

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

Sr	Questions	Answers Choice
1	Wealth tax, income tax, property tax etc are	A. Direct taxes B. Indirect taxes C. Proportional taxes D. Progressive taxes
2	The most important and basic factor of production is	A. Land B. Labour C. Capital D. Organization
3	To increase profit a firm minimizes	A. Revenues B. Costs C. Demand D. Supply
4	Quantity theory of money was introduced in an equation by:	A. Fisher B. Marshall C. Crowther D. Tausigg
5	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
6	Difference between total revenue and total cost presents:	A. Price B. Profit C. Production D. Loss
7	Supply curve of perishable goods is:	A. Horizontal B. Vertical C. Infinite D. All of them
8	One of the following is not included in the characteristics of land	A. Land is a gift of nature B. All the pieces of land are not equal infertility C. Productive capacity of land is limited D. Supply of land is unlimited
9	TU is maximum where MU of all goods is:	A. Minimum B. Maximum C. Negative D. Equal
10	"General theory of employment, interest and money" was written by:	A. Robbins B. Pigou C. Keynes D. Canon
11	Which of the following is not invisible trade	A. Expenditure on education in other country B. Expenditure on imported machinery C. Expenditure of passengers traveling by air D. Expenditure of goods carried by a ship
12	Government estimates its income and expenditures	A. Monthly B. Three monthly C. Six monthly D. Annual
13	Demand for a commodity means	A. Desire to purchase B. Power to purchase C. Price of commodity D. All the three
14	Production which is produced with a particular combination of factors of production, is called	A. Total product B. Average product C. Marginal product

		D. Positive product
15	When there are small and minor changes in price and demand then	A. Price elasticity B. Income elasticity C. Cross elasticity D. Point elasticity
16	Which one of the following is not included in the assumptions of law of supply	A. taste of consumer B. cost of production C. Methods of production D. price of raw material
17	The trade transaction between the individuals of different areas of a country is called	A. Local trade B. Regional trade C. Domestic trade D. International trade
18	Reward of Land is called.	A. Rent B. Wage C. Interest D. Profit
19	National income increases by	A. The increase in the quantity of capital goods B. The increase in the quantity of goods and services C. The increase in price of goods D. The increase in the income of entrepreneurs
20	In which phase of a trade cycle level of employment and income become very low	A. Depression B. Recovery C. Boom D. Recession