

Terminology Online Test

Sr	Questions	Answers Choice
1	Which sector contributes the highest share in Gross domestic Saving?	A. Domestic sector B. Public Sector C. Government sector D. Private Corporate sector
2	A significant increase in the government budget deficit is likely to:	A. Reduce injections into the economy B. Reduce national income C. Move the economy away from full employment D. Boost aggregate demand
3	National income is a?	A. Money value of goods and services produced in a country during a year B. Money value of stocks and shares of a country during a year C. Money value of capital goods produced by a country during a year D. Money value of consumer goods produced by a country during a year
4	Gross National Income is always more than net national income because it includes:	A. Foreign income B. Capital consumption allowance C. Indirect taxes D. Direct taxes
5	Fiscal deficit in the budget means:	A. Revenue deficit plus the net borrowings of the government B. Budgetary deficit plus the net borrowings of the government C. Capital deficit plus revenue deficit D. Primary deficit minus capital deficit
6	A budgetary deficit means:	A. Total expenditure is more than total revenue B. Current expenditure is more than current revenue C. Capital expenditure is more than capital revenue D. Total expenditure is more than current revenue
7	Economic development is measured on the basis of	A. Increase in nominal GNP B. Increase in real GNP C. Increase in personal incomes D. Increase in government revenue
8	Economic development	A. The same as economic growth B. Means improvement in lifestyle C. Exists when there is equal distribution of income D. All of the above
9	Open Market Operations occur when the government:	A. Reduces the interest rate B. Buys and sells bonds and securities C. Increases taxation D. Increases the exchange rate
10	Which government income is included in revenue budget?	A. Tax-revenue B. Non tax-revenue C. Both of above D. None of the above