

ICS Part 2 Economics English Medium Chapter 1 Online Test

Sr	Questions	Answers Choice
1	Country is poor if it has.	A. Less production of goods per capita B. Less amount of gold C. Less amount of foreign currency D. Less exports
2	The four factor payments are.	A. Money, Capital, salaries, and income B. Wages, rent interest and profits C. Money, power, Prices, and wealth D. Wages, interest, salaries, and taxes.
3	Net Exports are	A. Total Exports plus total imports B. Total exports minus total imports C. Total exports divided by total imports D. Total imports minus total exports
4	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
5	GNP includes	A. A Loan from a bank B. A loan from one's parents C. A broker's commission D. Gifts and donations
6	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
7	In economics one of more persons living in a joint family are called a	A. Community B. Social gathering C. Super family D. Household
8	In terms of national income accounts, multiple counting refers to.	A. The addition to GNP of multiple units of a good B. Counting currently produced goods more than once C. The inclusion in GNP of gross spending and taxes D. Counting both goods and services
9	Which is a flow concept.	A. Number of my shirts B. My monthly income C. My total wealth D. Money Supply
10	National Income = National Expenditure is an	A. Equation B. Identity C. Function D. None
11	Govt. transfer payment include	A. Social security benefits B. Welfare benefits C. Student scholarships D. All of the above
12	Which statement is true	A. National Income = National expenditure - indirect taxes B. $NI = GNP - NNP$ C. $NI = P1$ D. $NI = NNP - \text{Indirect taxes}$
13	If government increases taxes private savings.	A. Increase B. Decrease C. Do not change D. Will become zero
14	Which measure has the larger value .	A. NNP B. GNP

		C. GDP D. NI
15	The have a functional relation	A. Consumption and national income B. Consumption and saving C. Consumption and investment D. All of the above
16	Undisributed proits are considered.	A. Income enrned but not received B. Income eearned and received C. Income received but not earned D. None of the above
17	It is transfer payment	A. Payment o college tuition B. A social securiy payment C. Payment for a leased car D. Intrest paid for a bank loan
18	Which of the following would NOT be included in GNP	A. Govt. Transfer payments B. Got. Purchase of an air plane C. Payment for construction of highway D. Salary paid for the presidents secretary
19	If saving exceed investment then	A. National income rises B. National income falls C. National income is not affected D. None of the above
20	Corporae tax is levied on	A. Landdlords B. Inporters C. Big companies D. Municipal corporations