

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Founder of neo-classical school of thought:	A. Adam Smith B. Marshall C. Robbins D. Keynes
2	If MC=MR=AR=AC=P, then a firms gains:	A. Super profit B. Normal profit C. Normal loss D. Abnormal loss
3	Who is called founder of modern school of thought	A. Robbins B. Cannon C. Keynes D. Malthus
4	Economics is basically divided into two parts	A. Micro and macro economics B. Micro and applied economics C. Theoretical and applied economics D. Welfare and applied economics
5	When supply curve shifts rightward or down it is called	A. Rise of supply B. Fall of supply C. Extension of supply D. Contraction of supply
6	Non elastic demand curve is	A. positive B. negative C. vertical D. horizontal
7	Word of economics has been derived from "Oikonomos" which is word of the language	A. French B. Latin C. Russian D. None of them
8	Cannot be separated from labourer	A. Land B. Labour C. Capital D. Organization
9	National income at factor cost is equal to:	A. G.N.P - Subsidies + taxes B. N.N.P - Direct tax + Subsidies C. G.D.P - Subsidies + taxes D. N.N.P - Indirect tax + Subsidies
10	If supply of a commodity changes by more than 10% due to 10% change in its price, then elasticity of supply will be	A. Equal to unity B. More than unity C. Less than unity D. Infinite
11	Cheque is which kind of money:	A. Credit money B. Paper money C. Standard money D. Legal money
12	Income and employment are at peak level during:	A. Recovery B. Boom C. Depression D. Recession
13	Shape of market supply curve is	A. Horizontal or parallel to ox curve B. Vertical or parallel to oy curve C. Positively sloping D. Negatively sloping
14	If the rate of change in price and quantity supplied is equal then:	A. Es = 0 B. Es = 1 C. Es > 1 D. Es < 1
15	Applied on agriculture immediately	A. Law of increasing return B. Law of substitution C. Law of decreasing return

		D. Law of decreasing cost
16	If 50% change in demand in reposne of 50% change in price then:	A. Elasticity of demand = 1 B. Elasticity of demand < 1 C. Elasticity of demand > 1 D. Elasticity of demand = 0
17	Barter economy means the economy in which no good is generally accepted and goods are exchanged with goods. This definition is stated by the	A. Prof Marshall B. Stanlay Fisher C. Culberon D. Walker
18	Cardinal utility approach was presented by:	A. Adam smith B. Keynes C. Robbins D. Marshall
19	Which is the Demand Curve of a frim	A. Average Revenue Curve B. Marginal Revenue Curve C. Total Revenue Curve D. Average cost curve
20	If quantity demand changes due to the change in income, it is called:	A. Point Elasticity of demand B. Arc Elasticity of demand C. Income Elasticity of demand D. Price Elasticity of demand