

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

Sr	Questions	Answers Choice
1	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
2	Equilibrium level of national income means that point where:	A. Consumption = Saving B. Consumption = Investment C. Saving = Investment D. Income = Saving + Investment
3	In which phase of a trade cycle level of employment and income become very low	A. Depression B. Recovery C. Boom D. Recession
4	Psychological theory of trade cycles is presented by	A. Prof Jevons B. Prof Pigou and Bagehot C. Prof Keynes D. Prof Hawtrey
5	During the phase of recession prices of goods	A. Start rising B. Start falling C. are highest D. are lowest
6	According to Prof. Jugglar 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
7	Innovation theory is presented by	A. Prof Kegnes B. Prof Schumpeter C. Prof Hicks D. Prof Foster
8	During boom	A. Business contracts B. Unemployment increase C. Profit decreases D. Profit increases
9	National Income is also known as:	A. National product B. Total expenditure C. Total population D. Both a and b
10	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
11	During the phase of recovery prices, wages, interest rate and profits	A. Start falling gradually B. Start rising gradually C. are highest D. are lowest
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	If we deduct direct taxes from personal income, we get:	A. NNP B. GDP C. DPI D. PI
14	Transfer payment means:	A. Rent transfer B. Wages transfer C. Reward without services D. Profit transfer
15	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

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16	Economy gets prosperity during	A. Recession B. Depression C. Boom D. Recovery
17	Which phase starts with the increase in expected rate of profit	A. Depression B. Recovery C. Boom D. Recession
18	Income received without any economic services:	A. National Income B. Transfer payments C. Interest D. Profit
19	Subsidies means:	A. Relief price to consumers B. Relief in price to Producers C. Surplus budget D. Both a and b
20	If we deduct depreciation from GNP, we get:	A. P.I B. G.D.P C. D.P.I D. N.N.P

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