6. International trade and globalisation

Starter Quiz · 课前小测

IGCSE Economics Name: ______________ Score: ______

1. Specialisation means a country concentrates on producing:
   - ☐ what it produces most efficiently
   - ☐ everything it needs
   - ☐ only luxury goods
   - ☐ nothing at all
2. A tariff is:
   - ☐ a tax on imports
   - ☐ a limit on import quantity
   - ☐ a subsidy to exporters
   - ☐ a ban on all trade
3. An exchange rate is:
   - ☐ the price of one currency in terms of another
   - ☐ the interest rate
   - ☐ the inflation rate
   - ☐ a tax on imports
4. Which are part of the current account? (Select all that apply.)
   - ☐ trade in goods
   - ☐ trade in services
   - ☐ income from investments abroad
   - ☐ the unemployment rate

   Tick every correct option.
5. Which are gains from free trade? (Select all that apply.)
   - ☐ lower prices for consumers
   - ☐ more choice
   - ☐ economies of scale for producers
   - ☐ higher prices

   Tick every correct option.
6. A quota restricts trade by:

   - ☐ limiting the quantity that can be imported
   - ☐ taxing imports
   - ☐ subsidising imports
   - ☐ lowering import prices
7. Currency depreciation means the currency has:
   - ☐ fallen in value
   - ☐ risen in value
   - ☐ stayed the same
   - ☐ been banned
8. A country exports 120 and imports 150 of goods and services. What is the deficit?

   ____
9. Which are reasons governments restrict trade? (Select all that apply.)
   - ☐ to protect infant industries
   - ☐ to protect jobs
   - ☐ to guard against dumping
   - ☐ to lower domestic prices

   Tick every correct option.
10. Specialisation and trade can make both trading countries better off.

    ☐ True ☐ False

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1. **what it produces most efficiently**

   It focuses on its most efficient products and trades for the rest.

2. **a tax on imports**

   A tariff is an import tax; a quota is a quantity limit.

3. **the price of one currency in terms of another**

   It is the price of a currency, set by supply and demand.

4. **trade in goods; trade in services; income from investments abroad**

   The current account covers goods, services, income and transfers.

5. **lower prices for consumers; more choice; economies of scale for producers**

   Trade lowers prices and widens choice; higher prices is not a gain.

6. **limiting the quantity that can be imported**

   A quota caps the quantity of imports allowed.

7. **fallen in value**

   Depreciation is a fall; appreciation is a rise.

8. **30**

   $150 - 120 = 30$ deficit.

9. **to protect infant industries; to protect jobs; to guard against dumping**

   Protection tends to raise, not lower, domestic prices.

10. **True**

    Each gets more than it could by producing everything alone.