

World trade and its impacts on people's lives 3.2.1.3

Q1	<i>State whether each one is True or False</i>	
A	After a very productive season farmers regard overproduction as a benefit	
B	The 'market' for a commodity or product is the place/group it is sold to	
C	Quotas are limits placed by trade blocs or countries on the quantity they will buy	
D	A commodity is a largely unprocessed raw material/primary agricultural product	
E	Processing spring water into mineral water is known as aquaculture	

Q2	Match the description to the correct term	
A	A function of competition where the seller can promote a particular benefit or attraction when ranged against a choice of similar items	
B	A tax put on the exports of foreign countries as their products enter your trade bloc or national economy, making them more expensive	
C	The saving that can be made when operating in a larger organisational structure by avoiding duplication and spreading costs	
D	When there are no restrictions on imports or exports, no tariffs or quotas, and the international movement of goods is facilitated	
E	When cost/price is not the dominant factor in selecting a product or commercial partner, but the welfare of people and/or environment	
		Economy of scale Ethical trading Comparative advantage Free trade Import tariff

Q3	Select whether each situation reflects more <u>benefit</u> for the producer or the consumer as a result of an international trading relationship	Producer	Consumer
A	Items of popular clothing are manufactured in cramped conditions in old buildings that lack key facilities such as air conditioning		
B	An agri-business is responding to consumer trends and tells crop workers to stop spraying pesticides onto fruit trees as they go organic		
C	In order to achieve 'most-favoured-nation' trade status, new regulations operate to prohibit child-labour under the age of 16		
D	Many small businesses agree to merge into one combined firm to achieve economies of scale in producing exported wooden furniture		
E	A major supermarket chain decides the best comparative advantage it can make against its competitors is to offer more Fairtrade produce		

World trade and its impacts on people's lives 3.2.1.3

Q4	<i>What are the pros and cons of moving towards an ethical trading policy by a major distribution firm</i>	
	Pros: Producers	Cons: Producers
	Pros: Consumers	Cons: Consumers

Q5	<i>Research either one other food commodity or manufacturing product</i>
	<i>Global production locations (and reasons):</i>
	<i>Global consumption/market locations (and reasons):</i>
	<i>Key features of the international trade structure:</i>
	<i>Impact of the trade on those involved in production:</i>
	<i>Impact of the trade on those who consume it:</i>