Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	One of the following is not include in national income:	A. Transfer payments B. Depreciation C. Wages D. Both a and b
2	The base of international trade theory of Devid Ricardo is	A. Absolute advantage B. Comparative cost C. Cheaper cost D. Low cost
3	Equilibrium of national income is, when	A. S > 1 B. S = 1 C. S < 1 D. S and 1
4	In which year international monetary fund was established	A. 1941 B. 1944 C. 1945 D. 1947
5	Study of large units of the economy is known as:	A. Micro economics B. Macro ecnomics C. Applied economics D. All of them
6	In production process, when units of variable factors along with fixed factor of production are increased, marginal product goes on failing, this tendency in economics is called	A. Law of decreasing return B. Law of increasing return C. Law of production D. Law of constant return
7	Kinds of public expenditures are	A. Two B. Three C. Four D. Five
8	One of the following is not the monetary measure to control inflation	A. Increase in bank rate B. Open market operation C. Increase in the ratio of reserve capital of the banks D. Increase in taxes
9	Private owners of minerals are bound to pay --------- Zakat of their production	A. 10% B. 15% C. 20% D. 25%
10	Tendency of demand curve of a factor of production is	A. Positive B. Negative C. Zero D. Horizontal
11	The price at which entrepreneur has a sufficient time to meet the demand, is called	A. Market price B. Normal price C. Reserve price D. Normal price
12	Monetary theory of Trade cycle is presented by	A. Prof Hawtrey and Friedman B. Prof Keynes C. Prof Hobson D. Prof Kitchen
13	The revenue collection of government and spending policy is called	A. Monetary policy B. Fiscal policy C. commercial policy D. Labour policy
14	MPP stand is	A. Marginal price product B. Marginal Physical Product C. Marginal Physical Price D. Marginal Perfect Price
15	Wages of permanent labourers are:	A. Fixed cost B. Marginal cost C. Total cost

		D. Variable cost
16	Under perfect competition average revenue is equal to:	A. Average cost B. Price C. Marginal revenue D. Both b and c
17	Disposable personal income means	A. Total of incomes B. Income of an industry after fulfilling all the needs C. After paying personal taxes, income of the people who provide factors of production D. Save income of a person after the payment of the taxes
18	Consumer's equilibrium takes place at that point where:	A. MU is negative B. MU is positve C. TU is maximum D. MU is maximum
19	What is money	A. Coins of gold and silver B. Paper money C. Agricultural crops D. Everything which can be used as a medium of exchange
20	Id demand changes by less than 10% due to 10% change in price, then elasticity of demand is called	A. Equal to unity B. More than unity C. Less than unity D. Infinite