

ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	This is a difficulty of barter	A. Lack of double coincidence of wants B. Difficulty to produce goods at larger scale C. Lack of divisibility of many goods D. All of the above
2	For the economy prices are beneficial	A. Falling slowly B. Rising slowly C. Rising fast D. Falling fast
3	The contribution of industrial section our GDP is.	A. 10% B. 20% C. 30% D. 40%
4	Base year of Pakistan for national accounting is.	A. 1985-86 B. 1995-96 C. 2005-06 D. 2015-16
5	Forest in Pakistan are decreasing because.	A. Population pressure B. Poor conservation planning C. Climatic changes D. All of the above
6	Commercial banks are able to create money by	A. Making loans B. Printing Money C. Moral suasion Selling government loans D. Printing money
7	National income is a measure of	A. The size of government revenue B. Payments made to factor of production C. Production of goods per day D. Total working hours
8	In the equation $MV = PY$ represents	A. Money supply B. Money Demand C. Maximum output D. Minimum Output
9	What would encourage trade between two countries.	A. Reduced tariffs B. Quality control C. Different tax system D. Fixing import quotas
10	Market value of all final goods and services produced in a country during a year is definition	A. GNP B. NNP C. NI D. Consumption
11	The nature of unemployment due to mechanization of agriculture is	A. Seasonal B. Structural C. Frictional D. Permanent
12	If money supply in a country decreases	A. Price will rise B. Price will fall C. Rate of interest falls D. B and C of above
13	Which one is equation of exchange.	A. $PT = MV$ B. $PV = MT$ C. $PM = TV$ D. None
14	When a commercial bank creates credit. Its immediate effect is that it raises.	A. The exchange rate B. The money supply C. The interest rate D. The real national income

15	State bank of Pakistan is run by	A. Board of directors B. Board of managers C. Board of governors D. Board of bankers
16	GDP at constant prices, calculated according to some base year is called.	A. actual GDP B. Real GDP C. Net GDP D. Nominal GDP
17	Who is unemployed	A. House wife B. College Student C. A freshly graduated engineer who is searching for a job D. A peer who lives on gifts from friends
18	Real national income increases when	A. Prices of goods are rising B. National savings increases C. Quantity of goods and services increases D. None of the above
19	Equilibrium of national income will be when	A. $S > I$ B. $S < I$ C. $S = I$ D. $S - I$
20	Which is not a Function of money	A. Make demand and supply equal B. Medium of exchange C. Store of value D. Measure of value