# Principles of Economics Icom Part 1 English Medium Online Test

| Sr | Questions | Answers Choice |
|---|---|---|
| 1 | ---------- are added in national income | A. Depreciation allowance<br>B. Subsidies<br>C. Indirect taxes<br>D. Direct taxes |
| 2 | At last, indirect tax is paid by | A. Shopkeeper<br>B. Entrepreneur<br>C. Customer<br>D. Whole-seller |
| 3 | Which one of the following was the difficulty of barter system | A. Abundance of goods<br>B. Lack of double coincidence of wants<br>C. Difference of language<br>D. difference of occupations |
| 4 | Which economist has stated the definition of balance of payments | A. Robbins<br>B. Kindleberger<br>C. Marshall<br>D. Keynes |
| 5 | Utility of the last unit of a commodity consumed is called | A. Positive utility<br>B. Negative utility<br>C. Total utility<br>D. Marginal utility |
| 6 | In the long run monopolist earns profit: | A. Normal<br>B. Abnormal<br>C. Super normal<br>D. Both b and c |
| 7 | The formula of calculating total revenue is | A. P x Q<br>B. P x AC<br>C. AC x Q<br>D. TC / Q |
| 8 | Which characteristic is not found in economic laws | A. Not quantitative<br>B. Cannot be predicted<br>C. No punishment in case of going against law<br>D. Definite and universal |
| 9 | Which combination of the following is of joint demand | A. Tea and coffee<br>B. Petrol and car<br>C. Meat and grocery<br>D. Inkpot and book |
| 10 | Till marginal cost curve remains below the marginal revenue curve, from the economic point of view, increase in production for a firm is | A. Beneficial<br>B. Unbeneficial<br>C. May be beneficial or unbeneficial<br>D. Neither beneficial nor unbeneficial |
| 11 | The percentage part of the agricultural produce is payable as Zakat which is irrigated by natural water | A. 5%<br>B. 10%<br>C. 15%<br>D. 20% |
| 12 | Difficulties in barter system: | A. Lack of double coincidence of wants<br>B. Lack of storing value<br>C. Lack of common measure of value<br>D. All of these |
| 13 | Who said that economics has the place of intellectual religion | A. Cannon<br>B. Pigou<br>C. Durban<br>D. Robbins |
| 14 | One of the following is not the cause of deflation | A. Decrease in demand for goods<br>B. Decrease in consumption<br>C. Increase in quantity of money<br>D. Increase in supply of goods |
| | | A. Two |

| | | |
|---|---|---|
| 15 | Kinds of supply according to period of time are | B. Three<br>C. Four<br>D. Five |
| 16 | Total utility decreases when marginal utility is | A. Positive<br>B. Negative<br>C. Zero<br>D. Maximum |
| 17 | "Purchasing power of money is inverse of level of prices. So study of purchasing power of money is identical with the study of level of prices." These are the words of | A. Prof Irving Fisher<br>B. Prof Crowther<br>C. Prof Pigou<br>D. Prof Keynes |
| 18 | If supply curve is vertical (parallel to y-axis), then elasticity of supply is | A. Zero<br>B. Infinite<br>C. Equal to unity<br>D. More than unity |
| 19 | What functional relationship is present between demand and price | A. positive<br>B. inverse<br>C. increasing<br>D. none of these |
| 20 | Who said that you can not become good citizen if you have no economist with you | A. Marshall<br>B. Pigou<br>C. Keynes<br>D. Voton |