# Principles of Economics Icom Part 1 English Medium Chapter 4 Online Test

| Sr | Questions | Answers Choice |
|---|---|---|
| 1 | Mental or physical work undertaken for reward by human being is called | A. Land<br>B. Labour<br>C. Capital<br>D. Organization |
| 2 | Second factor of production is | A. Land<br>B. Labour<br>C. Capital<br>D. Organization |
| 3 | Perfectly inelastic supply curve is: | A. Vertical<br>B. Rise upward<br>C. Horizontal<br>D. Fall downward |
| 4 | The most important and basic factor of production is | A. Land<br>B. Labour<br>C. Capital<br>D. Organization |
| 5 | Fourth factor of production is called | A. Land<br>B. Labour<br>C. Capital<br>D. Organization |
| 6 | Tractor, harvester, thrasher etc are the examples of factor of production | A. Land<br>B. Labour<br>C. Capital<br>D. Organization |
| 7 | When supply increases due to rise price, it is called: | A. Fall in supply<br>B. Contraction in supply<br>C. Expansion in supply<br>D. Rise in supply |
| 8 | If price decreases but supply remains constant, it is called: | A. Fall in supply<br>B. Contraction in supply<br>C. Expansion in supply<br>D. Rise in supply |
| 9 | In modern term, factors of production are called | A. Inputs<br>B. Productive services<br>C. Inputs and productive services<br>D. Production of goods and services |
| 10 | One of the following is not included in the characteristics of labour | A. Labour and labourer cannot be separated<br>B. Labour can be stored<br>C. Labour has limited mobility<br>D. Supply of labour is inelastic |
| 11 | One of the following is not included in labour | A. Teaching of a teacher in a school<br>B. Working of a clerk in an office<br>C. To follow a case by a lawyer<br>D. To look after the child by his mother |
| 12 | One of the following is not included in the characteristics of land | A. Land is a gift of nature<br>B. All the pieces of land are not equal infertility<br>C. Productive capacity of land is limited<br>D. Supply of land is unlimited |
| 13 | Quantity of a commodity which is offered for sale in a market is called: | A. Trade<br>B. Supply<br>C. Demand<br>D. Stock |
| 14 | One of the following is not called land | A. Rain<br>B. Mountain<br>C. Forests<br>D. Mangla Dam |

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| 15 | If quantity supplied changed in response to change in price, is known as: | A. Ed<br>B. Es<br>C. More Elastic<br>D. Less Elastic |
| 16 | The factor of production which is used to produce more wealth or increase income is called | A. Land<br>B. Labour<br>C. Capital<br>D. Organization |
| 17 | Blessings like air, rain existing on land are included in factor of production | A. Labour or human resources<br>B. Capital or monetary resources<br>C. Land or natural resources<br>D. Organisation |
| 18 | Causes of shifting in supply curve is: | A. Change in technique<br>B. Change in cost<br>C. Change in tax<br>D. All of them |
| 19 | Stock means the quantity: | A. Sold in market<br>B. Which is offered for sale<br>C. Which exist in warehouse<br>D. Of total production |
| 20 | If the rate of change in price and quantity supplied is equal then: | A. Es = 0<br>B. Es = 1<br>C. Es > 1<br>D. Es < 1 |