

## Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	When average product increases, marginal product is:	A. Also increases B. Decreases C. Zero D. Negative
2	When supply decreases due to fall in price, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
3	In which year international monetary fund was established	A. 1941 B. 1944 C. 1945 D. 1947
4	The money which is not in the form of net cash and is not used at once for business dealing is called	A. Near money B. Legal Tender money C. Credit money D. Paper money
5	If the most part of total supply of commodity is produced by one firm, it is called	A. Oligopoly B. Monopoly C. Perfect competition D. Monopolistic competition
6	Economics according to its scope is	A. Science B. Art C. Science & Art D. Only positive science
7	Micro economics studies related to	A. National income B. Unemployment C. Trade cycle D. Consumer's behavior
8	The kind of market, in which a single firm produces a single commodity which has no close substitute	A. Monopoly B. Duopoly C. Oligopoly D. Perfect competition
9	The power of a good or service to satisfy a human want is called:	A. Value B. Price C. Utility D. All of them
10	Other things remaining the same, marginal utility of a commodity diminishes with its continuous consumption. This law is called	A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of decreasing return
11	Monopoly is opposite to	A. Perfect competition B. Imperfect competition C. Perfect competition and imperfect competition both D. Oligopoly
12	If total expenditure of the consumer increases due to decrease 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
13	A monopolist controls the supply	A. Totally B. Partially C. More D. Not at all
14	Which one is comparatively the most important factor ?	A. Land B. Labour C. Capital D. Organization
15	One of the following is not included in the causes of deficit in balance of payments of a country	A. Increase in exports B. Increase in imports C. Unfavourable terms of trade D. ...

16 Monetary theory of trade cycle was given by:

- A. Joseph Schumpeter
- B. Habson Foster
- C. Jevons
- D. Hawtray

17 Which economist has stated the definition of balance of payments

- A. Robbins
- B. Kindleberger
- C. Marshall
- D. Keynes

18 The goods on which law of demand does not apply, are called

- A. Services
- B. Goods and services
- C. Giffin goods
- D. Capital goods

19 Modern theory of trade cycles is presented by

- A. Prof Schumpeter
- B. Prof Keynes
- C. Prof Hawtrey
- D. Prof Hicks and Samuelson

20 Writing of the same behavior of the people in particular arrangement and words is called

- A. Normative science
- B. Positive science
- C. Economic law
- D. Scientific law