

- 1) What is not a result of globalisation?
  - A. Increased international trade
  - B. A lesser dependence on the global economy**
  - C. Multi-national corporations
  - D. International cooperation
  
- 2) What is not a reason for globalisation?
  - A. Trade barriers**
  - B. Improved telecommunications
  - C. Freedom of trade
  - D. Better resources management
  
- 3) What is not a feature of multi-national corporations?
  - A. They operate in many countries worldwide
  - B. They inwardly invest in other countries by building a factory or opening a shop
  - C. They originate from developing countries**
  - D. Global strategies
  
- 4) What is not a factor that attracts multi-national corporations to a country.
  - A. Cheap labour
  - B. Available natural resources
  - C. Access to markets where goods are sold
  - D. Unfriendly government policies**
  
- 5) What is not a positive impact of globalisation?
  - A. Profits leaving the host country**
  - B. New jobs and skills
  - C. Specialization
  - D. Investment in the local economy, education
  
- 6) What is the difference between the value of a country's exports and imports known as?
  - A. Trade balance**
  - B. Trade surplus
  - C. Trade barriers
  - D. Trade deficit
  
- 7) What is the difference between imports and exports?
  - A. Imports leave a country and exports are brought into a country
  - B. Imports and exports are both brought into a country
  - C. Imports are brought into a country and exports leave a country**
  - E. Nothing above
  
- 8) What is not a cause of trade inequalities?

- A. International debt
- B. Natural disasters
- C. Budget deficit
- D. Abundant natural resources**

9) What is not an impact of world trade patterns on the environment?

- A. Low standards of living**
- B. Water pollution
- C. Land degradation
- D. Erosion

10) What is a trade alliance?

- A. When farmers are paid a fair price for their produce
- B. A group of countries who join together to make it easier to trade**
- C. When crops are produced in a way that doesn't irreparably damage the environment
- D. EU's Common agricultural policy

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

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

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

- A. 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.
- B. Best described 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.**
- C. 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. This process began in the early 20th century and was based on the ideological expeditions that originated from western Europe.
- D. Globalization has occurred since the 1980s, originating in Western Europe as a centre 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, people and ideas across the globe.

13) In the context of globalization, how can we best define the term 'development'?

- A. The term development refers to the human condition in which there is freedom from fear and want; there are sufficient resources to sustain life and this life can exist in a state free from the threat, or perceived threat, of sudden interruption.
- B. To be considered as developed, a nation must have achieved certain economic and political status within the global state system; the criterion for what constitutes a 'developed' state is thus defined by those requirements of interaction in this system.
- C. Development is a means to address the inequalities that accompany neoliberal globalization. In this context, development refers to the ability of a population or community to effectively utilize resources and increase efficiency in production and distribution, promoting the more equitable distribution of income within society.**
- D. Development of a community refers to the ideological and ethical value systems to which its population subscribes. In the globalised international system this refers to the adoption of western liberal democratic ideology and free market economics.

14) How have the World Bank and International Monetary Fund, as international financial institutions (IFIs), affected the development of poorer countries?

- A. Financial policies advocated by the World Bank and IMF were readily adopted by developing countries that sought to bring their economic development into line with wealthier nations. The IFIs focus has been on achieving human security and the promotion of development at a societal level.
- B. Through the implementation of specific financial policies adopted at the bequest of global financial institutions, many developing countries have gained economic prosperity and the correlating levels of human security.
- C. The World Bank and IMF tend to operate in an economic arena that includes only major financial institutions and wealthy states; coupled with a respect for sovereignty, the scope of such institutions does not reach to interference in national politics.
- D. IFIs identified the economic failings of developing countries as being the result of political problems. Thus, IFIs adopted an approach that involved political and economic restructuring of these states, coercing governments into the adoption of specific financial policies designed to promote debt repayment and economic development.**

15) Which of the following is not one of the 10 steps of the Washington Consensus?

- A. Fiscal Discipline: budget deficits of no more than 2 per cent of gross domestic product (GDP).
- B. Tax Reform: broadening the tax base, cut marginal tax rates, improve tax administration.
- C. Property Rights: legal reforms to secure property rights without excessive costs and to regularize the informal sector.
- D. Nationalization: state enterprises should be protected.**

16) What, according to Classical economic theory, was the purpose of Mercantilism in the 18th century?

- A. Mercantilism was a means by which to strengthen the sovereign state, and inherently linked to international conflict.**
- B. Mercantilism was a means by which to promote societal security for the populations of states.
- C. Mercantilism was a route to increasing imports and transnational trade.
- D. Mercantilism was not a significant economic theory until after the 18th century.

17) Which of the following are economic objectives of IMF adjustment policies?

- A. Devaluation to promote exports and reduce demand for imports by raising their prices.
- B. Tighter monetary and credit policies with higher interest rates to reduce overall demand, and thus demand for imports; to limit or reduce the rate of inflation.
- C. All of the above.**
- D. Public spending cuts to reduce the budget deficit and slow the growth of government debt.

18) Which of the following best describes the existing legacy of structural adjustment policies?

- A. Structural adjustment policies have been largely successful in achieving their aims of macroeconomic security in the developing world.
- B. The neoliberal principles on which structural adjustment policies have been based have proven well suited to promoting human welfare in developing countries.
- C. Neoliberal based adjustment policies have caused great and unnecessary hardship in developing countries and there is still no evidence they achieved their objectives for macroeconomic stability and growth.**
- D. There is significant evidence that structural adjustment policies have promoted economic growth and macroeconomic stability in the countries in which they were applied.

19) Which of the following is an impact of common structural adjustment policies on the poor?

- A. Cost of imports soar, including vital resources such as imported medicines. Basic food prices rise, putting even greater pressure on already stretched household budgets.
- B. Reduced health, education, and social welfare spending and the introduction of cost-recovery and user-fees put healthcare and education beyond the reach of many ordinary people. Public sector redundancies and salary freezes lead to fewer teachers and doctors.
- C. Massive redundancies and increased unemployment with no social security provision push families deeper into poverty. Farmers and small companies can no longer afford to borrow money and are forced to reduce production or go out of business.
- D. All of the above.**

20) How might global inequality present a threat to global security?

- A. Human security is threatened by global inequality, because 3s of the world population do not share the benefits of globalisation. However, this inequality does not translate into political instability or involve military action.
- B. Global inequality creates disenfranchised populations who, although discontent with their situation, lack the agency to rebel or protest.
- C. Revolutionary uprisings are likely to occur; people of the world who have been left behind by neoliberal globalisation can become radicalised and rebel against those who have benefitted from the economic policies that have failed them.**
- D. Global inequality does not present a significant threat to global security.