

Principles of Economics Icom Part 1 English Medium Chapter 10 Online Test

Sr	Questions	Answers Choice
1	The paper notes which can not be converted in gold, silver, or foreign exchange, are called	A. Standard money B. Convertible paper money C. Inconvertible paper money D. Legal tender money
2	The money whose face value and intrinsic value are different	A. Token money B. Standard money C. Legal money D. Near money
3	Which is considered as a transfer payment	A. wages B. salaries C. prices D. unemployment allowances
4	Marginal revenue product is the amount of money attained by selling:	A. Average product B. Marginal product C. Total product D. Total cost
5	Quantity theory of money was criticised by	A. Prof. Keynes B. Prof Marshall C. Prof Pigou D. i and ii both
6	Equation of relationship between quantity of money and value of money, MV=PT is presented by the economist	A. Prof Taussing B. Prof Fisher C. Prof Crowther D. Prof Marshall
7	MRP curve is slopping:	A. Negative B. Positive C. Downward D. Both a and c
8	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
9	The money whose face value and intrinsic value are equal, is called	A. Token money B. Standard money C. Paper money D. Credit money
10	"What performs the functions of money, is money" This definition of money is stated by	A. Prof Walker B. Prof Marshall C. Prof Crowther D. Prof Pigou
11	Quantity theory of money in the form of an equation was presented by	A. Prof Fisher B. Prof Taussig C. Prof Marshall D. Prof Renald
12	Kinds of credit money are	A. Verbal promise and written promise B. Govt. securities & D. Cheque & D. Cheque & D. Share of Companies
13	By which money business dealing has become easy	A. Metalic money B. Paper money C. Credit money D. Near money
14	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

15	Cheque, bill of exchange etc are	A. Metallic money B. Paper money C. Credit money D. Near money
16	Which kind of budget is better during the situation of inflation	A. Deficit budgetB. Surplus budgetC. Balanced budgetD. Domestic budget
17	Net National product is equal to	A. GNP + Depreciation expenditure B. GDP + Depreciation expenditure C. GNP - Depreciation expenditure D. GDP - Depreciation expenditure
18	All Pakistani coins are	A. Token money B. Standard money C. Convertible money D. Inconvertible money
19	Other tern used for demand for factor is:	A. Initial demandB. derived demandC. Direct demandD. Cross demand
20	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