

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
SI	Questions	
1	In between how many countries international trade takes place under comparative cost theory	A. Two B. Three C. Four D. Many
2	First and basic law of consumption is	A. Law of demand B. Law of decreasing return C. Law of supply D. Law of diminishing marginal utility
3	Recent international depression was appeared in:	A. 1936 B. 1990 C. 2005 D. 2008
4	Adam Smith presented the basic canons of taxation	A. Two B. Three C. Four D. Five
5	During depression, a government prepares budget which is	A. Balanced B. Surplus C. Deficit D. Unbalanced
6	Supply is Fixed of:	A. Perishable goods B. Free goods C. Durable goods D. Substitute goods
7	Word of economics has been derived from "Oikonomos" which is word of the language	A. French B. Latin C. Russian D. None of them
8	Net foreign income means:	A. Import - Exports B. Exports - Imports C. Import + Exports D. Income from imports
9	The cause of shifting of supply curve is	A. Change in price B. Other factors C. change in serving D. change in demand
10	Production of the last unit of a factor of production is called	A. Total product B. Average product C. Marginal product D. Positive product
11	Under monopoly, in the long run a firm	A. Earns normal profit B. Earns abnormal profit C. Bears minimum loss D. Bears abnormal loss
12	In case of fall in demand, demand curve shifts:	A. Left side B. Right side C. Downward D. Both (a) and (c)
13	Which one is increasing function of price	A. Demand B. Supply C. Utility D. Consumption
14	Adam Smith belongs to:	A. Poland B. Scotland C. Ireland D. Holland
15	Due to fall in demand, curve shifts to	A. Right B. Left C. Both sides D. None of these

16	According to law of diminishing marginal utility, marginal utility of a commodity	A. IncreasesB. DecreasesC. Remains constantD. Become negative
17	Flux method is also known as:	A. Percentage method B. Unitary method C. Total expenditure method D. All of them
18	Rise of supply can be shown with the help of	A. A supply curve B. More than one supply curves C. Fixed supply curve D. Vertical supply curve
19	Who said that economics is normative science?	A. Keynes B. Robbins C. Marshall D. Rocher
20	is not included in gross domestic product	A. Private investment B. Income received from foreign country C. Depreciation allowance D. Goyt, investment