

Principles of Economics Icom Part 1 English Medium Chapter 9 Online Test

Sr	Questions	Answers Choice
1	According to professor Ackley Gardener, amounts are included in national income	A. WagesB. Rents and interestsC. ProfitsD. All the three
2	Which is not counted in national income	A. Interests B. transfer payments C. Profits D. Rents
3	Period in national income counting is	A. One year B. Two years C. Three years D. Four years
4	What is deducted from the GNP to get GDP	A. Depreciation allowances B. Net income received from abroad C. Indirect tax D. Transnfer payments
5	To measure national income is used	A. Product method B. Incomes of the factor method C. Expenditure method D. All the three
6	Duopoly refers to:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
7	Transfer payment means that income	A. Which can move from one place to order place i.g. money etc. B. Which is received without labour, e.g. Zakat, gift, pension etc C. Which is received after hardwork D. Which is received by exports
8	National income is total of	A. Incomes of all entrepreneurs of the country B. Incomes of all industrialists of the country C. Incomes of all salaried persons of the country D. Incomes of all the people of the country
9	National income increases by	A. The increase in the quantity of capital goods B. The increase in the quantity of goods and services C. The increase in price of goods D. The increase in the income of entrepreneurs
10	In the long run firms mostly earn normal profit in:	A. Perfect competition B. Oliogopoly C. Monopoly D. Duopoly
11	One of the following precautions is not included in measurement of national income by product method	A. To subtract depreciation allowance B. To subtract indirect taxes C. Not to include transfer payments D. To include subsidies
12	Firms earn abnormal profit when:	A. AR = AC B. AR &It AC C. AR > AC D. AC = AR
13	What remains after the deduction of direct tax from the personal income	A. NNP B. NNI C. DPI D. GNP

14	According to whom economist, National income is the name of the total of production of goods and services	A. Adam smith B. Marshall C. Fisher D. Pigou
15	Which one of the following is not called Gross national product	A. Economic national product B. Joint national product C. Composite national product D. All the three
16	Which is subtracted from gross national product to find gross domestic product	A. Depreciation allowance B. Net income received from foreign sources C. Indirect taxes D. Transfer payments
17	Oligopoly means:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
18	Price discrimination policy refers to:	A. Single price B. Two prices C. Multiple prices D. None of these
19	A firm gains abnormal profit, when:	A. TR = TC B. TR > TC C. TR < TC D. MC = MR
20	Expenses of wears and tears of machinery are called	A. Productive expenses B. Non productive expenses C. Wages D. Depreciation expenses