

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Under monopoly, number of firms is	A. Large B. Few C. One D. Two
2	According to which economist, duration of a trade cycle is 9 to 10 years	A. Prof Kitchen B. Prof Juglar C. Prof Pigou D. Prof Kondratieff
3	To increase profit a firm minimises	A. revenues B. costs C. demand D. supply
4	The relation between quantity of money and value of money is:	A. Positive B. Negative C. Direct D. Inverse
5	Which laws are definite and universal	A. Economic laws B. Moral laws C. State laws D. Scientific laws
6	How many conditions of firm's equilibrium are there ?	A. One B. Two C. Three D. Four
7	Who wrote the book named "An enquiry into the nature and causes of the wealth of nations ?	A. Adam Smith B. Marshall C. Robbins D. Canon
8	If in a production sector, along with the fixed factor of production, by increasing units of variable factors, marginal product remains constant, this tendency in economics is called	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of production
9	Who did give economics the status of positive science	A. Marshall B. Robbins C. Cannon D. Pareto
10	If currency can converted into gold, it is called:	A. Convertible paper money B. Inconvertible paper money C. Bank Money D. Both a and b
11	Total utility always:	A. Decreases B. 1st increases then decreases C. Maximum D. Negative
12	One of the following is not the difficulty of the barter system	A. Indivisibility of goods B. Lack of common measure of value C. Double coincidence of wants D. Lack of store of value
13	Methods to derive economic laws:	A. One B. Two C. Three D. Four
14	The second name of law of constant return is	A. Law of decreasing cost B. Law of increasing cost C. Law of cost D. Law of constant cost
15	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

16	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
17	Supply means	A. total money of a specific producer B. Number of buyers C. quantity of goods offered for sale at different prices D. purchasing power of quantity supplied
18	Capital goods are those which can satisfy human wants:	A. Directly B. Indirectly C. Proportionate D. None of these
19	A firm earns normal profit	A. When price of the commodity is equal to average cost B. When price of the commodity is more than average cost C. When price of the commodity is less than average cost D. When total revenue is more than total costs
20	Which law is applicable on production process under marginal productivity theory	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of decreasing cost