

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	During recession demand for factors of production is	A. More B. Limited C. Very low D. Too much
2	When average cost is minimum, marginal cost is ----- average cost	A. Less than B. More than C. Equal to D. None of three
3	Which is considered as a transfer payment	A. wages B. salaries C. prices D. unemployment allowances
4	Are included in welfare economist	A. Ricardo and J.S. Mill B. Robbins and Keynes C. Cannon and Pigou D. Malthus and Keynes
5	When average product is maximum, marginal product is:	A. Positive B. Equal to AP C. Zero D. Negative
6	AR curve is also called:	A. Supply curve B. Demand curve C. Utility curve D. Cost curve
7	The goods which are directly consumed by the human-being, are called	A. Consumer goods B. Capital goods C. Industrial goods D. None of the three
8	Marginal productivity theory was presented by	A. Adam Smith and Malthus B. Marshall and J.B Clark C. Robbins and Keynes D. Pigou and Cannon
9	If demand changes by 10% due to 10% change in price, then elasticity of demand is called	A. Equal to unity B. More than unity C. Less than unity D. Infinite
10	Elasticity of supply if perishable goods is	A. Equal to unity B. More than unity C. Less than unity D. Zero
11	As factor of production, river and sea are called	A. Land B. Labour C. Capital D. Organization
12	Supply of goods depends on	A. price B. income C. income and price D. utility
13	The term "Price Maker" is used in:	A. Perfect competition B. Oligopoly C. Monopoly D. Monopsony
14	Law of increasing return is more applicable in:	A. Trade sector B. Industrial sector C. Agricultural sector D. Power sector
15	Nature of inter-relationship of average revenue and marginal revenue under perfect	A. Average revenue remains more than marginal revenue B. Average revenue remains less than marginal revenue C. Average revenue remains equal to marginal revenue

competition is

- C. Marginal revenue remains less than average revenue
- D. Average revenue remains equal to marginal revenue

16 Measurement of arc elasticity of demand was present:

- A. Keynes
- B. Marshall
- C. Adam Smith
- D. R.G.D Allen

17 Usher is levied on

- A. Cash amount
- B. Goats and sheep
- C. Trading goods
- D. Agricultural production

18 That particular price below which price the seller is not ready to sell his commodity, is called

- A. Market price
- B. Normal price
- C. Reserve price
- D. All the three

19 During inflation increase

- A. Exports
- B. Savings
- C. Consumption
- D. Inequality of income

20 What is deducted from the GNP to get GDP

- A. Depreciation allowances
- B. Net income received from abroad
- C. Indirect tax
- D. Transfer payments