

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

Sr	Questions	Answers Choice
1	Difficulties in barter system:	A. Lack of double coincidence of wants B. Lack of storing value C. Lack of common measure of value D. All of these
2	Which curve represents demand curve also	A. Marginal revenue B. Average revenue C. Total revenue D. Marginal cost
3	According to which economist, some factors are indivisible	A. Adam Smith B. Marshall C. Davenport D. Hobson
4	The trade that takes place between the inhabitants of two countries is called	A. Domestic trade B. International trade C. National trade D. Regional Trade
5	Quantity theory of money failed during world economic depression	A. In 1920 B. In 1925 C. In 1929 D. In 1935
6	In which punishment is not applicable for the disobedience, the laws are	A. Moral laws B. Laws of state C. Political laws D. Economic laws
7	There exists a relationship between inflation and deflation	A. Increasing B. Inverse C. Indirect D. None of three
8	No factor can take the place of any other factor, it is explained by	A. Law of decreasing return B. Law of constant return C. Law of increasing return D. Law of return
9	In the short period, fixed cost curve has the tendency	A. Parallel to ox-axis B. Parallel to oy-axis C. Positive D. Negative
10	Quantity theory of money was criticised by	A. Prof. Keynes B. Prof Marshall C. Prof Pigou D. i and ii both
11	Which one of the following does not exist during deflation	A. Production decreases B. Value of money increases C. Supply of goods and services increases from their demand D. Level of employment increases
12	Under consumption or over saving theory is presented by	A. Prof Hobson, Foster and Catchings B. Prof Hawtrey C. Prof Keynes D. Prof Jevons
13	Value of money means purchasing power of money. If quantity of money is doubled then	A. Purchasing power of money will be one halved B. Purchasing power of money will be doubled C. Purchasing power of money will be tripled D. There will be no effect on the purchasing power of money
14	Which one is not included in macro economics	A. National income B. Employment C. Price level D. Income level

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15 Private individuals are not allowed to fulfil their needs

A. To get loans from the friends  
B. To get financial help from the relatives  
C. To get loans from the domestic financial institutions  
D. To print notes

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16 Average cost curve is in short run

A. Negative sloped  
B. U-shaped  
C. L-shaped  
D. Positive sloped

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17 Under Monopoly, a firm is in equilibrium position when Ed is:

A. Equal to unity  
B. Less than unity  
C. Greater than unity  
D. Both b and c

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18 Causes of shifting in supply curve is:

A. Change in technique  
B. Change in cost  
C. Change in tax  
D. All of them

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19 According to which economist, duration of a trade cycle is 9 to 10 years

A. Prof Kitchen  
B. Prof Jugglar  
C. Prof Pigou  
D. Prof Kondratieff

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20 Cheque is which kind of money:

A. Credit money  
B. Paper money  
C. Standard money  
D. Legal money

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