

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	One of the following is not included in the public expenditures	A. Courts B. Fee C. Public administration D. Defence
2	Study of large aggregated of economic system is called	A. Micro economics B. Macro economics C. Applied economics D. All the three
3	If quantity demand changes due to the change in income, it is called:	A. Point Elasticity of demand B. Arc Elasticity of demand C. Income Elasticity of demand D. Price Elasticity of demand
4	If due to a very slight decrease in price, demand goes on increasing, elasticity of demand will be	A. More than unity B. Less than unity C. Infinite D. Zero
5	Supply of perishable goods is	A. More elastic B. less elastic C. Perfectly inelastic D. infinite elasticity of supply
6	The money whose face value is greater than its intrinsic value, is called	A. Standard metallic money B. Paper money C. Token money D. Near money
7	In how many parts professor Adam smith divided his book "Wealth of nations"	A. Two B. Three C. Four D. Five
8	All factors of production are variable in the:	A. Market period B. Long period C. Short period D. All of these
9	Which one of the following public expenditures is related to transport	A. Police B. Defence C. Railway D. Public education
10	Marginal revenue product curve is called	A. Demand curve of the firm B. Supply curve of the firm C. Demand curve of the industry D. Supply curve of industry
11	Private individuals are not allowed to fulfill their needs	A. To get loans from the friends B. To get financial help from the relatives C. To get loans from the domestic financial institutions D. To print notes
12	Under monopoly, marginal revenue is _____ of output	A. Decreasing function B. Increasing function C. Quadratic function D. Cubic function
13	Monopolist firm in the long run	A. Always faces loss B. Usually faces loss C. Usually earns normal profit D. Always earns abnormal profit
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	In case of international trade, trade restrictions are usually	A. Limited B. More C. Too much

		D. None of three
16	In which phase of a trade cycle production, employment, wages and rate of interest etc start rising gradually	A. Boom B. Depression C. Recovery D. Recession
17	Usher is levied on	A. Cash amount B. Goats and sheep C. Trading goods D. Agricultural production
18	The period in which an economy comes back from prosperity to depression is called	A. Recovery B. Recession C. Boom D. Depression
19	"A trade cycle is completed in three years four months" This is stated by	A. Prof Kitchen B. Prof Juglar C. Prof Jevons D. Prof Pigou
20	One of the following is not include in national income:	A. Transfer payments B. Depreciation C. Wages D. Both a and b