Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Law of increasing return is also known as:	A. Increasing cost B. Constant cost C. Diminishing cost D. Both (a) and (c)
2	A system where the goods are exchange with goods is known as:	A. Monetary system B. Barter System C. Coins system D. Goods system
3	Economic problem arises because human wants	A. Are unlimited B. Are limited C. Do not exists D. None of three
4	Market equilibrium is attained when there exists in the market	A. Perfect competition B. Imperfect competition C. Monopoly D. Large quantity of commodity comes in the market
5	The science in which conditions and incidents are checked from a particular point of view, is called	A. Positive science B. Normative science C. Social science D. All of three
6	Barter economy means the economy in which no good is generally accepted and goods are exchanged with goods. This definition is stated by the	A. Prof Marshall B. Stanlay Fisher C. Culberon D. Walker
7	If 30% change in supply in response to 50% change in price then:	A. Es = 0 B. Es = 1 C. Es > 1 D. Es < 1
8	According to Prof. Jugglar a trade cycle comletes in	A. Five to six years B. Nine to ten years C. Ten to eleven years D. Eleven to twelve years
9	International trade is based on the following except	A. Different factors of production are required for the production of different goods B. Factors of production exist in different ratios in different countries C. Factors of production are in abundant quantity in different countries D. Factors of production are in limited quantity in different countries
10	The price at which entrepreneur has a sufficient time to meet the demand, is called	A. Market price B. Normal price C. Reserve price D. Normal price
11	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
12	In law of decreasing return, marginal product	A. Increases B. Decreases C. Remains constant D. Does not change
13	Production which is produced with a particular combination of factors of production, is called	A. Total product B. Average product C. Marginal product D. Positive product
14	That particular price below which price the seller is not ready to sell his commodity, is called	A. Market price B. Normal price C. Reserve price

		D. All the three
15	Supply of perishable goods is	A. More elastic B. less elastic C. Perfectly inelastic D. infinite elasticity of supply
16	During the phase of boom level of income and employment is	A. Increasing B. Decreasing C. Highest D. Lowest
17	Because of indirect taxes, prices	A. Decrease B. Remain constant C. Increase D. Do not change
18	Quantity theory of money was criticised by	A. Prof. Keynes B. Prof Marshall C. Prof Pigou D. i and ii both
19	Which factor can not be stored	A. Land B. Labour C. Capital D. Organization
20	Which one of the following is direct tax	A. Sales tax B. Import duty C. Export duty D. Income tax