

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	"Principles of Economics" was written by.	A. Adam smith B. Marshall C. Robbins D. Canon
2	Under perfect competition:	A. $AR > MR$ B. $AR < MR$ C. $AR = MR$ D. All of three
3	Marginal utility curve moves	A. From left to right downward B. From left to right upward C. Parallel to ox axis D. Parallel to oy axis
4	During depression, increases	A. Unemployment B. Employment C. Profit D. Production
5	The income and expenditure of common people is known as:	A. Government finance B. Private finance C. Public finance D. Both a and c
6	Depreciation means:	A. Wear and Tear B. Reduction in value C. Decrease in value D. All of these
7	When general price level increases due to increase in aggregate demand, it is known as?	A. Stagflation B. Hyper inflation C. Demand pull inflation D. Cost push inflation
8	One of the following is not included in explicit cost	A. Wages of labourers B. Reward of entrepreneur's personal labour C. Price of raw material D. Interest of capital
9	Under monopoly the price is always equal to:	A. AR B. MR C. MC D. AVC
10	The decreasing part of TU curve shows:	A. MU is zero B. MU is negative C. MU is increasing D. MU is decreasing
11	Private individuals are not allowed to fulfill their needs	A. To get loans from the friends B. To get financial help from the relatives C. To get loans from the domestic financial institutions D. To print notes
12	Income and employment are at peak level during:	A. Recovery B. Boom C. Depression D. Recession
13	First four cannons of taxation are presented by:	A. Marshall B. Ricardo C. J.B.Say D. Adam smith
14	World economic depression accured in	A. 1927 B. 1928 C. 1929 D. 1931
		A. Multiplier

15	The ratio of change in income to change in investment is known as:	B. Accelerator C. MEC D. Both a and b
16	Fixed costs are those costs of production which	A. Rise with quantity of output B. Do not change with any amount of production C. Decline with rising production D. None of these
17	According to comparative cost theory conditions ----- in goods and labour market exist	A. of monopoly B. of duopoly C. Monopolistic competition D. of perfect competition
18	If demand did not influence by the charge in price, that is called:	A. Elasticity of demand = 1 B. Elasticity of demand \leq 1 C. Elasticity of demand $>$ 1 D. Elasticity of demand = 0
19	MRP curve of a factor represents:	A. Demand of factors B. Supply of factors C. Price of factors D. Both a and c
20	The trade among different countries is known as:	A. Local trade B. Internal trade C. Domestic trade D. Foreign trade