Luxury Goods >>>>>>>>>>>

Scale of preference

Q19 Which of these statements does not define economics?

It deals with allocation of abundant resources among competing ends >>>>>>>>>>>

It is the study of how resources are used to satisfy the needs and desires of the people

It is the science of choice making

It is the study of the use of scarce resources for the achievement of alternative ends

Q20 The application of economic principles to the operations of the agricultural industry is known as

Principles of Economics

Economic Theory

Economics

Agricultural Economics >>>>>>>>>>>

Q21 The line showing all the different combinations of factor inputs that a firm can purchase, given the total cost outlay of the firm and input prices is called

Isocost line >>>>>>>>>>>

Isoline

Isoquant

Isoproduct

Q22 Which of these shows the different combinations of input which can be used to produce a specific quantity of output?

Isocost line

Isoquant >>>>>>>>>>>

Isoline

Isoproduct

Q23 Which of these describe the technologically efficient methods of combining inputs to produce output?

Indifference curve

Marginal rate of technical substitution

production function >>>>>>>>>>>

Production possibility curve

Q24 The technical relationship between factor input and output is called

Indifference curve

Marginal rate of technical substitution

Production possibility curve

production function >>>>>>>>>>>

Q25 The process of creating goods and services for the satisfaction of human wants is known as

Production >>>>>>>>>>>

Marketing

distribution

utility

Q26 The transformation of inputs into marketable output is called

Marketing

Production >>>>>>>>>>>

distribution

utility

Q27 The ratio of the percentage change in the quantity supplied to the percentage change in its price is called

cross elasticity of supply

constant elasticity of supply

price elasticity of supply >>>>>>>>>>>

perfect elasticity of supply

Q28 Which of the following may not be a factor that determine the elasticity of demand?

nature of the commodity

income

labour

availability of substitutes >>>>>>>>>>>

Q29 Which of these combinations of goods is referred to as complementary?

car and petrol, >>>>>>>>>>>

fish and meat

milo and bournvita

stove and gas cooker

Q30 The cross elasticity of demand is -------- if two commodities are substitute

negative

unitary

positive >>>>>>>>>>>

zero

Q31 Which of these refer to the degree of responsiveness of a proportionate change in the quantity demanded of a commodity to a proportionate change in the price of a related? commodity

elasticity of demand

cross elasticity of demand >>>>>>>>>>>

income elasticity of demand

price elasticity of demand

Q32 The coefficient of income elasticity of demand is always negative for

normal goods,

general goods

giffen goods

inferior goods >>>>>>>>>>>

Q33 The coefficient of income elasticity of demand is always positive for

general goods >>>>>>>>>>>

inferior goods

giffen goods

normal goods

Q34 A measure of the sensitivity of demand to changes in income is called

elasticity of demand

price elasticity of demand

income elasticity of demand >>>>>>>>>>>

elasticity

Q35 Demand for a commodity is said to be ---------- when at a given time an unlimited quantity is demanded

inelastic

perfectly inelastic

elastic

perfectly elastic >>>>>>>>>>>

Q36 If the change in demand of a commodity is 10% when the price change is 10%, demand is said to be

elastic

inelastic

unitary >>>>>>>>>>>

zero

Q37 If the change in demand of a commodity is 10% when the price change is 20%, demand is said to be

inelastic >>>>>>>>>>>

unitary

elastic

zero

Q38 If the change in demand of a commodity is 20% when the price change is 10%, demand is said to be

elastic >>>>>>>>>>>

inelastic

unitary

zero

Q39 The measure of responsiveness of quantity demanded of a product relative to its own price is called \_\_\_\_\_\_\_\_\_\_

price elasticity of demand >>>>>>>>>>>

income elasticity of demand

product elasticity of demand

cross elasticity of demand

Q40 A measure of the degree to which quantity demanded would respond to any single variable is called------- with respect to that variable

elasticity >>>>>>>>>>>

demand

eluicidation

etiolation

Q41 Which of the following may not be classified as free resources?

labour >>>>>>>>>>>

water

soil

rain

Q42 Which of the following may not be refer to as economic resources?

skilled labour

heat >>>>>>>>>>>

unskilled labour

hired labour

Q43 The major resources used in agriculture are--------- resources and ------------ resources

tight and free

equilibruim and economic

free and economic >>>>>>>>>>>

liquidated and economic

Q44 Inputs or processes that are not controllable include all of these except

rainfall

plant nutrition

photosynthesis

irrigated water >>>>>>>>>>>

Q45 Controllable inputs include all of these except

rainfall >>>>>>>>>>>

land

capital

irriated water

Q46 Changing the form or situation of a raw material in space and time is termed

Creativity

Production >>>>>>>>>>>

Construction

Commerce

Q47 Which of these may not be classified as an output producing unit in agricultural economics?

factory

industry

school >>>>>>>>>>>

farm

Q48 The process by which inputs are transformed into output in output producing unit is called

Creativity

Construction

Commerce

Production >>>>>>>>>>>

Q49 Which of these may not be true of all production activities?

to satisfy people's want

to increase the economic welfare of people

to satisfy few number of people's want >>>>>>>>>>>

to raise the standard of living

Q50 On the basis of cost structure, which of these does not classify Capital?

human skil >>>>>>>>>>>

depreciation on building

maintenance on machinery

depreciation on machinery

Q51 Which of these may not be classified as a capital resources?

farm machinery

minerals >>>>>>>>>>>

herbicides

feed for livestock

Q52 Labour is measured in

female-hour

children-hour

animal-hour

man-hour >>>>>>>>>>>

Q53 The quality of labour in use is a function of all of these except

level of mismanagement >>>>>>>>>>>

level of education

level of training

level of productivity and efficiency

Q54 Labour availability is a function of ----------- released for agicultural activities

aged proportion of the population

passive proportion of the population

active proportion of the population >>>>>>>>>>>

disable proportion of the population

Q55 The effort of human being used in making things happen in production process is refered to as

entreprenuership

capital

land

labour >>>>>>>>>>>

Q56 Land is measured in

tonnes

heaps

hectares >>>>>>>>>>>

kilograms

Q57 The local farmers sometimes refer to the size of their farms in

heaps >>>>>>>>>>>

tonnes

hectares

kilograms

Q58 The supply of all of these resources is relatively not fixed except

land >>>>>>>>>>>

labour

capital

entreprenuership

Q59 The most important resource in agricultural production is

land >>>>>>>>>>>

labour

capital

entreprenuership

Q60 All of these are characteristic of economic resources except

abundant in supply >>>>>>>>>>>

scarce in supply

limited in production

possess high economic value

Q61 The \_\_\_\_\_\_\_\_ elasticity of demand under the unitary elasticity is equal to one throughout the length of the demand curve.

Perfectly inelastic

Price

Numerical >>>>>>>>>>>

Unitary elasticity

Q62 The proportion of income spent on a particular commodity is a determinant of \_\_\_\_\_\_ demand

Price elasticity >>>>>>>>>>>

Perfectly elastic

Elasticity

Unitary elasticity

Q63 The law of supply is violated when there is fixed supply, infinite annd \_\_\_\_\_\_\_ supply.

Aggreate

Elastic

Inelastic >>>>>>>>>>>

Labour

Q64 \_\_\_\_\_\_\_\_ curve is a vertical line when nummerical elasticity of demand is equal to zero.

Perfectly inelastic >>>>>>>>>>>

Perfectlt elastic

imperfectly elastic

Imperfectly inelastic

Q65 \_\_\_\_\_\_\_\_\_ elasticty is the first derivative of the demand and supply function.

Price

Point >>>>>>>>>>>

Cost principle

Perfect

Q66 A good weather condition will lead to \_\_\_\_\_\_\_\_ agricultural output.

Higher >>>>>>>>>>>

Average

Poor

Moderate

Q67 Quantity supplied of a given commodity is \_\_\_\_\_\_\_\_\_ realted to its production capacity

Proportionally

Directly

Positively >>>>>>>>>>>

Inversely

Q68 Quantity supplied of a given commodity is \_\_\_\_\_\_\_\_\_ realted to the cost production

Proportionally

Directly

Positively

Inversely >>>>>>>>>>>

Q69 The plotting of commodity prices on the vertical axis against the quantities supplied on the horizontal axis is reffered to as \_\_\_\_\_\_\_\_ curve.

Inelastic supply

Fixed supply

Labour supply

Supply >>>>>>>>>>>

Q70 \_\_\_\_\_\_\_\_\_\_\_ rises when the elasticity of supply is zero.

Price >>>>>>>>>>>

Costs

Federal ministry of Industry

Elasticity

Q71 \_\_\_\_\_\_\_\_\_ supply is an important factoor in economic analysis.

Market >>>>>>>>>>>

Individual

Aggregate

Fixed

Q72 A combination of other \_\_\_\_\_\_\_\_\_ affects the individual supply schedulle.

Buyers

Prices

Sellers >>>>>>>>>>>

Costs

Q73 \_\_\_\_\_\_\_\_\_ concept depends on ruling price and scarcity of a commodity.

Supply >>>>>>>>>>>

Demand

Individual Supply

Individual Demand

Q74 The slope of demand curve is negative because \_\_\_\_\_\_\_\_ is inversely related to quantity demanded.

Cost

Price >>>>>>>>>>>

Output

Input

Q75 Jewelries, expensive cars and colthes are examples of \_\_\_\_\_\_\_\_\_\_ articles.

Cost

Ostentation >>>>>>>>>>>

Assets

Superior

Q76 \_\_\_\_\_\_\_\_\_ demand is the summation of individual schedule.

Market >>>>>>>>>>>

Individual

Aggregate

Absolute

Q77 \_\_\_\_\_\_\_\_ are factors that shift the demand curve inwards or outwards.

Shifters >>>>>>>>>>>

Pushers

Elevators

Increment

Q78 An increase in income will lead to increase in quantity demanded of a normal and \_\_\_\_\_\_\_\_\_ goods.

Inferior

Obsolate

Luxury >>>>>>>>>>>

Superior

Q79 \_\_\_\_\_\_\_ are known as new commodities that replace older ones.

Current

Inferior

Superior

Obslate >>>>>>>>>>>

Q80 The demand for yam in a given market is influenced by \_\_\_\_\_\_\_\_\_

Price

Size >>>>>>>>>>>

Taste

Value