

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	To describe as it is, after seeing and analyzing any event, is known as	A. Normative science B. Positive science C. Biological science D. For casting science
2	The shape of average cost curve in the short period is	A. Vertical B. Horizontal C. Positively sloping D. Like English alphabet U
3	The term marginal in economics means:	A. An additional unit B. Change in unit C. Last unit D. All of them
4	If demand does not change, despite a fall in price, is called	A. Fall of demand B. Rise of demand C. Contraction of demand D. Extension of demand
5	According to the law of supply, there is relation in price and supply	A. Inverse B. Increasing C. Negative D. indirect
6	Which economist has stated the definition of balance of payments	A. Robbins B. Kindleberger C. Marshall D. Keynes
7	According to which economist, duration of a trade cycle is 9 to 10 years	A. Prof Kitchen B. Prof Jugglar C. Prof Pigou D. Prof Kondratieff
8	Second name of unitary method is	A. Method of total satisfaction B. total expenditure method C. total revenue method D. Both 2nd and 3rd
9	First and basic law of consumption is	A. Law of demand B. Law of decreasing return C. Law of supply D. Law of diminishing marginal utility
10	If two goods are substitute, cross Elasticity of demand will be:	A. Zero B. Infinite C. Positive D. Negative
11	Slope of marginal utility curve is	A. Positive B. Negative C. Vertical D. Horizontal
12	Third factor of production is called	A. land B. labour C. capital D. organization
13	Founder of new classical school of thought was	A. Adam smith B. Marshall C. Robbins D. Keynes
14	Which economist stated that utility is not measurable	A. Adam Smith B. Marshall C. Cannon D. Hicks
15	Initial utility is _____ individual utilities of all the units	A. More than B. Less than C. Equal to D. None of these

16	Intersection of demand and supply curve is called	A. Equilibrium of firm B. Equilibrium of demand C. Equilibrium of supply D. Equilibrium point
17	Slope of demand curve is	A. Negative B. Positive C. zero D. fixed
18	One of the following is not land:	A. White house B. Sub continents C. Power house D. Both (a) and (b)
19	If the demand for a commodity is more 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
20	If the total expenditure of the consumer decreases 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
