

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Income and employment are at peak level during:	A. Recovery B. Boom C. Depression D. Recession
2	Organization means an individual or institution which with optimum factor combination	A. Lays foundation of business always earning profit B. Lays foundation of business but does not accept the responsibility of profit and loss C. Lays foundation of business but accepts the responsibility of profit and loss D. Serves as a manager in the business and receives remuneration
3	When price of a commodity decreases but its demand does not change, this situation is called	A. Constant demand B. Fall of demand C. Rise of demand D. Extension of demand
4	Which of the following stated that utility is measurable	A. Marshall B. Adam Smith C. Robbins D. Keynes
5	Utility can not be measurable who has said	A. Marshall B. Hicks C. Pigou D. Adam Smith
6	One of the following is not the monetary measure to control inflation	A. Increase in bank rate B. Open market operation C. Increase in the ratio of reserve capital of the banks D. Increase in taxes
7	If the most part of total supply of commodity is produced by one firm, it is called	A. Oligopoly B. Monopoly C. Perfect competition D. Monopolistic competition
8	Unit of account money in Pakistan is	A. Rial B. Rupee C. Dollar D. Pound
9	The production sector where human brain and intelligence plays more role there is applicable	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of increasing cost
10	Some inferior goods having expensive substitutes are known as:	A. Economic goods B. Giffen goods C. Non-economic goods D. Free goods
11	Factors of production are:	A. Two B. Three C. Four D. Five
12	During depression, increases	A. Unemployment B. Employment C. Profit D. Production
13	Total utility decreases when marginal utility is	A. Positive B. Negative C. Zero D. Maximum
14	Wages of temporary labourers are	A. Fixed cost B. Marginal cost C. Total cost D. Average cost

D. Variable cost

15	Mental or physical work undertaken for reward by human being is called	A. Land B. Labour C. Capital D. Organization
16	Deductive method of economic study.	A. Systematic B. General to particular C. Universal to particular D. Both (b) and (c)
17	Private individuals are not allowed to fulfil their needs	A. To get loans from the friends B. To get financial help from the relatives C. To get loans from the domestic financial institutions D. To print notes
18	What is the reward of Labour ?	A. Rent B. Wage C. Interest D. Profit
19	In mathematics, symbol for utility is used	A. U B. M C. X D. Y
20	Which economist said that, economics cannot be separated from spiritual values?	A. Marshall B. Robbins C. Adam smith D. Voton