

## ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	A closed economy is best described as one in which	A. there are no monopolies B. No corporations C. No externalities D. No international trade
2	Macroeconomics is concerned with.	A. Aggregate economic activity B. Spending decisions of households C. How to produce goods D. How to buy stocks and bonds
3	Gross national 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 the above
4	They have a functional relation	A. Consumption and national income B. Consumption and saving C. Consumption and investment D. All of the above
5	Country is poor if it has.	A. Less production of goods per capita B. Less amount of gold C. Less amount of foreign currency D. Less exports
6	The largest type of income in Pakistan is	A. Compensation of employees B. Proprietors income C. Rental income D. Corporate profits
7	Personal income includes.	A. Direct taxes B. Indirect taxes C. Depreciation D. None of the above
8	Total value of all final goods and services produced annually by a country.	A. NNP B. GNP C. GDP D. NI
9	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
10	National income is a measure of	A. The size of government revenue B. Payments made to factors of production C. Production of goods per day D. Total working hours
11	It would increase the level of national income.	A. An increase in taxation B. A reduction in government spending C. An increase in exports D. Students scholarships
12	Govt. transfer payment include	A. Social security benefits B. Welfare benefits C. Student scholarships D. All of the above
13	In circular flow model	A. Govt. owns productive resources B. Firms own productive resources C. Households own productive resources D. Rent of land is not included
14	Which of the following is not included in personal income	A. Social security benefits B. Dividend payments C. Undistributed corporate profits D. Interest received from saving certificates

15	National Income is.	<p>A. Total Income earned in producing the national product</p> <p>B. All taxes plus govt. spending</p> <p>C. Sum of personal income and saving</p> <p>D. NNP minus the capital consumption allowance</p>
16	Net Exports are	<p>A. Total Exports plus total imports</p> <p>B. Total exports minus total imports</p> <p>C. Total exports divided by total imports</p> <p>D. Total imports minus total exports</p>
17	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>
18	Which of the following would NOT be included in GNP	<p>A. Govt. Transfer payments</p> <p>B. Govt. Purchase of an air plane</p> <p>C. Payment for construction of highway</p> <p>D. Salary paid for the president's secretary</p>
19	Investment spending included the purchase of.	<p>A. Lottery coupon</p> <p>B. Prize Bond</p> <p>C. Residential construction</p> <p>D. all of the above</p>
20	Market value of all final goods and services produced in a country during a year is definition	<p>A. GNP</p> <p>B. NNP</p> <p>C. NI</p> <p>D. Consumption</p>