

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

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Sr	Questions	Answers Choice
1	The price at which quantity demanded and supplied are equal	A. Equilibrium price B. Reserve price C. Fixed price D. Variable price
2	Which factor can not be stored	A. Land B. Labour C. Capital D. Organization
3	A system where the goods are exchanged with money is known as:	A. Monetary system B. Barter system C. Coins system D. Modified system
4	The salient features of trade cycle are:	A. National in nature B. International in nature C. Domestic in nature D. All of these
5	In which phase of Frade cycle level of employment and income becomes very low.	A. Depression B. Recovery C. Recession D. Boom
6	If income of the government is more than its expenditures, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
7	In comparative cost or comparative advantage theory, ratio is	A. 1x1 one good one country B. 2x2 two goods two countries C. 1x2 one good two countries D. 2x1 two goods one country
8	The second name of law of constant return is	A. Law of decreasing cost B. Law of increasing cost C. Law of cost D. Law of constant cost
9	According to law of demand, curve moves from left to right downward. This type of tendency is called	A. Positive tendency     B. Negative tendency     C. Extension and contraction of demand     D. Rise and fall of demand
10	Who does determine the reserve price	A. Buyer B. Seller C. Government D. District adminitration
11	Under perfect competition average revenue is always marginal revenue	A. Equal to B. Less than C. More than D. None of three
12	Law of decreasing return is immediately applied on	A. Agriculture B. Trade C. Industry D. Construction
13	All the factors of production can be hired except	A. Land B. Labour C. Capital D. Organization
14	"Anything which is generally accepted as a medium of exchange and also performs the functions of standard of value and a store of value is money"  This definition of money is stated by	A. Prof Walker B. Prof Marshall C. Prof Crowther D. Prof Pigou
15	Over investment and over saving theory was given by:	A. Joseph Schumpeter B. Habson Foster C. Jevons

		D. Hawtray
16	Absolute advantage theory was presented by	A. Adam Smith B. Prof Walker C. Ricardo D. Marshall
17	Economics according to its scope is	A. Science B. Art C. Science & Amp; Art D. Only positive science
18	New classical economist is	A. Robbins B. Malthus C. Marshall D. Adam Smith
19	Net foreign income means:	A. Import - Exports B. Exports - Imports C. Import + Exports D. Income from imports
20	If demand falls more proportionately then that of supply then	A. Equilibrium price increases     B. Equilibrium price decreases     C. Equilibrium price does not change     D. Equilibrium quantity increases