



Foreign Trade Deals.d

- 1 International Trade on Economic Growth were first pointed out by
- 2 Marginalism led to a new theory which was called
- 3 The year of birth of the modern neoclassical theory of Economic Growth is
- 4 The endogenous economic growth models was devised by
- 5 Competitive advantage and comparative advantage will differ for China if
- 6 When a country trades according to principles of comparative advantage.
- 7 Which of the following is NOT an argument to support free trade?
- 8 The Dispute Settlement Body is comprised of how many representative/s from each member country?
- 9 A request or appeal sends the issue to an appellate board comprised of three judges drawn from a set of seven, each of whom has a _____ year term.
- 10 Advantageous trade can occur between countries if the countries _____ in their technological abilities to produce goods and services.
- 11 The theory of comparative advantage assumes two countries producing two goods using _____ as the only factor of production
- 12 In Ricardian Model it is assumed that _____ goods are produced by both countries. We assume a barter economy.
- 13 In David Ricardo's original presentation of the model, he focused exclusively on the _____ side.
- 14 John Stuart Mill introduced _____ into the model
- 15 A country has an absolute advantage in the production of a good relative to another country if it can produce the good at lower cost or with _____ productivity
- 16 A country has a comparative advantage in the production of a good if it can produce that good at a _____ opportunity cost relative to another country.





- 17) We assume a _____ economy. This means that no money is used to make transactions.
- 18) _____ cost is defined generally as the value of the next best opportunity.
- 19) Labor productivity is defined as the quantity of _____ that can be produced with a unit of labor.
- 20) Generically, the classical economists gave us an idea of the race between the increase of the population and _____, with an uncertain winner.
- 21) Labor is a mobile factor that can move between sectors, these other factors are assumed to be _____.
- 22) The production function tells us the quantity of cloth that can be produced given any input of capital and _____.
- 23) How much labor will be employed in each sector? To answer this we need to look at supply and _____ in the labor market.
- 24) The demand for labor in each sector depends on the price of _____ and the wage rate.
- 25) In _____, the wage rate is equal to the value of labor's marginal product.
- 26) In a country that cannot trade, the output of a good must equal its _____.
- 27) In the absence of _____, the economy would have to produce what it consumed, and vice versa.
- 28) Every change in a nation's economy, including technological progress, shifting consumer preferences, exhaustion of old resources and discovery of new ones, and so on, affects income _____.
- 29) It is always better to allow trade and compensate those who are hurt by it than to _____ the trade.
- 30) Movement to foreign will reduce the Home labor force and thus raise the real wage in Home, while increasing the labor force and reducing the real wage in _____.
- 31) The surplus or deficit resulting from the sum of the balance on goods and the balance on services is known as the _____.
- 32) The ultimate result of the collection of trade figures is a net total known as _____.





- 33) The objective for trade balances objective is to achieve _____ or sufficient surpluses to pay off a country's debts
- 34) A country whose balance of payments shows consistent deficits is said to be in '_____.'
- 35) A country with a _____ in its balance of payments is said to be a 'creditor nation'.
- 36) If a country incurs a deficit in its balance of payments, it is said to be a _____ because it has spent more than it has earned.
- 37) Protectionism refers to government policies that _____ international trade to help domestic industries.
- 38) A tariff is a _____ or import duty on goods or services.
- 39) Members agree to reduce or abolish trade barriers such as tariffs and quotas between themselves but retain their own individual tariffs and quotas against non-members. Such an area is called:
- 40) The L/C which can be cancelled or amended by either party is called:
- 41) The primary function for this document is as a form of quotation and it is intended to demonstrate what the final invoice will look like should the order be placed.
- 42) The seller is responsible for the goods until they 'have passed the ship's rail at the named port of shipment'.
- 43) A liners are the _____ of the shipping world
- 44) _____ operations are an area of rapid development, specializing in relatively small consignments, up to 40 Kilos, and use large networks of vehicles and aircraft to guarantee deliveries within specified time limits.
- 45) The traditional use of air for high value, _____, cargoes will always exist but there is now a clear trend towards the increased use of air transport for many other cargoes.
- 46) The _____ is the most widely used type of outer packing.
- 47) _____ are used regularly in certain trades where goods can be compressed.
- 48) Most important four categories of papers used in international trade are: transport, insurance, custom and _____.





- 49) The seller must deliver the goods alongside the vessel nominated by the buyer at the named port of shipment.
- 50) The seller arranges, and pays for, the carriage to the named port of destination and must 'place the goods at the disposal of the buyer on board the vessel at the unloading point'.
- 51) All important strategic decisions which successful companies make can be categorized into the four elements of: Price, Place, Product and _____.
- 52) A selective and controlled market _____ policy will decrease the company's dependence on, for example, its home market.
- 53) The two basic reasons for market research, that is market selection and _____.
- 54) Ps of marketing are also called:
- 55) Data coming from Trade Associations, Banks, Market Research etis also called
- 56) All exporters must accept the fact that most successful products are _____ for sale in overseas markets.
- 57) _____ as an element of the marketing mix, may be designed to do more than just maximize profit.
- 58) It is often necessary to create a _____ theme to generate wide spread use.
- 59) Successful face to face selling in overseas markets requires a clear perception of the needs of the _____.
- 60) _____ Includes a wide variety of activities, other than advertising, publicity and personal selling.
- 61) _____ is the term that reflects the interaction between the economic system and the political system.
- 62) In a representative _____, government officials are entrusted to take actions that are in the interests of their constituents.
- 63) _____ occurs when a person uses his leisure time to petition or inform government officials of his point of view.
- 64) Professional lobbying occurs when an individual or company is hired by someone to advocate a point of view before the _____.
- 65) In a democratic society, governments are called on to take actions that are in the interests of their _____.





- 66) Improvements in production efficiency mean that countries can _____ more goods and services with the same amount of resources.
- 67) In the presence of market imperfections or distortions, selected protection can often raise a country's national _____.
- 68) The theory shows that when private markets have market imperfections or distortions present, it is possible to add another distortion, such as a trade policy, and improve economic efficiency both domestically and worldwide.
- 69) In democratic societies, government representatives and officials are meant to carry out the wishes of the _____.
- 70) One of the problems with using some types of selected protection arises because of the possibility of retaliation by other countries using _____ policies.
- 71) Any situation that deviates from the explicit or implicit assumptions of perfect competition leads to market _____.
- 72) A _____ consists of two firms operating in a market.
- 73) Large importing countries and large exporting countries have a market _____ present.
- 74) _____ production externalities occur when production has a beneficial effect in other markets in the economy.
- 75) _____ consumption externalities occur when consumption has a beneficial effect in other markets in the economy.
- 76) A first-best equilibrium occurs in a perfectly competitive market when _____ imperfections or distortions are present.
- 77) A second-best equilibrium arises whenever a market includes one or more _____.
- 78) With a laissez-faire policy, the resulting equilibrium would be called _____.
- 79) An economic rationale for government _____ in the private market arises whenever there are uncorrected market imperfections or distortions..
- 80) Trade policies, like tariffs or export taxes, are designed to directly affect the flow of goods and services between _____.

