

Quiz: It's a Small World

Question 1a of 10 (1 Globalization 238732)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: Globalization creates greater what?

Table with 2 columns: Choice and Feedback. Choice A: Opportunities for monopolies and oligopolies to form. Choice B: Incentives to use protective tariffs, subsidies, and quotas. Choice C: Interconnections among the people and economies of the world. Choice D: Production and labor costs for producers in developing countries. Feedback: Correct! Globalization is bringing the countries of the world closer together.

Global Incorrect Feedback
The correct answer is: Interconnections among the people and economies of the world. Globalization is bringing the countries of the world closer together.

Question 1b of 10 (1 Globalization 238733)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: The increasing interconnectiveness of peoples and countries around the world is known as what?

Table with 2 columns: Choice and Feedback. Choice A: Globalization. Choice B: Specialization. Choice C: International trade. Choice D: Transportation. Feedback: Correct! Globalization is bringing the countries of the world closer together.

Global Incorrect Feedback
The correct answer is: Globalization. Globalization is bringing the countries of the world closer together.

Question 1c of 10 (1 Globalization 238734)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: The process of globalization involves an increase in what?

Table with 2 columns: Choice and Feedback. Choice A: Wages for workers in developing countries. Choice B: The use of protective tariffs, subsidies, and quotas. Choice C: Market concentration in manufacturing industries. Choice D: The mobility of goods, services, labor, and capital. Feedback: Correct! Globalization results in greater and more free flows of economic goods and services.

Global Incorrect Feedback
The correct answer is: The mobility of goods, services, labor, and capital. Globalization results in greater and more free flows of economic goods and services.

Question 2a of 10 (2 Specialization 238735)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: Which of these is required for specialization to take place?

Table with 2 columns: Choice and Feedback. Choice A: Labor unions. Choice B: A division of labor. Choice C: Globalization. Choice D: International trade. Feedback: Correct! Dividing up tasks allows workers or countries to specialize in something specific.

Global Incorrect Feedback
The correct answer is: A division of labor. Dividing up tasks allows workers or countries to specialize in something specific.

Question 2b of 10 (2 Specialization 238736)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: The division of labor among workers or countries enables what?

Table with 2 columns: Choice and Feedback. Choice A: Specialization. Choice B: Free trade. Choice C: Consumption. Choice D: Globalization. Feedback: Correct! Dividing up tasks allows workers or countries to specialize in something specific.

Global Incorrect Feedback
The correct answer is: Specialization. Dividing up tasks allows workers or countries to specialize in something specific.

Question 2c of 10 (2 Specialization 238737)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: When tasks in an economy are specialized, which of the following exists?

Table with 2 columns: Choice and Feedback. Choice A: Trading bloc. Choice B: Division of labor. Choice C: Assembly line. Choice D: Exchange regime. Feedback: Correct! Dividing up tasks allows workers or countries to specialize in something specific.

Global Incorrect Feedback
The correct answer is: Division of labor. Dividing up tasks allows workers or countries to specialize in something specific.

Question 3a of 10 (2 Specialization 238738)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: Specialization in the global economy is restricted by what?

Table with 2 columns: Choice and Feedback. Choice A: The international banking system. Choice B: Capital mobility. Choice C: Protective tariffs. Choice D: Free trade. Feedback: Correct! Protectionism requires countries to restrict trade for themselves.

Global Incorrect Feedback
The correct answer is: Protective tariffs. Protectionism requires countries to provide more for themselves.

Question 3b of 10 (2 Specialization 238739)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: What limits specialization in the global economy?

Table with 2 columns: Choice and Feedback. Choice A: Infrastructure. Choice B: Trade barriers. Choice C: Multinational corporations. Choice D: Divergent national currencies. Feedback: Correct! Protectionism requires countries to provide more for themselves.

Global Incorrect Feedback
The correct answer is: Trade barriers. Protectionism requires countries to provide more for themselves.

Question 3c of 10 (2 Specialization 238740)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: Increasing specialization within the global economy depends on what?

Table with 2 columns: Choice and Feedback. Choice A: International trade. Choice B: Trade barriers. Choice C: Favorable climate. Choice D: Strict banking regulations. Feedback: Correct! In order to specialize, countries need to trade with each other for the goods and services they don't produce themselves.

Global Incorrect Feedback
The correct answer is: international trade. In order to specialize, countries need to trade with each other for the goods and services they don't produce themselves.

Question 4a of 10 (2 Specialization 238741)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: When does one country have an absolute advantage over another country?

Table with 2 columns: Choice and Feedback. Choice A: When its workers earn higher wages. Choice B: When its infrastructure is more advanced. Choice C: When its government charges lower taxes. Choice D: When its production costs are lower. Feedback: Correct! Absolute advantage comes when a country has more efficient production.

Global Incorrect Feedback
The correct answer is: When its production costs are lower. Absolute advantage comes when a country has more efficient production.

Question 4b of 10 (2 Specialization 238742)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: When does one country have a comparative advantage over another?

Table with 2 columns: Choice and Feedback. Choice A: When its trade barriers are higher. Choice B: When the opportunity cost of its production is lower. Choice C: When its infrastructure is more advanced. Choice D: When its workers don't need to be paid as much. Feedback: Correct! Comparative advantage comes when a country gives up less in order to produce a particular good.

Global Incorrect Feedback
The correct answer is: When the opportunity cost of its production is lower. Comparative advantage comes when a country gives up less in order to produce a particular good.

Question 4c of 10 (2 Specialization 238743)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: When might a country specialize in producing a particular good?

Table with 2 columns: Choice and Feedback. Choice A: When it has high opportunity costs for producing that good. Choice B: When it has a well-developed productive infrastructure. Choice C: When it has an absolute advantage in production of that good. Choice D: When its costs of transportation are particularly low. Feedback: Correct! Having an advantage in production makes it a good idea for a country to specialize and export the good to other countries.

Global Incorrect Feedback
The correct answer is: When it has an absolute advantage in production of that good. Having an advantage in production makes it a good idea for a country to specialize and export the good to other countries.

Question 5a of 10 (2 Specialization 238744)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2

Question: Match each of the terms below with its definition.

Table with 3 columns: Choice Text, Correct Match, Match Text. A. Absolute advantage: The existence of lower opportunity costs than competitors. B. Comparative advantage: The existence of barriers to free-flowing trade. C. Opportunity cost: The best alternative given up by a particular production decision. D. Protectionism: The ability to produce more cheaply.

Item(s) Incorrect Feedback

st Correct Feedback Correct! Global Incorrect Feedback

The correct answer is: Absolute advantage: The ability to produce more cheaply; Comparative advantage: The existence of lower opportunity costs than competitors; Opportunity cost: The best alternative given up by a particular production decision; Protectionism: The existence of barriers to free-flowing trade.

Question 5b of 10 (2 Specialization 238745)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2

Question: Match each of the terms below with its definition.

Table with 3 columns: Choice Text, Correct Match, Match Text. A. Absolute advantage: The tight connection between different countries' economies. B. Comparative advantage: The existence of lower opportunity costs than competitors. C. Specialization: The ability to produce more cheaply. D. Interdependence: The performance of a particular productive task within an economic system.

Item(s) Incorrect Feedback

st Correct Feedback Correct! Global Incorrect Feedback

The correct answer is: Absolute advantage: The tight connection between different countries' economies; Comparative advantage: The existence of lower opportunity costs than competitors; Specialization: The performance of a particular productive task within an economic system; Interdependence: The tight connection between different countries' economies.

Question 5c of 10 (2 Specialization 238746)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2

Question: Match each of the terms below with its definition.

Table with 3 columns: Choice Text, Correct Match, Match Text. A. Absolute advantage: The ability to produce more cheaply. B. Comparative advantage: The existence of lower opportunity costs than competitors. C. Specialization: The performance of a particular productive task within an economic system. D. Protectionism: The existence of barriers to free-flowing trade.

Item(s) Incorrect Feedback

st Correct Feedback Correct! Global Incorrect Feedback

The correct answer is: Absolute advantage: The ability to produce more cheaply; Comparative advantage: The existence of lower opportunity costs than competitors; Specialization: The performance of a particular productive task within an economic system; Protectionism: The existence of barriers to free-flowing trade.

Question 6a of 10 (2 Specialization 238747)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: What is one of the benefits of increasing economic interdependence?

Table with 2 columns: Choice and Feedback. Choice A: Increased economic sovereignty. Choice B: Greater economic growth. Choice C: Higher tax revenues for all governments. Choice D: Improved protection for domestic producers. Feedback: Correct! Interdependence enables specialization, which promotes growth because specialized production is more efficient.

Global Incorrect Feedback
The correct answer is: Greater economic growth. Interdependence enables specialization, which promotes growth because specialized production is more efficient.

Question 6b of 10 (2 Specialization 238748)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: What is one of the downsides of increasing economic interdependence?

Table with 2 columns: Choice and Feedback. Choice A: Higher prices for goods and services. Choice B: Reduced tax revenues for all governments. Choice C: Loss of control over the national economy. Choice D: A lower standard of living around the world. Feedback: Correct! Countries become subject to global market forces when their economies are interdependent.

Global Incorrect Feedback
The correct answer is: Loss of control over the national economy. Countries become subject to global market forces when their economies are interdependent.

Question 6c of 10 (2 Specialization 238749)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: What effect does increasing economic interdependence have on the countries of the world?

Table with 2 columns: Choice and Feedback. Choice A: Growing international trade and rising standards of living. Choice B: Greater power for international organizations. Choice C: Trade wars and the increase of protective trade policies. Choice D: A loss of comparative advantage for developed countries. Feedback: Correct! Interdependence enables specialization, which leads to efficient trade and economic growth that raises the standard of living.

Global Incorrect Feedback
The correct answer is: Growing international trade and rising standards of living. Interdependence enables specialization, which leads to efficient trade and economic growth that raises the standard of living.

Question 7a of 10 (2 Global Patterns 238750)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: Which of the following was not an economic effect of globalization?

Table with 2 columns: Choice and Feedback. Choice A: Greater trade restrictions. Choice B: A one-way flow of wealth. Choice C: Global economic development. Choice D: Privileged access to colonial markets. Feedback: Correct! Because of trade restrictions and underdevelopment, globalization did not lead to overall global development.

Global Incorrect Feedback
The correct answer is: Global economic development. Because of trade restrictions and underdevelopment, globalization did not lead to overall global development.

Question 7b of 10 (2 Global Patterns 238751)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: During the period of globalization, developed countries did what?

Table with 2 columns: Choice and Feedback. Choice A: Raised the standard of living worldwide. Choice B: Helped their colonies build their infrastructure. Choice C: Extracted resources from their colonies. Choice D: Lowered trade barriers to promote economic interdependence. Feedback: Correct! Colonization involved a one-way flow of wealth from colonies to colonizers.

Global Incorrect Feedback
The correct answer is: Extracted resources from their colonies. Colonization involved a one-way flow of wealth from colonies to colonizers.

Question 7c of 10 (2 Global Patterns 238752)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: What was the relationship between colonizing countries and their colonies?

Table with 2 columns: Choice and Feedback. Choice A: The colonizers provided a market for goods from their colonies. Choice B: The colonizers used the resources of their colonies to grow their own economies. Choice C: The colonizers exchanged investment in their colonies for their own economic interdependence. Choice D: The colonizers helped their colonies build their infrastructure to foster economic interdependence. Feedback: Correct! Colonization involved a one-way flow of wealth from colonizers to colonies.

Global Incorrect Feedback
The correct answer is: The colonizers used the resources of their colonies to grow their own economies. Colonization involved a one-way flow of wealth from colonizers to colonies.

Question 8a of 10 (2 Global Patterns 238753)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: Which of the following does not promote greater international trade?

Table with 2 columns: Choice and Feedback. Choice A: The reduction of trade barriers. Choice B: Improvements in communication. Choice C: Higher tax and tariff levels. Choice D: The development of infrastructure. Feedback: Correct! Trade restrictions lead to reduced international trade because trade has higher costs when there are high taxes and tariffs.

Global Incorrect Feedback
The correct answer is: Higher tax and tariff levels. Trade restrictions lead to reduced international trade because trade has higher costs when there are high taxes and tariffs.

Question 8b of 10 (2 Global Patterns 238754)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: Which of the following does not promote increased international trade and economic growth?

Table with 2 columns: Choice and Feedback. Choice A: Industrialization. Choice B: Trade liberalization. Choice C: Technological improvement. Choice D: High tariffs. Feedback: Correct! Trade restrictions lead to reduced international trade because trade has higher costs when there are high taxes and tariffs.

Global Incorrect Feedback
The correct answer is: High tariffs. Trade restrictions lead to reduced international trade because trade has higher costs when there are high taxes and tariffs.

Question 8c of 10 (2 Global Patterns 238755)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: Which of these is an important factor promoting increased international trade?

Table with 2 columns: Choice and Feedback. Choice A: The reduction of trade barriers. Choice B: The decrease of workers' wages. Choice C: The regulation of the international banking system. Choice D: The comparative advantage of countries. Feedback: Correct! Reducing tariffs, quotas, and subsidies promotes international trade because the costs of trade are reduced when trade barriers are taken down.

Global Incorrect Feedback
The correct answer is: The reduction of trade barriers. Reducing tariffs, quotas, and subsidies promotes international trade because the costs of trade are reduced when trade barriers are taken down.

Question 9a of 10 (2 Global Patterns 238756)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2

Question: Match each current trend in the global economy with one of its economic effects.

Table with 3 columns: Choice Text, Correct Match, Match Text. A. Increased communication: Greater mobility of goods and labor. B. Trade liberalization: Economic growth in developing countries. C. Infrastructure development: Improved production and transportation. D. Industrialization: Outsourcing in the high-tech industry.

Item(s) Incorrect Feedback

st Correct Feedback Correct! Global Incorrect Feedback

The correct answer is: Increased communication: Greater mobility of goods and labor; Trade liberalization: Economic growth in developing countries; Improved production and transportation: Outsourcing in the high-tech industry; Industrialization: The growth in the high-tech industry.

Question 9b of 10 (2 Global Patterns 238757)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2

Question: Match each current trend with one of its effects on international trade.

Table with 3 columns: Choice Text, Correct Match, Match Text. A. Improved communication: Reduction of barriers to international trade. B. Trade liberalization: Broadening of international trade. C. Infrastructure development: Spread or international trade to developing countries. D. Industrialization: Facilitation of smoother international trade.

Item(s) Incorrect Feedback

st Correct Feedback Correct! Global Incorrect Feedback

The correct answer is: Improved communication: Broadening of international trade; Trade liberalization: Reduction of barriers to international trade; Infrastructure development: Facilitation of smoother international trade; Industrialization: Spread of international trade to developing countries.

Question 9c of 10 (2 Global Patterns 238758)

Maximum Attempts: 1
Question Type: Matching
Maximum Score: 2

Question: Match each current trend with the advantage it provides for the global economy.

Table with 3 columns: Choice Text, Correct Match, Match Text. A. Improved communication: Facilitates international business and trade. B. Reduction of trade barriers: Allows for a greater mobility of goods and labor. C. Development of infrastructure: Enables economic growth in developing countries. D. Industrialization: Reduces production and transportation costs.

Item(s) Incorrect Feedback

st Correct Feedback Correct! Global Incorrect Feedback

The correct answer is: Improved communication: Facilitates international business and trade. Reduction of trade barriers: Allows for a greater mobility of goods and labor. Development of infrastructure: Reduces production and transportation costs. Industrialization: Enables economic growth in developing countries.

Question 10a of 10 (2 Global Patterns 238759)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: What is one negative effect of current patterns in global trade?

Table with 2 columns: Choice and Feedback. Choice A: Lower production costs in developing countries. Choice B: Reduced prices for goods and services. Choice C: Slow economic growth worldwide. Choice D: Job loss and wage decreases in developed countries. Feedback: Correct! Developed countries are losing jobs to countries where wages and other production costs are lower.

Global Incorrect Feedback
The correct answer is: Job loss and wage decreases in developed countries. Developed countries are losing jobs to countries where wages and other production costs are lower.

Question 10b of 10 (2 Global Patterns 238760)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: What is one of the drawbacks to globalization?

Table with 2 columns: Choice and Feedback. Choice A: Developing countries are industrializing and improving infrastructure at a rapid rate. Choice B: Countries and businesses must reduce wages paid to workers in order to attract foreign investment. Choice C: Producers have increased freedom to move their operations to lower-cost regions of the world. Choice D: Companies charge lower prices for their goods and services to compete in the global economy. Feedback: Correct! International competition for investment puts countries into the position of having to offer the lowest possible production costs, particularly wages, to lure producers into their economy.

Global Incorrect Feedback
The correct answer is: Countries and businesses must reduce wages paid to workers in order to attract foreign investment. International competition for investment puts countries into the position of having to offer the lowest possible production costs, particularly wages, to lure producers into their economy.

Question 10c of 10 (2 Global Patterns 238761)

Maximum Attempts: 1
Question Type: Multiple Choice
Maximum Score: 2

Question: What is one of the benefits of the current pattern of global trade?

Table with 2 columns: Choice and Feedback. Choice A: Wealth is concentrated in developed countries. Choice B: Economic growth in developing countries is slowing. Choice C: Jobs are moved from developed to developing countries. Choice D: Consumers pay lower prices for goods and services. Feedback: Correct! Globalization has resulted in lower production costs, particularly because of reduced wages that result from international competition for investment, and those lower costs are passed on to the consumer in the form of lower prices.

Global Incorrect Feedback
The correct answer is: Consumers pay lower prices for goods and services. Globalization has resulted in lower production costs, particularly because of reduced wages that result from international competition for investment, and those lower costs are passed on to the consumer in the form of lower prices.