

**1. Development (social vs. economic)**

1. According to the Human Development Index (HDI) which of the following would be considered a social measurement of development?

- A) **Literacy rate.**
- B) Gross Domestic Product (GDP).
- C) Energy production per capita.
- D) Birth rate.
- E) Life expectancy.

2. Which of the following demographic characteristics of development would **not** be typical of a less developed country in 2008?

- A) **Low Crude Birth Rate (CBR).**
- B) Life expectancy of only 60 years.
- C) Natural increase of less than 2%.
- D) Twenty-five percent of the population below age 15.
- E) High infant mortality rate of 57 deaths per 1000 births.

**2. Sectors of the economy (primary, secondary, and tertiary)**

3. The Great Big Tennis Shoe Company makes its shoes with leather from a company in Argentina, the shoelaces and thread come from companies in the United States, and the rubber for the soles from Indonesia. The shoes are assembled in factories in China and the shoes are ultimately sold in Europe and the United States. All of the following factors help explain why this global assembly line process occurs **except**

- A) improvements in data communication.
- B) relatively low transportation costs due to containerization.
- C) **decreasing incomes in the developed regions of the world**
- D) relatively low labor costs in different regions of the world.
- E) the durability of the good being processed.

4. Which of the following countries in 2008 has the largest percent of its workforce engaged in the tertiary or service sector?

- A) Peru.
- B) Nigeria.
- C) China.
- D) Egypt.
- E) **Germany.**

5. A peasant in rural China is most likely employed in which sector of the economy?

- A) **Primary.**
- B) Quaternary.
- C) Quinary.
- D) Secondary.
- E) Tertiary.

**3. Sectors of the economy (trends and implications)**

6. Which set of data best describes the overall structure of a highly developed country's workforce in 2008 (% of workforce engaged in each sector)?
- A) Primary 75%, secondary 15%, tertiary 10%.
  - B) Primary 25%, secondary 50%, tertiary 25%.
  - C) Primary 10%, secondary 30%, tertiary 60%.**
  - D) Primary 50%, secondary 25%, tertiary 25%.
  - E) Primary 33%, secondary 33%, tertiary 34%.
7. On a global scale, in which of the following sectors do most people work?
- A) Primary.**
  - B) Secondary.
  - C) Quaternary.
  - D) Quinary.
  - E) Tertiary.
8. In the countries of China, Vietnam and India which of the following sectors of the economy is losing the most people?
- A) Primary.**
  - B) Secondary.
  - C) Quaternary.
  - D) Quinary.
  - E) Tertiary.
9. The largest sector of the economy in Postindustrial countries is
- A) primary.
  - B) secondary.
  - C) quaternary.
  - D) quinary.
  - E) tertiary.**
10. Which of the following economic sectors is least likely to occur in the **core area** of a country?
- A) Primary.**
  - B) Secondary.
  - C) Quaternary.
  - D) Quinary.
  - E) Tertiary.

#### 4. Geographic distribution of the sectors of the economy

11. Using a global scale, which of the following regions would **not** be considered a major manufacturing region during the 20<sup>th</sup> century?

- A) Eastern China.
- B) Northeast United States.
- C) Western Europe.
- D) Southern India.**
- E) Eastern Europe.

12. Which of the following factors does **not** help explain why steel manufacturing facilities in the United States have increasingly been located in a coastal city location?

- A) The decreasing cost of transporting iron ore.
- B) Scrap metal is widely available in city locales.
- C) A large demand for steel exists in large coastal cities around the world.
- D) Cheap sources of iron ore from foreign countries.
- E) There is a shortage of iron ore in the interior United States.**

13. Which of the following factors helps to explain why automobile manufacturing facilities are being built in the Southern United States as opposed to the traditional locations of Michigan and other states in the Midwest?

- A) Increasing cost of automobile maintenance.
- B) Workers in the South are less likely to join a union.**
- C) Increasing competition from cars produced in China.
- D) The largest population clusters in the US are in the South.
- E) Hybrid technology exists in greater supplies in the South than other regions of the US.

14. Which of the following cities is the highest order financial center?

- A) Singapore.
- B) London.**
- C) Sidney.
- D) Lagos.
- E) Chicago.

15. Which of the following regions is not considered a major agglomeration of high technology development?

- A) Northern California.
- B) Bangalore, India.
- C) Dallas and Austin, Texas.
- D) Beijing, China.
- E) Athens, Greece.**

16. Which of the following is **not** a locational tendency of high tech industries?

- A) Proximity to a major university.
- B) Access to venture capital and entrepreneurs.
- C) Areas with high quality of life reputations.
- D) Inner-city, downtown locations close to central business districts.**
- E) Availability of high quality communication and transportation facilities.

**5. Global trends with respect to sectors of the economy**

17. Which of the following best describes the overall global trend in agriculture?

- A) The percent of people working in agriculture is declining and the productivity of farming is decreasing.
- B) The percent of people working in agriculture is declining and the productivity of farming is increasing.**
- C) The percent of people working in agriculture is increasing
- D) The percent of people working in agriculture is increasing and productivity of farming is decreasing.
- E) The percent of people working in agriculture is increasing and productivity of farming is increasing.

18. Many United States high tech companies have been outsourcing many of their technical support and other tertiary jobs to which of the following countries?

- A) India**
- B) China
- C) South Africa
- D) Saudi Arabia
- E) Germany

**6. Categories of wealth (More Developed Countries (MDC) vs. Least Developed Countries (LDC))**

19. Applying the Core-Periphery model, which of the following best describes the classification of South Korea, Taiwan and Singapore?

- A) Core.
- B) Downward transition.
- C) Periphery.
- D) Resource frontier.
- E) Semi-periphery.**

20. Which of the following is typically **not** a characteristic of less developed countries?

- A) Extreme disparities in income exist between rich and poor.
- B) An increasing percentage of the population living in cities.
- C) Large portions of the population engaged in agricultural activity.
- D) Large portions of the population are highly skilled and educated.**
- E) The standard of living has generally been rising.

**7. Types of economic systems (planned, market, and mixed)**

21. Which of the following is an economic system with relatively simple technology on which people produce most or all of the goods to satisfy their family's needs?

- A) Capitalist.
- B) Mixed.
- C) Planned.
- D) Subsistence.**
- E) Market.

**8. Subsistence economies**

22. Which of the following regions gets the highest percentage of its Gross Domestic Product (GDP) from agriculture?

- A) Central America.
- B) Central Africa.**
- C) Western Europe.
- D) Australia.
- E) South America.

23. Which of the following regions has the highest concentration of a subsistent economic system?

- A) Central America.
- B) Central Africa.**
- C) Western Europe.
- D) Australia.
- E) South America.

**9. The Industrial Revolution (definition, origin, growth, and diffusion)**

24. Which of the following regions accounted for nearly 80% of the industrial output of the early 1800s Industrial Revolution?

- A) Western Europe.**
- B) Eastern China.
- C) Unites States.
- D) Australia.
- E) South America.

25. During the 1800s Industrial Revolution, the most important fuel source for manufacturing was

- A) oil.
- B) coal.**
- C) nuclear.
- D) hydro-electric.
- E) solar.

26. Which of the following is considered the place of origin of the Industrial Revolution?

- A) **United Kingdom.**
- B) France.
- C) United States.
- D) Belgium.
- E) Germany.

27. All of the following descriptions explain in part the diffusion of the Industrial Revolution **except**

- A) Hierarchical diffusion - The British Empire spread industrial concepts throughout many world cities and regions.
- B) Contagious diffusion – manufacturing ideas and concepts spread from England to nearby European countries.
- C) Stimulus diffusion – Many American and European companies modified ideas and concepts from England and created new ways of manufacturing.
- D) **Reverse hierarchical – manufacturing ideas and concepts from the outlying rural areas of the British Empire spread back to England and stimulated the Industrial Revolution.**
- E) Diffused to areas with common locational factors including the availability of coal, access to a water port, proximity to a labor supply and available capital.

#### **10. Manufacturing regions of the world**

28. Which of the following countries is **not** a major producer of steel?

- A) China.
- B) Japan.
- C) United States.
- D) South Korea.
- E) **Nigeria.**

29. Which of the following American cities is not located in a major manufacturing region?

- A) New York.
- B) Chicago.
- C) Atlanta.
- D) Seattle.
- E) **Miami.**

30. Which of the following does **not** accurately depict the location characteristics of manufacturing in Russia?

- A) Generally concentrated in the western portions of Russia.
- B) Located along transportation routes, especially railroads.
- C) The Ural Mountains vast amount of natural resources both supply and fuel factories with materials necessary to manufacture goods.
- D) The vast amount of fast moving rivers and large population create an agglomeration of industries near Lake Baykal.**
- E) A large manufacturing area is concentrated near Moscow because of its market, transportation connections, and its centrality.

31. Which of the following areas is **not** considered a large manufacturing region in China?

- A) Hong Kong – Guangdong – Southern.
- B) Shanghai – Chang – East.
- C) Beijing – North.
- D) Lhasa – Tibet – West.**
- E) Shenyang – Northeast.

32. Which of the following areas is considered a peripheral region within China?

- A) Hong Kong – Guangdong – Southern.
- B) Shanghai – Chang – East.
- C) Beijing – Northern.
- D) Lhasa – Tibet – West.**
- E) Shenyang – Northeast.

33. Which of the following best explains why many companies continue to locate factories in traditional manufacturing regions like the northeast United States and Western Europe?

- A) Low labor costs and loose environmental laws.
- B) Large pool of skilled labor and quick delivery to large markets.**
- C) Stable government and low labor costs.
- D) Weak unions and stringent environmental laws.
- E) Decreasing global transportation costs and rising labor costs in China.

### **11. Change in the geographic distribution of manufacturing regions within a country and worldwide**

34. Which of the following industries is most likely to outsource jobs to another country because of slight increases in labor costs?

- A) Steel manufacturing.
- B) Automobile assembly plant.
- C) Textile plant.**
- D) High-tech research facility.
- E) Milk dairy.

35. Which of the following situational factors best explains why automobile manufacturing and assembly plants continue to locate in the interior United States?
- A) Lower labor costs than in coastal locations with strong environmental laws.
  - B) Relatively less expensive site costs and quick delivery to large markets.**
  - C) Weight gain industries can locate further from their market area.
  - D) Weak unions and stringent environmental laws.
  - E) Decreasing global transportation costs and rising labor costs in China.
36. Which of the following factors does **not** explain why automobile manufacturing and assembly plants continue to close or relocate facilities in the northern United States?
- A) Lower labor costs in other U.S. regions.
  - B) Cars are increasingly made with plastic and aluminum materials, which changes the optimal location of assembly plants.
  - C) The United States population center continues to migrate south and west thereby increasing the transportation costs of production in the north.
  - D) Weak unions in the north and shortage of skilled labor.**
  - E) Increasing competition from international companies locating plants in the United States.

## **12. Connection between industrialization and the Demographic Transition Model (DTM)**

37. Which stage of the classic Demographic Transition Model (DTM) is most associated with the industrialization of a country's economy?
- A) Stage I.
  - B) Stage II.
  - C) Stage III.**
  - D) Stage IV.
  - E) Stage V.
38. The industrialization of a country's economy often has which the following large-scale effects on a country's demographic patterns?
- A) People migrate from the cities into rural areas seeking new jobs in the primary sector. This migration leads to a decrease in death rate for the country.
  - B) Individuals migrate to new industrial or urban areas in search of jobs. Over time the death rate increases for the country because of the high risk jobs.
  - C) Families migrate to cities seeking jobs in the secondary sector and because of the increased wages, birth rate increases for the country.
  - D) Mechanized farming replaces many labor-intensive jobs, inducing people to move to new industrial and urban areas. Over time, the country's birth rate decreases as the country industrializes.**
  - E) Industrialization has very little effect on the migration of a country's population but does have the dramatic effect of increasing the death rate.

### 13. Industry before the Industrial Revolution (cottage)

39. Prior to the Industrial Revolution, which of the following best describes manufacturing?
- A) Large factories located in cities were owned by corporations.
  - B) Multinational corporations create a global assembly line of production.
  - C) Individual families produced goods by hand or on individual spinning wheels.**
  - D) Mechanized assembly line with workers monitoring the quality of the product.
  - E) Manufacturing did not exist prior to the Industrial Revolution.

### 14. Fordism

40. Which of the following descriptions is least accurate?
- A) Post-Fordist workers often work on equal terms and conditions with managers.
  - B) Fordist production requires mainly low skill labor.
  - C) Post-Fordist production plants often produce a greater variety of goods that meet the needs of niche markets.
  - D) Fordist production workers often perform a specific specialized task over and over on the line.
  - E) Post-Fordist production emphasizes the importance of classical economic theory as measured in distance cost as opposed to time cost.**

### 15. Distribution of fossil fuels and the implications

41. Which of the following regions has the largest percent of the world's petroleum reserves?
- A) Southeast Asia.
  - B) Eastern Europe.
  - C) Central America.
  - D) Southwest Asia.**
  - E) North America.
42. All of the following are true of fossil fuels **except**
- A) they are distributed unevenly around the globe.
  - B) the supply of fossil fuels is finite.
  - C) wealthy countries consume greater amounts of fossil fuels than poorer countries.
  - D) the wealthiest countries have the greatest deposits of fossil fuels.**
  - E) the cost of fossil fuels will likely rise as global demand increases and reserves decline.

### 16. New technologies and implications

43. Computer technical support jobs are increasingly being outsourced to India for all of the following reasons **except**

- A) large English speaking population in India.
- B) strong telecommunications infrastructure in parts of India.
- C) lower wages for workers than the United States.
- D) poor training of high-tech students in the United States.**
- E) increasing population of high skilled labor in India.

44. Computer technical support jobs are increasingly being outsourced to India, because of improvements in telecommunication technology. Which term best exemplifies this trend?

- A) Space-time compression.**
- B) Agglomeration.
- C) Absolute distance.
- D) Multiplier effect.
- E) Non-governmental organizations (NGO).

### 17. Location and distribution of economic cores and peripheries

45. Based on the concept of Wallerstein's world-systems analysis, which of the following countries best fits the description of semi-periphery in the early 21<sup>st</sup> century?

- A) Afghanistan.
- B) China.**
- C) Cuba.
- D) Germany.
- E) Nigeria.

46. Based on the concept of Wallerstein's world-systems analysis, which of the following countries best fits the description of core in the early 21<sup>st</sup> century?

- A) Afghanistan.
- B) China.
- C) Cuba.
- D) Germany.**
- E) Nigeria.

47. Based on the concept of core-periphery relationships, which of the following regions of the United States best fits the description of periphery in the early 21<sup>st</sup> century?

- A) Alaska.**
- B) Colorado.
- C) New York.
- D) California.
- E) Illinois.

48. Based on the concept of core-periphery relationships, which of the following regions of Europe best fits the description of periphery in the early 21<sup>st</sup> century?

- A) United Kingdom.
- B) France.
- C) Germany.
- D) Spain.**
- E) Netherlands.

### 18. Core/periphery model

49. According to Wallerstein's world-systems analysis, which of the following is the eventual outcome of the theory?

- A) Permanent division of wealthy core countries and poor periphery countries.
- B) Creation of one giant super core with the rest of the world as a periphery.
- C) Evolution towards multiple cores that exchange goods, services and resources.**
- D) Current system of cores and periphery exists with the periphery becoming increasingly financially dependent on the core.
- E) Devolution of core, replaced by multiple semi-periphery regions supported by the resources of nearby periphery regions.

### 19. Evolution of development schools of thought

50. Which of the following development schools of thought advocates that countries proceed through progressive stages of economic structural change? Less developed countries should follow the path that Western Europe and North America took during the Industrial Revolution.

- A) Core-periphery.
- B) Dependency.
- C) Modernization.**
- D) Neoliberal Counterrevolution.
- E) Sustainable Development.

51. Which of the following development schools of thought advocates that the dynamic between highly developed and developing countries, permanently keeps less developed countries at an economic disadvantage?

- A) Appropriation.
- B) Dependency.**
- C) Modernization.
- D) Neoliberal Counterrevolution.
- E) Sustainable Development.

52. Which of the following development schools of thought advocates the best strategies for development are the use of micro loans for women and the poor, small-scale community based projects, and resource conservation?

- A) Appropriation.
- B) Dependency.
- C) Modernization.
- D) Neoliberal Counterrevolution.
- E) Sustainable Development.**

53. Which of the following development schools of thought followed by the Chinese in the 1980's advocates that counties who wish to improve their economy should privatize industries, encourage foreign investment and move towards free trade?

- A) Appropriation.
- B) Dependency.
- C) Modernization.
- D) Neoliberal Counterrevolution.**
- E) Sustainable Development.

## **20. Regional disparities in wealth: United States, Europe, and Latin America**

54. Based on a Harvard Institute study, which attempted to quantify differences in national economic development. Which of the following set of factors are common in highly developed countries of the world?

- A) Low latitude ecological zones and peripheral global locations.
- B) Low latitude ecological zones, peripheral global locations, and rules of law that prohibit corruption and breach of contract.
- C) Large and expanding population, rules of law that prohibit corruption and breach of contract, and market based economies.
- D) Low latitude ecological zones, rules of law that prohibit corruption and breach of contract, and market based economies.
- E) Rules of law that prohibit corruption and breach of contract, and market based economies.**

55. Not all regions of a country will develop at the same rate or reap the benefits of a country's economic development. Which of the following does **not** explain why Western China has not developed as quickly as Eastern China?

- A) Eastern China is better situated to take advantage of the global trade economy.
- B) Western China lacks resources used for manufacturing.**
- C) Greater political power is located in Eastern China.
- D) Larger labor supplies can be found in the east.
- E) Western China's physical geography creates more challenges for transportation, agriculture and industry than in Eastern China.

### 21. Alfred Weber and least cost theory

56. Which of the following industries would most likely be market oriented?
- A) **Windshields.**
  - B) Threshing wheat.
  - C) Copper smelting.
  - D) French fry production.
  - E) Fish processing.
57. Which of the following industries would most likely be resource oriented?
- A) Making concrete.
  - B) Fresh baked bread.
  - C) **Paper production.**
  - D) Bottling soft drinks.
  - E) Airplane production.
58. Weber's least cost location theory uses all of the following factors to determine optimum location of a manufacturing facility **except**
- A) labor cost.
  - B) transportation cost.
  - C) agglomeration effects.
  - D) relative location of resources and markets.
  - E) **global division of labor.**

### 22. Comparative costs of transportation systems

59. Which of the following forms of transportation would be most effective in delivering coal from a mine in Casper, Wyoming to a plant creating electricity in Houston, Texas?
- A) Airplane.
  - B) Truck.
  - C) **Railroad.**
  - D) Pipeline.
  - E) Intermodal containers.
60. The most important transportation improvement of the late 20<sup>th</sup> and early 21<sup>st</sup> century impacting international trade is
- A) increased speed and efficiency of airplanes.
  - B) **improvements in intermodal containerization.**
  - C) decreased reliance on transportation using fossil fuels.
  - D) improved major highway systems in United States and Europe.
  - E) faster and more efficient trains in Europe and the United States.

**23. Bulk gaining vs. bulk reducing industries (examples and applications)**

61. Which of the following is the best example of a bulk reducing industry?  
A) Automobile assembly.  
**B) Copper mining.**  
C) Toy manufacturing.  
D) Doctor.  
E) Soft-drink bottling.
62. Which of the following is the **best** example of a bulk gaining industry?  
A) Paper production.  
B) Copper mining.  
C) Data-processing.  
D) Medical equipment plant.  
**E) Automobile assembly.**
63. Based on classical optimal location theory, which of the following best describes the lowest cost location in the bulk gaining industry of soft-drink bottling?  
**A) Water and glass are ubiquitous but heavy so production should be relatively close to the market in order to reduce transportation costs.**  
B) Soft-drinks should be bottled in a few locations in close proximity to syrup production in order to maintain control of the taste. Proximity to market relative to product control is not as important of a cost factor.  
C) Bottling should occur in less developed countries because of low labor costs and declining transportation costs.  
D) Since bottling soft-drinks is a technology intensive process the bottling should occur in the city or region with the most skilled labor.  
E) Bottling processes should be located in rural locations because mechanized farming is displacing farm workers.

**24. Site factors of industrial location**

64. In the context of industrial location, which of the following best describes the concept of site?  
**A) The unique characteristics of a location including the factors of labor, capital and land.**  
B) The location of an industry in relation to other industries.  
C) A force that attracts industries to a specific location.  
D) An area with advanced technology and culture.  
E) The number of jobs that an industry will create in a region.

### 25. Situational factors of industrial location

65. In the context of industrial location, which of the following best describes the concept of situation?

- A) The number of jobs that an industry will create in a region.
- B) The location of an industry in relation to other industries.
- C) A force that attracts industries to a specific location.
- D) An area with advanced technology and culture.
- E) The location of an industry in relation to resources used in production including its market.**

66. Which of the following statements is most true today relating to the situational factors of business?

- A) Situational factors of the 21<sup>st</sup> century are essentially the same as the 20<sup>th</sup> century.
- B) Changes in transportation, manufacturing techniques and markets have changed situational considerations in the 21<sup>st</sup> century.**
- C) While situational factors are important, the overall global economy is the most important factor in industry today.
- D) The situational factors for different industries vary little between industries.
- E) Changes in technology put all industries and jobs in a country at risk of being out-sourced overseas.

67. A clustering of rubber tire and windshield producers near automobile assembly plants is **best** explained by the benefits of

- A) productivity.
- B) range.
- C) agglomeration.**
- D) space-time compression.
- E) deglommeration.

### 26. Development strategies (national, regional, and local)

68. A community is considering providing incentives to attract new industries. Which of the following industries would have the largest multiplier effect?

- A) Call center for international company.
- B) Retail mall.
- C) Auto sales lot.
- D) Regional soft-drink bottling facility.**
- E) Local medical clinic.

69. Which of the following development strategies would be consistent with Rostow's preconditions for take off stage?

- A) **Build hydroelectric dam and roads.**
- B) Debt reduction in order to increase income and currency stability.
- C) Increase international trade of manufactured goods.
- D) Increase tariffs on trade in order to keep out competition.
- E) Exploit comparative advantage by trading with poorer countries.

70. This development strategy encourages countries to spread its investments equally across all sectors of its economy and regions, encourages high tariffs and measures to protect new emerging industries. The main goal is to reduce poverty.

- A) Rostow Modernization Theory.
- B) Sustainable Development.
- C) **Self-Sufficiency.**
- D) Devolution.
- E) Gravity Model.

### **27. The Human Development Index (HDI)**

71. The Human Development Index (HDI) was derived with which of the following purposes in mind?

- A) Create a method of measuring development that focuses on the economic elements of income and Gross Domestic Product (GDP).
- B) **Create a method of measuring development that attempts to include social and economic elements.**
- C) Create a method of measuring development that focuses on social elements of literacy and politics.
- D) Create a method of measuring development that includes all elements of development.
- E) Create a completely objective ranking of countries based on economic conditions within a country.

### **28. Geographic distribution of the Human Development Index (HDI)**

72. The Human Development Index (HDI) uses four statistical measurements. Which of the following lists are statistics used to measure the HDI?

- A) Gross National Product (GNP), growth rate, Natural Increase Rate (NIR), and literacy.
- B) Purchasing power, access to safe drinking water, Crude Birth Rate (CBR), and type of government.
- C) Gross Domestic Product (GDP) per capita, life expectancy, literacy rate, and HIV infections per capita.
- D) **Per capita Gross Domestic Product (GDP), life expectancy, literacy rate, and average years of education.**
- E) Gross Domestic Product (GDP) per capita, infant mortality, literacy rate, and natural increase.

73. Which of the following regions has the lowest overall Human Development Index (HDI) ranking?

- A) **Sub-Saharan Africa.**
- B) Latin America.
- C) East Asia.
- D) East Europe.
- E) Middle East.

74. Which of the following countries has the highest overall Human Development Index (HDI) ranking?

- A) Democratic Republic of the Congo.
- B) **Argentina.**
- C) China.
- D) Egypt.
- E) India.

### **29. The north/south split**

75. What was the name of the report in 1980 that created a map showing the relative wealth of the countries north of the line compared to the countries south of the line?

- A) UN Report on Human Development
- B) International Law of the Sea and its Effects.
- C) **Brandt Report.**
- D) CIA Fact-book Report on Development.
- E) Cairo Conference Report on Population Impacts.

76. The North/South split of development as shown by the Brandt line generally asserts what factor?

- A) Northern countries are poorer than Southern countries.
- B) Western countries have greater influence and power than Eastern countries.
- C) **Northern countries are wealthier than southern countries.**
- D) At one point in history northern and southern countries were very similar in development but because of political differences each region proceeded differently.
- E) Political theory explains why Sub-Saharan Africa is politically unstable.

### **30. Changes in the geographic distribution of wealth**

77. Which of the following regions in the late 20<sup>th</sup> and early 21<sup>st</sup> century had the largest increases in GDP per capita?

- A) Western Europe.
- B) Eastern Europe.
- C) **East Asia.**
- D) South Africa.
- E) Middle East.

78. Which of the following cities in the Middle East during the late 20<sup>th</sup> and early 21<sup>st</sup> century became a center for capital, banking and international trade?

- A) Cairo.
- B) Baghdad.
- C) Mecca.
- D) Dubai.**
- E) Tehran.

### 31. Growth poles

79. What is the term for places of economic activity deliberately organized around one or more high growth industries?

- A) Industrialization.
- B) Core.
- C) Growth pole.**
- D) Conurbation.
- E) Heartland Theory.

80. Which of the following are considered propulsive industries for the United States in the 21<sup>st</sup> century?

- A) Agriculture.
- B) Biotechnology.**
- C) Banking/finance.
- D) Steel production.
- E) Ship building.

### 32. Gross Domestic Product (GDP) vs Gross National Product (GNP) per capita

81. Which of the following is the best definition of Gross Domestic Product (GDP)?

- A) The value of all goods and service produced within a country in a given year.**
- B) The value of all goods and service that the citizens of a county produced in a given year regardless of where they live.
- C) The income earned by a country's people.
- D) Total household, business and government income minus taxes.
- E) The value of a country's exports minus their imports.

82. Which of the following is the best definition of Gross National Product (GNP)?

- A) The value of all goods and service produced within a country in a given year.
- B) The value of all goods and service that the citizens of a county produced in a given year regardless of where they live.**
- C) The income earned by a country's people.
- D) Total household, business and government income minus taxes.
- E) The value of a country's exports minus their imports.

### 33. Variations of wealth within regions

83. When economic development within a country occurs not all regions of a country or region will benefit equally; in fact some regions may be negatively affected by another region's development. Which of the following terms best describes this negative situation?

- A) Animate power.
- B) Gravity Model.
- C) Filtering effects.
- D) Backwash effects.**
- E) Potential reserve.

### 34. W. W. Rostow's model

84. Rostow's economic development model indicates that before high level economic development can occur,

- A) countries must have extensive resources and part of the world's free market economy.
- B) countries must develop industries that are sustainable and do not negatively affect the environment.
- C) primary sector employment must decrease and agricultural output increase.
- D) countries must receive foreign aid or investment in large quantities in order to achieve large-scale technology transfer.
- E) countries must pass through predictable and sequential stages.**

85. Which of the following is the last stage of development of Rostow's model?

- A) Drive to Maturity.
- B) High Mass Consumption.**
- C) Preconditions for Take-off.
- D) Take-off.
- E) Traditional Society.

### 35. Changing geography of jobs (textiles & automobiles)

86. The textile industry in the United States has been more susceptible to out-sourcing than has the automobile assembly industry for which of the following reasons?

- A) Auto assembly is more of a market-oriented industry and textiles are cheaper to transport than cars.
- B) Textiles are cheaper to transport than cars and stronger worker laws are common in less developed countries.
- C) Auto assembly is more of a market-oriented industry, textiles are cheaper to transport than cars, and low cost, low skill labor is often available overseas.**
- D) Available low cost, low skill labor overseas, stronger worker laws in less developed countries, and lack of workers in US willing to work in textile industry contribute to the out-sourcing.
- E) Textiles are cheaper to transport than cars, available low cost, low skill labor overseas, and stronger worker laws in less developed countries make it easier.

### 36. Just-in-time manufacturing

87. Just-in-time manufacturing has had which of the following impacts on the locational factors of production?

- A) Requires larger sites in order to store the parts before assembly.
- B) Allows companies to locate further away from other producers thereby lowering land costs.
- C) Reinforces agglomeration of related industries.**
- D) Encourages consumers to purchase products on-line.
- E) Encourages companies to outsource production.

88. Just-in-time production is most associated with which manufacturing process?

- A) Fordist.
- B) Assembly line.
- C) Flexible production.**
- D) Positive externalities.
- E) Tertiary.

### 37. Maquiladoras

89. Most of the products that are produced in Maquiladoras are mainly sent to consumers in which country?

- A) Mexico.
- B) China.
- C) India.
- D) United States.**
- E) Brazil.

90. Maquiladoras provide which of the following benefits to producers?

- A) Duty free production in a low wage country.**
- B) Allows access to high skill labor markets.
- C) Production area is closer to the market than traditional manufacturing areas in the US.
- D) Concentrates production in the highest order cities.
- E) Levels the economic playing field for factories located in America and China.

### 38. Export-Processing Zones (EPZs)

91. What is the term for small areas within a country that are granted favorable investment and trading conditions in order to attract industries?

- A) Derelict landscape.
- B) Export-Processing Zone (EPZ).**
- C) Non-Governmental Organization (NGO).
- D) Import Substitution Region (ISR).
- E) Columbian Exchange.

### 39. Rise of China

92. The rise of China economically has had which of the following impacts on the global economy?

- A) Increased prices for consumers of manufactured goods.
- B) Reinforced Europe's role in manufacturing.
- C) Lowered the price of consumer goods on a global scale.**
- D) Caused world leaders to divest in China and Asia.
- E) China's labor market has increase the cost of production.

93. Which of the following was **not** a policy the Chinese used to improve their economic standing in the world?

- A) Created special economic zones to encourage production.
- B) Followed an open door policy allowing trade with the world.
- C) Increasingly moved towards a communist economic system in the early 21st century.**
- D) Investing in research and cutting edge industries of bio-technology and computer industry.
- E) Encouraged foreign investment aimed at improving China's domestic industries and markets.

### 40. Japan as a role model for development

94. The wealthiest economic region in East Asia today is

- A) China.
- B) South Korea.
- C) Japan.**
- D) Philippines.
- E) Taiwan.

95. How did Japan develop so rapidly after being devastated from WWII?

- A) They took advantage of a large labor force.
- B) They flooded the world market with inexpensive goods.
- C) They funneled profits into developing higher value goods
- D) They spent twice as much money on research and development as the United States.
- E) All of the above.**

96. Which of the following country did many Asian countries follow as an example to development?

- A) China.
- B) Australia.
- C) Japan.**
- D) Philippines.
- E) India.

**41. Outsourcing (examples and reasons)**

97. The process of producing parts or products in a foreign country for domestic use or sale is known as?

- A) Ecumene.
- B) Peak value intersection.
- C) Outsourcing.**
- D) Quaternary activities.
- E) Tapering principle.

98. The concept of outsourcing is fundamentally based on which of the following economic principles?

- A) Comparative advantage.**
- B) Aggregation.
- C) First effective settlement.
- D) Uniform plane.
- E) Renewable resources.

99. All of the following are advantages of outsourcing **except**

- A) it can take advantage of low cost over-seas labor.
- B) it creates competitive market for parts and supplies.
- C) it provides more flexibility for companies.
- D) it simplifies logistics of transportation of parts and products.**
- E) some countries have less restrictive environmental codes and regulations.

**42. Tourism as a development strategy**

100. Ecotourism is most closely associated with which of the following development theories?

- A) Appropriation.
- B) Dependency.
- C) Modernization.
- D) Neoliberal Counterrevolution.
- E) Sustainable development.**

101. Which of the following best describes the objective of ecotourism?

- A) Transform and exploit the natural beauty of an area into a tourist destination.
- B) Create an environmentally-friendly tourist destination in an attempt to maintain the unique qualities of the region.**
- C) Create a small-scale representation of an environment to replace the previous environment which existed prior to tourism.
- D) Develop the economy of an area with tourist attractions.
- E) Develop a tourist economy based on large theme parks, hotels and restaurants that require a transformation of the local environment.

**43. Industrial pollution issues (air and water pollution)**

102. Which of the following best describes the Kuznet's curve related to development and pollution?
- A) As a country's economy develops pollution levels increase.
  - B) As a country's economy industrializes, pollution will increase but as the population gets wealthier pollution will eventually decline.**
  - C) Initially economic development leads to a decline in pollution levels but as a country becomes wealthier pollution increases.
  - D) The transformation from an industrial society to an agricultural society leads to pollution decline.
  - E) When a poor country gets richer, pollution declines.

**44. Global warming**

103. Based on impact studies by climatologists and geographers which of the following is **not** a likely impact of global warming?
- A) Decreasing ice in the Arctic.
  - B) Rising sea levels.
  - C) Low elevation coastal areas will have increased likelihood of flooding and loss of land.
  - D) Increasing intensity of tropical storms.
  - E) The most negatively impacted countries are likely to be highly developed countries of Europe and North America.**

**45. Acid rain**

104. Acid rain most impacts which of the following regions?
- A) Europe.**
  - B) Antarctica.
  - C) Australia.
  - D) South America.
  - E) Sub-Saharan Africa.
105. All of the following are negative impacts of acid rain **except**
- A. loss of aquatic life.
  - B. destruction of the ozone layer.**
  - C. damage soil microorganisms.
  - D. reduction of food crop yields.
  - E. damage to marble and limestone buildings.

#### 46. Debt crisis

106. Which of the following statements is **not** an important element of the debt trap?
- A) Periphery countries borrow money from core countries in order to establish new industries.
  - B) Many periphery countries want to create a diversified economy using import substitution concepts.
  - C) Core countries usually do not benefit from the products of periphery countries.**
  - D) If the invested money does not yield enough returns the country borrows more money to pay off the existing loan.
  - E) The value of currencies in periphery countries is often not as valuable as core countries currencies.

107. To finance development, many countries have accumulated large foreign debts relative to their gross domestic product (GDP). As a result, large percentages of their national budgets must be used to repay loans. Which of the following regions in 2005 had the highest debt to GDP ratios?

- A) East Asia.
- B) Sub-Saharan Africa.**
- C) South America.
- D) Australia.
- E) East Europe.

#### 47. Regional trading blocs

108. Which of the following is the main purpose of alliances such as North American Free Trade Agreement (NAFTA), European Union (EU) and Caribbean Community (CARICOM)?

- A) Develop common defense policies in case of invasion or attack of one its member states.
- B) Create common policies for member states that lead to lowering the cost of trade within the alliance.**
- C) Member countries work together in order to increase the cost of resources such as oil to non-member countries.
- D) Develop a common currency between all member states.
- E) The three alliances work together in order to improve automobile manufacturing on a global scale.

**48. International trade approach (Rostow)**

109. Which of the following best describes Rostow's model of economic development?
- A) A country should invest equally across all sectors of the economy and protect new industries from international competition.
  - B) Governments should purchase and create companies within their border and slowly build the company.
  - C) Countries will proceed through a series of stages in which a country focuses on the development of industries in which it has a comparative advantage.**
  - D) Focuses on developing economic and social institution that can be sustained without sacrificing or severely damaging the environment.
  - E) Countries should outsource industrial production to periphery countries in order to lower the cost of goods in the "Core".

**49. Self-sufficiency model**

110. All of the following are drawbacks to the self-sufficiency model of development **except**
- A) it creates a large government bureaucracy.
  - B) it stifles competition.
  - C) it protects inefficient industries.
  - D) it encourages internal innovation.**
  - E) it increases the price of goods for consumers.

**50. Globalization and trade**

111. Critiques of globalization processes would **disagree** with which of the following statements?
- A) Globalization has intensified the difference in income between the core and periphery countries.
  - B) Globalization has lead to a homogenized consumer market for many parts of the world.
  - C) The effects of globalization could have a destabilizing effect upon the governments of many countries.
  - D) Globalization often creates tension between the interests of transnational corporations and local communities.
  - E) While both the core and periphery world benefit from globalization, the periphery benefits the most.**

112. Advocates of globalization processes would **disagree** with which of the following statements?

- A) The new international division of labor has lowered production costs thereby reducing the cost of goods to consumers.
- B) The globalization of finance has increased the amount of capital available for projects around the world.
- C) Globalization has induced a new technology system of robotics, biotechnology and information systems.
- D) Not all people in a country benefit equally from globalization, but countries that engage in the global economy are better off than those that don't.
- E) Globalization does not change people's culture or the type of jobs available in a country.**

### **51. Globalization's impact on local economies**

113. Loss of local ownership of companies, loss of control of local affairs, and change in culture are all potential negative impacts of which of the following processes?

- A) Localization.
- B) Multiplier.
- C) Globalization.**
- D) Agglomeration.
- E) Just-in-time production.

### **52. Fair Trade movement**

114. Which of the following **best** describes the purpose of the Fair Trade movement?

- A) Insure that a higher percentage of the profit in international trade goes to the producers in less developed countries.**
- B) Create international laws to ensure safe passage of cargo ships in the seas.
- C) Increase tariffs and quotas on international trade.
- D) Protect the interests of investors of multinational corporations.
- E) Create a common market with few trade regulations in Europe.

### **53. Micro-lending (Gramin Bank)**

115. The overall purpose of micro loan development strategy is to

- A) provide small-scale loans to individuals to create sustainable start up industries in less developed regions.**
- B) provide large scale loans to less developed countries in order to build large infrastructure projects like dams and roads.
- C) create an international bank for countries to borrow money in order to stabilize their currencies.
- D) create an international organization to invest in science research and development.
- E) generate capital for multinational corporations to invest in factories in less developed countries.

**54. Gender Empowerment Index (GEM)**

116. The gender empowerment index (GEM) attempts to measure the influence of women in a society by indexing woman's income, participation in labor force, professional jobs and political influence. Which of the following regions scored the lowest on the GEM index in 2002?

- A) North America.
- B) Eastern Europe.
- C) Middle East.**
- D) East Asia.
- E) South America.

**55. Non-governmental Organizations (NGOs) impact on development issues**

117. As mandated by the United Nations (UN) international non-governmental organizations (NGOs) can serve all of the following criteria except

- A) be a for profit organization.**
- B) have a clear mission statement consistent with the United Nations goals and objectives.
- C) provide a variety of services and humanitarian aid to a country's people.
- D) bring citizens' concerns to the government or UN.
- E) provide funding and expertise to local development projects.

**56. The informal economy**

118. Which of the following economic activities is least likely to be classified as part of the informal economy?

- A) Begging.
- B) Organized crime.
- C) Child labor.
- D) Government employee.**
- E) Home dressmaker.

119. Which of the following statements best describes the informal sector of the economy?

- A) Economic activities that are not regulated or taxed by governments.**
- B) Economic activity that is used to determine a country's Gross Domestic Product (GDP).
- C) Benefits of economic activities that are realized from producing large quantities of a good or service.
- D) Decline in industrial employment in core regions.
- E) Large farms that specialize in the production of one crop for market.