

ICS Part 2 Economics English Medium Chapter 1 Online Test

Sr	Questions	Answers Choice
1	We measure national income by this method.	A. Expenditure method B. Income method C. Product method D. As of the above
2	Transfer payments are not included in national income because.	A. Such payments are made to persons living abroad B. Double counting would result C. They are illegal D. There is no method to account for these
3	A closed economy is best described as one in which	A. there are no monopolies B. No corporations C. No externalities D. No international trade
4	Personal income includes.	A. Direct taxes B. Indirect taxes C. Depreciation D. None of the above
5	Per capita Income is.	A. Income per worker B. Income per head C. Income per household D. Income per industrial unit
6	Gross national product includes	A. A loan from one's parents B. A loan from a domestic bank C. A loan from other countries D. None of the above
7	Net investment is	A. Gross investment minus household investment B. Gross investment minus government investment C. Gross investment minus capital consumption allowance D. None of the above
8	If $C = 200$ and $I = 40$ Then Y will equal	A. 160 B. 240 C. 200 D. 8000
9	Which statement is true	A. $NNP = GNP - Depreciation$ B. $NNP = NI$ C. $NNP = DPI$ D. $NNP = GNP + Depreciation$
10	Transfer payments means.	A. Bank loans B. The payment without work C. Payments made to all factors of production D. Tax payments
11	It is deducted from GNP to find NNP	A. Saving B. Direct taxes C. Depreciation allowance D. Subsidies
12	Transfer payments include.	A. Daily wages, pensions B. Pensions Zakat C. Taxes, pocket money D. Zakat, taxes
13	Macroeconomics is concerned with.	A. Aggregate economic activity B. Spending decisions of households C. How to produce goods D. How to buy stocks and bonds
14	Investment spending included the purchase of.	A. Lottery coupon B. Prize Bond C. Residential construction D. ...

		D. all of the above
15	It is not included in estimation of national income	A. Illegal income B. Services of house wife C. Imports D. All are not included
16	If we include it, national income will be over estimated	A. Transfer payment B. Income from abroad C. Illegal income D. Exports
17	A TV set purchased from a retail store is an example of.	A. Final goods B. Surplus goods C. Capital goods D. Intermediate goods
18	It is counted in GDP	A. Sale price of an old car B. A TV set produced this year but not sold C. Purchase of 100 shares of PSO D. The leisure people consume
19	Which of the following would NOT be included in GNP	A. Govt. Transfer payments B. Govt. Purchase of an air plane C. Payment for construction of highway D. Salary paid for the presidents secretary
20	PI is equivalent to	A. DPI Minus personal taxes B. DIP Plus unearned receipts C. DPI Minus income earned but not received D. NI plus unearned receipts minus personal taxes