

Principles of Economics Icom Part 1 English Medium Chapter 9 Online Test

Sr	Questions	Answers Choice
1	Individuals of a country produce a certain quantity of goods and services using the resources of the country with the help of their capital, it is called national income this definition is presented by	A. Professor Marshall B. Professor Paul A Samuelson C. Professor Fisher D. Professor Pigou
2	National income is total of	A. Incomes of all entrepreneurs of the country B. Incomes of all industrialists of the country C. Incomes of all salaried persons of the country D. Incomes of all the people of the country
3	One of the following precautions is not included in measurement of national income by product method	A. To subtract depreciation allowance B. To subtract indirect taxes C. Not to include transfer payments D. To include subsidies
4	Equilibrium level of national income means that point where	A. Consumption = saving B. Consumption = investment C. Income = saving + investment D. Saving = Investment
5	Concept of equilibrium level of national income in comprehensive way was presented by	A. Professor keynes B. Professor Marshall C. Professor hicks D. Professor Lipsay
6	Which one of the following is not called Gross national product	A. Economic national product B. Joint national product C. Composite national product D. All the three
7	Which one of the following is not included in the methods of measuring national income	A. Method of total according to market prices B. Method of total of incomes C. Method of total of domestic necessities and desires D. Method of total expenditures
8	Net foreign income is	A. Exports - imports B. Exports + imports C. Income received by exports D. Income received by imports
9	Transfer payment means that income	A. Which can move from one place to order place i.g. money etc. B. Which is received without labour, e.g. Zakat, gift , pension etc C. Which is received after hardwork D. Which is received by exports
10	Expenditures of repair of machines are called	A. Unproductive expenditures B. Productive expenditures C. Rewards D. Depreciation allowance
11	Disposable personal income is equal to	A. Personal income + direct taxes B. Personal income + indirect taxes C. Personal income + direct and indirect taxes D. Personal income - direct taxes
12	Transfer payments are included in	A. Gross domestic income B. National income C. Disposable personal income D. Personal income
13	If we subtract direct taxes from personal income, we get	A. Net national income B. Net domestic income C. Disposable personal income D. Personal savings

14 Method of measuring national income

- A. National income=Gross national product - depreciation allowance
- B. National income= Net national product - Indirect costs
- C. National income= Net national product + subsidies
- D. National income= Net national product - indirect taxes + subsidies

15 One of the following is not included in net national product

- A. Consumer goods
- B. Capital goods
- C. Capital formation
- D. Consumer goods and capital goods