

## 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	Theory of comparative advantages was presented.	A. Ricardo B. Adam Smith C. Hicks D. Arshad
3	If Japan and Pakistan start free trade, difference in wages in two countries will	A. Increase B. Decrease C. Double D. No effect
4	Trade between two countries can be useful if cost ratios of goods are.	A. Equal B. Different C. Undertimed D. Decreasing
5	Foreign trade creates among countries.	A. Conflicts B. Cooperation C. Hatred D. None
6	Net exports equal	A. Exports x imports B. Exports + imports C. exports- imports D. None of the above
7	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
8	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
9	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
10	International trade and domestic trade differ because of.	A. Trade restrictions B. Immobility of factors C. Difference in government policy D. All of the above
11	Government policy about exports and imports is called.	A. Monetary policy B. Fiscal policy C. Commercial Policy D. Finance policy
12	What would encourage trade between two countries.	A. Different tax system B. Frontier checks C. National currencies D. Reduce tariff
13	What would encourage trade between two countries.	A. Reduced tariffs B. Quality control C. Different tax system D. Fixing import quotas
14	Foreign Trade	A. Increases employment opportunities B. Increases international mobility of labour C. Increases competition D. All of the above
15	Foreign Trade are	A. Benefits developed countries B. Benefits underdeveloped countries C. Benefits both developed and underdeveloped countries D. None of the above

		C. Benefits all countries D. Benefits democratic countries
16	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
17	Rich countries have deficit in their balance of payments	A. Some times B. Never C. Alternate years D. Always
18	Pakistan is not a member of	A. IMF B. ECO C. OPEC D. World Bank
19	Pakistan imports some goods and exports other goods primarily because of.	A. Free goods B. Comparative advantage C. Unemployment D. Self Sufficiency
20	Policy of Protection in trade	A. Facilitates trade B. Protects local producers C. Protects foreign producers D. Protects exporters