

Principles of Economics Icom Part 1 English Medium Chapter 9 Online Test

Sr	Questions	Anewers Choice
Sr	Questions	Answers Choice
1	In the long run firms mostly earn normal profit in:	A. Perfect competition B. Oliogopoly C. Monopoly D. Duopoly
2	Transfer payment means that income	A. Which can move from one place to order place i.g. money etc. B. Which is received without labour, e.g. Zakat, gift, pension etc C. Which is received after hardwork D. Which is received by exports
3	The income which a person can use according to his will is called	A. Personal income B. Disposable personal income C. Net income D. Per capita income
4	Monopoly refers to:	A. Single buyer B. Single seller C. Single producer D. Both b and c
5	According to whom economist, National income is the name of the total of production of goods and services	A. Adam smith B. Marshall C. Fisher D. Pigou
6	According to Pigou national income is that part of material wealth	A. Which can be stored easily B. Which can be measured by the scale of money C. Which have volume and surrounds D. Which is exported
7	A firm suffers abnormal losse, when:	A. AC = AR B. AVC = AR C. AVC &It AR D. AVC > AR
8	Duopoly refers to:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
9	Concept of equilibrium level of national income in comprehensive way was presented by	A. Professor keynes B. Professor Marshall C. Professor hicks D. Professor Lipsay
10	How many conditions of firm's equilibrium are there ?	A. One B. Two C. Three D. Four
11	Under Monopoly, a firm is in equilibrium position when Ed is:	A. Equal to unity B. Less than unity C. Grater than unity D. Both b and c
12	National income is total of	A. Incomes of all entrepreneurs of the country B. Incomes of all industrialists of the country C. Incomes of all salaried persons of the country D. Incomes of all the people of the country
13	Oligopoly means:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
14	"National income is that part of material wealth of a nation which can be measured by the	A. Marshall B. Pigou

	scale of money" I his definition of national income is stated by the economist	C. Adam smith D. Clark
15	One of the following precautions is not included in measurement of national income by product method	A. To subtract depreciation allowance B. To subtract indirect taxes C. Not to include transfer payments D. To include subsidies
16	A firm gains abnormal profit, when:	A. TR = TC B. TR > TC C. TR &It TC D. MC = MR
17	One is not included in measuring National income	A. Wage of labourB. services of house ladyC. Agricultural productionD. Industrial production
18	Method of measuring national income	A. National income=Gross national product - depreciation allowance B. National income= Net national product - Indirect costs C. National income= Net national product + subsidies D. National income= Net national product - indirect taxes + subsidies
19	At shut down position:	A. AC = AR B. AVC = AR C. AVC &It AR D. AVC > AR
20	A firm is in equilibrium, where:	A. AR = MR B. AC = MC C. AC = MR D. MC = MR