

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

Sr	Questions	Answers Choice
1	The trade that takes place between the individuals living in different areas of a country is called	A. Domestic trade B. International trade C. Foreign trade D. Regional Trade
2	International trade is based on the following except	A. Different factors of production are required for the production of different goods B. Factors of production exist in different ratios in different countries C. Factors of production are in abundant quantity in different countries D. Factors of production are in limited quantity in different countries
3	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
4	The exchange of goods and services from country to country is called	A. Foreign B. National trade C. Corporate trade D. Domestic trade
5	One of the following is invisible item of balance of payment	A. Import of motor cars B. Exports of cotton C. Expenditure of passengers traveling by air D. Private investment in foreign country
6	Deflation means:	A. Rapid increase in price level B. General decrease in price level C. General increase in price level D. Both a and c
7	The trade transaction between the individuals of different areas of a country is called	A. Local trade B. Regional trade C. Domestic trade D. International trade
8	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
9	Advantages of international trade are	A. One B. Two C. Three D. Many
10	In between how many countries international trade takes place under comparative cost theory	A. Two B. Three C. Four D. Many
11	Quantity theory of money was introduced by:	A. Fisher B. Marshall C. Crowther D. J.S Mill
12	When general price level increases due to increase in aggregate demand, it is known as?	A. Stagflation B. Hyper inflation C. Demand pull inflation D. Cost push inflation
13	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

14	The most appropriate definition of money was given by:	A. F.A.Walker B. Keynes C. Pigou D. Crowther
15	Which one of the following is included in balance of trade	A. Visible goods B. Invisible goods C. Visible & invisible goods D. All the three
16	In case of international trade, trade restrictions are usually	A. Limited B. More C. Too much D. None of three
17	One of the following is not included in the causes of deficit in balance of payments of a country	A. Increase in exports B. Increase in imports C. Unfavourable terms of trade D. Occurance of inflation
18	One of the following is not advantage of international trade	A. Provision of necessities of life B. Imperfections of market C. Provision of medicines & machinery D. Provision of necessities of defence
19	International Monetary fund is	A. Local B. Regional C. National D. International
20	Quantity theory of money was introduced in an equation by:	A. Fisher B. Marshall C. Crowther D. Tausigg