

# Principles of Economics (English Medium) - ICOM Part 1 Economics English Medium Chapter 13 Short Questions Preparation



2. Fiscal measures.

- 3. Population control
- 4. International measures.

# Q8. Define trade cycle.

### Ans 1: According to J.A Estay:

"Business cycles are fluctuations in general business activity that appear through, the inter-related activities".

Q9. Write the characteristics of the phase of depression in a trade cycle.

#### **Ans 1:** Following are the characteristics of depression phase:

- i. Aggregate demand operates at lowest point.
- ii. Lowest prices.
- iii. Lowest profit.
- iv. Lowest investment.
- vii. High unemployment.
- viii. Lowest income level.

# Q10. What is recovery in trade cycle?

**Ans 1:** When economic activities are moving upward known as recovery. The economy recovers from financial illness, this phase is called recovery and revival.