

Principles of Economics Icom Part 1 English Medium Online Test

| Sr | Questions | Answers Choice |
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| 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 begehot 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 - - |

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| 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 Trade 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 |