Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	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
2	Total utility decreases when marginal utility is	A. Positive B. Negative C. Zero D. Maximum
3	Economics is concerned with the attainment of material requisites	A. Robbins B. Marshall C. Pareto D. Senior
4	National income at factor cost is equal to:	A. G.N.P - Subsidies + taxes B. N.N.P - Direct tax + Subsidies C. G.D.P - Subsidies + taxes D. N.N.P - Indirect tax + Subsidies
5	Period in national income counting is	A. One year B. Two years C. Three years D. Four years
6	The number of laws of cost are	A. One B. Two C. Three D. Four
7	According to Prof. Jugglar a trade cycle comletes in	A. Five to six years B. Nine to ten years C. Ten to eleven years D. Eleven to twelve years
8	The goods on which law of demand does not apply, are called	A. Services B. Goods and services C. Giffin goods D. Capital goods
9	If supply does not change despite a change in price, then elasticity of supply is called	A. Equal to unity B. Less than unity C. More than unity D. Zero
10	The money which is not in the form of net cash and is not used at once for business dealing is called	A. Near money B. Legal Tender money C. Credit money D. Paper money
11	Who did present formula to measure Arc elasticity of demand	A. Adam Smith B. Marshall C. Allen D. Keynes
12	During depression, increases	A. Unemployment B. Employment C. Profit D. Production
13	Which book is named "Bible of Capitalism"	A. Wealth of nations B. Das capital C. Principles of economics D. General theory of employment, interest and money
14	"Principles of Economics" was written in:	A. 1776 B. 1890 C. 1932 D. 1930
15	Marginal revenue product curve is called	A. Demand curve of the firm B. Supply curve of the firm C. Demand curve of the industry

		D. Supply curve of industry
16	If 50% change in supply in response to 50% change in price then:	A. Es = 0 B. Es = 1 C. Es > 1 D. Es < 1
17	When supply increases due to rise price, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
18	If 50% change in demand in response of 30% change in price then:	A. Elasticity of demand = 1 B. Elasticity of demand < 1 C. Elasticity of demand > 1 D. Elasticity of demand = 0
19	According to quantity theory of money one halving the quantity of money prices	A. Increase B. Double C. Decrease D. One half
20	Transfer payment means:	A. Rent transfer B. Wages transfer C. Reward without services D. Profit transfer