

Principles of Economics Icom Part 1 English Medium Chapter 13 Online Test

Sr	Questions	Answers Choice
1	Annual rate of Zakat on cash and trading goods is	A. 2.0% B. 2.5% C. 3.0% D. 3.5%
2	Surplus budget for the government is considered	A. Useful B. Harmful C. Useful & harmful D. None of three
3	If the rate of tax increase with the increase of level of income, is called	A. Progressive tax B. Proportional tax C. Regressive tax D. Value added tax
4	Meteorological theory of trade cycle was presented by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. Hawtray
5	The ratio of change in investment to change in income is known as:	A. Multiplier B. Accelerator C. MEC D. Both a and b
6	The expected rate of profit from a business is known as:	A. Multiplier B. Accelerator C. Marginal efficiency of capital D. Both a and b
7	A good thing in private finance	A. Expenditures are equal to income B. Expenditure are more than income C. Income is more than expenditures D. a and b both
8	The rate of usher on product of canal land is	A. 5% B. 10% C. 20% D. 2.5%
9	Over investment and over saving theory was given by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. Hawtray
10	If the income and expenditures of the government are equal, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
11	Private owners of minerals are bound to pay ----- Zakat of their production	A. 10% B. 15% C. 20% D. 25%
12	If income of the government is more than its expenditures, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
13	Zakat means	A. Growth B. Purification C. Tax D. Both 1st and 2nd
14	Which one of the following stated the canons of taxation first	A. Adam Smith B. Marshall C. Robbins D. Keynes
15	Private individuals can get loan from	A. Their relatives, friends and domestic financial institutions B. Foreign financial agencies C. Foreign government D. All of the above

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- 16 If income of government is less than its expenditures, then it is a
A. Surplus budget
B. Deficit budget
C. Development budget
D. **Balanced budget**
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- 17 Trade cycles can be controlled by:
A. Fiscal policy
B. Monetary policy
C. Buffer stock schemes
D. **All of these**
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- 18 Theory of innovations was presented by:
A. Joseph Schumpeter
B. Habson Foster
C. Jevons
D. J.R Hicks
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- 19 The budget period in public finance is
A. six months
B. **one year**
C. two years
D. five years
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- 20 The interaction of multiplier and accelerator is known as:
A. Innovation theory
B. **Modern theory**
C. Psychological theory
D. Over investment theory
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