

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Dividing total variable costs by the units of output, is attained	A. Average fixed cost Average variable cost C. Average cost D. Marginal cost
2	Theory of innovations was presented by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. J.R Hicks
3	The costs which increase with the increase in output and decrease with the decrease in output, are called	A. Variable costs B. Fixed costs C. Average costs D. Marginal cost
4	Who said that economics is science of wealth	A. Adam smith B. Robbins C. Marshall D. Pigou
5	Quantity theory of money in the form of an equation was presented by	A. Prof Fisher B. Prof Taussig C. Prof Marshall D. Prof Renald
6	The whom individuals Marshal included in definition of economics	A. Service of teachers B. People living in forests C. Trading professionals D. People living in caves
7	One of the following is not advantage of international trade	A. Provision of necessities of life B. Imperfections of market C. Provision of medicines & D. Provision of necessities of defence
8	The expected rate of profit from a business is known as:	A. Multiplier B. Accelerator C. Marginal efficiency of capital D. Both a and b
9	If there are large number of firms in some particular industry, then situation is called	A. Perfect competition B. Imperfect competition C. Monopoly D. Monopolistic competition
10	Want of a commodity is satisfied, when its marginal utility is	A. Positive B. Zero C. Negative D. Minimum
11	Economic laws are:	A. Definite and universal B. Conditional C. Moral D. Political
12	Recent international depression was appeared in:	A. 1936 B. 1990 C. 2005 D. 2008
13	Supply of the one of the following is not fixed:	A. Vegetable B. Fruit C. Milk D. Motor bike
14	According to which economist, it is difficult to find marginal product of a factor of production	A. Marshall and pigou B. Adam Smith and Malthus C. Keynes D. Taussing and Davenport
15	When average cost increases, marginal cost is average cost	A. Less than B. More than C. Equal to

		D. None of three
16	When there is big change in demand and price of a commodity, it is called	A. Point elasticity B. Arc elasticity C. Cross elasticity D. Income elasticity
17	Increasing marginal product shows the law	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of diminishing marginal utilit
18	Slope of demand curve of exceptions of law of demand is	A. Negative B. Positive C. Zero D. Fixed
19	Change in total production is called	A. Marginal productionB. Zero productionC. Total productionD. Average production
20	Utility of a commodity is zero, when	A. Want is satisfied upto a certain extent B. Want is fully satisfied C. Utility is positive D. Want is not satisfied