

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	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
2	One of the following is not the cause of deflation	A. Decrease in demand for goods B. Decrease in consumption C. Increase in quantity of money D. Increase in supply of goods
3	If two goods are complimentary, cross Elasticity of demand will be:	A. Zero B. Infinite C. Positive D. Negative
4	Are included in welfare economist	A. Ricardo and J.S. Mill B. Robbins and Keynes C. Cannon and Pigou D. Malthus and Keynes
5	Micro economics studies related to:	A. National income B. Unemployment C. Trade cycle D. Consumers behaviour
6	Second name of unitary method is	A. Method of total satisfaction B. total expenditure method C. total revenue method D. Both 2nd and 3rd
7	During the phase of recession prices of goods	A. Start rising B. Start falling C. are highest D. are lowest
8	Because of devaluation of currency of a country, its exports	A. Decrease B. Increase C. Remains constant D. Go on changing
9	Who said that economics is positive science	A. Adam Smith B. Marshall C. Robbins D. Keynes
10	Money which can be converted into cash money is known is:	A. Near money B. Paper money C. Legal tender money D. Token money
11	According to which economist, it is difficult to find marginal product	A. Robbins and Keynes B. Marshall and pigou C. Adam Smith and Mathuls D. Taussing and Davenport
12	According to quantity theory of money doubling the quantity of money, prices	A. Increase B. Double C. Decrease D. One half
13	Demand for Giffen goods is:	A. Negative B. Vertical C. Positive D. All of them
14	Monopoly is opposite to	A. Perfect competition B. Imperfect competition C. Perfect competition and imperfect competition both D. Oligopoly
15	How many kinds of costs are in the short period	A. Two B. Three C. Four D. Five

16	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
17	Total expenditures which a firm bear to produce a particular quantity of output	A. Fixed costs B. Variable costs C. Total costs D. Average fixed cost
18	Quickly destroyable goods are called	A. Superior goods B. Inferior goods C. Perishable goods D. Giffen goods
19	Capital goods are those which can satisfy human wants:	A. Directly B. Indirectly C. Proportionate D. None of these
20	Economic law are made by:	A. Govt. B. Courts C. Parliament D. Behaviour of the people
