

ICS Part 2 Economics English Medium Chapter 1 Online Test

Sr	Questions	Answers Choice
1	A TV set purchased from a retail store is an example of.	A. Final goods B. Surplus goods C. Capital goods D. Intermediate goods
2	Direct taxes are not included in	A. DPI B. PI C. NNP D. a and c above
3	Which statment is true	A. NNP =GNP- Deprection B. NNP =N1 C. NNP = DPI D. NNP = GNP + Depreciation
4	Which measure has the larger value .	A. NNP B. GNP C. GDP D. NI
5	It would increase the Ivel of national income.	A. An increase in taxation B. A reduction in governmet spending C. An increase in exports D. Students scholarships
6	Total value of allfinal goods andservices produced annually by a country.	A. NNP B. GNP C. GDP D. NI
7	It is duducted from GNP to find NNP	A. Saving B. Direct taxes C. Depreciatin allowance D. Subsidies
8	It is avoided to make correct estimate of national income.	A. Free services B. Double counting C. Export earnings D. All of the above
9	In calculating national income which one will NOT be included.	A. Exports B. Old age pensions C. Wages of lecturer D. Undistributed profit by firms
10	Net investment is	A. Gross investment minus household investment B. Gross investment minus govt. investment C. Gross investment minus capital consumption allowance D. None of the above
11	The goods which arw used directly by the people are called.	A. Consumer goods B. Capital good C. Direct good D. None
12	Real national income increases when	A. Prics of goods are rising B. National savings increases C. Quantity of goods and services increases D. None of the above
13	A closed economy is best described as one in which	A. thre are no monopolies B. No corporations C. No externalities D. No international trade
14	Market value of all final goods and services produced in a country during a year is definition	A. GNP B. NNP C. NI D. Consumption

15	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
16	If saving exceed investment then	A. National income risesB. National income fallsC. National income is not affectedD. None of the above
17	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
18	Gross nationa product includes	A. A loan from one's parentsB. A loan from a domestic bankC. A loan from other countriesD. None of theabove
19	National income is a measure of	A. The zise of government revenue B. Payments made to facor of production C. Production f goods per day D. Total working hours
20	If we deduct direct tax from personal income we get.	A. Net National income B. Disposable income C. Personal saving D. Per capital income