

ICS Part 2 Economics English Medium Chapter 7 Online Test

Sr	Questions	Answers Choice
1	International trade and domestic trade differ because of.	A. Trade restrictions B. Immobility of factors C. Difference govt Policy D. All of the above
2	In foreign trade protection policy means.	A. Restrictions on imports B. Restrictions on exports C. Restriction on transfer of foreign exchange D. All of the above
3	Pakistan is not a member of	A. IMF B. ECO C. OPEC D. World Bank
4	If Japan and Pakistan start free trade difference in wages in two countries will	A. Increase B. Decrease C. Double D. No effect
5	Trade between two countries can be useful if cost ratios of goods are.	A. Equal B. Different C. Undertimed D. Decreasing
6	Policy of Protection in trade	A. Facilitates trade B. Protects local producers C. Protects foreign producers D. Protects exporters
7	Govt policy about exports and imports is called.	A. Monetary policy B. Fiscal policy C. Commercial Policy D. Finance policy
8	What would encourage trade between two countries.	A. Different tax system B. Frontier checks C. National currencies D. Reduce tariff
9	Theory of comparative advantages was presented.	A. Ricardo B. Adam Smith C. Hicks D. Arshad
10	Which of the following is international trade	A. Trade between provinces B. Trade between countries C. Trade between regions D. Trade between continents
11	All are advantages of foreign trade Except.	A. People get foreign exchange B. Difference in political system C. Difference in markets D. Difference in ideology
12	Two countries can gain from foreign trade if	A. Cost ratios are different B. Tariff rates are different C. Price ratios are different D. a and c above
13	Foreign Trade are	A. Benefits developed countries B. Benefits underdeveloped countries C. Benefits all countries D. Benefits democratic countries
14	What would encourage trade between two countries.	A. Reduced tariffs B. Quality control C. Different tax system D. Fixing import quotas
15	Foreign Trade	A. Increases employment opportunities B. Increases international mobility of labour C. Increases international trade D. All of the above

		C. Increases competition D. All of the above
16	Ric countries have deficit in their balance of payments	A. Some times B. Never C. Alternate years D. Always
17	Pakistan Imports some goods and exports other goods primarily because of.	A. Free goods B. Comparative advantage C. Unemployment D. Self Sufficiency
18	Net exports equal	A. Exports x imports B. Exports + imports C. exports- imports D. None of the above
19	A Tariff	A. Increase the volume trade B. Reduces the volume of trade C. Has no effect on volume of trade D. a and c above
20	Foreign trade creates among countries.	A. Conflicts B. Cooperation C. Hatred D. None