

1. Removing barriers or restrictions set by the government is called:
(A) Liberalisation (B) Investment (C) Favourable trade (D) Free trade
2. Rapid integration or interconnection between countries is known as:
(A) Privatisation (B) Globalisation (C) Liberalisation (D) Socialisation
3. Globalisation has led to improvement in living conditions:
(A) of all the people (B) of people in the developed countries
(C) of workers in the developing countries (D) none of the above.
4. Which one of the following Indian industries has been hit hard by globalisation?
(A) Information Technology (IT) (B) Toy making
(C) Jute (D) Cement
5. World Trade Organisation (WTO) was started at the initiative of which one of the following group of countries?
(A) Rich countries (B) Poor countries (C) Developed countries (D) Developing countries
6. Which of the following organisations lays stress on liberalisation of foreign trade and foreign investment?
(A) International Labour Organisation (B) International Monetary Fund
(C) World Health Organisation (D) World Trade Organisation
7. Investments made by MNCs are termed as:
(A) Indigenous investment (B) Foreign investment
(C) Entrepreneur's investment (D) None of the above
8. Which of the following is not a feature of a Multi-National Company?
(A) It owns/controls production in more than one nation.
(B) It sets up factories where it is close to the markets.
(C) It organises production in complex ways.
(D) It employs labour only from its own country.
9. Tax on imports is an example of:
(A) Terms of Trade (B) Collateral (C) Trade Barriers (D) Foreign Trade
10. Which one of the following is not characteristic of 'Special Economic Zone'?
(A) They do not have to pay taxes for long period.
(B) Government has allowed flexibility in labour laws.
(C) They have world class facilities.
(D) They do not have to pay taxes for an initial period of five years.
11. Companies who set up production units in the Special Economic Zones (SEZs) do not have to pay taxes for an initial period of:
(A) 2 years (B) 5 years (C) 4 years (D) 10 years
12. It refers to the globalisation which creates opportunities for all and ensures that its benefits are better shared.
(A) Privatisation (B) Special Economic Zones (SEZs)
(C) World Trade Organisation (WTO) (D) Fair globalisation

13. An MNC is a company that owns or controls production in
 (A) one country (B) more than one country
 (C) only developing countries (D) only developed countries
14. The process of rapid integration or interconnection between countries through free trade, free mobility of capital and labour is called
 (A) Foreign trade (B) Liberalisation (C) Globalisation (D) Privatisation
15. What was the main channel connecting countries in the past?
 (A) Labour (B) Religion (C) Technology (D) Trade
16. 'The impact of Globalisation has not been fair.' Who among the following people have not benefitted from globalisation?
 (A) Well off consumers (B) Small producers and workers
 (C) Skilled and educated producers (D) Large wealthy producers
17. What is the main motive behind the investments of MNCs?
 (A) The main motive is to increase their assets and earn profits.
 (B) The main motive is the welfare of the poor people.
 (C) The main motive of an MNCs is to offer financial support to the government of their country.
 (D) The main motive is to benefit foreign countries.
18. "MNCs keep in mind certain factors before setting up production". Identify the incorrect option from the choices given below
 (A) Availability of cheap skilled and unskilled labour
 (B) Proximity to markets
 (C) Presence of a large number of local competitors
 (D) Favourable government policies
19. Which Indian company was bought over by Cargill Foods—a large American MNC? Pick out the name from the alternatives provided
 (A) Amul (B) Fun Foods Ltd.
 (C) Agro Tech Foods Ltd. (D) Parakh Foods
20. Which organisation supports liberalisation of foreign trade and investments in India?
 (A) International Labour Organisation (ILO) (B) World Bank
 (C) World Trade Organisation (WTO) (D) International Monetary Fund (IMF)

KEY

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| 1. A | 2. B | 3. C | 4. B | 5. C |
| 6. D | 7. B | 8. D | 9. C | 10. A |
| 11. B | 12. D | 13. B | 14. C | 15. D |
| 16. B | 17. A | 18. C | 19. D | 20. C |