

## Globalisation, free trade and protection

- 1 Which is an objective of trade protection?
  - A to create domestic jobs
  - B to improve the economic efficiency of domestic industries
  - C to increase the demand for domestically produced goods and services
  - D to reduce the costs of international trade
  
- 2 Which method of trade protection is used to directly reduce the price of exports?
  - A embargoes
  - B quotas
  - C subsidies
  - D tariffs
  
- 3 What is the name given to the act of selling exports at artificially low prices, below those charged by domestic firms, and often less than the cost of production?
  - A administrative barriers
  - B dumping
  - C embargoes
  - D subsidies
  
- 4 International trade that takes place without any form of protection (barriers to international trade) is called
  - A dumping.
  - B exchange.
  - C free trade.
  - D international relations.
  
- 5 Which is **not** a benefit of free international trade and exchange?
  - A choice
  - B economies of scale
  - C efficiency gains
  - D transportation costs

6 Define the term *trade protection*. [2 marks]

.....

.....

7 Explain **two** economic reasons why the USA might import fewer cars from the European Union. [4 marks]

.....

.....

.....

.....

