

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

Sr	Questions	Answers Choice
1	Because of devaluation of currency of a country, its exports	A. Decrease B. Increase C. Remains constant D. Go on changing
2	If the face value of a coin is greater than the value of metal used in:	A. Legal money B. Token money C. Standard money D. Both b and c
3	Balance of payments is annual statistical record of	A. Visible goods B. Invisible goods C. Foreign loans D. Visible and invisible goods
4	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
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	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
7	In between how many countries international trade takes place under comparative cost theory	A. Two B. Three C. Four D. Many
8	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
9	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
10	" 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
11	Which economist has stated the definition of balance of payments	A. Robbins B. Kindleberger C. Marshall D. Keynes
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	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
14	One of the following is not disadvantage of international trade	A. Dependence on production of limited goods B. Supply of goods injurious to health C. Bitter pill for political freedom D. Development of civilization & culture
		A. Limited

15	In case of international trade, trade restrictions are usually	B. More C. Too much D. None of three
16	In which of the following condition theory of international trade is presented	A. Monopoly B. Duopoly C. Monopolistic competition D. Perfect competition
17	The exchange of goods and services from country to country is called	A. Foreign B. National trade C. Corporate trade D. Domestic trade
18	Quantity theory of money was introduced by:	A. Fisher B. Marshall C. Crowther D. J.S Mill
19	Foreign exchange is used in	A. Local trade B. Regional trade C. Domestic trade D. International trade
20	International Monetary fund is	A. Local B. Regional C. National D. International