Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	If same amount of good is supplied at higher price, it is called	A. Expansion of supply B. Contraction of supply C. Fall in supply D. Rise in supply
2	A system where the goods are exchange with goods is known as:	A. Monetary system B. Barter System C. Coins system D. Goods system
3	Quantity theory of money was criticized by:	A. Marshall B. Sameulson C. Keynes D. Both b and c
4	The factor of production which is used to produce more wealth or increase income is called	A. Land B. Labour C. Capital D. Organization
5	Economic law are made by:	A. Govt. B. Courts C. Parliament D. Behaviour of the people
6	When demand curve shifts rightward (or upward), it is called	A. Rise of demand B. Fall of demand C. Extension of demand D. Contraction of demand
7	Average revenue is equal to	A. Price B. Total revenue C. Marginal revenue D. Average cost
8	If the total expenditure of the consumer does not change due to increase or decrease (change) in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero
9	Consumer's equilibrium takes place at that point where:	A. MU is negative B. MU is positve C. TU is maximum D. MU is maximum
10	Zakat is part of the present income	A. 20th B. 30th C. 40th D. 50th
11	When there are small and minor changes in price and demand then	A. Price elasticity B. Income elasticity C. Cross elasticity D. Point elasticity
12	The trade transaction between the individuals of different areas of a country is called	A. Local trade B. Regional trade C. Domestic trade D. International trade
13	According to classical economics, production process is under laws	A. Two B. Three C. Four D. Five
14	According to which economist, utility is measureable	A. Marshall B. Adam smith C. Robbins D. Keynes
15	When average product is maximum, marginal product is:	A. Positive B. Equal to AP C. Zero D. Negative

16	Supply of perishable goods e.g. groceries, fruit, meat etc is	A. Less elastic B. More elastic C. Perfectly inelastic D. Perfectly elastic
17	Who did present unity method to measure elasticity of demand	A. Adam Smith B. Marshall C. Robbins D. keynes
18	If supply curve is vertical (parallel to y-axis), then elasticity of supply is	A. Zero B. Infinite C. Equal to unity D. More than unity
19	Who said that economics is neutural science ?	A. Pigou B. Keynes C. Robbins D. Marshall
20	When average product is maximum, marginal product is	A. Equal to average product B. More than average product C. Less than average product D. Zero