

ICS Part 2 Economics English Medium Chapter 1 Online Test

Sr	Questions	Answers Choice
1	Total value fo all final goods and services produced annually by a country.	A. NNP B. GNP C. GDP D. NI
2	Gross nationa product includes	A. A loan from one's parents B. A loan from a domestic bank C. A loan from other countries D. None of theabove
3	Which statment is true	A. $NNP = GNP - \text{Depreciation}$ B. $NNP = NI$ C. $NNP = DPI$ D. $NNP = GNP + \text{Depreciation}$
4	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
5	The goods which arw used directly by the people are called.	A. Consumer goods B. Capital good C. Direct good D. None
6	If saving exceed investment then	A. National income rises B. National income falls C. National income is not affected D. None of the above
7	National Income is.	A. Total Income earned in producing the national product B. All taxes plus govt. spending C. Sum of personal income and saving D. NNP minus the capital consumption allowance
8	If we include it. national income will be over estimated	A. Transfer payment B. Income from abroad C. Illegal income D. Exports
9	In erms of national income accounts, multiple counting efers to.	A. The addition to GNP of multiple units of a good B. Counting currently producedgoods more than once C. The inclusion in GNP of gross spending and taxes D. Counting both goods and services
10	The largest type fo in come in the Pakistan is	A. Compensation of employees B. Propretors income C. Rental income D. Corporate profits
11	Transfer payments means.	A. Bank loans B. The payment without work C. Payments made to all factors of production D. Tax payments
12	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
13	Corporae tax is levied on	A. Landdlords B. Importers C. Big companies D. Municipal corporations
14	Country is poor if it has.	A. Less production of gods per capita B. Less amount of gold C. Less amout of foreign currency D. None of the above

		D. Less exports
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	It is considered as investment	A. Construction of a house B. Purchase of an old house C. Salaries of college professors D. a and b above
17	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
18	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
19	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
20	Circular flow of income links	A. Income expenditure B. Govt taxes govt expenditure C. Exports ,imports D. Saving and investment