

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

Sr	Questions	Answers Choice
1	In production process when marginal product increases with the increase in units of variable factors along with fixed factor, this tendency in economics is called	A. Law of production B. Law of increasing return C. Law of decreasing return D. Law of constant return
2	A system where the goods are exchange with goods is known as:	A. Monetary system B. Barter System C. Coins system D. Goods system
3	The relation between quantity of money and value of money is:	A. Positive B. Negative C. Direct D. Inverse
4	The income which a person can use according to his will is called	A. Personal income B. Disposable personal income C. Net income D. Per capita income
5	Psychological theory of trade cycles is presented by	A. Prof Jevons B. Prof Pigou and Bagehot C. Prof Keynes D. Prof Hawtrey
6	Which curve represents demand curve also	A. Marginal revenue B. Average revenue C. Total revenue D. Marginal cost
7	AR curve is also called:	A. Supply curve B. Demand curve C. Utility curve D. Cost curve
8	In economics, every mental or physical struggle undertaken for reward, is called	A. Land B. Labour C. Capital D. Organization
9	Who said that economics has the place of intellectual religion	A. Cannon B. Pigou C. Durban D. Robbins
10	Measurement of arc elasticity of demand was present:	A. Keynes B. Marshall C. Adam smith D. R.G.D Allen
11	Walker, senior and Malthus belonged to school of thought	A. Classical B. Neo classical C. Keynesian D. None of these
12	In perfect competition the average revenue curve is	A. Vertical B. Horizontal C. Rising D. Declining
13	The decreasing part of TU curve shows:	A. MU is zero B. MU is negative C. MU is increasing D. MU is decreasing
14	When supply changes due to other factors besides price, it is called	A. Rise of supply B. Fall of supply C. Rise and fall of supply D. Extension and contraction of supply
15	Balance of payments is annual statistical record of	A. Visible goods B. Invisible goods C. Foreign loans

D. Visible and invisible goods

16	Which law is applied when marginal utilities of all the purchased goods become equal to each other	A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of increasing return
17	What functional relationship is present between demand and price	A. positive B. inverse C. increasing D. none of these
18	Theory of innovations was presented by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. J.R Hicks
19	All factors of production are variable in the:	A. Market period B. Long period C. Short period D. All of these
20	The percentage part of the mineral production is payable as Zakat on private owners of minerals	A. 5% B. 10% C. 15% D. 20%