

ICS Part 2 Economics English Medium Chapter 1 Online Test

Sr	Questions	Answers Choice
1	GNP is	A. Total Sales in the economy B. Total monetary transactions in an economy C. Sum of market values of all goods and services produced in an economy D. Total spending in an economy
2	In economics one of more persons living in a joint family are called a	A. Community B. Social gathering C. Super family D. Household
3	When National income is estimated by expenditure method we include.	A. All govt expenditure B. All households expenditure C. All of the above D. All expenditure of the business sector
4	Transfer payments means	A. Bank loans B. The payment without work C. Tax payments D. Payments made to all factors of production
5	Real national income increases when	A. Prices of goods are rising B. National savings increases C. Quantity of goods and services increases D. None of the above
6	Total value for all final goods and services produced annually by a country.	A. NNP B. GNP C. GDP D. NI
7	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
8	Which statement is true	A. $NNP = GNP - Depreciation$ B. $NNP = NI$ C. $NNP = DPI$ D. $NNP = GNP + Depreciation$
9	Corporate tax is levied on	A. Landlords B. Importers C. Big companies D. Municipal corporations
10	A TV set purchased from a retail store is an example of.	A. Final goods B. Surplus goods C. Capital goods D. Intermediate goods
11	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
12	Personal income includes.	A. Direct taxes B. Indirect taxes C. Depreciation D. None of the above
13	Transfer payments means.	A. Bank loans B. The payment without work C. Payments made to all factors of production D. Tax payments

14	Therre are methods of measurieng natinal income	A. 5 B. 4 C. 2 D. 3
15	Which measure has the larger value .	A. NNP B. GNP C. GDP D. NI
16	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
17	If government increases taxes pivate savings.	A. Increase B. Decrease C. Do not change D. Will become zero
18	Consumption spending does NOT include.	A. Household's purchases of clothes B. Household's purchase of a car C. Household's paymnet of rent for an apartment D. Household's purchase of shares of a business corporation
19	We measure natonalincome by this method.	A. Expenditure method B. Income method C. Product method D. As of the above
20	The four factor payments are.	A. Money, Capital, salaries, and income B. Wages, rent interrest and profits C. Money, power, Prices, and wwealth D. Wags, intrest, salareis, andtaxes.