

## Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	The non-material activities which have the ability to satisfy human wants indirectly, are called	A. Goods B. Services C. Satisfaction D. None of the three
2	National income means the income	A. Which central government earns during a year B. Which provincial government earn during a year C. Total wealth of a country D. Rewards which the factors of production get during a year
3	One of the following is not included in the characteristics of land	A. Land is a gift of nature B. All the pieces of land are not equal infertility C. Productive capacity of land is limited D. Supply of land is unlimited
4	Which one of the following is not called Gross national product	A. Economic national product B. Joint national product C. Composite national product D. All the three
5	Which is not studied in macro economics	A. National income B. Money and banking C. Price theory D. Public finance
6	When price of a commodity decreases but its demand does not change, this situation is called	A. Constant demand B. Fall of demand C. Rise of demand D. Extension of demand
7	A big change in demand and price is called:	A. PointElasticity of demand B. ArcElasticity of demand C. CrossElasticity of demand D. PriceElasticity of demand
8	Micro economics studies related to:	A. National income B. Unemployment C. Trade cycle D. Consumers behaviour
9	In which year international monetary fund was established:	A. 1941 B. 1944 C. 1945 D. 1947
10	Factor of production which is used to earn more income, is called	A. Land B. Labour C. Capital D. Organization
11	When total revenue is maximum, marginal revenue is	A. More B. Less C. Constant D. Zero
12	If the percentage change in supply is more than the percentage change in price, then elasticity of supply is called	A. Equal to unity B. Less than unity C. More than unity D. Infinite
13	National Income is also known as:	A. National product B. Total expenditure C. Total population D. Both a and b
14	Monopoly is opposite to	A. Perfect competition B. Imperfect competition C. Perfect competition and imperfect competition both D. None of the above

		D. Oligopoly
15	According to which economist, some factors are indivisible	A. Adam Smith B. Marshall C. Davenport D. Hobson
16	Under increasing return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
17	When average cost curve is falling, then marginal cost curve	A. Remains below it B. Remains above it C. Remains parallel to it D. Is vertical
18	Prof Fisher presented quantity theory of money in the form of an equation in	A. 1905 B. 1911 C. 1915 D. 1917
19	Law of increasing return is more applicable in:	A. Trade sector B. Industrial sector C. Agricultural sector D. Power sector
20	Economic point of view of the supporters of which school of thought is the name of feeling and mental state	A. Classical B. Neo classical C. Ancient D. Modern