Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	In Macro economies the vital role is played by:	A. Marshall B. J.R.Hicks C. Robbins D. Keynes
2	Depreciation means:	A. Wear and Tear B. Reduction in value C. Decrease in value D. All of these
3	The goods on which law of demand does not apply, are called	A. Services B. Goods and services C. Giffin goods D. Capital goods
4	According to which economist, it is difficult to find marginal product of a factor of production	A. Marshall and pigou B. Adam Smith and Malthus C. Keynes D. Taussing and Davenport
5	Notes and coins are legal tender money because	A. Government keeps gold and silver in their exchange B. They are issued by the commercial banks C. They are issued by the central bank D. People are bound to accept them
6	If elasticity of supply is equal to unity then extending supply curve downward, it passes through or crosses	A. y-axis B. x-axis C. Point of origin D. Becomes vertical
7	Slope of demand curve is	A. Negative B. Positive C. zero D. fixed
8	What is meant by demand for a commodity in economics	A. To desire for a commodity B. To have power to buy C. To have power to buy a commodity with desire D. Quantity of a commodity
9	Causes of shifting in supply curve is:	A. Change in technique B. Change in cost C. Change in tax D. All of them
10	If supply of a commodity changes by less than 10% due to a 10% change in its price, then elasticity of supply will be	A. Equal to unity B. More than unity C. Less than unity D. Zero
11	When total production is maximum, marginal product is:	A. Positive B. Negative C. Zero D. Infinite
12	Are included in welfare economist	A. Ricardo and J.S. Mill B. Robbins and Keynes C. Cannon and Pigou D. Malthus and Keynes
13	If supply curve is horizontal (parallel to x-axis) then elasticity of supply is	A. Zero B. Infinite C. Equal to unity D. More than unity
14	If demand did not influence by the charge in price, that is called:	A. Elasticity of demand = 1 B. Elasticity of demand < 1 C. Elasticity of demand > 1 D. Elasticity of demand = 0

15	Utility attained by consuming an additional or last unit of a commodity	A. Positive utility B. Negative utility C. Zero utility D. Marginal utility
16	If demand decreases by 10% due to 10% increase in Price, then elasticity of demand is	A. Equal to unity B. More than unity C. Less than unity D. Zero
17	The term "Price Maker" is used in:	A. Perfect competition B. Oliogopoly C. Monopoly D. Monopsony
18	Founder of neo-classical school of thought:	A. Adam Smith B. Marshall C. Robbins D. Keynes
19	Marginal revenue product curve is called	A. Demand curve of the firm B. Supply curve of the firm C. Demand curve of the industry D. Supply curve of industry
20	How many are kinds of theoretical economics	A. Two B. Three C. Four D. Five