

ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	The government spends on education percentage of GDP	A. 2 B. 6 C. 8 D. 10
2	Trade between two countries can be useful if cost ratios of goods are.	A. Equal B. Different C. Undertimed D. Decreasing
3	Govt. taxing and spending policies are called.	A. Fiscal policy B. Public policy C. Monetary Policy D. Economic policy
4	In Pakistan government budget is prepared by	A. National Assembly B. President of Pakistan C. Ministry of Finance D. State Bank of Pakistan
5	Macroeconomics is concerned with.	A. Aggregate economic activity B. Spending decisions of households C. How to produce goods D. How to buy stocks and bonds
6	The equation of exchange $PT = MV$ was given by	A. Fisher B. Crowther C. Kuznet D. Keynes
7	Progressive taxes	A. Increase government revenue B. Bring equality in distribution of incomes C. Act as a penalty for rich people D. a and b of above
8	Govt. transfer payments include	A. Social security benefits B. Welfare benefits C. Student scholarships D. All of the above
9	Which one is equation of exchange.	A. $PT = MV$ B. $PV = MT$ C. $PM = TV$ D. None
10	Which of the following would increase national income.	A. Increase in taxation B. Increase in savings C. Increase in government spending D. Decrease in consumption spending
11	The receipts of payments for goods exported and imported are counted in .	A. Capital Account B. Trade Account C. Current account D. Monetary account
12	If we deduct direct tax from personal income we get.	A. Net National income B. Disposable income C. Personal saving D. Per capita income
13	Value of money in Pakistan is determined by	A. Govt of Pakistan B. General Price Level C. State Bank Pakistan D. Value of Dollar
14	Demand deposits are	A. Money B. Bank note C. Legal Money D. Considered to be near money
15	It is avoided to make correct estimate of national income.	A. Free services B. Double counting C. Export earnings

		D. All of the above
16	It is not a factor of economic development	A. Money B. Land C. Capital D. Technology
17	Central banks rate of lending to commercial banks is called.	A. Money rate B. Control rate C. Interest rate D. Discount rate
18	PI is equivalent to	A. DPI Minus personal taxes B. DIP Plus unearned receipts C. DPI Minus income earned but not received D. NI plus unearned receipts minus personal taxes
19	Banks discount it and advance loans.	A. Draft B. Bill of Exchange C. pay order D. Gold
20	If a person is more interested to earn income he should deposit his money in	A. Demand deposits B. Time deposit C. Saving account D. Profit loss account