

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	"A trade cycle is fluctuation in employment, production and prices" This definition of Trade cycle is stated by	A. Prof Keynes B. Prof Mitchall C. Prof Hanson D. Prof Haberler
3	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
4	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
5	During depression	A. Employment increases B. Prices decrease C. Profit increases D. Prices increase
6	During recession demand for factors of production is	A. More B. Limited C. Very low D. Too much
7	Market value of all final goods and services is known as:	A. N.I B. G.N.P C. N.N.P D. Both a and b
8	During the phase of recession prices of goods	A. Start rising B. Start falling C. are highest D. are lowest
9	If we deduct direct taxes from personal income, we get:	A. NNP B. GDP C. DPI D. PI
10	The period in which an economy comes back from prosperity to depression is called	A. Recovery B. Recession C. Boom D. Depression
11	Transfer payment means:	A. Rent transfer B. Wages transfer C. Reward without services D. Profit transfer
12	In which phase of a trade cycle national product, wages, prices and profits reach at their peak	A. Recovery B. Boom C. Recession D. Depression
13	The income which a person can use according to his will called:	A. Net income B. Per capital income C. Personal income D. Disposable personal income
14	Innovation theory is presented by	A. Prof Kegnes B. Prof Schumpeter C. Prof Hicks D. Prof Foster
15	"A trade cycle is completed in three years four months" This is stated by	A. Prof Kitchen B. Prof Jugglar C. Prof Jevons D. Prof Pigou

16	According to Prof. Juglar a trade cycle completes in	A. Five to six years B. Nine to ten years C. Ten to eleven years D. Eleven to twelve years
17	Depreciation means:	A. Wear and Tear B. Reduction in value C. Decrease in value D. All of these
18	Equilibrium level of national income means that point where:	A. Consumption = Saving B. Consumption = Investment C. Saving = Investment D. Income = Saving + Investment
19	The innovation theory of trade cycles was presented by	A. Hayek B. Hawtray C. Schumpeter D. Pigou
20	Which phase starts with the increase in expected rate of profit	A. Depression B. Recovery C. Boom D. Recession
21	Over investment theory is presented by	A. Pigou B. Hawtray C. Hayek, Mises and Cassel D. Prof Juglar
22	Direct taxes are not included in:	A. Personal income B. G.N.P C. G.D.P D. Disposable personal income
23	National Income is also known as:	A. National product B. Total expenditure C. Total population D. Both a and b
24	According to which economist, duration of a trade cycle is 9 to 10 years	A. Prof Kitchen B. Prof Juglar C. Prof Pigou D. Prof Kondratieff
25	Income received without any economic services:	A. National Income B. Transfer payments C. Interest D. Profit
26	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
27	One of the following is not include in national income:	A. Transfer payments B. Depreciation C. Wages D. Both a and b
28	Under consumption or over saving theory is presented by	A. Prof Hobson, Foster and Catchings B. Prof Hawtreay C. Prof Keynes D. Prof Jevons
29	In which phase of a trade cycle level of employment and income become very low	A. Depression B. Recovery C. Boom D. Recession
30	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
31	Methods for measurement of national income are:	A. Two B. Three C. Four D. Five
32	Economy gets prosperity during	A. Recession B. Depression C. Boom D. Recovery
33		A. Start falling gradually B. Start rising gradually

33	During the phase of recovery prices, wages, interest rate and profits	B. Start rising gradually C. are highest D. are lowest
34	Modern theory of trade cycles is presented by	A. Prof Schumpeter B. Prof Keynes C. Prof Hawtrey D. Prof Hicks and Samuelson
35	National income is measured for:	A. One year B. Two years C. Three years D. Four years
36	Monetary theory of Trade cycle is presented by	A. Prof Hawtrey and Friedman B. Prof Keynes C. Prof Hobson D. Prof Kitchen
37	Subsidies means:	A. Relief price to consumers B. Relief in price to Producers C. Surplus budget D. Both a and b
38	During the phase of boom level of income and employment is	A. Increasing B. Decreasing C. Highest D. Lowest
39	If we deduct depreciation from GNP, we get:	A. P.I B. G.D.P C. D.P.I D. N.N.P
40	During depression, increases	A. Unemployment B. Employment C. Profit D. Production
41	Phases of a trade cycle are	A. Two B. Three C. Four D. Five
42	Psychological theory of trade cycles is presented by	A. Prof Jevons B. Prof Pigou and Bagehot C. Prof Keynes D. Prof Hawtrey
43	According to which economist some trade cycles complete their cycle during a period of fifty years or sixty years	A. Prof Kitchen B. Prof Juglar C. Prof Pigou D. Prof Kondratieff
44	In Macro economies the vital role is played by:	A. Marshall B. J.R.Hicks C. Robbins D. Keynes
45	Net foreign income means:	A. Import - Exports B. Exports - Imports C. Import + Exports D. Income from imports
46	If we deduct foreign income from GNP, we get:	A. N.N.P B. G.D.P C. D.P.I D. P.I