



FACULTATEA DE RELATII ECONOMICE INTERNATIONALE

For the July 2018 Exam



Multiple choice questions - examples - ADD ON

Master Programme Admission Process - ENGLISH Study Programmes, except EDURES



Multiple choice questions - examples

Master Programme Admission Process - ENGLISH Study Programmes, except EDURES

*This is an ADD ON to the Initial 75 examples of MCQ. These may be found here:
<http://www.rei.ase.ro/masterat>, alongside the references (list and books)*

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76. One of the effects of an export subsidy on prices is that
- the price in the exporting country falls.
 - the price in the importing country rises.
 - the price increase is more than the subsidy.
 - in the exporting country, consumers are hurt.**
 - in the exporting country, consumers gain.
77. One of the effects of an export subsidy on prices is that
- the price in the exporting country falls.
 - the price in the importing country rises.
 - the price increase is more than the subsidy.
 - in the exporting country, consumers gain.
 - in the exporting country, producers gain.**
78. In contrast to a tariff, the export subsidy
- improves the terms of trade because the price of the export in the foreign market rises.
 - worsens the terms of trade because it lowers the price of the export in the foreign market.**
 - improves the terms of trade because it lowers the price of the export in the foreign market.
 - unambiguously leads to benefits that exceed its costs.
 - ambiguously leads to costs that exceed its benefits.
79. When the government offers an export subsidy,
- the effects of an export subsidy on prices are the same of those of a tariff.
 - the price in the exporting country falls.
 - in the exporting country, consumers are hurt, producers gain.**
 - in the exporting country, consumers gain, producers are hurt.
 - the government gains.

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80. An import quota
- is a direct restriction on the value of some good that may be imported.
 - limit imports without raising domestic prices.
 - always raises the domestic price of the imported good.**
 - will lower domestic prices.
 - is usually enforced by levying tariffs.
81. With an import quota,
- the government receives no revenue.**
 - the holders of import licenses receive no revenue.
 - the government revenue is collected by the holders of import licenses.
 - the transfer of quota rents abroad is not possible.
 - rents generated by the quota accrue to the government.
82. A voluntary export restraint is
- a tariff on trade imposed from the exporting country's side instead of the importer's.
 - a quota on trade imposed from the importer's side instead of the exporting country's.
 - exactly like a tariff where the licenses are assigned to foreign governments.
 - different from an import quota because the licenses are assigned to foreign governments.
 - a quota on trade imposed from the exporting country's side instead of the importer's.**
83. Voluntary export restraints are
- generally imposed at the request of the exporting country.
 - much more costly than tariffs.**
 - different from an import quota because the licenses are assigned to foreign governments.
 - tariffs on trade imposed from the exporting country's side instead of the importer's.
 - always cheaper to the importing country than a tariff that limits imports by the same amount.
84. A local content requirement
- produces quota rents but not government revenue.
 - produces both government revenue and quota rents.
 - produces government revenue but not quota rents.
 - does not produce either government revenue or quota rents.**
 - produces quota rents.
85. A local content requirement
- does not allow the firms that must buy locally to import more.
 - protects the domestic producers of parts in the same way an import quota does.**
 - produces both government revenue and quota rents.
 - produces government revenue.
 - produces quota rents.

86. In the automobile industry, the cost of imported parts is \$6,000. Suppose that purchasing the same parts domestically would cost \$10,000 but that assembly firms are required to use 50 percent domestic parts. Then the average cost of parts, which will be reflected in the final price of the car, will be

- a. \$10,000.
- b. \$6,000.
- c. \$4,000.
- d. \$5,000.
- e. \$8,000.**

87. A regulation that requires some specified fraction of a final good to be produced domestically is an example of

- a. import quota.
- b. tariff quota.
- c. national procurement.
- d. local content requirement.**
- e. export credit subsidy.

88. The French decree in 1982 that all Japanese videocassette recorders had to pass through the tiny customs house at Poitiers is an example of

- a. import quota.
- b. red-tape barriers.**
- c. local content requirement.
- d. national procurement.
- e. tariff quota.

89. One of the following statements is false:

- a. Tariffs and import quotas are potentially beneficial only for large countries.
- b. Import quotas differ from tariffs in that the government gets no revenue.
- c. With an export subsidy, consumer surplus falls.
- d. With an import quota, the overall national welfare increases for a small country.**
- e. An export subsidy causes efficiency losses similar to those of a tariff.

90. One of the following statements is false:

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91. What is the condition for an EU region to be considered a convergence region?
- To typically have a per capita income of less than 75% of the EU average**
 - To have a per capita income equal to the EU average
 - There is no such thing as a convergence region
 - All EU regions are convergence regions
 - To have an overall income higher than the EU average
92. What does the principle of "Direct effect" refer to?
- EC laws must be enforced by Member States courts, just as if the law had been passed by the national parliament**
 - EC laws are optional for Member States
 - EC laws must be passed by the national Member States parliaments
 - This principle does not refer to EC laws
 - This is a principle related to any type of law, not just supranational related
93. Which are the principles of the EC legal system?
- Direct effect, primary of EC law, autonomy**
 - Indirect effect, solidarity
 - Convergence, solidarity
 - Convergence, cohesion
 - There are no clearly defined principles to the EU legal system
94. Which of the following assertions is true in which regards the role of the European Council?
- The European Council provides broad guidelines for EU policy**
 - The European Council implements at micro-level the EU policy
 - The European Council advises the Member States
 - The European Council has a formal role in law-making
 - The European Council has no active role in the EU
95. Which of the following assertions is true in which regards the role of the Council of the European Union?
- The Council of the European Union approves the EU budget, jointly with the European Parliament**
 - The Council of the European Union approves the EU budget by itself
 - The Council of the European Union is the same with the European Council
 - The Council of the European Union has no active role in the EU
 - The Council of the European Union does not take decisions related to the Common Foreign and Security Policies (CFSP)
96. Which of the following assertions is true in which regards the role of the European Commission?
- The Commission is the gatekeeper of the European Integration because it has the „right to initiate,, EU legislation proposals**
 - The Commission is the legislative body of the EU
 - The Commission approves and does not manage the EU budget
 - The Commission does not represent the EU at international negotiations
 - The Commission does not coordinate with the EU Court in which concerns the surveillance and enforcement of the EU law

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97. Which of the following is NOT a role of the European Commission?
- a. **To oversee all EU institutions**
 - b. To propose legislation to the Council and Parliament
 - c. To administer EU policies
 - d. To implement EU policies
 - e. To provide surveillance and enforcement of EU law in coordination with the EU Court
98. Which of the following assertions is true in which regards the European Parliament?
- a. **The European Parliament members are directly elected by the EU citizens in special election organized in Each Member State every five years.**
 - b. The European Parliament members are named by the Member States governments
 - c. The European Parliament members are just members of the national governments sent to Brussels for a short period
 - d. The European Parliament administers and implements EU policies
 - e. The European Parliament provides surveillance and enforcement of EU law in coordination with the EU Court
99. Which of the following is NOT an objective of the EU regional policy for 2007-2013?
- a. **Direct effect**
 - b. Convergence
 - c. Regional competitiveness
 - d. Regional employment
 - e. Territorial cooperation
100. Which of the following is NOT a basic rule of the structural spending?
- a. **Better regulation**
 - b. Concentration
 - c. Coherence
 - d. Coordination
 - e. Consistency and complementarity
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