

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	When total product increases, marginal product	A. Is positive B. Is negative C. May be positive or negative D. Is zero
2	Disposable personal income is equal to	A. Personal income + direct taxes B. Personal income + indirect taxes C. Personal income + direct and indirect taxes D. Personal income - direct taxes
3	Which one is not condition of perfect competition	A. Homogeneity of good B. Difference in price of good C. Large number of buyers and sellers D. Perfect knowledge of market
4	Usher is levied on	A. Cash amount B. Goats and sheep C. Trading goods D. Agricultural production
5	To which area of England Adam Smith belonged	A. Wales B. Scotland C. Ireland D. London
6	Comparative cost theory is also called	A. Theory of comparison cost B. Theory of specialization of cost C. Theory of balanced cost D. Theory of specialization of production
7	Which is not studied in macro economics ?	A. National income B. Money and banking C. Consumer's behavior D. Public finance
8	Utility can not be measurable who has said	A. Marshall B. Hicks C. Pigou D. Adam Smith
9	When supply increases due to other factors besides price, it is called	A. Extension of supply B. Contraction of supply C. Rise of supply D. Fall of supply
10	The term "Price Maker" is used in:	A. Perfect competition B. Oligopoly C. Monopoly D. Monopsony
11	According to law of supply, supply curve moves from left to right upward, this tendency is called	A. Positive B. Negative C. Horizontal D. Vertical
12	Under increasing return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
13	The relation between quantity of money and value of money is:	A. Positive B. Negative C. Direct D. Inverse
14	To derive economic laws inductive method was adopted by	A. Classical school of thought B. Neo classical school of thought C. Historical school of thought D. Modern school of thought
		A. Pigou and Cannon

15	Marginal productivity theory was presented by:	B. Adam Smith and F.A. Walker C. Keynes and Semeulson D. Marshall and J.B. Clark
16	To increase profit a firm minimises	A. revenues B. costs C. demand D. supply
17	Which characteristic is not found in economic laws	A. Not quantitative B. Cannot be predicted C. No punishment in case of going against law D. Definite and universal
18	Supply of durable goods is	A. Elastic B. Perfectly elastic C. Perfectly inelastic D. Less elastic
19	The decreasing part of TU curve shows:	A. MU is zero B. MU is negative C. MU is increasing D. MU is decreasing
20	Main elements of circular flow of national income are	A. People or house holds B. Firms C. House holds and firms D. Industrial lists