

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

Sr	Questions	Answers Choice
1	Who did say that Economics is science of material welfare	A. Adam smith B. Marshall C. Ricardo D. Robbins
2	What functional relationship is present between demand and price	A. positive B. inverse C. increasing D. none of these
3	Reward of Land is called.	A. Rent B. Wage C. Interest D. Profit
4	When marginal product is zero, total product is	A. Maximum B. Minimum C. Negative D. Zero
5	Equilibrium means	A. the condition that is not possible B. an unstable condition C. a condition that can change D. stable position
6	Which factor has no pre-determined reward	A. Land B. Labour C. Capital D. Organization
7	In case of perfectly elastic supply or infinite elasticity of supply, supply curve is	A. Horizontal (parallel to x-axis) B. Vertical (parallel to y-axis) C. Positive sloped D. Negative sloped
8	In which year the book named "An enquiry into the nature and causes of the wealth of nations" was written	A. 1696 B. 1776 C. 1803 D. 1825
9	Usually elasticity of demand in equilibrium situation under monopoly is	A. Equal than unity B. Less than unity C. more than unity D. Zero
10	In case of fall in demand, demand curve shifts:	A. Left side B. Right side C. Downward D. Both (a) and (c)
11	Inflation is useful for	A. Labourer B. Consumers C. Industrialist D. Pensioners
12	Because of devaluation of currency of a country, its exports	A. Decrease B. Increase C. Remains constant D. Go on changing
13	Additional amount of money which a firm gets by selling an additional unit of output is called	A. Average revenue B. Marginal revenue C. Total revenue D. Revenue
14	One rupee note in paper money is	A. Inconvertible paper money B. Convertible paper money C. Limited legal tender money D. Unlimited legal tender money
15	The base of international trade theory of Adam Smith is	A. Absolute advantage B. Comparative cost C. Cheaper cost D. Low cost

16	Under increasing return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
17	Who said that economics is science of wealth	A. Adam smith B. Robbins C. Marshall D. Pigou
18	Zakat can not be given	A. to get slaves free B. To the collection of zakat C. For the construction of Mosque D. The converts
19	Initial utility is _____ individual utilities of all the units	A. More than B. Less than C. Equal to D. None of these
20	If demand curve is parallel to y-axis, then elasticity of demand is	A. Equal to unity B. More than unity C. Less than unity D. Zero