

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Equilibrium price is determined where:	A. $D = S$ B. $D > S$ C. $D < S$ D. Both (b) and (c)
2	Which factor has no pre-determined reward	A. Land B. Labour C. Capital D. Organization
3	Another name of unitary method is	A. Total satisfaction method B. Total expenditure method C. Total revenue method D. Both 2nd and 3rd
4	Which one of the following was the difficulty of barter system	A. Abundance of goods B. Lack of double coincidence of wants C. Difference of language D. difference of occupations
5	If total expenditure of the consumer increases due to decrease in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero
6	If the person has to pay the tax on whom it is levied, then it is called	A. Direct tax B. Indirect tax C. Proportional tax D. Progressive tax
7	During depression, increases	A. Unemployment B. Employment C. Profit D. Production
8	Income and employment are at peak level during:	A. Recovery B. Boom C. Depression D. Recession
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	If demand rises more proportionately than that of supply, then	A. Equilibrium price increases B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity decreases
11	If demand did not influence by the charge in price, that is called:	A. Elasticity of demand = 1 B. Elasticity of demand < 1 C. Elasticity of demand > 1 D. Elasticity of demand = 0
12	The factor of production which is used to produce more wealth or increase income is called	A. Land B. Labour C. Capital D. Organization
13	MPP stand is	A. Marginal price product B. Marginal Physical Product C. Marginal Physical Price D. Marginal Perfect Price
14	Due to fall in demand, curve shifts to	A. Right B. Left C. Both sides D. None of these
15	Writing of the same behavior of the people in particular arrangement and words is called	A. Normative science B. Positive science C. Economic law D. Scientific method

		D. Scientific law
16	During boom	A. Business contracts B. Unemployment increase C. Profit decreases D. Profit increases
17	"The nature of significance economics sciences" was written in:	A. 1930 B. 1936 C. 1932 D. 1890
18	If the demand for a commodity is less elastic, then an entrepreneur in order to increase his profit	A. Will increase its price B. Will decrease its price C. Will not change its price D. None of these
19	To which area of England Adam Smith belonged	A. Wales B. Scotland C. Ireland D. London
20	Cardinal utility approach was presented by:	A. Adam smith B. Keynes C. Robbins D. Marshall