

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Individuals of a country produce a certain quantity of goods and services using the resources of the country with the help of their capital, it is called national income this definition is presented by	A. Professor Marshall B. Professor Paul A Samuelson C. Professor Fisher D. Professor Pigou
2	National income is total of	A. Incomes of all entrepreneurs of the country B. Incomes of all industrialists of the country C. Incomes of all salaried persons of the country D. Incomes of all the people of the country
3	One of the following precautions is not included in measurement of national income by product method	A. To subtract depreciation allowance B. To subtract indirect taxes C. Not to include transfer payments D. To include subsidies
4	Equilibrium level of national income means that point where	A. Consumption = saving B. Consumption = investment C. Income = saving + investment D. Saving = Investment
5	Concept of equilibrium level of national income in comprehensive way was presented by	A. Professor keynes B. Professor Marshall C. Professor hicks D. Professor Lipsay
6	Which one of the following is not called Gross national product	A. Economic national product B. Joint national product C. Composite national product D. All the three
7	Which one of the following is not included in the methods of measuring national income	A. Method of total according to market prices B. Method of total of incomes C. Method of total of domestic necessities and desires D. Method of total expenditures
8	A monopolist controls the supply	A. Totally B. Partially C. More D. Not at all
9	The difference between total revenue (TR) and total cost (TC) is called	A. Loss B. Profit C. Profit or loss D. Utility
10	The formula of calculating total revenue is	A. $P \times Q$ B. $P \times AC$ C. $AC \times Q$ D. TC / Q
11	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
12	To increase profit a firm minimizes	A. Revenues B. Costs C. Demand D. Supply
13	When total revenue and total cost of a firm are equal, the firm earns	A. Abnormal profit B. Normal profit C. Normal loss D. Abnormal loss
14		A. Homogeneity of product B. Difference in price

14	One condition which is not included in perfect competition conditions	C. Large number of buyers and sellers D. Perfect knowledge of the market
15	Under monopoly, number of firms is	A. Large B. Few C. One D. Two