

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Which is not included in variable cost	A. price of raw material B. Advertisement expenditures C. rent of building D. wages of labour
2	In which phase of a trade cycle level of employment and income become very low	A. Depression B. Recovery C. Boom D. Recession
3	When total utility is increasing marginal utility is	A. Zero B. Positive C. Negative D. Maximum
4	Who said that economics is science of wealth	A. Adam smith B. Robbins C. Marshall D. Pigou
5	MC cuts AC at:	A. Maximum point B. Minimum point C. Increasing point D. Decreasing point
6	Marshall belonged to the country	A. America B. England C. France D. Japan
7	The systematic record of the money value of visible exports and visible imports of one year of country is called	A. Balance of trade B. Balance of payment C. International balance D. External balance
8	The goods which are jointly demanded to satisfy a want, are called	A. Complimentary goods B. Substitute goods C. Alternative goods D. inferior goods
9	Blessings like air, rain existing on land are included in factor of production	A. Labour or human resources B. Capital or monetary resources C. Land or natural resources D. Organisation
10	If demand decreases by 10% due to 10% increase in Price, then elasticity of demand 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	Which one is increasing function of price	A. Demand B. Supply C. Utility D. Consumption
13	"Money is a thing by which payments of agreements of borrowing and pricing are made and general purchasing power is stored in it." This definition of money is stated by the economist	A. Prof Marshall B. Prof Walker C. Prof Keynes D. Prof Crowther
14	If the income of the government is less than its expenditures, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
15	When average cost falls, marginal cost is - - - - - average cost	A. Less than B. More than C. Equal to D. None of three

16	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
17	In perfect competition the average revenue curve is	A. Vertical B. Horizontal C. Rising D. Declining
18	"Principles of Economics" was written in:	A. 1776 B. 1890 C. 1932 D. 1930
19	Which one of the following is not called Gross national product	A. Economic national product B. Joint national product C. Composite national product D. All the three
20	A big change in demand and price is called:	A. PointElasticity of demand B. ArcElasticity of demand C. CrossElasticity of demand D. PriceElasticity of demand