

International trade and access to markets 3.2.1.3

| Q1 | <i>True or False?</i> | |
|----|---|--|
| A | 'Primary products' refers to the main sources of wealth for each country | |
| B | 'Free trade' refers to imports and exports passing borders without restrictions | |
| C | A 'merger' is when two companies mutually agree to combine their businesses | |
| D | A 'take-over' is when a smaller firm asks to be incorporated into a larger firm | |
| E | Out-sourcing is a common way for companies to reduce the cost of their product | |

| Q2 | Which category does each country in the list belong to? (One belongs to two) | | | | | | | | | | | | | | | | | | | | | | |
|--|---|----------------|----------------|----------------|----------------------|--------------------|---------------|----------------|---------------|----------------|------------------|---------------|------------|---------------|----------------|--------------|---------------|--------------|--------------|---------------|---------------|----------------|-----------------|
| | <i>BRIC</i> | <i>MINT</i> | <i>NAFTA</i> | <i>EU</i> | <i>None of these</i> | | | | | | | | | | | | | | | | | | |
| A | | | | | | | | | | | | | | | | | | | | | | | |
| B | | | | | | | | | | | | | | | | | | | | | | | |
| C | | | | | | | | | | | | | | | | | | | | | | | |
| D | | | | | | | | | | | | | | | | | | | | | | | |
| <table style="width: 100%; text-align: center;"> <tr> <td>Netherlands</td> <td>Canada</td> <td>Morocco</td> <td>Russia</td> <td>Nigeria</td> <td>Indonesia</td> </tr> <tr> <td>Brazil</td> <td>USA</td> <td>Rwanda</td> <td>Belgium</td> <td>India</td> <td>Mexico</td> </tr> <tr> <td>China</td> <td>Italy</td> <td>Norway</td> <td>Turkey</td> <td>Iceland</td> <td>Thailand</td> </tr> </table> | | | | | | Netherlands | Canada | Morocco | Russia | Nigeria | Indonesia | Brazil | USA | Rwanda | Belgium | India | Mexico | China | Italy | Norway | Turkey | Iceland | Thailand |
| Netherlands | Canada | Morocco | Russia | Nigeria | Indonesia | | | | | | | | | | | | | | | | | | |
| Brazil | USA | Rwanda | Belgium | India | Mexico | | | | | | | | | | | | | | | | | | |
| China | Italy | Norway | Turkey | Iceland | Thailand | | | | | | | | | | | | | | | | | | |

| Q3 | One sentence is incorrect in each of the explanations below. Identify the wrong one. |
|----|--|
| A | Free trade is a way of expanding trade between countries. It often means countries end up specialising in the things they produce best and most efficiently. Trade agreements then 'protect' this element so that countries know no other country will compete with them at this. |
| B | Emerging economies show faster economic growth due to the expansion of a key sector of their industry. They need to do this to keep their middle-class happy. As a result, life expectancy often increases into the upper sixties and seventies. |
| C | The BRIC countries form a trading bloc to support each other's development. All the BRICs share common features such as large populations and an extensive land area. Many TNCs are keen to operate in these countries because of their large internal market. |
| D | China is a dominant country in international trade as it produces so many of the world's consumer goods. China started producing many goods for its own population, but when this market was saturated, it started exporting goods. China now imports goods from many African countries. |
| E | TNCs may buy up land in LDCs to supply key resources and products more cheaply than can be supplied from home countries. Many UK supermarkets supply their cut flowers from prime agricultural land in Kenya. This results in high wages for local workers as flowers are so expensive. |

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| Q4 | What are the 'advantages' and 'disadvantages' of trade competition between two or more countries? | |
| | <i>Advantages</i> | <i>Disadvantages</i> |
| | | |

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|----|--|--|
| Q5 | Summarise the distinguishing characteristics of the three categories of economy involved in global trading relationships: | |
| | <i>Developed economies:</i> | |
| | | |
| | <i>Emerging economies:</i> | |
| | | |
| | <i>Less developed economies:</i> | |
| | | |