

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	If everybody pays tax according to his financial position, it is said	A. canon of convenience B. canon of Equality C. canon of Economy D. canon of simplicity
2	Some inferior goods having expensive substitutes are known as:	A. Economic goods B. Giffen goods C. Non-economic goods D. Free goods
3	If supply is fixed then due to fall of demand	A. Equilibrium price decreases B. Equilibrium quantity increases C. Equilibrium price increases D. Equilibrium price does not change
4	One of the following is not assumption of law of diminishing marginal utility	A. Same nature of the commodity B. Consumption of the commodity with intervals C. Suitable quantity of the commodity D. No change in consumers mental condition
5	If the ratio of change in demand is less than the ratio of change in price, elasticity of demand will be	A. More than unity B. Less than unity C. Equal to unity D. Zero
6	According to which economist, it is difficult to find marginal product of a factor of production	A. Marshall and pigou B. Adam Smith and Malthus C. Keynes D. Taussing and Davenport
7	Which curve represents demand curve also	A. Marginal revenue B. Average revenue C. Total revenue D. Marginal cost
8	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
9	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
10	The factor of production which is used to produce more wealth or increase income is called	A. Land B. Labour C. Capital D. Organization
11	"General theory of employment, interest and money" was written in:	A. 1930 B. 1936 C. 1932 D. 1890
12	One of the following is not the difficulty of the barter system	A. Indivisibility of goods B. Lack of common measure of value C. Double coincidence of wants D. Lack of store of value
13	When total production increases, marginal product is:	A. Positive B. Negative C. Zero D. Infinite
14	During depression, a government prepares budget which is	A. Balanced B. Surplus C. Deficit D. Unbalanced
15	Transfer payments are included in the income	A. National income B. Gross domestic product C. Personal income

		D. Disposable personal income
16	National Income is also known as:	A. National productB. Total expenditureC. Total populationD. Both a and b
17	One of the following is not included in the sources of public revenue	A. Tax B. Fee C. Defence D. Fines
18	Formula method to measure elasticity of supply is related to	A. Marshall B. Robbins C. R.G.D Allen D. Flux
19	Dividing total revenue by the sold units of output, is attained	A. Average revenue B. Marginal revenue C. Total revenue D. Average cost
20	World economic depression accured in	A. 1927 B. 1928 C. 1929 D. 1931