

## ICS Part 2 Economics English Medium Chapter 1 Online Test

C-	Questions	Anguaga Chaica
Sr 1	Gross nationa product includes	Answers Choice  A. A loan from one's parents B. A loan from a domestic bank C. A loan from other countries D. None of theabove
2	If government increases taxes pivate savings.	A. Increase B. Decrease C. Do not change D. Will become zero
3	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
4	National Income = Ntional Expenditure is an	A. Equation B. Identity C. Function D. None
5	Which statment is true	A. NNP =GNP- Deprection B. NNP =N1 C. NNP = DPI D. NNP = GNP + Depreciation
6	Investment spending included the purchase of.	A. Lottery coupon B. Prize Bond C. Residential construction D. all of the above
7	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
8	When National income is estimated by expenditue method we include.	A. All govt expenditure     B. All houseolds expenditure     C. All of the above     D. All expenditure of the business sector
9	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
10	Transfer payments means.	A. Bank loans B. The payment without work C. Payments made to all factors of production D. Tax payments
11	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
12	The largest part of national income goes to	A. Consumption B. Investment C. Saving D. Transfer payment
13	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

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14	Direct taxes are not included in	A. DPI B. PI C. NNP D. a and c above
15	Which of the followign is not included in personali income	A. Social security benefits     B. Dividend payments     C. Undistributed corporate profits     D. Interest received from of saving certificates
16	It is considred as transfer payments	A. Salaries of govet emplyees     B. Bonus of bank employees     C. Inemployment allowance paid by govt     D. Free medical are to offers.
17	If we deduct direct tax from personal income we get.	<ul><li>A. Net National income</li><li>B. Disposable income</li><li>C. Personal saving</li><li>D. Per capital income</li></ul>
18	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
19	A closed economy is best described as one in which	<ul><li>A. thre are no monopolies</li><li>B. No corporations</li><li>C. No externalities</li><li>D. No international trade</li></ul>
20	Which is a flow concept.	A. Number of my shirts B. My montly income C. My total wealth D. Money Supply