

Principles of Economics Icom Part 1 English Medium Chapter 11 Online Test

Sr	Questions	Answers Choice
1	During boom	A. Business contracts B. Unemployment increase C. Profit decreases D. Profit increases
2	Phases of a trade cycle are	A. Two B. Three C. Four D. Five
3	During depression	A. Employment increases B. Prices decrease C. Profit increases D. Prices increase
4	If we deduct depreciation from GNP, we get:	A. P.I B. G.D.P C. D.P.I D. N.N.P
5	Psychological theory of trade cycles is presented by	A. Prof Jevons B. Prof Pigou and Bagehot C. Prof Keynes D. Prof Hawtrey
6	If we deduct direct taxes from personal income, we get:	A. NNP B. GDP C. DPI D. PI
7	Modern theory of trade cycles is presented by	A. Prof Schumpeter B. Prof Keynes C. Prof Hawtrey D. Prof Hicks and Samuelson
8	According to Prof. Kitchen a trade cycle completes in	A. Two years six months B. Three years or Fifty years C. Fifty years or Sixty years D. Sixty years or Seventy years
9	During recession demand for factors of production is	A. More B. Limited C. Very low D. Too much
10	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
11	Which phase starts with the increase in expected rate of profit	A. Depression B. Recovery C. Boom D. Recession
12	National income at factor cost is equal to:	A. G.N.P - Subsidies + taxes B. N.N.P - Direct tax + Subsidies C. G.D.P - Subsidies + taxes D. N.N.P - Indirect tax + Subsidies
13	Direct taxes are not included in:	A. Personal income B. G.N.P C. G.D.P D. Disposable personal income
14	During depression, increases	A. Unemployment B. Employment C. Profit D. Production
15	According to which economist, duration of a trade cycle is 9 to 10 years	A. Prof Kitchen B. Prof Jugglar C. Prof Pigou D. Prof Kondratieff

6	If we deduct foreign income from GNP, we get:	A. N.N.P B. G.D.P C. D.P.I D. P.I
7	Economy gets prosperity during	A. Recession B. Depression C. Boom D. Recovery
8	During the phase of recovery prices, wages, interest rate and profits	A. Start falling graduallyB. Start rising graduallyC. are highestD. are lowest
9	Innovation theory is presented by	A. Prof Kegnes B. Prof Schumpeter C. Prof Hicks D. Prof Foster
0	Income received without any economic services:	A. National Income B. Transfer payments C. Interest D. Profit