

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	When demand for goods and services rises, then velocity of circulation of money	A. Increases B. Decreases C. Remains constant D. Does not change
2	The shape of average cost curve in the short period is	A. Vertical B. Horizontal C. Positively sloping D. Like English alphabet U
3	The relationship between price and quantity supplied is:	A. Inverse B. Positive C. Infinite D. Zero
4	Theory of innovations was presented by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. J.R Hicks
5	Perfectly inelastic supply curve is:	A. Vertical B. Rise upward C. Horizontal D. Fall downward
6	Who said that economics is science of unlimited wants and limited means	A. Adam Smith B. Marshall C. Pigou D. Robbins
7	"The study of nature and principles of government expenditures and revenue is called public finance" This definition is stated by	A. Bastable B. Armitage Smith C. Ricardo D. Robbins
8	One of the following is not included in the characteristics of labour	A. Labour and labourer cannot be separated B. Labour can be stored C. Labour has limited mobility D. Supply of labour is inelastic
9	During depression	A. Employment increases B. Prices decrease C. Profit increases D. Prices increase
10	Immortal factor production is	A. Land B. Labour C. Capital D. Organization
11	Who did present formula to measure Arc elasticity of demand	A. Adam Smith B. Marshall C. Allen D. Keynes
12	Unitary method is also known as:	A. Total revenue B. Total satisfaction C. Total utility D. Total expenditure
13	Number of beneficiaries of Zakat is stated in the holy Quran	A. Five B. Seven C. Eight D. Nine
14	The production sector where human brain and intelligence plays more role there is applicable	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of increasing cost
15	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. " "

		D. All the three
16	Tendency of demand curve of a factor of production is	A. Positive B. Negative C. Zero D. Horizontal
17	The sector of production, in which nature and human beings play an equal role, there is applicable	A. Law of decreasing return B. Law of decreasing cost C. Law of increasing return D. Law of constant return
18	Which is not counted in national income	A. Interests B. transfer payments C. Profits D. Rents
19	Inductive method represents:	A. General to particular B. Particular to general C. Normative science D. Economic planning
20	The goods which are directly consumed by the human-being, are called	A. Consumer goods B. Capital goods C. Industrial goods D. None of the three