

1.1 Multiple Choice

- 1) The narrowing of the worldwide gap between countries is largely due to
- A) rising wages in poorer countries.
 - B) falling wages in wealthier countries.
 - C) income growth in China and India.
 - D) the shrinking of the rural-urban gap.

Answer: C

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Skill: Knowledge

- 2) A government that allows business to run freely with little interference is called _____.
- A) feudalism
 - B) laissez-faire
 - C) third way economics
 - D) neo-socialism

Answer: B

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Skill: Knowledge

- 3) The philosophical approach to gain wealth through free trade and free markets is known as all of the following, EXCEPT:
- A) neoliberalism
 - B) libertarianism
 - C) neoclassical economics
 - D) corporate capitalism

Answer: D

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Skill: Comprehension

- 4) A big gap between rich and poor nations and a big gap between rich and poor within nations is known as _____.
- A) the double divide
 - B) structural economics
 - C) impoverished globalism
 - D) corporate dominance

Answer: A

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Skill: Knowledge

- 5) Turning over certain government controlled functions (like education, banking, health care, water and other public utilities) to corporations is known as _____.
- A) efficiency economics
 - B) privatization
 - C) revolution
 - D) the corporate state

Answer: B

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Skill: Comprehension