

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Marginal revenue product is the amount of money attained by selling	A. Average product B. Marginal product C. Total product D. None of these
2	If we subtract direct taxes from personal income, we get	A. Net national income B. Net domestic income C. Disposable personal income D. Personal savings
3	In case of horizontal supply curve, Es is:	A. More than unity B. Less than unity C. Zero D. Infinite
4	How many are kinds of economics	A. Two B. Three C. Four D. Five
5	The demand curve for monopolist is also called	A. Total revenue B. Average revenue C. Marginal revenue D. Zero revenue
6	Supply curve moves from left to right upward, this tendency is called	A. Negative B. Positive C. Horizontal D. Vertical
7	When total utility is decreasing, marginal utility is	A. Zero B. Positive C. Negative D. Maximum
8	The cause of extension and contraction of demand is	A. Income B. Price C. Population D. Technology
9	There exists a relationship between inflation and deflation	A. Increasing B. Inverse C. Indirect D. None of three
10	Who said that economics is normative science ?	A. Keynes B. Robbins C. Marshall D. Rocher
11	World economic depression accured in	A. 1927 B. 1928 C. 1929 D. 1931
12	Supply of goods depends upon	A. Price B. Income C. Price and income D. Utility
13	The rate of usher on product of canal land is	A. 5% B. 10% C. 20% D. 2.5%
14	Under Monopoly, a firm is in equilibrium position when Ed is:	A. Equal to unity B. Less than unity C. Grater than unity D. Both b and c
15	With the increase of output, which cost of production increases:	A. VC B. AC C. FC D. MC

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- 16 If the rate of change in price and quantity demand is in equal ratio, then Elasticity of demand is:
A. Equal to zero
B. Equal to one
C. Smaller than one
D. Greater than one
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- 17 Adam Smith presented the basic canons of taxation
A. Two
B. Three
C. Four
D. Five
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- 18 To increase profit a firm minimises
A. revenues
B. costs
C. demand
D. supply
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- 19 Of what nature state laws are
A. Local
B. Regional
C. National
D. International
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- 20 Foreign exchange is used in
A. Local trade
B. Regional trade
C. Domestic trade
D. International trade
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