

Principles of Economics Icom Part 1 English Medium Chapter 10 Online Test

Sr	Questions	Answers Choice
1	Production of an additional unit of factor refers to:	A. AP B. TP C. MP D. MR
2	The unit of money by which the value of goods and services is expressed is called	A. Paper money B. Money of account C. Legal tender money D. Near money
3	One of the following is not advantage of paper money	A. Saving of metals B. Saving of coinage C. Easy transferability D. Perfectly inelastic supply
4	One of the following is not the cause of deflation	A. Decrease in demand for goods B. Decrease in consumption C. Increase in quantity of money D. Increase in supply of goods
5	Which one of the following was the difficulty of barter system	A. Abundance of goods B. Lack of double coincidence of wants C. Difference of language D. difference of occupations
6	One of the following is not the fiscal measure to control inflation	A. Decrease in public expenditures B. Increase in the value of money C. Increase in taxes D. Encouragement of saving
7	One of the following is not the cause of inflation	A. Increase in quantity of money B. Increase in demand for goods C. Increase in supply of goods D. Increase in cost of production
8	Inflation will be useful for	A. Labourers B. Consumers C. Pensioners D. Industrialist
9	The money whose face value and intrinsic value are equal, is called	A. Token money B. Standard money C. Paper money D. Credit money
10	Unit of account money in Pakistan is	A. Rial B. Rupee C. Dollar D. Pound
11	Net National product is equal to	A. GNP + Depreciation expenditure B. GDP + Depreciation expenditure C. GNP - Depreciation expenditure D. GDP - Depreciation expenditure
12	Which kind of budget is better during the situation of deflation	A. Deficit budget B. Surplus budget C. Balanced budget D. National budget
13	By which money business dealing has become easy	A. Metallic money B. Paper money C. Credit money D. Near money
14	Quantity theory of money failed during world economic depression	A. In 1920 B. In 1925 C. In 1929 D. In 1935
		A. When demand for goods is less than their supply B. When demand for goods is more

15	Inflation is created	than their supply C. When demand for goods becomes equal to their supply D. When demand and supply of goods do not change
16	The money whose face value is greater than its intrinsic value, is called	A. Standard metallic money B. Paper money C. Token money D. Near money
17	What is money	A. Coins of gold and silver B. Paper money C. Agricultural crops D. Everything which can be used as a medium of exchange
18	One of the following is not fiscal measure to control inflation	A. Decrease in public expenditures B. Increase in taxes C. Encouragement of savings D. Increase in investment
19	Which one of the following does not exist during deflation	A. Production decreases B. Value of money increases C. Supply of goods and services increases from their demand D. Level of employment increases
20	It was impossible under barter system	A. Lack of coincidence of wants B. Lack of common measure of value C. Divisibility of some goods in small parts D. Solution of all the said problems