Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	The sector of production, in which nature and human beings play an equal role, there is applicable	A. Law of decreasing return B. Law of decreasing cost C. Law of increasing return D. Law of constant return
2	In which phase of a trade cycle production, employment, wages and rate of interest etc start rising gradually	A. Boom B. Depression C. Recovery D. Recession
3	If demand changes by more than 10% due to 10% change in price, then elasticity of demand is called	A. Equal to unity B. More than unity C. Less than unity D. Infinite
4	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
5	Unity method to measure elasticity of demand was presented by	A. Adam smith B. Robbins C. Marshall D. Keynes
6	Want of a commodity is satisfied, when its marginal utility is	A. Positive B. Zero C. Negative D. Minimum
7	Which one is not condition of perfect competition	A. Homogeneity of good B. Difference in price of good C. Large number of buyers and sellers D. Perfect knowledge of market
8	Inflation is created	A. When demand for goods is less than their supply B. When demand for goods is more than their supply C. When demand for goods becomes equal to their supply D. When demand and supply of goods do not change
9	The duty of a market is not to	A. make exchange of goods B. contact buyers and sellers C. determine price D. give maximum output
10	One of the following is not assumption of law of diminishing marginal utility	A. Same nature of the commodity B. Consumption of the commodity with intervals C. Suitable quantity of the commodity D. No change in consumers mental condition
11	To measure national income is used	A. Product method B. Incomes of the factor method C. Expenditure method D. All the three
12	If the ratio of change in demand is equal to the ratio of change in price, elasticity of demand will be	A. More than unity B. Less than unity C. Equal to unity D. Infinite
13	Total product decreases, when marginal product is	A. Positive B. Negative C. Zero D. None of these
14	According to which economist some trade cycles complete their cycle during a period of fifty years or sixty years	A. Prof Kitchen B. Prof Jugglar C. Prof Pigou

		D. Prof Kondratieff
15	Relationship between price and quantity demanded is called	A. Demand schedule B. Demand curve C. Law of demand D. Assumptions of law of demand
16	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
17	When demand curve shifts leftward (or downward), it is called	A. Rise of demand B. Fall of demand C. Extension of demand D. Contraction of demand
18	Which is the Demand Curve of a frim	A. Average Revenue Curve B. Marginal Revenue Curve C. Total Revenue Curve D. Average cost curve
19	Another name of unitary method is	A. Total satisfiaction method B. Total expenditure method C. Total revenue method D. Both 2nd and 3rd
20	Private owners of minerals are bound to pay --------- Zakat of their production	A. 10% B. 15% C. 20% D. 25%