

## Multiple Choice

Place the letter of the correct answer to each question on the line provided.

- \_\_\_\_\_ 1. Which is *not* a benefit of exporting?  
A. Reduce legal documents  
B. Realize potential new markets  
C. Increase profits  
D. Generate jobs
- \_\_\_\_\_ 2. An absolute advantage exists when a country can produce goods more efficiently than \_\_\_\_\_.  
A. the previous year  
B. average  
C. with a floating currency  
D. another country
- \_\_\_\_\_ 3. Balance of trade is \_\_\_\_\_.  
A. exports plus imports  
B. exports minus imports  
C. exports minus tariffs  
D. the same as the balance of payments
- \_\_\_\_\_ 4. Most currencies today are \_\_\_\_\_.  
A. fixed  
B. restricted  
C. floating  
D. not influenced by economic factors
- \_\_\_\_\_ 5. Which of the following is *not* a trade barrier?  
A. Embargo  
B. Bloc  
C. Tariff  
D. Quota
- \_\_\_\_\_ 6. A group of countries that have reduced or eliminated trade barriers among themselves is a(n) \_\_\_\_\_.  
A. free-trade zone  
B. free-travel zone  
C. mutual trade area  
D. embargo zone
- \_\_\_\_\_ 7. The \_\_\_\_\_ for international shipping is more complex compared to domestic shipping.  
A. packaging  
B. logistics  
C. absolute advantage  
D. trade agreement
- \_\_\_\_\_ 8. Which of the following is *not* a business option to enter a foreign market?  
A. Licensing  
B. Franchising  
C. Comparative trade  
D. Joint venture

Name \_\_\_\_\_

- \_\_\_\_\_ 9. The person or company that buys the rights to sell another company's goods or services in a specific area is a(n) \_\_\_\_\_.  
A. franchise  
B. franchisor  
C. franchisee  
D. joint venture partner
- \_\_\_\_\_ 10. Someone who translates a conversation between individuals who do not speak the same language is a(n) \_\_\_\_\_.  
A. interrogator  
B. interloper  
C. interoffice liaison  
D. interpreter

## Completion

*In the space provided, write the word(s) that best completes each of the following statements.*

- \_\_\_\_\_ 1. \_\_\_\_\_ is the shared beliefs, customs, practice, and social behavior of a particular group or nation.
- \_\_\_\_\_ 2. The buying and selling of goods and services across national borders is \_\_\_\_\_.
- \_\_\_\_\_ 3. The total amount of money that comes into a country, minus the total amount of money that goes out for a specific period of time is the \_\_\_\_\_.
- \_\_\_\_\_ 4. The cost to convert one currency into another is the \_\_\_\_\_.
- \_\_\_\_\_ 5. The body of laws related to the exchange of goods and services for international trade is called \_\_\_\_\_.
- \_\_\_\_\_ 6. An embargo that affects only certain goods is a(n) \_\_\_\_\_.
- \_\_\_\_\_ 7. The North American Free Trade Agreement (NAFTA) is a trade agreement between the United States, Canada, and \_\_\_\_\_.
- \_\_\_\_\_ 8. \_\_\_\_\_ is having people from different backgrounds, cultures, or demographics coming together in a group.
- \_\_\_\_\_ 9. The process of sending and receiving messages between people of various cultures is \_\_\_\_\_.
- \_\_\_\_\_ 10. A business that operates in more than one country is a \_\_\_\_\_.