UZC2 Global Economics for Managers Version 3

Section: Economics • **Total Questions:** 10 • **Format:** Verified Q&A

1. What does the term resource mobility describe?

(A) An economic condition in which a nation exports more than it imports
(B) The assumption that a resource removed from one industry can be moved to another
(C) The idea that market forces should determine how much to trade with little or no government intervention
(D) The idea that governments should actively defend domestic industries from imports and vigorously promote the export of resources

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2. Which goods have a positive cross-price elasticity?

(A) Shortage goods
(B) Substitutes
(C) Normal goods
(D) Complements

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3. Which mode of entry is an equity mode?

(A) 50/50 joint ventures
(B) Indirect exports
(C) Franchising
(D) Licensing

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4. What is an example of a company that is market-seeking?

(A) A company searching for a location where there is a high interest in camping supplies
(B) A company searching for a location where rocks and minerals can be mined
(C) A company searching for a location where a specific type of plastic is low-cost and readily available
(D) A company searching for a location where the cost of unskilled labor is low

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5. Which effect does increased government spending have on aggregate demand for goods and services if the multiplier effect is greater than the crowding out effect?

(A) Aggregate demand increases by more than the increase in government spending.
(B) Aggregate demand decreases by more than the increase in government spending.
(C) Aggregate demand increases by less than the increase in government spending.
(D) Aggregate demand decreases by less than the increase in government spending.

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6. What is a key feature of the digraph?

(A) The authors of any one series in the market have time to be reported on the profile of all the other series.
(B) There is tension between cooperation and well-management.
(C) Firms in an oligopoly are independent of the market, much like competition firms.
(D) There is little, if any, information for cooperation between firms.

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7. Which statement is a description of theocratic law?

(A) It is a legal system that is shaped by precedents and traditions from previous judicial decisions.
(B) It is a legal system that is the oldest, most influential, and most widely distributed in the world.
(C) It is a legal system based on religious teachings and dogma.
(D) It is a legal system that uses comprehensive statutes and codes as a primary means to form legal judgments.

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8. What is the definition of globalization?

(A) The achievement of a one-world market for goods and services
(B) The spread of regulatory influence to a greater pool of subjects
(C) The development of custom products for each segment of a population
(D) The close integration of countries and peoples of the world

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9. What is purchasing power parity?

(A) The idea that a country's exchange rate is an indicator of socioeconomic well-being
(B) The gain from taking advantage of inefficient exchange rates
(C) The movement of investors in the same direction at the same time
(D) A theory suggesting that the price for identical products sold in different countries must be the same in the absence of trade barriers

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10. What is one example of something a copyright is used to protect?

(A) The name of a brand
(B) The shape of a new invention
(C) The content of a book
(D) The design of a logo