

ICS Part 2 Economics English Medium Chapter 1 Online Test

Sr	Questions	Answers Choice
1	The goods which are used directly by the people are called.	<p>A. Consumer goods</p> <p>B. Capital good</p> <p>C. Direct good</p> <p>D. None</p>
2	Macroeconomics is concerned with.	<p>A. Aggregate economic activity</p> <p>B. Spending decisions of households</p> <p>C. How to produce goods</p> <p>D. How to buy stocks and bonds</p>
3	It is considered as transfer payments	<p>A. Salaries of government employees</p> <p>B. Bonus of bank employees</p> <p>C. Inemployment allowance paid by government</p> <p>D. Free medical care to officers.</p>
4	The largest type of income in Pakistan is	<p>A. Compensation of employees</p> <p>B. Rental income</p> <p>C. Proprietors income</p> <p>D. Corporate profits</p>
5	GNP is always.	<p>A. Less than NNP</p> <p>B. Greater than NNP</p> <p>C. Equal to NNP</p> <p>D. Is found from NNP</p>
6	To determine the correct level of GNP, it is necessary to.	<p>A. Add up the values of goods and services during one year</p> <p>B. Add up all savings</p> <p>C. Count all imports</p> <p>D. Add up the value of semi finished goods</p>
7	Transfer payments include.	<p>A. Daily wages, pensions</p> <p>B. Pensions Zakat</p> <p>C. Taxes, pocket money</p> <p>D. Zakat, taxes</p>
8	If $C = 200$ and $I = 40$ Then Y will equal	<p>A. 160</p> <p>B. 240</p> <p>C. 200</p> <p>D. 8000</p>
9	PI is equivalent to	<p>A. DPI Minus personal taxes</p> <p>B. DIP Plus unearned receipts</p> <p>C. DPI Minus income earned but not received</p> <p>D. NI plus unearned receipts minus personal taxes</p>
10	A closed economy is best described as one in which	<p>A. there are no monopolies</p> <p>B. No corporations</p> <p>C. No externalities</p> <p>D. No international trade</p>
11	If we deduct direct tax from personal income we get.	<p>A. Net National income</p> <p>B. Disposable income</p> <p>C. Personal saving</p> <p>D. Per capital income</p>
12	Consumption spending does NOT include.	<p>A. Household's purchases of clothes</p> <p>B. Household's purchase of a car</p> <p>C. Household's payment of rent for an apartment</p> <p>D. Household's purchase of shares of a business corporation</p>
13	It is deducted from GNP to find NNP	<p>A. Saving</p> <p>B. Direct taxes</p> <p>C. Depreciation allowance</p> <p>D. Subsidies</p>
14	GNP includes	<p>A. A loan from a bank</p> <p>B. A loan from one's parents</p> <p>C. A broker's commission</p>

		D. Gifts and donations
15	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
16	Undistributed profits are considered.	A. Income earned but not received B. Income earned and received C. Income received but not earned D. None of the above
17	Direct taxes are not included in	A. DPI B. PI C. NNP D. a and c above
18	There are methods of measuring national income	A. 5 B. 4 C. 2 D. 3
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	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