

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Economics according to its scope is	A. Science B. Art C. Science & Amp; Art D. Only positive science
2	A textile mill produces 2000 meters cloth. Entrepreneur offers 1500 meters cloth to sell at price Rs 100 per meter and 500 meters cloth keeps with him. Cloth kept by the entrepreneur is called	A. Total production B. Supply C. Stock D. Surplus production
3	If supply rises more proportionately than that of demand, then	A. Equilibrium price increases B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity decreases
4	How many kinds are of positive economics	A. Two B. Three C. Four D. Five
5	Causes of shifting in supply curve is:	A. Change in technique B. Change in cost C. Change in tax D. All of them
6	Balance of payment of a country is balanced when its	A. Receipts are more than payments B. Receipts are less than payments C. Receipts are equal to payments D. None of three
7	During the phase of recovery prices, wages, interest rate and profits	A. Start falling gradually B. Start rising gradually C. are highest D. are lowest
8	Absolute advantage theory was presented by	A. Adam Smith B. Prof Walker C. Ricardo D. Marshall
9	The price of non-economic want is always:	A. Very high B. Very Low C. Negative D. Zero
10	Income elasticity of demand is concerned with	A. Income and consumption of wealth B. Income and demand for good C. Price and income of the consumer D. Price and demand for good
11	What functional relationship is present between demand and price	A. positive B. inverse C. increasing D. none of these
12	How many kinds of science are	A. Two B. Three C. Four D. Five
13	Which of the following is not invisible trade	A. Expenditure on education in other country B. Expenditure on imported machinery C. Expenditure of passengers traveling by air D. Expenditure of goods carried by a ship
14	What is the reward of Organization ?	A. Rent B. Wage C. Interest D. Profit

15	Quantity of a commodity which the consumers are ready to purchase at a particular price, is called	A. Demand B. Supply C. Stock D. Demand and supply
16	One of the following is not include in national income:	A. Transfer payments B. Depreciation C. Wages D. Both a and b
17	Founder of Classical school of thought was:	A. Adam smith B. Marshall C. Robbins D. Keynes
18	If the percentage change in supply is more than the percentage change in price, then elasticity of supply is called	A. Equal to unity B. Less than unity C. More than unity D. Infinite
19	One of the following is not disadvantage of international trade	A. Dependence on production of limited goods B. Supply of goods injurious to health C. Bitter pill for political freedom D. Development of civilization & Coulture
20	During boom, a government prepares budget which is	A. Balanced B. Surplus C. Deficit D. Unbalanced