GA Milestone review, part 5: International Economics ****Class Copy****

Directions: Complete each part on a separate sheet of paper. You MUST choose 3 worksheets out of the 5 units to complete (test grade). Completing all 5 will earn you the test grade plus some extra credit (+5 on a test of your choosing). Completing this will also allow you to retake the International test, if needed.

Section 1: Fill in the Blank

1. ____= the buying and selling of goods services across national borders.
2. ____= goods a nation buys from other countries
3. ____= goods a nation sells to other countries
4. ____= means that a country can produce a product using less resources than another country. (who can produce more)
5. ____= means that a country can produce a product at a lower opportunity cost than another nation. (a smaller loss in terms of the production of another good)
6. ____= is when a country exports more than it imports (brings money into the economy)
7. ____= is when a nation imports more than it exports.

Section 2: True/False, Trade Restrictions/Barriers

8. In the 1960s, the U.S. placed an embargo on Cuba because they threatened us with nuclear missiles, which resulted in a stoppage of trade for over 50 years.
9. If the U.S. wanted to protect the American tire industry, they may place a tariff (tax) on all tire imports coming into the United States, which would encourage Americans to buy more foreign tires.
10. If the U.S. wanted to protect the American tire industry, they may place a quota on foreign tires which would limit the amount of foreign tires coming into the country.
11. If the U.S. government wanted to buy weapons from Canada, they would make sure the standards for the weapons were very low so they could buy them cheaper.
12. If the U.S. wanted more Chinese goods to enter the country, the U.S. would lower tariffs on all Chinese goods.

Section 3: Matching, Trade Agreements and Organizations

13. NAFTA	a. is a political and economic union of twenty-seven member states, located in Europe.
14. WTO	b. international agency that establishes rules for international trade and helps resolve disputes between member nations.
15. ASEAN	c. trade agreement that lowered trade barriers between America, Canada, and Mexico
16. UN	d. an international organization whose stated aims are to facilitate cooperation in international law, international security, economic development, social progress, and human rights.
17. EU	e. is a geo-political and economic organization of 10 countries located in Southeast Asia.

Section 4: True/False, Trade Agreements and Organizations

18. The United States is a permanent member of the U.N. Security Council along with China, Russia, France, and Great Britain, and each casts votes on how to solve international issues.
19. The WTO handles trade disputes for ALL countries around the world.
20. Historically, China and Russia have casted veto votes against the United States in the U.N. Security Council because they disagree with how we may want to handle certain international issues.
21. NAFTA is a free trade agreement approved by Congress and President Bill Clinton to allow for free trade between the U.S., Canada, and Mexico.

Section 5: Exchange Rates Table

US Dollar	1.00 USD
Euro	0.944117
British Pound	0.665219
Indian Rupee	66.812075
Australian Dollar	1.389920
Canadian Dollar	1.337375
Singapore Dollar	1.411972
Swiss Franc	1.030025
Malaysian Ringgit	4.269937
Japanese Yen	122.757431
Chinese Yuan Renminbi	6.393891
Argentine Peso	9.682104
Australian Dollar	1.389920
Bahraini Dinar	0.377347
Botswana Pula	10.848333
Brazilian Real	3.847269
British Pound	0.665219
Bruneian Dollar	1.411972
Bulgarian Lev	1.847858
Canadian Dollar	1.337375
Chilean Peso	713.128360
Chinese Yuan Renminbi	6.393891
Colombian Peso	3099.558546

22. Which countries has the lowest purchasing power parity compared to the United States?
23. Which countries have a similar purchasing power with the United States?
24. List the top 3 destinations that an American might want to travel to for vacation and buy local goods.
25. List the top 3 destinations that an American would NOT want to travel to.