

ICS Part 2 Economics English Medium Chapter 1 Online Test

Sr	Questions	Answers Choice
1	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
2	If C= 200 and I= 40 Than Y will equal	A. 160 B. 240 C. 200 D. 8000
3	The largest type fo in come in the Pakistan is	A. Compensation of employees B. Propretors income C. Rental income D. Corporate profits
4	National Income = Ntional Expenditure is an	A. Equation B. Identity C. Function D. None
5	Investment spending included the purchase of.	A. Lottery coupon B. Prize Bond C. Residential construction D. all of the above
6	Transfer payments are not included in national income becaues.	A. Such payments are made to persons livnig abroad B. Double counting would result C. They are illegal D. There is no method to account for these
7	If government increases taxes pivate savings.	A. Increase B. Decrease C. Do not change D. Will become zero
8	Direct taxes are not included in	A. DPI B. PI C. NNP D. a and c above
9	It is duducted from GNP to find NNP	A. Saving B. Direct taxes C. Depreciatin allowance D. Subsidies
10	It is transfer payment	A. Payment o college tuition B. A social security payment C. Payment for a leased car D. Intrest paid for a bank loan
11	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
12	Macroeconomics is concerned with.	A. Aggregate economic activity B. Spending decisions of households C. Hod to produce goods D. How tobuy stocks and bonds
13	The four factor payments are.	A. Money, Capital, salaries, and income B. Wages, rent interest and profits C. Money, power, Prices, and wwealth D. Wags, intrest, salareis, andtaxes.
14	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

15	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
16	The have a functional relation	A. Consumption and national income B. Consumption and saving C. Consumption and investment D. All of the above
17	In erms of national income accounts, multiple counting efers to.	A. The addition to GNP of multiple units of a good B. Counting cureently producedgoods more than once C. The inclusion in GNP of gross spending and taxes D. Counting both goods and services
18	It would increase the lvel of national income.	A. An increase in taxation B. A reduction in governmnet spending C. An increase in exports D. Students scholarships
19	It is not included in estimation of national incoe	A. Illegal income B. Services of house wife C. Imports D. All are not included
20	Transfer payments means	A. Bank loans B. The payment without work C. Tax payments D. Payments made to all factors of production