Principles of Economics Icom Part 1 English Medium Chapter 10 Online Test

Sr	Questions	Answers Choice
1	Barter economy means the economy in which no good is generally accepted and goods are exchanged with goods. This definition is stated by the	A. Prof Marshall B. Stanlay Fisher C. Culberon D. Walker
2	One of the following is not the method to control deflation	A. Decrease in public expenditures B. Decrease in interest rate C. Decrease in income tax D. increase in exports
3	One of the following is not the cause of deflation	A. Decrease in demand for goods B. Decrease in consumption C. Increase in quantity of money D. Increase in supply of goods
4	What effects are expected on the purchasing power of money during deflation	A. Decreases B. Increases C. Remains constant D. 2nd and 3rd
5	Which one of the following does not exist during deflation	A. Production decreases B. Value of money increases C. Supply of goods and services increases from their demand D. Level of employment increases
6	World economic depression accured in	A. 1927 B. 1928 C. 1929 D. 1931
7	One of the following is not fiscal measure to control inflation	A. Decrease in public expenditures B. Increase in taxes C. Encouragement of savings D. Increase in investment
8	One of the following is not monetary measure to control inflation	A. Increase in bank rate B. Open market operation C. Increase in ratio of reserve capital D. To create constant situation
9	One of the following is not the cause of inflation	A. Increase in quantity of money B. Increase in demand for goods C. Increase in supply of goods D. Increase in cost of production
10	During inflation increase	A. Exports B. Savings C. Consumption D. Inequality of income
11	Inflation is created	A. When demand for goods is less than their supply B. When demand for goods is more than their supply C. When demand for goods becomes equal to their supply D. When demand and supply of goods do not change
12	Prof Fisher presented quantity theory of money in the form of an equation in	A. 1905 B. 1911 C. 1915 D. 1917
13	Quantity theory of money in the form of an equation was presented by	A. Prof Fisher B. Prof Taussig C. Prof Marshall D. Prof Renald
14	According to quantity theory of money, if quantity of money is doubled then prices are doubled while value of money is	A. Doubled B. One halved C. Less than one halved D. Not influenced

15	Relationship of value of money with quantity of money is	A. Direct B. Indirect C. Inverse D. Positive