

Business: international trade and b. technology

[Economics](#), [Trade](#)



BUS100 Sample Exam 1 Student:

1. Which of the following organizations is an example of the goods-producing sector of the economy? A. Ford Motor Company B. Florida State University C. Children's Hospital D. H ; R Block Tax Consulting

2. Which of the statements about demography is most accurate?

Demographic studies: A. focus on factors that have great political relevance, but little relevance to business firms. B. suggest that the number of two-income families will decline in the future. C. provide business and individuals with insights into business and career opportunities of the future. D. are an important source of information about changes in weather and climate.

3. Public schools, charities and government agencies are not classified as businesses because they: A. have not been incorporated. B. do not seek to earn a profit. C. provide services rather than goods. D. do not have any stockholders.

4. In order to make an intelligent investment decision, entrepreneurs should: A. limit their options to those business investments that are backed by the U. S. government. B. invest in businesses that have generated a stable rate of profit for at least the past ten years. C. invest only in business opportunities where it is possible to take an active role in management. D. compare the risks of potential investments to their expected profits and find the right balance between profit and risk.

5. Which of the following entails the greatest amount of risk? A. Working for the government. B. Working for a large business. C. Working for a small business. D. Starting a business.
6. Which of the following policies would tend to foster entrepreneurship? A. establishing a currency that is tradable on world markets. B. establishing more regulations to protect the environment. C. developing policies to reduce corruption between individuals. D. allowing public ownership of businesses.
7. When businesses sell to other businesses over the Internet, these transactions are known as: A. B2C transactions. B. e-wholesale transactions. C. B2B transactions. D. intermediate e-commerce transactions.
8. Which of the following is an advantage of utilizing technology? A. Technology increases the cost of production. B. Technology reduces the need for a marketing plan. C. Productivity increases. D. Management becomes isolated from the demands of stakeholders.
9. All around the world, countries are trying to create more wealth by: A. raising taxes. B. selling government-owned businesses to private individuals. C. restricting trade with other countries in order to protect local businesses. D. attempting to attain more gold through foreign trade.
10. _____ means producing items with the least amount of resources. A. Efficiency B. Technology C. E-production D. Productivity
11. In the nation of Equalia, many businesses are privately owned, but the government owns some of the basic businesses and has developed many social programs designed to promote social equality. The economy of Equalia

would be considered an example of: A. pure capitalism. B. socialism. C. mercantilism. D. communism.

12. _____ unemployment refers to those people who have quite work because they didn't like the job, the boss, or the working conditions and who haven't yet found a new job. A. Frictional B. Structural C. Cyclical D. Seasonal

13. One benefit of the rights and freedoms of capitalism is that: A. people feel safe and don't take any risks in business. B. people are willing to take more risks than they would otherwise. C. eople don't have to choose where they will work. D. the prices of needed products are always very low.

14. _____ unemployment refers to unemployment caused by the restructuring of firms or by a mismatch between the skills of job seekers and the requirements of available jobs. A. Frictional B. Structural C. Cyclical D. Seasonal

15. Which of the following statements provides the most accurate comparison of socialism and communism? A. Under socialism the government owns most businesses, while under communism the church owns most businesses. B. Both socialism and communism want to achieve a more equal distribution of income and wealth, but under communism the government takes more control over people's lives. C. Socialism strives for an equal distribution of income but communism wants income to go primarily to those who own and operate private businesses. D. Communism believes that the government should always strive to balance its budget, while socialism accepts deficit spending as the price of achieving true equality.

16. A collapse in the national banking system of Lasia has resulted in a condition where prices are actually declining. This condition is known as: A. disinflation. B. deflation. C. contra inflation. D. overproduction.

17. One of the most significant problems faced by communist economies is: A. a great inequality in the distribution of wealth and income. B. severe inflationary pressures due to rapid economic growth. C. too little government regulation of economic activity. D. persistent shortages of basic goods such as food and clothing.

18. Thomas Malthus was pessimistic about the ability of societies to achieve high standards of living for most of their citizens because he believed that: A. the government had a natural tendency to run deficits that would eventually bankrupt the country. B. population growth would result in shortages of food and resources. C. owners of businesses would deliberately exploit their employees in an attempt to earn greater profits, and this would ultimately lead to a worker's revolt. D. high tax rates would eventually undermine people's incentives to work hard and create wealth.

19. Which of the following statements about the Federal Reserve System (the Fed) is most accurate? A. The Fed is an agency of the U. S. Treasury Department that has the responsibility of collecting tax receipts for the IRS. B. The Fed manages the U. S. money supply and interest rates. C. The Fed is the primary government agency involved in carrying out our nation's fiscal policies. D. The Fed is the agency of the government that ensures the U. S. maintains enough gold reserves to pay any foreign debts that result from international trade.

20. The nation of Nadiria is in the midst of a terrible economic downturn. The nation's GDP has been declining steadily for over five years and is now at its lowest level in over fifty years. Nadiria's unemployment rate is at an all time high and the nation's CPI is falling. Nadiria is experiencing a: A. period of stagflation. B. balance of trade deficit. C. depression. D. retraction.

21. Mortavia is a small nation that has followed protectionist policies for many years. Which of the following would be an example of a nontariff barrier established by Mortavia? A. Establishment of a tax levied on imported goods so that foreign products are more expensive than competing domestic goods. B. Establishment of a tax levied on imported goods designed primarily to raise money for the government. C. Establishment of restrictive quality standards requiring foreign firms to make expensive modifications in their products before they can be sold in Mortavia. D. Participation in the Uruguay Round of GATT negotiations.

22. The two basic types of tariffs are: A. goods and services. B. general and limited. C. comparative and absolute. D. revenue and protective.

23. _____ is an arrangement whereby someone with a good idea for a business sells the rights to use the business name and sell a product or service to others in a given territory in a specified manner. A. Franchising B. Contract manufacturing C. Import trading D. Export trading

24. The difference between money coming into a country (from exports) and money leaving the country (for imports) plus money flows from other factors such as tourism, foreign aid, and military expenditures is referred to as the:

A. balance of payments. B. balance of trade. C. balance of money flows. D. exchange rate.

25. The largest importer in the global market today is: A. Japan. B. Russia. C. Germany. D. the United States.

26. The emerging nation of Lancerland has enacted a tariff on imported petroleum in order to raise money for their new government. This trade restriction is an example of a(n) _____ tariff. A. revenue B. protective C. percentage D. fixed

27. A Mexican firm has agreed to trade petroleum to an American importer in return for U. S. made computers. This arrangement is an example of: A. a letter of credit arrangement. B. a nontariff trade. C. arbitrage. D. barter.

28. The "second wave" of offshore outsourcing refers to: A. moving jobs to South America in addition to China. B. moving skilled service jobs such as those in accounting offshore. C. moving jobs to India in addition to China. D. moving manufacturing jobs offshore.

29. One advantage of free trade is: A. jobs are shifted to low-wage global markets. B. service jobs are moved overseas. C. advanced production operations are built in low-wage countries. D. innovation for new products occurs and keeps firms competitively challenged.

30. Casey is typical of many U. S. businesspeople. Casey feels the U. S. culture should be the model for the rest of the world, and that the "American way" of doing things is the best. Casey is guilty of: A. ethnic plagiarism. B. ethnocentricity. C. culture shock. D. counter culture.

31. After developing a code of ethics, it should be communicated to: A. everyone with whom the business has dealings. B. the Attorney General in jurisdictions where the business has operations. C. all levels of management. D. stockholders.

32. Management and employees at Boyer Enterprises are given time off each year to work in local charities. This firm clearly practices: A. corporate philanthropy. B. social irresponsibility. C. community mediation services. D. participative funding.

33. A friend offers to share with you a term paper she prepared for her Introduction to Business class last semester. When you tell her that it wouldn't be fair, she reminds you of your habit of reading an entire Harry Potter book at the local bookstore without paying for the book. Which ethics-based question would be the most helpful in evaluating these situations? A. Is it legal? B. Am I acting fairly? C. Who wins and who loses? D. Will I get caught?

34. Environmental quality is considered to be a public good. This means that: A. ultimately it is the public that pays for environmental clean up. B. businesses have a responsibility to minimize their environmental pollution. C. everyone enjoys a cleaner environment regardless of who pays for it. D. society places a higher value on private goods and services.

35. The first step when facing an ethical dilemma is to ask: A. " Is it legal? " B. Is it balanced? " C. " How will it make me feel about myself? " D. " Is it ethical? "

36. When working with international firms, U. S. businesses: A. tend to ignore the ethics of their international partners. B. expect socially responsible behavior from their business partners. C. feel that their responsibility is limited to the United States. D. try to avoid judging our international business partners by U. S. standards.

37. Which of the following is the most important step to help improve America's business ethics? A. middle management support B. training C. enforcement D. identification of the organizational ethics officer

38. The danger in writing new laws to correct behavior is that: A. people may begin to think that any behavior that is within the law is acceptable. B. people will see the difference between ethics and legality. C. legal behavior will reflect the totality of people's proper relations with one another. D. there will not be enough jails to house those who break the law.

39. Critics of corporate social responsibility view spending money on CSR as: A. a necessary evil. B. stealing from investors. C. important for America. D. moving toward capitalism.

40. Obeying the law is _____ ethical behavior. A. essentially the same as B. the first step towards C. the opposite of D. unlikely to lead to

41. One of the newest items on the Cajun Cookin' menu is a spicy Cajun-burger. Sondra was quite surprised to learn that how she made this burger was regulated by the: A. Federal Trade Commission. B. Food and Drug Administration. C. Federal Nutritional Association. D. State Board of Food Examiners.

42. One of the reasons you bought your mom a name-brand mixer for Mother's Day was that it came with a full warranty. This means that: A. the mixer is guaranteed to last for 10 years with normal use. B. the mixer will make wonderful baked goods as well as pasta. C. the mixer will be repaired or replaced at no charge if it is defective. D. only the motor is covered by the mixer manufacturer.

43. One result of deregulation in the airline industry has been: A. less intense competition. B. increase aviation related fatalities. C. higher prices for consumers. D. lower prices for consumers.

44. You agree to sell your car to your neighbor for \$5, 000. You and your neighbor have provided each other: A. duress. B. consideration. C. an endorsement. D. an expressed warranty.

45. Which of the following do school districts utilize to generate needed funding? A. sin tax B. sales tax C. property tax D. income tax

46. The remedy for a tort is: A. imprisonment. B. a breach of contract. C. bankruptcy. D. monetary compensation.

47. Which of the following protects the original work of authors and artists (i. e. , their books, photos, or cartoons)? A. a trademark B. a copyright C. the Uniform Commercial Code D. a patent

48. The Griggs v. Duke Power Company (1971) case established a precedent on the need to use job-related tests in employment practices. Similar court cases have been decided based on this decision. This is an example of: A. common law. B. statutory law. C. administrative law. D. criminal law.

49. Which of the following is a requirement for commercial paper to be considered a negotiable instrument? It must: A. be signed in approval by a third party. B. contain a conditional promise to pay. C. be a promise to pay a specified amount of money. D. be an oral agreement between two or more parties.

50. In which of the following does the creditor start legal procedures? A. debtor initiatives B. voluntary bankruptcy C. involuntary bankruptcy D. creditor restructuring

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