

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

Sr	Questions	Answers Choice
1	Which economist introduced economics as a science for the first time	A. Adam Smith B. Robbins C. Marshall D. Pigou
2	A monopolist firm usually earns	A. Normal profit B. Abnormal profit C. Minimum loss D. Abnormal loss
3	"Anything which is generally accepted as a medium of exchange and also performs the functions of standard of value and a store of value is money" This definition of money is stated by	A. Prof Walker B. Prof Marshall C. Prof Crowther D. Prof Pigou
4	Cannot be separated from labourer	A. Land B. Labour C. Capital D. Organization
5	Recent international depression was appeared in:	A. 1936 B. 1990 C. 2005 D. 2008
6	One of the following is not monetary measure to control inflation	A. Increase in bank rate B. Open market operation C. Increase in ratio of reserve capital D. To create constant situation
7	According to Prof. Juglar a trade cycle completes in	A. Five to six years B. Nine to ten years C. Ten to eleven years D. Eleven to twelve years
8	The most clear and comprehensive definition of economics is given by	A. Adam Smith B. Alfred Marshall C. Robbins D. A.C. Pigou
9	Supply curve slope is:	A. Positive B. Vertical C. Negative D. Horizontal
10	Marginal revenue product is the amount of money attained by selling	A. Average product B. Marginal product C. Total product D. None of these
11	Duopoly refers to:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
12	In perfect competition number of firms is	A. One B. Two C. A few D. Large
13	Which is not studied in macro economics ?	A. National income B. Money and banking C. Consumer's behavior D. Public finance
14	Human wants are:	A. Limited B. Unlimited C. Re-appear D. Both (b) and (c)
15	The additional cost which a firm has to bear in order to produce additional unit of output, are called	A. Average cost B. Marginal cost C. Fixed costs D. Variable costs

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16 Law of increasing return is more applicable in:

A. Trade sector  
B. Industrial sector  
C. Agricultural sector  
D. Power sector

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17 According to comparative cost theory conditions ----- in goods and labour market exist

A. of monopoly  
B. of duopoly  
C. Monopolistic competition  
D. of perfect competition

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18 According to quantity theory of money, if quantity of money is doubled then prices are doubled while value of money is

A. Doubled  
B. One halved  
C. Less than one halved  
D. Not influenced

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19 Word of economics has been derived from "Oikonomos" which is word of the language

A. French  
B. Latin  
C. Russian  
D. None of them

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20 Functions of money are

A. Medium of exchange  
B. Common measure of value  
C. Store of value  
D. All the three

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