# Principles of Economics Icom Part 1 English Medium Online Test

| Sr | Questions | Answers Choice |
|---|---|---|
| 1 | According to which economist some trade cycles complete their cycle during a period of fifty years or sixty years | A. Prof Kitchen<br>B. Prof Jugglar<br>C. Prof Pigou<br>D. Prof Kondratieff |
| 2 | If we deduct foreign income from GNP, we get: | A. N.N.P<br>B. G.D.P<br>C. D.P.I<br>D. P.I |
| 3 | "The nature and significance of economic sciences" was written by: | A. Adam smith<br>B. Marshall<br>C. Robbins<br>D. Canon |
| 4 | Total utility increases when marginal utility is | A. Positive<br>B. Negative<br>C. Zero<br>D. Minimum |
| 5 | One of the following is not disadvantage of international trade | A. Dependence on production of limited goods<br>B. Supply of goods injurious to health<br>C. Bitter pill for political freedom<br>D. Development of civilization & culture |
| 6 | Additional amount of money which a firm gets by selling an additional unit of output is called | A. Average revenue<br>B. Marginal revenue<br>C. Total revenue<br>D. Revenue |
| 7 | Under increasing return, the slope of marginal product curve is | A. Positive<br>B. Negative<br>C. Infinite<br>D. Zero |
| 8 | Slope of average revenue and marginal revenue cures under monopoly is | A. positive<br>B. negative<br>C. zero<br>D. none of three |
| 9 | The money in which payment can be made only to certain extent is called | A. Unlimited legal tender money<br>B. Limited legal tender money<br>C. Metallic money<br>D. Paper money |
| 10 | Elasticity of demand for substitute and jointly demanded goods is called | A. Income elasticity<br>B. Arc elasticity<br>C. Cross elasticity<br>D. Point elasticity |
| 11 | Which one is not condition of perfect competition | A. Homogeneity of good<br>B. Difference in price of good<br>C. Large number of buyers and sellers<br>D. Perfect knowledge of market |
| 12 | Convertible paper money is issued by | A. Central bank<br>B. Commercial bank<br>C. Industrial bank<br>D. Central government |
| 13 | When average cost is minimum, marginal cost is - - - - - - - - average cost | A. Less than<br>B. More than<br>C. Equal to<br>D. None of three |
| 14 | How many are kinds of theoretical economics | A. Two<br>B. Three<br>C. Four<br>D. Five |
| | | A. Vertical |

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| 15 | Perfectly inelastic supply curve is: | B. Rise upward<br>C. Horizontal<br>D. Fall downward |
| 16 | In monopoly, when total revenue of a firm is maximum, then its marginal revenue is | A. Maximum<br>B. Minimum<br>C. Zero<br>D. Negative |
| 17 | Under constant return, the slope of marginal product curve is | A. Positive<br>B. Negative<br>C. Infinite<br>D. Zero |
| 18 | Demand for good like Television and VCR is | A. Less elastic<br>B. More elastic<br>C. Perfectly inelastic<br>D. Infinitely elastic |
| 19 | The quantity of commodity which exists in warehouse (stock) of the seller is called | A. Supply <br> <br>B. Demand<br>C. Stock<br>D. All of these |
| 20 | Another name of unitary method is | A. Total satisfiaction method<br>B. Total expenditure method<br>C. Total revenue method<br>D. Both 2nd and 3rd |