

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

Sr	Questions	Answers Choice
1	Stock means the quantity:	A. Sold in market B. Which is offered for sale C. Which exist in warehouse D. Of total production
2	One of the following is not included in the characteristics of labour	A. Labour and labourer cannot be separated B. Labour can be stored C. Labour has limited mobility D. Supply of labour is inelastic
3	Factor of production which is used to earn more income, is called	A. Land B. Labour C. Capital D. Organization
4	In economics, every mental or physical struggle undertaken for reward, is called	A. Land B. Labour C. Capital D. Organization
5	If an entrepreneur does service, in economics it is called	A. Organization B. Discipline C. Labour D. Wage
6	Fourth factor of production is called	A. Land B. Labour C. Capital D. Organization
7	Second factor of production is	A. Land B. Labour C. Capital D. Organization
8	The most important and basic factor of production is	A. Land B. Labour C. Capital D. Organization
9	If price increases but supply remains constant, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
10	River, sea, forests, rain are called	A. Land B. Labour C. Capital D. Organization
11	Production of a commodity depends upon four factors of production i.e. land, labour, capital and organization	A. According to classical economists B. According to Neo classical economists C. According to modern economists D. According to Austrian school of thought
12	Causes of shifting in supply curve is:	A. Change in technique B. Change in cost C. Change in tax D. All of them
13	When supply increases due to rise price, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
14	If quantity supplied changed in response to change in price, is known as:	A. Ed B. Es C. More Elastic D. Less Elastic
		A. Labour or human resources

15	Blessings like air, rain existing on land are included in factor of production	B. Capital or monetary resources C. Land or natural resources D. Organisation
16	If price decreases but supply remains constant, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
17	When price decreases, supply:	A. Contracts B. Expands C. Remains fixed D. Becomes zero
18	If the rate of change in price and quantity supplied is equal then:	A. $E_s = 0$ B. $E_s = 1$ C. $E_s > 1$ D. $E_s < 1$
19	Cannot be separated from labourer	A. Land B. Labour C. Capital D. Organization
20	Third factor of production is called	A. land B. labour C. capital D. organization