

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

Sr	Questions	Answers Choice
1	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
2	The term "Price Maker" is used in:	A. Perfect competition B. Oliogopoly C. Monopoly D. Monopsony
3	A firm gains normat profit, where:	A. P=AC B. P>AC C. P <ac ac="" d.="">AR</ac>
4	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
5	What is deducted from the GNP to get GDP	A. Depreciation allowances     B. Net income received from abroad     C. Indirect tax     D. Transnfer payments
6	is not included in gross domestic product	A. Private investment     B. Income received from foreign country     C. Depreciation allowance     D. Govt. investment
7	Which thing of the following should be subtracted from gross national product to get net national product	A. Direct taxes     B. Indirect taxes     C. Depreciation allowance     D. Income received from foreign country
8	Which is not counted in national income	A. Interests B. transfer payments C. Profits D. Rents
9	Under monopoly the price is always equal to:	A. AR B. MR C. MC D. AVC
10	If MC=MR=AR=AC=P, then a firms gains:	A. Super profit B. Normal profit C. Normal loss D. Abnormal loss
11	According to Pigou national income is that part of material wealth	A. Which can be stored easily     B. Which can be measured by the scale of money     C. Which have volume and surrounds     D. Which is exported
12	Under monopoly, the slope of MR curve is:	A. Twice the slope of AR curve B. Less than the slope of AR curve C. Greater than the slope of AR curve D. Half the slope of AR curve
13	After subtracting depreciation allowance from gross national product is known	A. National income     B. Net national product     C. Personal income

		D. Gross domestic product
14	Duopoly refers to:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
15	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
16	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
17	After deducting direct tax from personal income, it is called	A. National income B. personal income C. Disposable personal income D. per capital income
18	Price discrimination policy refers to:	A. Single price B. Two prices C. Multiple prices D. None of these
19	Equilibrium of national income is, when	A. S > 1 B. S = 1 C. S < 1 D. S and 1
20	Main elements of circular flow of national income are	A. People or house holds B. Firms C. House holds and firms D. Industrial lists