

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Second name of unitary method is	A. Method of total satisfaction B. total expenditure method C. total revenue method D. Both 2nd and 3rd
2	According to law of diminishing marginal utility, marginal utility of a commodity	A. Increases B. Decreases C. Remains constant D. Become negative
3	Demand for the commodities whose use can be postponed is	A. Less elastic B. More elastic C. Perfectly inelastic D. infinitely elastic
4	In which year the book named "Principles of Economics" was written	A. 1805 B. 1890 C. 1903 D. 1915
5	Methods for measurement of national income are:	A. Two B. Three C. Four D. Five
6	One of the following is not included in the public expenditures	A. Courts B. Fee C. Public administration D. Defence
7	In case of fall in demand, demand curve shifts:	A. Left side B. Right side C. Downward D. Both (a) and (c)
8	If demand does not change, despite a fall in price, is called	A. Fall of demand B. Rise of demand C. Contraction of demand D. Extension of demand
9	Supply of goods depends upon	A. Price B. Income C. Price and income D. Utility
10	Who does determine the reserve price	A. Buyer B. Seller C. Government D. District administration
11	In which punishment is not applicable for the disobedience, the laws are	A. Moral laws B. Laws of state C. Political laws D. Economic laws
12	Slope of average revenue and marginal revenue curves under monopoly is	A. positive B. negative C. zero D. none of three
13	Who said that economics is positive science ?	A. Adam smith B. Marshall C. Robbins D. Keynes
14	If demand falls more proportionately than that of supply then	A. Equilibrium price increases B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity increases
15	Wages of temporary labourers are:	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost

16	Consumer's equilibrium takes place at that point where:	A. MU is negative B. MU is positive C. TU is maximum D. MU is maximum
17	If demand for a commodity changes due to change in price of its substitute, it is called	A. Price elasticity B. Point elasticity C. Cross elasticity D. Arc elasticity
18	One of the following is not the characteristic of money	A. General acceptability B. Durability C. Non homogeneity D. Convertibility
19	When average product is maximum, marginal product is:	A. Positive B. Equal to AP C. Zero D. Negative
20	Immortal factor production is	A. Land B. Labour C. Capital D. Organization