

Which of the following is an example of the globalization of production?

SCORE 71.11/100 or 32/45

- ☐ Coca Cola sells their soft drinks worldwide
- ☐ Hospitals outsource some radiology work to India
- ☒ Caterpillar and Komatsu both sell earth moving equipment in Europe
- ☐ Boeing sells jet planes to firms in Japan.

Globalization by connecting countries leads to:

- ☐ lesser competition among producers
- ☒ greater competition among producers
- ☐ no competition between producers
- ☐ none of these

Which of the following do not facilitate globalization?

- ☐ Improvements in communication
- ☒ Barriers to trade and investments
- ☐ Looser immigration controls
- ☐ Removal of controls on movement of capital across borders

Which of the following is a driver of globalization?

- ☐ Trade barriers and controls on inflows of foreign direct investment
- ☐ Weak competition
- ☒ Technological advance
- ☐ Economies of scale are being exploited to the maximum

The past two decades of globalization has seen rapid movements in:

- ☐ goods, services, and people between countries
- ☒ goods, services and investments between countries
- ☐ goods, investments and people between countries
- ☐ none of these

What might western food MNCs encounter when launching operations in Africa or the Middle East?

- ☐ No language barriers
- ☐ Customers tastes the same as those of their domestic customers
- ☐ **Corruption**
- ☐ Well- developed road and rail links

Removing barriers or restrictions set by the government is called:

- ☐ **liberalization**
- ☐ investment
- ☐ favorable trade
- ☐ free trade

Asymmetrical globalization is:

- ☐ The way in which contemporary globalization is equally experienced across the world and among different social groups
- ☐ **The way in which contemporary globalization is unequally experienced across the world and among different social groups**
- ☐ The degree to which networks or patterns of social interactions are formally constituted as organizations with specific purposes
- ☐ A process in which the organization of social activities is increasingly less constrained by geographical proximity and national territorial boundaries

Which of the following is not a purportedly beneficial outcome of the globalization process?

- ☐ **The distribution of wealth , addressing disparities in economic and resource allocation across the globe through a sense of greater inter connectedness**
- ☐ The growing sense of global community , resulting in super -national identities that result from populations feeling closer to one another
- ☐ The sharing of ideas , technologies and resources that can directly benefit human security, such as medical advancement
- ☐ **A global market that has demonstrated the ability, if left unchecked, to reduce poverty and make substantial economic gains**

The process whereby national economies and business systems are becoming deeply interlinked with each other is called_____.

- ☐ **globalization**
- ☐

- ☐ glocalization
- ☐ internationalization
- ☐ global linking

Fair globalization would mean :

- ☐ fair globalization for all
- ☐ fair benefits for all
- ☐ more support to small producers
- ☐ **all of the above**

WTO aims at:

- ☐ establishing rules for domestic trade
- ☐ restricting trade practices
- ☐ **liberalizing international trade**
- ☐ none of these

Globalization has posed major challenges for:

- ☐ big producers
big producers
- ☐ **small producers**
small producers
- ☐ rural poor
rural poor
- ☐ none of these

A company that owns or controls production in more than one nation is called:

- ☐ **multinational corporation**
multinational corporation
- ☐ joint stock company
joint stock company
- ☐ global company
global company
- ☐ none of these

Which of the following constitutes Foreign Direct Investment?

- ☐ A speculator trying to make a profit by buying company shares on a foreign stock exchange
A speculator trying to make a profit by buying company shares on a foreign stock exchange
- ☐ A U.K. energy company buying territory abroad where it expects to find oil reserves
A U.K. energy company buying territory abroad where it expects to find oil reserves
- ☐ A tourist purchasing foreign currency to spend on a holiday abroad
A tourist purchasing foreign currency to spend on a holiday abroad
- ☐ A company signing an agreement with a wholesaler to distribute its products in foreign markets

The globalization of markets refers to:

- ☐ Merging historically distinct and separate national markets into one huge global marketplace
Merging historically distinct and separate national markets into one huge global marketplace
- ☐ sourcing goods and services from locations around the globe
sourcing goods and services from locations around the globe
- ☐ systems that manage a globally dispersed communication network
systems that manage a globally dispersed communication network
- ☐ facilitating international trade in services

Globalization involves:

- ☐ A stretching of social, political, and economic activities across political frontiers
A stretching of social, political, and economic activities across political frontiers
- ☐ A growing magnitude of interconnectedness in almost every sphere of social existence
A growing magnitude of interconnectedness in almost every sphere of social existence
- ☐ An accelerating pace of global interactions and processes associated with a deepening enmeshment of the local and the global
An accelerating pace of global interactions and processes associated with a deepening enmeshment of the local and the global
- ☐ all of the options given are correct

Globalization has created new opportunities of:

- ☐ employment
employment,
- ☐ emerging multinationals
emerging multinationals

- ☐ providing services
providing services
- ☐ **all of the above**
all of the above

Which of the following statements about technology is most accurate?

- ☐ The internet has not been important in facilitating international trade in services
The internet has not been important in facilitating international trade in services
- ☐ Technological innovations have no connection with the globalization of markets
Technological innovations have no connection with the globalization of markets
- ☐ **Low- cost global communication networks such as the World Wide Web are helping to create electronic global marketplaces**
Low- cost global communication networks such as the World Wide Web are helping to create electronic global marketplaces
- ☐ As global media develop, consumers are likely to prefer those from thier home country

Which of the following statements identifies a key difference between a market economy and a socialist economy?

- ☐ **In a market economy there is more government intervention than a socialist economy**
In a market economy there is more government intervention than a socialist economy
- ☐ **In a market economy prices are set by the interaction of supply and demand, while in a socialist economy the prices are set by the state.**
In a market economy prices are set by the interaction of supply and demand, while in a socialist economy the prices are set by the state.
- ☐ In a market economy most large businesses are state owned, while in a socialist economy only small businesses are state owned
In a market economy most large businesses are state owned, while in a socialist economy only small businesses are state owned
- ☐ In a market economy private producers are excluded from certain commercial activities, while in a socialist economy there are no exclusions for private producers

Globalization refers to:

- ☐ **A more integrated and interdependent world**
A more integrated and interdependent world
- ☐ Less foreign trade and investment
Less foreign trade and investment
- ☐ Global Warming
Global Warming
- ☐ Lower incomes worldwide

Globalization has led to higher standards of living of :

- ☐ **well-off consumers**
well-off consumers
- ☐ poor consumers
poor consumers
- ☐ big producers
big producers
- ☐ small producers

Which of the following perspectives of globalization is most likely to reflect the views of economists?

- ☐ The emergence of global conflicts and global institutions
The emergence of global conflicts and global institutions
- ☐ The decline of sovereignty of the nation state
The decline of sovereignty of the nation state
- ☐ The developments of new and faster communication technologies
The developments of new and faster communication technologies
- ☐ **The growth of international trade and the increase in international trade flows**

Which of the following is an example of a trade barrier?

- ☐ Foreign investment
Foreign investment
- ☐ delay or damage of goods
delay or damage of goods
- ☐ **Tax on imports**
Tax on imports
- ☐ None of these

With growing competition, most employers these days prefer to employ workers

- ☐ **flexibly**
flexibly
- ☐ quickly
quickly
- ☐ selectively
selectively
- ☐ none of these
none of these

The most common route for investments by MNC's in countries around the world is to:

- ☐ buy existing local companies
buy existing local companies
- ☐ set up new factories
set up new factories
- ☐ form partnerships with local companies
form partnerships with local companies
- ☐ both a and b

Which one of the following arrangements provides the greatest level of economic integration?

- ☐ Custom union
Custom union
- ☐ Common market
Common market
- ☐ free trade areas
free trade areas
- ☐ Economic Union

Which of the following industries has a large number of well- off buyers in urban eareas?

- ☐ footwear
footwear
- ☐ automobiles
automobiles
- ☐ jewelry
jewelry
- ☐ clothing and accessories

Globalization is beneficial for firms because:

- ☐ It protects them against foreign competition
It protects them against foreign competition
- ☐ It cushions them from the effects of events on other countries
It cushions them from the effects of events on other countries
- ☐ It opens up new market opportunities
It opens up new market opportunities
- ☐ It increases the risk and uncertainty of operating in a globalizing world economy

Which of the following statements about is most consistent with market expansion through globalization?

- ☐ By serving domestic and international markets a firm may be able to utilize its productions facilities less intensively
By serving domestic and international markets a firm may be able to utilize its productions facilities less intensively
- ☐ Different locations around the world are more or less suitable for performing different business activities
Different locations around the world are more or less suitable for performing different business activities
- ☐ Valuable skills are developed first at overseas and then transferred to foreign operations
Valuable skills are developed first at overseas and then transferred to foreign operations
- ☐ When managers at a firm have built a valuable competency or skill, going global is often the best way to maximize the return on their investment
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Governments can make globalization more "fair" by :

- ☐ increasing competition
increasing competition
- ☐ increasing employment
increasing employment
- ☐ implementing the labor laws
implementing the labor laws
- ☐ imposing trade barriers

Trade between countries:

- ☐ determines prices of products in different countries
determines prices of products in different countries
- ☐ decreases competition between countries
decreases competition between countries
- ☐ makes a country dependent on the other
makes a country dependent on the other,
- ☐ none of these

One major factor that has stimulated the globalization process is:

- ☐ effective utilization or resources
effective utilization or resources
- ☐ increase in income and wealth
increase in income and wealth
- ☐ willingness to cooperate
willingness to cooperate

- ☐ **rapid improvements in technology**

Where do MNCs choose to set up production?

- ☐ Cheap goods
Cheap goods
- ☐ **Cheap labor resources**
Cheap labor resources
- ☐ economic sustainability
economic sustainability
- ☐ none of these

Which of the following could be defined as a multinational company?

- ☐ A firm that owns shares in a foreign company but does not participate in the company's decision making
A firm that owns shares in a foreign company but does not participate in the company's decision making
- ☐ A UK based internet package holiday firm specializing in selling tours to Turkey to German customers
A UK based internet package holiday firm specializing in selling tours to Turkey to German customers
- ☐ **A firm owning a chain of supermarkets outlets outside its country of origin**
A firm owning a chain of supermarkets outlets outside its country of origin
- ☐ A finance company transferring its HQ and all its activities from UK to the US

Which of the following indicates why a global business would have multiple operating locations?

I. Reduced Labor

II. Reduced distribution cost

III. Increased production cost

- ☐ I,II and III
I,II and III
- ☐ **I and II**
I and II
- ☐ **II and III**
II and III
- ☐ I and III

Protectionist counter trends to globalization include:

- ☐ the idea that international trade promotes economic growth and raises living standards
the idea that international trade promotes economic growth and raises living standards
- ☐ **the argument that international trade destroys jobs**

the argument that international trade destroys jobs

- ☐ the suggestion that open foreign markets help the American economy
the suggestion that open foreign markets help the American economy
- ☐ lower barriers to cross- border trade in agriculture

Which of the following is the lowest level of economic integration?

- ☐ Common market
Common market
- ☐ Customs Union
Customs Union
- ☐ Free trade area
Free trade area
- ☐ Trade Agreement

The constraints limiting the pace of globalization include which of the following?

- ☐ protectionist counter trends
protectionist counter trends
- ☐ national differences in consumer behavior
national differences in consumer behavior
- ☐ national differences in business systems
national differences in business systems
- ☐ All of the above limit the pace of globalization
All of the above limit the pace of globalization

Globalization can create problems for business because:

- ☐ It can result in more competition
It can result in more competition
- ☐ It reduces vulnerability to political risk and uncertainty when operating abroad
It reduces vulnerability to political risk and uncertainty when operating abroad
- ☐ It means that they can increase prices
It means that they can increase prices
- ☐ All of the options given are correct
All of the options given are correct

Which of the following statements best describes our understanding of the term globalization?

- ☐ Globalization refers to the process by which shared hegemonic values pervade societies across the globe, drawing them into an ideological community, most often based on the economic principles of capitalism

Globalization refers to the process by which shared hegemonic values pervade societies across the globe, drawing them into an ideological community, most often based on the economic principles of capitalism

- ☐ **Best describes as intensification of worldwide social relations and increasing interdependence, globalization is the result of the compression of space and time through the development of new technologies**
Best describes as intensification of worldwide social relations and increasing interdependence, globalization is the result of the compression of space and time through the development of new technologies
- ☐
Globalization is best described as the shrinking of the global community , drawing people into closer contact with one another primarily at the economic and technical levels. The process began in the early 20th century and was based on the ideological expeditions that originated from western Europe
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- ☐
Globalization has occurred since the 1980's , originating in Western Europe as a center of political power and technological advancement. The process is a direct result of technological advancement in communications and travel industries that facilitate the efficient transportation of physical objects and ideas across the globe.

Which three of the following are often regarded as characterizing globalization?

a. Increasing space

b. Shrinking space

c. Strengthened borders

e. disappearing borders

- ☐ a,c and d
a,c and d
- ☐ **b, d and e**
b, d and e
- ☐ b,c and d
b,c and d
- ☐ b,c and e

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- ☐ emerging multinationals
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providing services
- ☐ **all of the above**

Which of the following statements about global standardization is most accurate?

- ☐
An enterprise realizes substantial scale economies
An enterprise realizes substantial scale economies
- ☐
An enterprise varies some aspect of its production but not its marketing messages
An enterprise varies some aspect of its production but not its marketing messages
- ☐
An enterprise varies some aspect of its marketing messages but not its products
An enterprise varies some aspect of its marketing messages but not its products
- ☐
An enterprise is taking into account local business systems and culture

The internet facilitates globalization by:

- ☐
Making it more difficult to contact potential customers abroad
Making it more difficult to contact potential customers abroad
- ☐
Cutting the cost for firms of communication across borders
Cutting the cost for firms of communication across borders
- ☐
Making it harder to send money from one country to another
Making it harder to send money from one country to another
- ☐
Making it easier for governments to censor the information received by their citizens from abroad

