PPSC Economics Topic 10 Public Finance

Sr	Questions	Answers Choice
1	The arrangement were goods imported from trading partners in the developing world are subject to lower tariff rates than good from other countries is referred to as.	A. Normal trade relation status. B. Most favored nation status C. Generalized system of Preferences. D. Offshore assembly provisions
2	Non tariff trade barriers could include all of the following except	A. Domestic content laws B. Government procurement policies. C. Health , safety and environmental standards D. Autidumpiing /countervailing duties applied to imports
3	The overall Budget Deficit is financed from	A. External borrowing B. Non bank borrowing domestically C. Bank borrowing plus the above two at a and b D. None of the above
4	International trade in goods and services is sometimes used as a substitute for all of the following except.	A. International movements of capital B. International movement of labor C. International movement of technology D. Domestics production of different goods and services
5	the theory of overlapping demands predicts that trade in manufactured goods is unimportant by countries with very different .	A. Tastes and preferences. B. Expectations of future interest rate levels C. Per capita income levels D. Labor productivities.
6	In the theory of the firm profit maximization is always synonymous with.	A. Profitability B. Economic profit making C. maximization of the sales revenue D. None of these
7	Which industrialization policy have developing countries used which places emphasis on the comparative advantage principle as agued rto resource allocation.	A. Export promotion B. Import substitution C. International commodity agreements D. Multiateral contracts
8	The overall Budget Deficit is financed from	A. External borrowing B. Non bank borrowing domestically C. Bank borrowing plus the above two at a and b D. None of the above
9	Most commonly referred indicator of inflation is	A. Wholesale price index B. Retail price index C. Consumer price index D. Sensitivity price index
10	Which of the following type of taxes is the most regressive.	A. Income taxes B. Sales taxes C. Excise taxes D. None of these
11	When unintended investment is positive	A. Output tends to rise B. Output tends to fall C. Output is in equilibrium D. None of these
12	National Income account of Pakistan have registered GDP & GNP as.	A. GDP = GNP B. GDP < GNP C. GDP > GNP D. GDP / GNP
13	Saving means	A. Part of income for investment B. Income for boarding C. Non consumption of income in the current period D. None of the above

14	That the division of labor is limited by the size of the market best applies to which explanation of trade.	A. Factor endowment theory B. Product life cycle theory C. Economies of scale theory D. Overlapping demand theory
15	Ad valorem tariffs are collected as	A. Fixed amounts of money per unit traded B. A percentage of the price of the product C. A percentage of the quantity of imports D. All of the above
16	Of the following which one is a characteristic of monopolistic competition.	A. Standardized product B. Comparatively easy only C. Little non price competition D. None of these
17	A specification of a maximum amount of a foreign produced good that will be allowed to enter the country over a given time period is referred to as a	A. Domestic subsidy B. Export subsidy C. Import quota D. Export quota
18	In the cost of slugger rises and slugger is major ingredient in jelly beans then the jelly bean.	A. Demand curve shifts to the left B. Supply curve shifts to the left C. Supply curve shifts to the right D. Demand and supply curves both shift to the right
19	The multiplier for a change in social security benefits is equl to the multiplier for a change in the same direction in salaries of Evanston police officers tiems.	A. the marginal propensity to save B. Minus the marginal propensity to save C. The marginal propensity to consume D. Minus the marginal propensity to consume
20	A straight line downward sloping demand curve implies that as price falls the elasticity of demand.	A. Increases B. Decreases C. Remain the same D. None of these