

ICS Part 2 Economics English Medium Chapter 7 Online Test

Sr	Questions	Answers Choice
1	Policy of Protection in trade	A. Facilitates trade B. Protects local producers C. Protects foreign producers D. Protects exporters
2	What would encourage trade between two countries.	A. Reduced tariffs B. Quality control C. Different tax system D. Fixing import quotes
3	Pakistan Imports some goods and exports other goods primarily because of.	A. Free goods B. Comparative advantage C. Unemployment D. Self Sufficiency
4	Foreign Trade	A. Increases employment opportunities B. Increases international mobility of labour C. Increases competition D. All of the above
5	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
6	Net exports equal	A. Exports x imports B. Exports + imports C. exports- imports D. None of the above
7	Foreign trade creates among countries.	A. Conflicts B. Cooperation C. Hatred D. None
8	Rich countries have deficit in their balance of payments	A. Some times B. Never C. Alternate years D. Always
9	Govt policy about exports and imports is called.	A. Monetary policy B. Fiscal policy C. Commercial Policy D. Finance policy
10	Which of the following is international trade	A. Trade between provinces B. Trade between countries C. Trade between regions D. Trade between continents
11	What would encourage trade between two countries.	A. Different tax system B. Frontier checks C. National currencies D. Reduce tariff
12	Pakistan is not a member of	A. IMF B. ECO C. OPEC D. World Bank
13	A Tariff	A. Increase the volume of trade B. Reduces the volume of trade C. Has no effect on volume of trade D. a and c above
14	Two countries can gain from foreign trade if	A. Cost ratios are different B. Tariff rates are different C. Price ratios are different D. a and c above
15	International trade and domestic trade differ because of.	A. Trade restrictions B. Immobility of factors C. Different government Policy

D. All of the above

16 Theory of omparative advantages was presented.

- A. Ricardo
- B. Adam Smith
- C. Hicks
- D. Arshad

17 Foreign Trade are

- A. Benefits developed countries
- B. Benefits underdeveloped countires
- C. Benefits all countries
- D. Benefits democretive countries

18 Trade between two countries can be useful if cost ratios of goods are.

- A. Equal
- B. Different
- C. Undertimed
- D. Decreasing

19 All are advantages of oreign trade Except.

- A. People get foreign exchange
- B. Difference in politicla system
- C. Difference in markets
- D. Difference in ideology

20 It Japan and Pakistan start free trade differene in wges in two counties will

- A. Increase
- B. Decrease
- C. Double
- D. No effect