

## Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	According to law of demand, curve moves from left to right downward. This type of tendency is called	A. Positive tendency B. Negative tendency C. Extension and contraction of demand D. Rise and fall of demand
2	"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 B. Prof Crowther C. Prof Pigou D. Prof Keynes
3	National income is measured for:	A. One year B. Two years C. Three years D. Four years
4	When Demand > Supply it will be:	A. Shortage B. Less supply C. More demand D. Surplus
5	According to comparative cost theory conditions ----- in goods and labour market exist	A. of monopoly B. of duopoly C. Monopolistic competition D. of perfect competition
6	Which law is applicable when human and natural forces are balance ?	A. Increasing cost B. Constant cost C. Diminishing cost D. Both (a) and (c)
7	Are included in welfare economist	A. Ricardo and J.S. Mill B. Robbins and Keynes C. Cannon and Pigou D. Malthus and Keynes
8	The first great depression was appeared in:	A. 1934 B. 1930 C. 1932 D. 1936
9	Difference between total revenue and total cost presents:	A. Price B. Profit C. Production D. Loss
10	Which combination of the following is of joint demand	A. Tea and coffee B. Petrol and car C. Meat and grocery D. Inkpot and book
11	One of the following is not included in net national product	A. Consumer goods B. Capital goods C. Capital formation D. Consumer goods and capital goods
12	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
13	Kinds of credit money are	A. Verbal promise and written promise B. Govt. securities & debentures C. Cheque & Drafts D. Share of Companies
14	Under perfect competition average revenue is equal to:	A. Average cost B. Price C. Marginal revenue D. Both b and c
		A. Productive expenses

15	Expenses of wears and tears of machinery are called	B. Non productive expenses C. Wages D. Depreciation expenses
16	Psychological theory of trade cycles is presented by	A. Prof Jevons B. Prof Pigou and Bagehot C. Prof Keynes D. Prof Hawtrey
17	According to Prof. Kitchen a trade cycle completes in	A. Two years six months B. Three years or Fifty years C. Fifty years or Sixty years D. Sixty years or Seventy years
18	Money which can be converted into cash money is known is:	A. Near money B. Paper money C. Legal tender money D. Token money
19	Surplus budget for the government is considered	A. Useful B. Harmful C. Useful & harmful D. None of three
20	Net foreign income means:	A. Import - Exports B. Exports - Imports C. Import + Exports D. Income from imports