

ICS Part 2 Economics English Medium Chapter 7 Online Test

Sr	Questions	Answers Choice
1	Which of the following is international trade	A. Trade between provinces B. Trade between countries C. Trade between regions D. Trade between continents
2	Pakistan imports some goods and exports other goods primarily because of.	A. Free goods B. Comparative advantage C. Unemployment D. Self Sufficiency
3	Trade between two countries can be useful if cost ratios of goods are.	A. Equal B. Different C. Undetermined D. Decreasing
4	If Japan and Pakistan start free trade difference in wages in two countries will	A. Increase B. Decrease C. Double D. No effect
5	International trade and domestic trade differ because of.	A. Trade restrictions B. Immobility of factors C. Difference in govt Policy D. All of the above
6	Policy of Protection in trade	A. Facilitates trade B. Protects local producers C. Protects foreign producers D. Protects exporters
7	Ric countries have deficit in their balance of payments	A. Some times B. Never C. Alternate years D. Always
8	Foreign Trade	A. Increases employment opportunities B. Increases international mobility of labour C. Increases competition D. All of the above
9	Pakistan is not a member of	A. IMF B. ECO C. OPEC D. World Bank
10	What would encourage trade between two countries.	A. Different tax system B. Frontier checks C. National currencies D. Reduce tariff
11	Govt policy about exports and imports is called.	A. Monetary policy B. Fiscal policy C. Commercial Policy D. Finance policy
12	All are advantages of foreign trade Except.	A. People get foreign exchange B. Difference in political system C. Difference in markets D. Difference in ideology
13	What would encourage trade between two countries.	A. Reduced tariffs B. Quality control C. Different tax system D. Fixing import quotes
14	Theory of comparative advantages was presented.	A. Ricardo B. Adam Smith C. Hicks D. Arshad
15	Net exports equal	A. Exports x imports B. Exports + imports C. exports- imports

		D. None of the above
16	A Triff	A. Increase the volume trade B. Reduces the volume of trade C. Has no effect on volume of trade D. a and c above
17	Foreign trade creates among countries.	A. Conflicts B. Cooperation C. Hatred D. None
18	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
19	Foreign Trade are	A. Benefits developed countries B. Benefits underdeveloped countries C. Benefits all countries D. Benefits democratic countries
20	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