

## ICS Part 2 Economics English Medium Chapter 7 Online Test

Sr	Questions	Answers Choice
1	Foreign Trade are	A. Benefits developed countries B. Benefits underdeveloped countries C. Benefits all countries D. Benefits democratic countries
2	Foreign Trade	A. Increases employment opportunities B. Increases international mobility of labour C. Increases competition D. All of the above
3	Theory of comparative advantages was presented.	A. Ricardo B. Adam Smith C. Hicks D. Arshad
4	International trade and domestic trade differ because of.	A. Trade restrictions B. Immobility of factors C. Difference in government policy D. All of the above
5	Net exports equal	A. Exports x imports B. Exports + imports C. exports - imports D. None of the above
6	Government policy about exports and imports is called.	A. Monetary policy B. Fiscal policy C. Commercial Policy D. Finance policy
7	If Japan and Pakistan start free trade, the difference in wages in two countries will	A. Increase B. Decrease C. Double D. No effect
8	Policy of Protection in trade	A. Facilitates trade B. Protects local producers C. Protects foreign producers D. Protects exporters
9	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
10	Ric countries have deficit in their balance of payments	A. Some times B. Never C. Alternate years D. Always
11	Pakistan imports some goods and exports other goods primarily because of.	A. Free goods B. Comparative advantage C. Unemployment D. Self Sufficiency
12	Pakistan is not a member of	A. IMF B. ECO C. OPEC D. World Bank
13	What would encourage trade between two countries.	A. Different tax system B. Frontier checks C. National currencies D. Reduce tariff
14	Which of the following is international trade	A. Trade between provinces B. Trade between countries C. Trade between regions D. Trade between continents
		A. Increase the volume trade

15	A Triff	<p>B. Reduces the volume of trade</p> <p>C. Has no effect on volume of tradea</p> <p>D. a and c above</p>
16	All are advantages of oreign trade Except.	<p>A. People get foreign exchange</p> <p>B. Difference in politicla system</p> <p>C. Difference in markets</p> <p>D. Difference in ideology</p>
17	Two countries can gain from foreign trade if	<p>A. Cost ratios are differnet</p> <p>B. Traiff rates are different</p> <p>C. Price ratios are different</p> <p>D. a and c above</p>
18	Trade between two countries can be useful if cost ratios of goods are.	<p>A. Equal</p> <p>B. Different</p> <p>C. Undertimed</p> <p>D. Decreasing</p>
19	Foregn trade creates among countries.	<p>A. Conficits</p> <p>B. Cooperation</p> <p>C. Hatred</p> <p>D. None</p>
20	What would encorage trade betwene two countries.	<p>A. Reduced tariffs</p> <p>B. Quality control</p> <p>C. Differente tax system</p> <p>D. Fixing import quotes</p>