
RELATED ISSUE THREE TEST

TO WHAT EXTENT DOES GLOBALIZATION CONTRIBUTE TO SUSTAINABLE PROSPERITY FOR ALL PEOPLE?

Use the following sources to answer question 1 and 2.

SOURCE 1



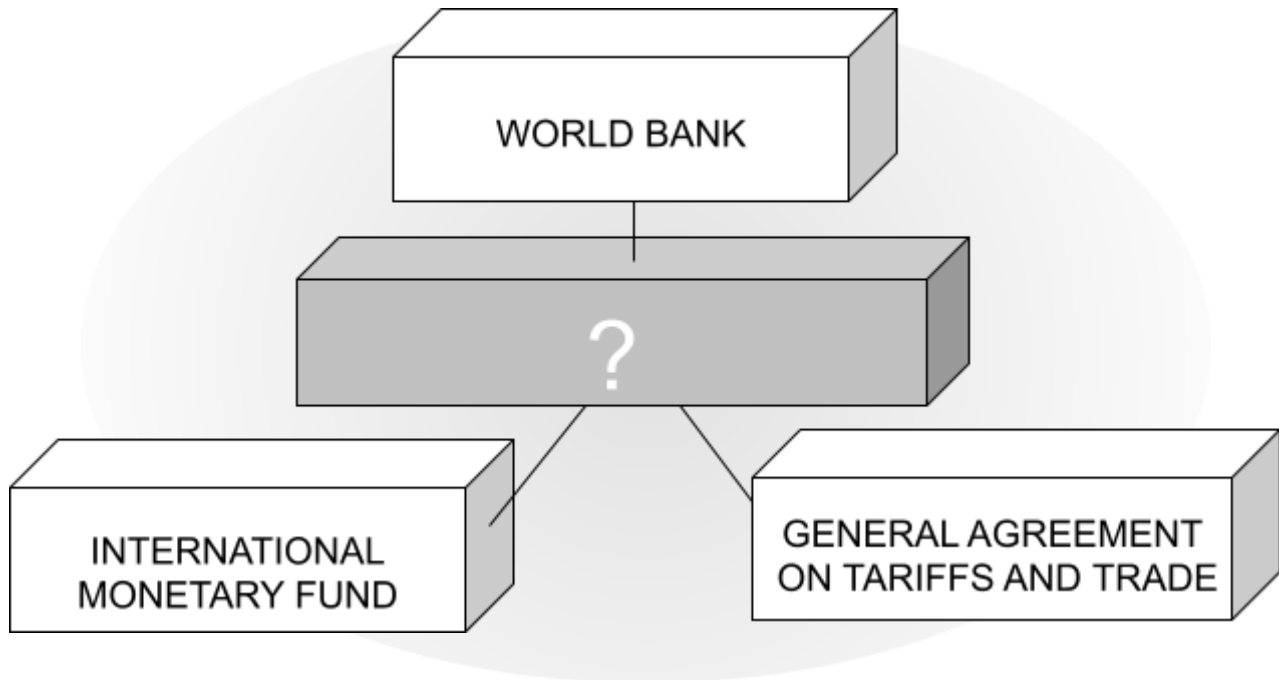
SOURCE 2

"I took three months of training to learn to speak with four different American and three different British accents. I now have a job making \$1.50 per hour, working 60 hours a week, in the *Dell Computer Call Center* in Bangalore."

*Dalia Prinesh,
Bangalore, India*

1. Taken together, the sources can help to explain which of the following phenomenon that is unfolding within the realm of *economic globalization*?
 - a) assimilation
 - b) outsourcing
 - c) amalgamation
 - d) downsizing
 2. Which of the following stakeholders would likely **not hold a positive view** of the phenomenon outlined by the sources?
 - a) shareholders in the Dell Computer Company
 - b) poor working class people in South Asia
 - c) unemployed telemarketers in the United States
 - d) the federal government of India and the local politicians of Bangalore
-

Use the following information to answer question 3.



3. Which of the following descriptions would be the **best fit** for the central box in the diagram above?
- a) Foundational organizations of contemporary economic globalization born out of the Bretton Woods agreements.
 - b) Foundational organizations of post World War I imperialism born out of the Paris Peace Conference.
 - c) Instruments of environmental policy design used by the unindustrialized countries of the world.
 - d) Instruments of the Allied nations used to place severe economic pressure on the Axis powers of during World War II.

Use the following statement to answer question 4 and 5.

Friedman believed that everyone would experience greater prosperity, as well as more political and social freedom, if there was less government control and freer markets. He believed that communism and socialism represented the extreme of government control. At the other extreme, he said, people were free to make their own choices with minimum of government control.

4. The statement outlining some of the beliefs of Milton Friedman **clearly expresses** a belief in which of the following concepts?
- a) nationalization
 - b) privatization
 - c) collectivization
 - d) degradation
5. Which of the following actions would *Milton Friedman* **most likely have agreed with**?
- a) The Canadian federal government buys the Talisman Oil Company and subsidizes its operations.
 - b) The Brazilian government pays farmers to plant and grow crops in deforested areas of the country.
 - c) The Norwegian government refuses to relinquish its control of 75% of the shares in Offshore Oil of Norway corporation.
 - d) The British government sells all of its assets in the British Airways corporation to a group of twenty individual business men.
-
6. By the mid-1990s, Canada, Mexico, and the United States had formally agreed to
- a) create a military alliance
 - b) establish a free trade zone
 - c) create a common currency
 - d) adopt a single North American passport

Use the following sources from your textbook to answer question 7 and 8.

SOURCE 1

Figure 10-7 The Maquiladora Zone



SOURCE 2

Figure 10-8 Advantages of Maquiladoras for Foreign-Owned Companies

Working Conditions and Costs	Advantages
Wages	Wages for assembly-line workers are much lower than in developed countries.
Work Week	The standard work week in Mexico is 48 hours, compared to 40 hours — or less — in the United States and Canada.
Costs	Government programs keep start-up costs and the overall costs of making goods lower than in developed countries.
Transportation	Being close to markets in the U.S. keeps transportation costs low and allows goods to be moved by rail or road.

7. The reality described in the sources has **most clearly** resulted from:

- a) increased tariffs.
- b) increased trade liberalization.
- c) a decrease in foreign investment.
- d) a decrease in the number of transnational corporations.

8. The main **catalyst** that led to the situation described in the sources was the:

- a) creation of NATO.
- b) nationalization of the oil industry in the United States.
- c) creation of NAFTA.
- d) privatization of internet services world wide.

9. The *World Trade Organization* is an example of

- a) an international military alliance
- b) a privately run international agency
- c) a forum for international economic cooperation
- d) an international collective security arrangement

Use the following source to answer questions 10.



10. All four headlines indicate the increasing importance of
- promoting peace
 - using collective security
 - preserving human rights
 - negotiating economic agreements
-
11. The primary goal of NAFTA is to achieve economic
- security through nationalization
 - equality through sharing technologies
 - cooperation through closer trade links
 - prosperity through global competition
12. The *Human Development Index* (HDI) and Bhutan's *Gross National Happiness* (GNH) both attempt to measure _____. They are different because the latter places importance on things like _____.

BLANK 1

BLANK 2

- | | | | |
|----|-----------------|---|----------------------|
| a) | quality of life | : | monetary wealth |
| b) | monetary wealth | : | access to healthcare |
| c) | quality of life | : | spiritual wellness |

- d) spiritual wellness : access to healthcare

Use the following source to answer questions 13 and 14.



13. Which of the following statements about the contemporary world is most strongly supported by the stories associated with these headlines?

- a) International conferences encourage national leaders to discuss important economic issues.
- b) Nations that resist new technological developments will lose competitiveness in world markets.
- c) Nations that violate human rights often face sanctions by the international community.
- d) International economic activity is increasing interdependence among nations.

14. To a supporter of internationalism, a Canadian—American trade dispute would be solved best by

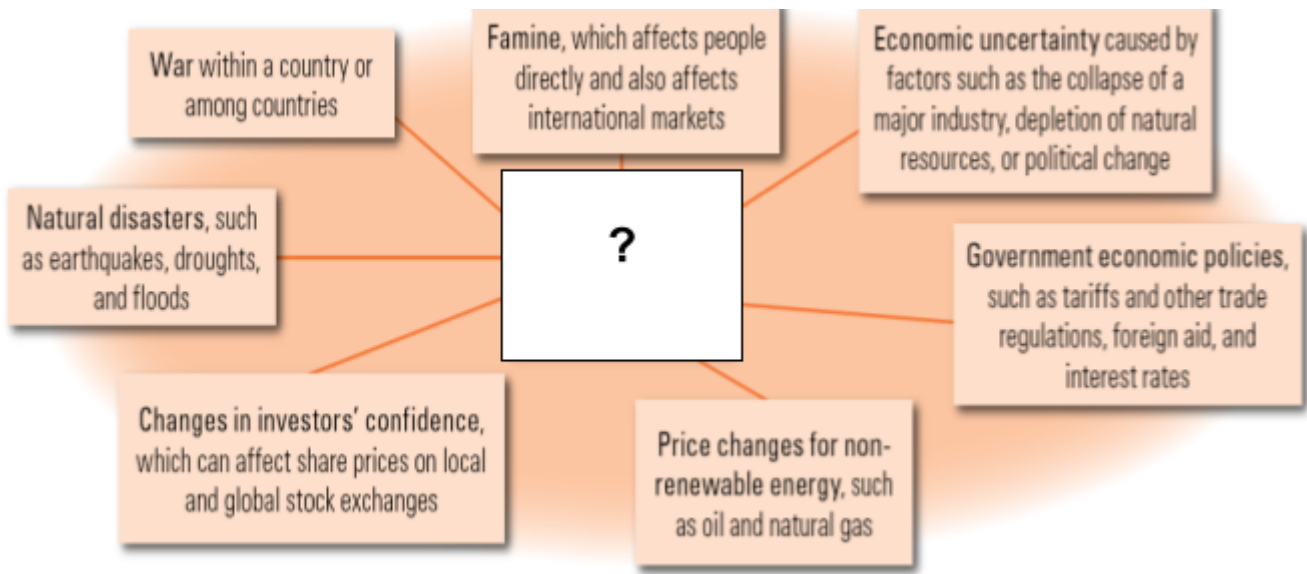
- a) an increase in tariffs and trade restrictions
 - b) a conference to negotiate a settlement
 - c) the use of confrontation and war
 - d) the use of economic sanctions
-

Use the following source to answer question 15.



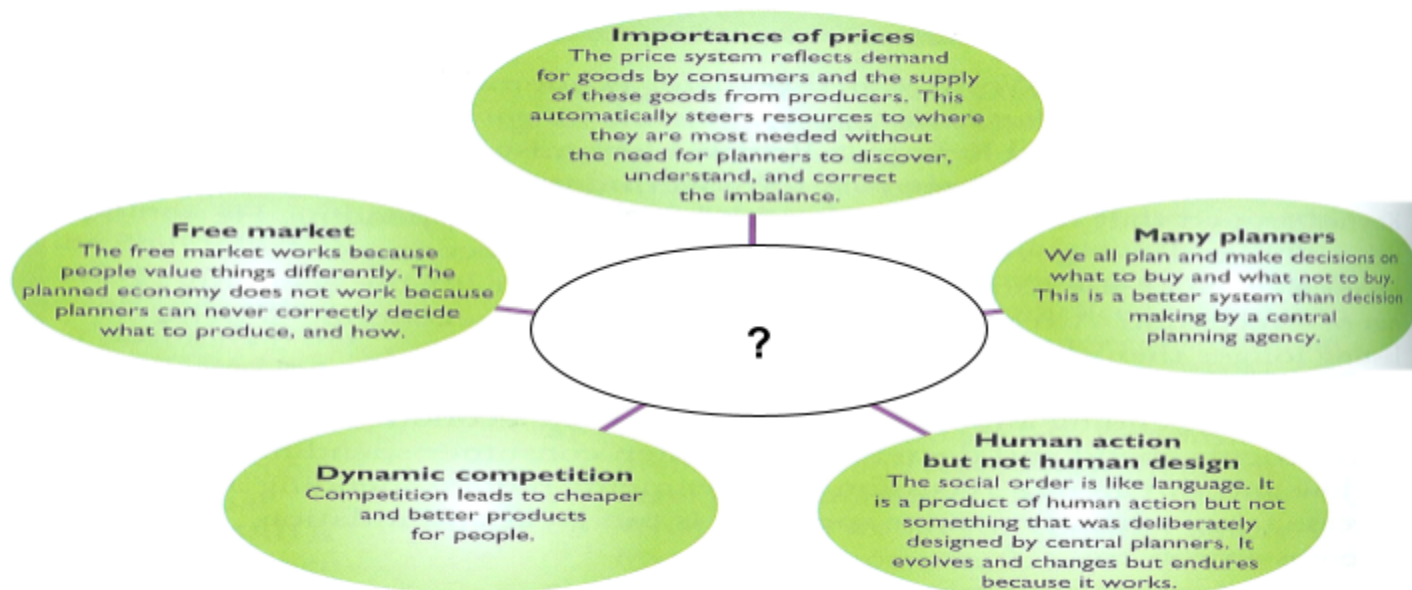
15. These Canadian protesters are most likely opposing the expansion of economic relations with
- a) France
 - b) China
 - c) Germany
 - d) the United States
-

Use the following source to answer question 16.



16. The best title for the following concept map would be:
- a) Causes of world wars
 - b) The birth of new nations
 - c) Factors affecting the global economy
 - d) Reasons for the decline in global population

Use the following source to answer question 17.



17. The ideas outlined in the concept map are most accurately associated with which individual?

- a) F.A. Hayek
- b) Dr. Breton Woods
- c) Karl Marx
- d) Vladimir Illyich Lenin

Use the following source to answer question 18.

“ At its most fundamental level, globalization is a revolution in the way goods are moved from point A to point B. ... Today, the ability to move things farther, faster, deeper, and cheaper is precisely what has allowed China to enter the global economy. And, it is precisely why express shipping has played such a special role in shaping the Chinese economy that is now emerging. It is not just making things more efficient. It is literally changing the character of the economy. ”

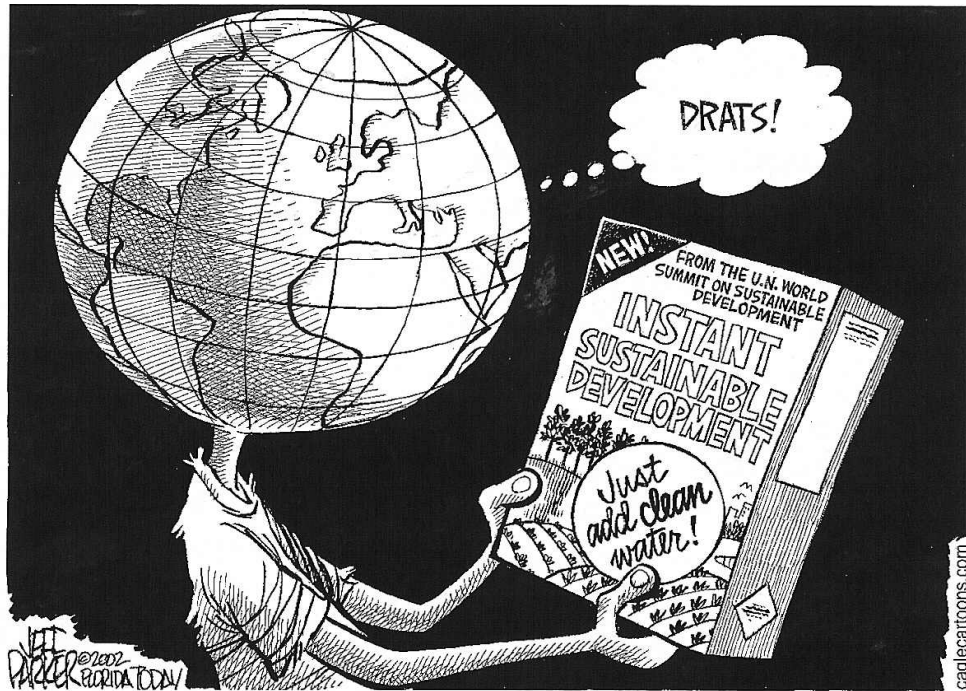
—Michael L. Ducker, executive vice-president, FedEx,
in “China–US Relations: Past, Present and Future” (speech to the
US–China Business Council, College Station, Texas, November 6, 2003),
<http://www.fedex.com/us/about/news/speeches/chinaeconomy.html?link=4>.

18. To find support for the claim outlined in the passage, you would be best served by reviewing which of the following documents?

- a) ‘The Global Sustainable Development Report’
- b) ‘Global Container Traffic Report’
- c) ‘Citizens Against Trade Liberalization - Annual Report’

d) 'Global Environmental Policy Review'

Use the following source to answer question 19.



19. The political cartoon underscores the following concern regarding *sustainable development*?

- a) Achieving sustainable development is difficult and dependent on many variables.
- b) Sustainable development can be solved only if nations like Canada play a role.
- c) Achieving sustainable development is a simple problem if there is a collective effort.
- d) Sustainable development is predominantly a problem for the poor countries of the world.

20. The 1997 international agreement that was designed to rally nations of the world around the issues of global warming and climate change is known as:

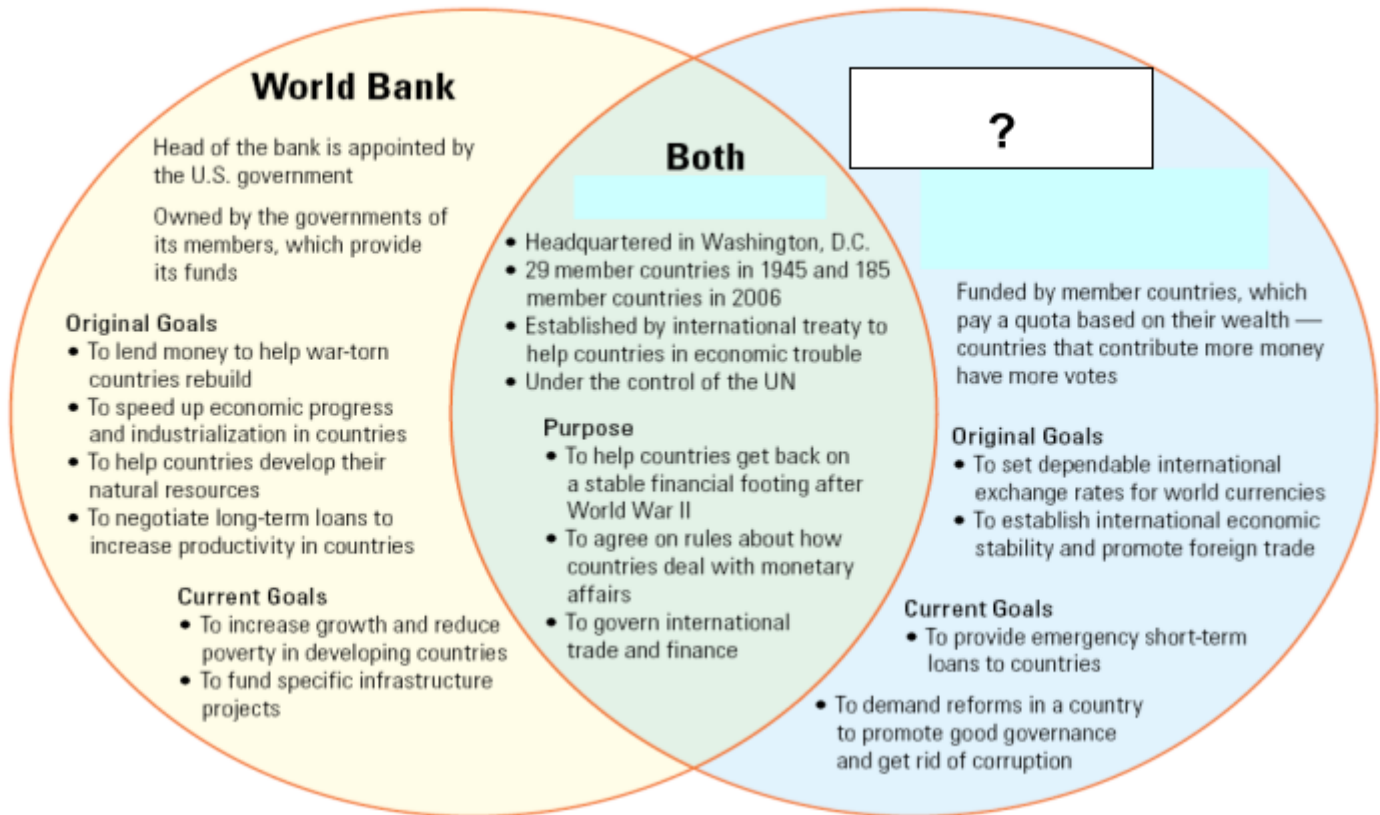
- a) The Earth Agreement
- b) The Doha Accord
- c) The Suez Accord
- d) The Kyoto Protocol

21. An opponent of expanding economic globalization would most likely argue that a *negative* effect of globalization is that it causes

- a) national governments to have less and less control over their economic policies
- b) changes in production methods that will give increased economic power to labourers
- c) the economic and political influence of large corporations to be reduced in most nations

- d) economic power shifts from the wealthy developed nations to the poorer developing nations

Use the following source to answer question 22.



22. The organization described on the right-hand side of the Venn diagram is:

- a) North American Free Trade Agreement
- b) The European Union
- c) The United Nations
- d) International Monetary Fund

Use the following source to answer question 23.

_____ is a commitment to take care of our world by ensuring that it is managed in a sustainable manner for current and future generations.

23. The term that best fits the description above would be:

- a) Environmental stewardship
- b) Nuclear non-proliferation
- c) Trade liberalization

- d) Commercial management

Use the following source to answer question 24 and 25.

SOURCE ONE

_____ is an organized social movement which promotes standards for international labor, environmentalism, and social policy in areas related to production of _____ labeled and unlabelled goods. The movement focuses in particular on exports from developing countries to developed countries. The strategic intent is to deliberately work with marginalized producers and workers in order to help them move from a position of vulnerability to security and economic self-sufficiency. It also aims at empowering them to become stakeholders in their own organizations and actively play a wider role in the global arena to achieve greater equity in international trade.

Retrieved from wikipedia.org July 28, 2007.

SOURCE TWO

_____ is a market model in which trade in goods and services between or within countries flow unhindered by government-imposed restrictions. Restrictions to trade include taxes and other legislation, such as tariff and non-tariff trade barriers

_____ can be contrasted with protectionism, which is the economic policy of restraining trade between nations, through methods such as high tariffs on imported goods, restrictive quotas, a variety of restrictive government regulations designed to discourage imports, and anti-dumping laws in an attempt to protect domestic industries in a particular nation from foreign take-over or competition.

Retrieved from wikipedia.org July 28, 2007.

24. The term that would best fit the blanks in **source one** would be?

- a) Free trade
- b) Commerce
- c) Corporatism
- d) Fair Trade

25. The term that would best fit the blanks in **source two** would be?

- a) Free trade
- b) Commerce
- c) Corporatism
- d) Fair Trade