

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Economic laws are	A. Definite and universal B. Of Conditional nature C. Of moral nature D. Of political nature
2	In which kind of economics, aggregate behaviors of the economy are reviewed	A. Theoretical B. Applied C. Micro D. Macro
3	The interaction of multiplier and accelerator is known as:	A. Innovation theory B. Modern theory C. Psychological theory D. Over investment theory
4	If the rate of tax increase with the increase of level of income, is called	A. Progressive tax B. Proportional tax C. Regressive tax D. Value added tax
5	Methods of deriving economic laws are	A. Two B. Three C. Four D. Five
6	The decreasing part of TU curve shows:	A. MU is zero B. MU is negative C. MU is increasing D. MU is decreasing
7	Cannot be separated from labourer	A. Land B. Labour C. Capital D. Organization
8	A firm is in equilibrium when its	A. Marginal revenue is equal to marginal cost B. Marginal revenue is more than marginal cost C. Marginal revenue is less than marginal cost D. Marginal revenue is equal to average cost
9	To measure national income is used	A. Product method B. Incomes of the factor method C. Expenditure method D. All the three
10	National Income is also known as:	A. National product B. Total expenditure C. Total population D. Both a and b
11	Under monopoly average revenue curve remains the marginal revenue curve	A. Below B. Above C. Parallel to D. None of three
12	Equation of relationship between quantity of money and value of money, MV=PT is presented by the economist	A. Prof Taussing B. Prof Fisher C. Prof Crowther D. Prof Marshall
13	The most important and basic factor of production is	A. Land B. Labour C. Capital D. Organization
14	AR curve is also called:	A. Supply curve B. Demand curve C. Utility curve D. Cost curve

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15	After achieving point of Satiation the total utility starts	A. Rising B. Declining C. Remains constant D. None of these
16	" International balance of payment is all that transaction for which either foreign exchange is spent or received." This definition is stated by	A. Prof. Marshal B. Prof.Samuelson C. Prof. Ricardo D. Prof. Hicks
17	Under monopoly, number of firms is	A. Large B. Few C. One D. Two
18	What is meant by demand for a commodity in economics	A. To desire for a commodity B. To have power to buy C. To have power to buy a commodity with desire D. Quantity of a commodity
19	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
20	Under perfect competition average revenue is always marginal revenue	A. Equal to B. Less than C. More than D. None of three