

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	Pakistan Imports some goods and exports other goods primarily because of.	A. Free goods B. Comparative advantage C. Unemployment D. Self Sufficiency
3	Pakistan is not a member of	A. IMF B. ECO C. OPEC D. World Bank
4	Rich countries have deficit in their balance of payments	A. Some times B. Never C. Alternate years D. Always
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	Foreign Trade are	A. Benefits developed countries B. Benefits underdeveloped countries C. Benefits all countries D. Benefits democratic countries
7	Foreign Trade	A. Increases employment opportunities B. Increases international mobility of labour C. Increases competition D. All of the above
8	What would encourage trade between two countries.	A. Reduced tariffs B. Quality control C. Different tax system D. Fixing import quotas
9	What would encourage trade between two countries.	A. Different tax system B. Frontier checks C. National currencies D. Reduce tariff
10	Govt policy about exports and imports is called.	A. Monetary policy B. Fiscal policy C. Commercial Policy D. Finance policy
11	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
12	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
13	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
14	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
		A. Exports x imports

15	Net exports equal	B. Exports + imports C. exports- imports D. None of the above
16	Foreign trade creates among countries.	A. Conficits B. Cooperation C. Hatred D. None
17	Trade between two countries can be useful if cost ratios of goods are.	A. Equal B. Different C. Undertimed D. Decreasing