

Practice Set for TYBA SEM-VI

SUB: INTERNATIONAL ECONOMICS

1. Who said that International trade is an 'engine of growth'
 - a. D. H. Robertson
 - b. Adam Smith
 - c. Ricardo
 - d. Harrod- Domar
2. Following is not a benefit of International trade
 - a. Vent for surplus
 - b. Efficient allocation of resources
 - c. Innovation
 - d. Pollution
3. Which of the following denotes difference between Internal and International trade
 - a. Currencies
 - b. Natural resources
 - c. Labour force
 - d. All of above
4. Absolute cost difference theory has been developed by
 - a. Ricardo
 - b. Adam Smith
 - c. Harrod- Domar
 - d. Haberler
5. Which of the following is not an assumption of Ricardian theory
 - a. Labour and capital
 - b. Homogenous labour
 - c. No transport cost
 - d. Full employment
6. Heckscher-Ohlin theory of International trade is also known as
 - a. Classical theory
 - b. Modern theory
 - c. Trade theory
 - d. Opportunity cost theory
7. Opportunity cost theory have been developed by
 - a. Ricardo
 - b. Haberler
 - c. Heckscher-ohlin
 - d. Smith
8. What is the full form of PPF curve
 1. Production possibility frontier

2. Production productivity curve
 3. Production minimization curve
 4. Production curve
9. Which of the following does not influence reciprocal demand
1. Population
 2. Income
 3. Pollution
 4. Size of an economy
10. Equilibrium terms of trade at which
- a. Offer curve of both countries intersects
 - b. Offer curve of both countries does not intersect
 - c. Offer curve is not equal
 - d. Offer curve is greater than the offer curve of another country
11. Stolper- Samulson theorem analyzed
- a. Relation between commodity prices and income of factor owners
 - b. Relation between production and factor
 - c. Relation between commodity prices and factor productivity
 - d. Relation between commodity and factor
12. In the monopolistic competition-----
- a. Goods are homogenous
 - b. Goods are differentiated
 - c. Goods are fine
 - d. Goods with same price
13. Full form of FDI
- a. Foreign portfolio investment
 - b. Foreign direct investment
 - c. Foreign institutional investment
 - d. Foreign debentures investment
14. Global supply chain is-----
- a. Dynamic worldwide network
 - b. Domestic network
 - c. Supply network between two countries
 - d. Supply network between two state
15. What is not the benefit of global supply chain
- a. Competition
 - b. Cost reduction
 - c. Easy access
 - d. Reduced competition
16. GATT was established in
- a. 1945
 - b. 1947

- c. 1951
 - d. 1991
17. WTO was established in
- a. 1995
 - b. 1991
 - c. 2000
 - d. 1947
18. Non Discrimination is the principle of the following
- a. WTO
 - b. IMF
 - c. World bank
 - d. RBI
19. Full form of RTA
- a. Reforms in trade agreement
 - b. Regional trade agreement
 - c. Registered trade agreement
 - d. Revised trade agreement
20. Which organization deal with labour laws at international level
- a. IMF
 - b. WTO
 - c. ILO
 - d. RBI
21. Kuznet curve explain
- a. Relation between demand and supply
 - b. Relation between Environment and development
 - c. Relation between exchange rate between two countries
 - d. Relation between international trade between two countries
22. ASEAN is founded in
- a. 1947
 - b. 1967
 - c. 1998
 - d. 2000
23. SAARC was established in
- a. 1985
 - b. 1980
 - c. 1990
 - d. 2000
24. SAFTA is related with
- a. ASEAN
 - b. WTO
 - c. SAARC

- d. OPEC
25. WTO terms are favorable to
- a. Developed nations
 - b. Underdeveloped nations
 - c. Poor Nations
 - d. Developing Nations

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