A-LEVEL ECONOMICS • EXERCISE SHEET

11.6 Globalisation

Name: ____________ Class: ________ Date: __________ **Total: 22 marks**

Objective

Build the skills to answer exam questions on **globalisation** 全球化—its causes, **trade blocs** 贸易集团, and the benefits and costs for developed and developing economies.

You must be able to:

- define globalisation and its causes
- explain what a trade bloc is
- analyse the benefits and costs of globalisation

1 Worked examples

■ A connected world

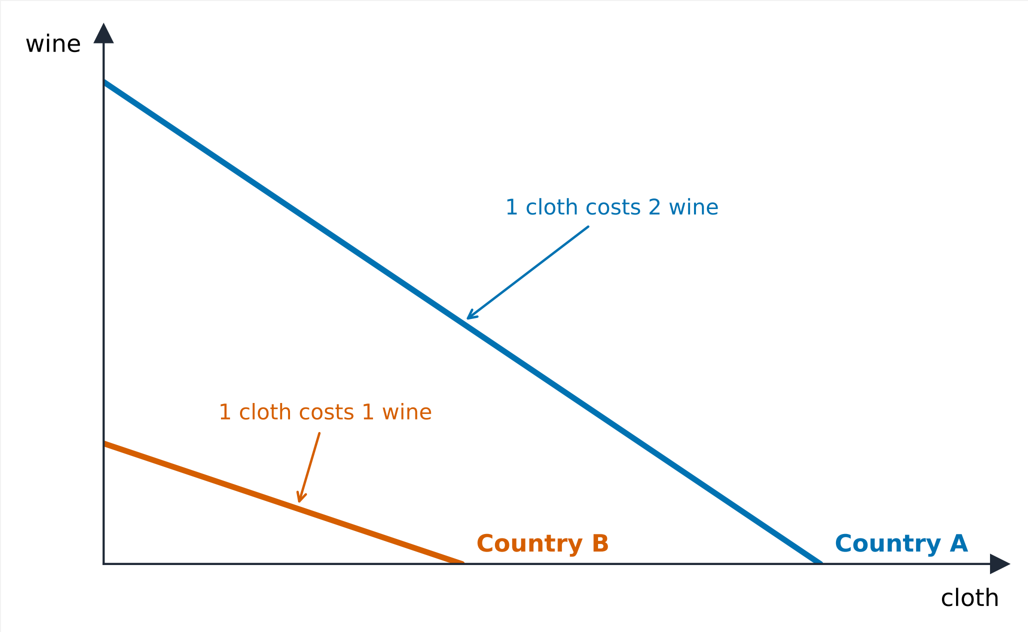
The world acts more like one market

Image: source

- **Globalisation** 全球化: growing links between countries in trade, money, technology and people.
- **Causes:** cheaper transport and communication, **free trade** 自由贸易 agreements, multinational firms.
- **Trade bloc** 贸易集团: a group that trades freely among themselves (e.g. the

EU).

- **Benefits:** lower prices, more choice, faster growth, technology transfer. **Costs:** lost jobs, a wider rich–poor gap, more pollution.



Globalisation lets countries specialise by comparative advantage on a world scale

Answer shapes: AO1 + AO2 + AO3 (analysis) + AO4 (a supported judgement *in context*).

2 Practice

2.1 Define the term *globalisation*. [2]

2.2 Define the term *trade bloc*. [2]

2.3 State one cause of globalisation. [1]

3 Exam-style questions

3.1 Which is a **benefit** of globalisation? [1]

- **A** the loss of some domestic jobs to cheaper countries
- **B** lower prices and more choice for consumers
- **C** more pollution and use of resources
- **D** a wider gap between rich and poor

3.2 Explain two benefits of globalisation for a developing country. [6]

3.3 Discuss whether globalisation benefits developing countries more than developed countries. [12]

4 Go further

You are now ready for the real exam questions on this subtopic. Open the **11.6 Globalisation** past-paper sheet in the Library, or try these in **Practice mode**:

- 9708/32 N25 —Q14 (globalisation)
- 9708/33 N25 —Q24 (trade blocs)
- 9708/34 N25 —Q30 (costs and benefits of globalisation)

Solutions

Economics answers are marked by **level of response** against the assessment objectives: award **AO1** knowledge, **AO2** application, **AO3** analysis and **AO4** evaluation.

2.1 the growing economic links between countries —in trade, money, technology and people —so the world acts more like one market (2 for a clear definition; 1 for a partial idea).

2.2 a group of countries that agree to trade freely among themselves (e.g. with no tariffs), such as the European Union (2 for a clear definition; 1 for a partial idea).

2.3 any one of: cheaper transport and communication; free-trade agreements; the spread of multinational firms (1).

3.1 B. Lower prices and more choice are a benefit of globalisation.

3.2 *[6]* For **each** of two benefits: AO1 1 + AO3 up to 2 —e.g. *larger markets*: firms can export to the world → higher sales and economies of scale → faster growth. *Technology and investment*: FDI and trade bring modern methods → higher productivity → industrialisation. Maximum 3 each.

3.3 *[12]* AO1/AO2/AO3 up to 8 + AO4 up to 4. **Developing gains:** access to large markets, FDI, technology, and a route out of poverty through industrialisation. **Developed gains:** cheaper imports, larger markets and profits for multinationals. **Costs (both):** lost jobs, inequality, pollution, and powerful firms avoiding tax. Judgement: both gain, but unevenly —developing countries can gain most *if* they industrialise and share the gains, yet they are also more exposed to volatile prices and exploitation; it depends on each country's policies.