

Economics and Trade – Quiz Study Guide Part One

ANSWER QUESTIONS ON A SEPARATE PIECE OF PAPER. Many responses require multiple sentences to correctly answer.

1. In a _____ economy _____ are free to make their own business as they please without much government intervention.
2. _____ economies normally have weak private and intellectual property rights as well as trade policies that discourage trade and do not allow many if any entrepreneurs.
3. What is the purpose of NAFTA?
4. One of the negatives of NAFTA was the _____ of farming jobs in the U.S. to Mexico.
5. What 3 countries are a part of NAFTA?
6. Name ways a country can invest in human capital.
7. Name ways a country can invest in physical capital goods.
8. A country can increase its _____ by investing in education for its citizens.
9. Investments in physical (capital) goods typically lead to an increase in _____.
10. What country invests in _____ capital it has the ability to foster more entrepreneurs, the more entrepreneurs a country has the higher the _____.
11. GDP goes _____ when there is an abundance of natural resources.
12. Give examples of a natural resource.
13. Explain why NAFTA is good.
14. Explain why NAFTA is not good and should be changed.