Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Supply is Fixed of:	A. Perishable goods B. Free goods C. Durable goods D. Substitute goods
2	Economics is a science which studies.	A. Production of wealth only B. Consumption of wealth only C. Optimum use of scare resources D. Welfare only
3	A system where the goods are exchange with goods is known as:	A. Monetary system B. Barter System C. Coins system D. Goods system
4	Gross national product means	A. Total of price of all goods produced in a country in year B. Total of price of all consumer goods produced in the economy during a year C. Total of goods and services produced in the economy during a year D. Total of monetary value of goods and services produced during a year in the economy
5	Wealth tax, income tax, property tax etc are	A. Direct taxes B. Indirect taxes C. Proportional taxes D. Progressive taxes
6	To determine consumer's equilibrium, professor Marshall got help from the law	A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of constant return
7	One of the following is invisible item of balance of payment	A. Import of motor cars B. Exports of cotton C. Expenditure of passengers traveling by air D. Private investment in foreign country
8	If supply of a commodity changes by more than 10% due to 10% change in its price, then elasticity of supply will be	A. Equal to unity B. More than unity C. Less than unity D. Infinite
9	Methods of deriving economic laws are	A. Two B. Three C. Four D. Five
10	Blessings like air, rain existing on land are included in factor of production	A. Labour or human resources B. Capital or monetary resources C. Land or natural resources D. Organisation
11	"National income is that part of material wealth of a nation which can be measured by the scale of money" This definition of national income is stated by the economist	A. Marshall B. Pigou C. Adam smith D. Clark
12	If quantity supplied changed in response to change in price, is known as:	A. Ed B. Es C. More Elastic D. Less Elastic
13	One of the following is not included in implicit cost	A. Interest of entrepreneur's own capital B. Rent of building C. Reward of entrepreneur's own labour D. Reward of entrepreneur's own

		land
14	Economics is concerned with the attainment of material requisites	A. Robbins B. Marshall C. Pareto D. Senior
15	Depreciation means:	A. Wear and Tear B. Reduction in value C. Decrease in value D. All of these
16	Government needs public finance	A. For the defence of frontiers B. To maintain law and order in the country C. For the payment of salaries of government employees D. For the welfare of the people
17	When marginal utility is zero, then total utility is	A. Minimum B. Positive C. Maximum D. Zero
18	Income received without any economic services:	A. National Income B. Transfer payments C. Interest D. Profit
19	Difference between total revenue and total cost presents:	A. Price B. Profit C. Production D. Loss
20	According to Prof. Kitchen a trade cycle completes in	A. Two years six months B. Three years or Fifty years C. Fifty years or Sixty years D. Sixty years or Seventy years