

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

Sr	Questions	Answers Choice
1	national income is found by	<p>A. Subtracting depreciation allowance from gross national product</p> <p>B. Subtracting indirect taxes from net national product</p> <p>C. Adding subsidies in net national product</p> <p>D. Subtracting indirect taxes and adding subsidies in net national product</p>
2	"Quantity of goods and services which is consumed during a year is called national income". This definition of national income is stated by the economist	<p>A. Marshall</p> <p>B. Pigou</p> <p>C. Adam smith</p> <p>D. Fisher</p>
3	Net national product is found by	<p>A. Subtracting tax from gross national product</p> <p>B. Subtracting transfer payments form gross national product</p> <p>C. Subtracting depreciation allowance from gross national product</p> <p>D. Subtracting subsidies from gross national product</p>
4	Firms earn abnormal profit when:	<p>A. $AR = AC$</p> <p>B. $AR < AC$</p> <p>C. $AR > AC$</p> <p>D. $AC = AR$</p>
5	Gross national product means	<p>A. Total of price of all goods produced in a country in year</p> <p>B. Total of price of all consumer goods produced in the economy during a year</p> <p>C. Total of goods and services produced in the economy during a year</p> <p>D. Total of monetary value of goods and services produced during a year in the economy</p>
6	According to Pigou national income is that part of material wealth	<p>A. Which can be stored easily</p> <p>B. Which can be measured by the scale of money</p> <p>C. Which have volume and surrounds</p> <p>D. Which is exported</p>
7	One of the following is not included in net national product	<p>A. Consumer goods</p> <p>B. Capital goods</p> <p>C. Capital formation</p> <p>D. Consumer goods and capital goods</p>
8	Expenditures of repair of machines are called	<p>A. Unproductive expenditures</p> <p>B. Productive expenditures</p> <p>C. Rewards</p> <p>D. Depreciation allowance</p>
9	National income is total of	<p>A. Incomes of all entrepreneurs of the country</p> <p>B. Incomes of all industrialists of the country</p> <p>C. Incomes of all salaried persons of the country</p> <p>D. Incomes of all the people of the country</p>
10	Which one of the following is not called Gross national product	<p>A. Economic national product</p> <p>B. Joint national product</p> <p>C. Composite national product</p> <p>D. All the three</p>

11	Transfer payments are included in	A. Gross domestic income B. National income C. Disposable personal income D. Personal income
12	To measure national income is used	A. Product method B. Incomes of the factor method C. Expenditure method D. All the three
13	Duopoly refers to:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
14	Concept of equilibrium level of national income in comprehensive way was presented by	A. Professor keynes B. Professor Marshall C. Professor hicks D. Professor Lipsay
15	The term "Price Maker" is used in:	A. Perfect competition B. Oligopoly C. Monopoly D. Monopsony
16	A firm is in equilibrium, where:	A. $AR = MR$ B. $AC = MC$ C. $AC = MR$ D. $MC = MR$
17	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
18	Individuals of a country produce a certain quantity of goods and services using the resources of the country with the help of their capital, it is called national income this definition is presented by	A. Professor Marshall B. Professor Paul A Samuelson C. Professor Fisher D. Professor Pigou
19	----- is not included in gross domestic product	A. Private investment B. Income received from foreign country C. Depreciation allowance D. Govt. investment
20	Disposable personal income is equal to	A. Personal income + direct taxes B. Personal income + indirect taxes C. Personal income + direct and indirect taxes D. Personal income - direct taxes