

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Price of raw material, wages of temporary labourers, transport costs etc, are called	A. Fixed costs B. Variable costs C. Marginal cost D. Total cost
2	If a firm does not produce anything then its variable cost is:	A. Minimum B. Negative C. Maximum D. Zero
3	When total product is maximum, marginal product	A. Is positive B. Is negative C. Is zero D. Is decreasing
4	The rate change in total cost is:	A. TR B. MC C. MR D. TC
5	Factor of production which is used to earn more income, is called	A. Land B. Labour C. Capital D. Organization
6	The goods which are jointly demanded are called:	A. Substitute goods B. Complimentary goods C. Alternative goods D. None of these
7	When marginal utility is negative, then total utility	A. Decreases B. Increases C. Does not change D. Becomes negative
8	Quickly destroyable goods are called	A. Superior goods B. Inferior goods C. Perishable goods D. Giffen goods
9	Reward of Land is called.	A. Rent B. Wage C. Interest D. Profit
10	Deductive method of economic study.	A. Systematic B. General to particular C. Universal to particular D. Both (b) and (c)
11	Economics is concerned with the attainment of material requisites	A. Robbins B. Marshall C. Pareto D. Senior
12	Speed of increase in total revenue remains equal with the increase in output	A. Under monopoly B. Under oligopoly C. Under perfect competition D. Under pure competition
13	Which one is not condition of perfect competition	A. Homogeneity of good B. Difference in price of good C. Large number of buyers and sellers D. Perfect knowledge of market
14	In which year international monetary fund was established	A. 1941 B. 1944 C. 1945 D. 1947
15	Unitary method is also known as:	A. Total revenue B. Total satisfaction C. Total utility D. Total cost

D. Total expenditure

16 Study of small units of an economic system is called

- A. Micro economics
- B. Macro economics
- C. Applied economics
- D. All the three

17 Advantages of international trade are

- A. One
- B. Two
- C. Three
- D. Many

18 Because of indirect taxes, prices

- A. Decrease
- B. Remain constant
- C. Increase
- D. Do not change

19 Meaning of Economics:

- A. State management
- B. Trade management
- C. Household management
- D. All of them

20 Micro economics studies related to

- A. National income
- B. Unemployment
- C. Trade cycle
- D. Consumer's behavior