

ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	In terms of national income accounts, multiple counting refers to.	<p>A. The addition to GNP of multiple units of a good</p> <p>B. Counting currently produced goods more than once</p> <p>C. The inclusion in GNP of gross spending and taxes</p> <p>D. Counting both goods and services</p>
2	The bank established for loans to very small enterprises is called.	<p>A. Micro Finance Bank</p> <p>B. Modarba Bank</p> <p>C. SME bank</p> <p>D. Firs Mini Bank</p>
3	Profit and loss sharing is basis of finance under this system.	<p>A. Islamic</p> <p>B. Capitalistic</p> <p>C. Socialistic</p> <p>D. None</p>
4	In calculating national income which one will NOT be included.	<p>A. Exports</p> <p>B. Old age pensions</p> <p>C. Wages of lecturer</p> <p>D. Undistributed profit by firms</p>
5	What would encourage trade between two countries.	<p>A. Different tax system</p> <p>B. Frontier checks</p> <p>C. National currencies</p> <p>D. Reduce tariff</p>
6	If TOYOTA Company establishes a factory in Pakistan this will be recorded in balance of payments in the section.	<p>A. Capital account</p> <p>B. Visible balance</p> <p>C. Invisible balance</p> <p>D. Official financing</p>
7	Net investment is	<p>A. Gross investment minus household investment</p> <p>B. Gross investment minus govt. investment</p> <p>C. Gross investment minus capital consumption allowance</p> <p>D. None of the above</p>
8	It can change money supply	<p>A. National Assembly</p> <p>B. Supreme court</p> <p>C. Government</p> <p>D. State Bank</p>
9	It is deducted from GNP to find NNP	<p>A. Saving</p> <p>B. Direct taxes</p> <p>C. Depreciation allowance</p> <p>D. Subsidies</p>
10	PI is equivalent to	<p>A. DPI Minus personal taxes</p> <p>B. DIP Plus unearned receipts</p> <p>C. DPI Minus income earned but not received</p> <p>D. NI plus unearned receipts minus personal taxes</p>
11	Credit money is created by	<p>A. Central bank</p> <p>B. Commercial Bank</p> <p>C. Government</p> <p>D. All of the above</p>
12	Forest in Pakistan are decreasing because.	<p>A. Population pressure</p> <p>B. Poor conservation planning</p> <p>C. Climatic changes</p> <p>D. All of the above</p>
13	In the world population wise Pakistan is	<p>A. 4th</p> <p>B. 5th</p> <p>C. 7th</p> <p>D. 10th</p>
14	If government increases taxes private savings.	<p>A. Increase</p> <p>B. Decrease</p>

		C. Do not change D. Will become zero
15	Taxes on commodities are	A. Direct taxes B. Indirect Taxes C. Progressive taxes D. Propotional taxes
16	According to Malthus Population increases by Pogression of kind	A. Systematic B. Arithmetic C. Geometric D. Automatic
17	Demand deposit are	A. Money B. Bank note C. Legal Money D. Considered to near money
18	Marginal propensity to consume MPC is.	A. Total income spent on consumption B. Ratio of additional income consumed C. Ratio of total income consumed D. Consumption divided by saving
19	According to Keynes people demand money for purposes .	A. 1 B. 2 C. 3 D. 4
20	Cash cannot be directly obtaines from a bank against	A. Cross cheque B. Order cheque C. bearer cheque D. Traveller cheque