

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	If demand is not influenced by the changes in price, elasticity of demand will be	A. Equal to unity B. More than unity C. Less than unity D. Zero
2	Law of increasing return is more applicable in:	A. Trade sector B. Industrial sector C. Agricultural sector D. Power sector
3	Which laws are definite and universal	A. Economic laws B. Moral laws C. State laws D. Scientific laws
4	The concept of utility is:	A. Subjective B. Moral C. Objective D. Neutral
5	After deducting direct tax from personal income, it is called	A. National income B. personal income C. Disposable personal income D. per capital income
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	Balance of payment of a country in unfavourable when its	A. Receipts are more than payments B. Receipts are less than payments C. Receipts are equal to payments D. None of three
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	Exact perdition not possible in:	A. Economic laws B. Science laws C. Moral laws D. Social law
10	Id demand changes by less than 10% due to 10% change in price, then elasticity of demand is called	A. Equal to unity B. More than unity C. Less than unity D. Infinite
11	Balance of visible goods of a country mean	A. Quantity of imports & exports B. Value of imports & exports C. Value of imported & exported goods and services D. Value of imported & exported services
12	Supply of goods depends upon	A. Price B. Income C. Price and income D. Utility
13	Demand for good like Television and VCR is	A. Less elastic B. More elastic C. Perfectly inelastic D. Infinitely elastic
14	Utility of the last unit of a commodity consumed is called	A. Positive utility B. Negative utility C. Total utility D. Marginal utility
15	Which economist explained the absolute difference of cost of two good between two countries	A. Malthus B. Adam Smith C. Ricardo

D. J.S Mill

16 Feature of a commodity to satisfy human want, is called

- A. Value
- B. Usefulness
- C. Utility
- D. Wealth

17 According to comparative cost theory conditions ----- in goods and labour market exist

- A. of monopoly
- B. of duopoly
- C. Monopolistic competition
- D. of perfect competition

18 To increase profit a firm minimizes

- A. Revenues
- B. Costs
- C. Demand
- D. Supply

19 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

20 Short run cost curves are generally

- A. flatter
- B. u shaped
- C. saucer shaped
- D. oval