

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	When supply curve shifts rightward or down it is called	A. Rise of supply B. Fall of supply C. Extension of supply D. Contraction of supply
2	In the long run monopolist earns profit:	A. Normal B. Abnormal C. Super normal D. Both b and c
3	Under perfect competition average revenue is always - - - marginal revenue	A. Equal to B. Less than C. More than D. None of three
4	Theory of sun-spot was presented by	A. Prof Jevons and Henry L. Moor B. Prof Pigou and begehoh C. Prof Hobson D. Prof Cassel
5	By increasing the cost of production, the supply	A. Extends B. contracts C. Falls D. Rises
6	The most appropriate definition of money was given by:	A. F.A.Walker B. Keynes C. Pigou D. Crowther
7	Other things remaining the same, marginal utility of a commodity diminishes with its continuous consumption. This law is called	A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of decreasing return
8	Supply means	A. total money of a specific producer B. Number of buyers C. quantity of goods offered for sale at different prices D. purchasing power of quantity supplied
9	In which year international monetary fund was established	A. 1941 B. 1944 C. 1945 D. 1947
10	After subtracting depreciation allowance from gross national product is known	A. National income B. Net national product C. Personal income D. Gross domestic product
11	Supply curve moves from left to right upward, this tendency is called	A. Negative B. Positive C. Horizontal D. Vertical
12	A monopolistic firm has control of	A. Whole market supply by one firm B. Whole market supply by two firms C. Whole market supply by a few firms D. None of these
13	Marginal productivity theory was presented by:	A. Pigou and Cannon B. Adam Smith and F.A. Walker C. Keynes and Semeulson D. Marshall and J.B. Clark
14	If the ratio of change in demand is less than the ratio of change in price, elasticity of demand will be	A. More than unity B. Less than unity C. Equal to unity D. Zero
		A. Increases - -

15	If supply does not change, then due to rise in demand, equilibrium price.	B. Decreases C. Does not change D. Becomes zero
16	In which phase of Frade cycle level of employment and income becomes very low.	A. Depression B. Recovery C. Recession D. Boom
17	When there are small and minor changes in price and demand then	A. Price elasticity B. Income elasticity C. Cross elasticity D. Point elasticity
18	One of the following is not the method to control deflation	A. Decrease in public expenditures B. Decrease in interest rate C. Decrease in income tax D. increase in exports
19	Laws cannot be predicted	A. Scientific laws B. Moral laws C. Economic laws D. Natural laws
20	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