Solutions

IGCSE Business answers are marked by **level of response**: award **K** knowledge, **App** application, **An** analysis and **Ev** a justified judgement.

Each answer shows the steps, then the **result**.

2.1

- **globalisation** is growing trade and movement of goods, money and people, so the world acts more like **one market** (K)

2.2

- a **multinational** makes or sells in **more than one country** (K)

2.3

- a weaker currency makes **exports cheaper** to foreign buyers (K)

3.1

- any **two** of: new jobs and training / investment and technology / more choice and lower prices / more tax (K, K)

3.2

- for **each** of two drawbacks: K + An, max 3 each
- e.g. **profits leave**: sent back to the home country → less money stays locally
- e.g. **local firms forced out**: a large cheap multinational → small firms close

3.3

- **bad for an exporter**: exports dearer for foreign buyers → they buy less → sales fall
- **some good**: imported materials become cheaper
- **judgement (Ev)**: mostly bad for an exporter — it depends on how much the firm relies on exports versus imported materials