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Principles of Economics Icom Part 1 English Medium Chapter 12 Online Test

Sr	Questions	Answers Choice
1	" International balance of payment is all that transaction for which either foreign exchange is spent or received." This definition is stated by	A. Prof. Marshal B. Prof.Samuelson C. Prof. Ricardo D. Prof. Hicks
2	Quantity theory of money was introduced in an equation by:	A. Fisher B. Marshall C. Crowther D. Tausigg
3	In between how many countries international trade takes place under comparative cost theory	A. Two B. Three C. Four D. Many
4	Foreign exchange is used in	A. Local trade B. Regional trade C. Domestic trade D. International trade
5	The trade that takes place between the inhabitants of two countries is called	A. Domestic trade B. International trade C. National trade D. Regional Trade
6	A system where the goods are exchanged with money is known as:	A. Monetary system B. Barter system C. Coins system D. Modified system
7	Comparative cost theory was presented by	A. Marshall B. Ricardo C. Hecksher D. Ohlin
8	When general price level increases due to increase in cost of production, it is known as ?	A. Stagflation B. Hyper inflation C. Demand pull inflation D. Cost push inflation
9	In which of the following condition theory of international trade is presented	A. Monopoly B. Duopoly C. Monopolistic competition D. Perfect competition
10	The term "inflation" means:	A. Rapid increase in price level B. Decrease in price level C. General increase in price level D. Both a and c
11	The exchange of goods and services from country to country is called	A. Foreign B. National trade C. Corporate trade D. Domestic trade
12	The relation between quantity of money and value of money is:	A. Positive B. Negative C. Direct D. Inverse
13	According to classical theory of international trade, a country imports those goods from the other country which	A. Are durable B. Are standardised C. Are produced comparatively at high cost D. Are not produced in that country
14	Balance of payment of a country is favourable when its	A. Receipts are more than payments B. Receipts are less than payments C. Receipts are equal to payments D. None of three
15	Because of devaluation of currency of a country, its exports	A. Decrease B. Increase C. Remains constant D. Co

		D. Go on changing
16	The systematic record of visible and invisible exports and imports of a country in one year is called	A. Balance of trade B. Balance of payment C. External balance D. Internal balance
17	Balance of visible goods of a country mean	A. Quantity of imports & exports B. Value of imports & exports C. Value of imported & exported goods and services D. Value of imported & exported services
18	In which year international monetary fund was established	A. 1941 B. 1944 C. 1945 D. 1947
19	Which one of the following is included in balance of payment	A. Visible goods B. Invisible goods C. Visible & invisible goods D. Non material goods
20	The systematic record of the money value of visible exports and visible imports of one year of country is called	A. Balance of trade B. Balance of payment C. International balance D. External balance