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Level: Edexcel IGCSE Economics (4EC1)

Subject: Economics

Topic: IGCSE Economics

Type: Mark Scheme

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Economics Edexcel IGCSE
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ECONOMICS

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Answer 1

A is correct as globalization refers to the increase in international trade and investment which connects global markets.

B is incorrect as globalization is associated with increased cultural and economic exchanges, not a decline.

C is incorrect as globalization aims to integrate economies, not isolate them.

D is incorrect as globalization typically involves technological advancements rather than reducing them.

Answer 2

B is correct as one of the benefits of globalization is greater access to foreign markets, which can provide more opportunities for trade and investment.

A is incorrect as globalization tends to reduce barriers to trade rather than increase them.

C is incorrect as globalization generally increases international travel rather than reducing it.

D is incorrect as globalization increases competition among firms, rather than decreasing it.

Answer 3

C is correct as a potential drawback of globalization is the exploitation of workers in developing nations, where labor standards may be lower.

A is incorrect as globalization often contributes to economic growth in developing countries.

B is incorrect as globalization can provide job opportunities in both multinational companies and local businesses.

D is incorrect as globalization typically enhances, rather than diminishes, cultural exchange.

Answer 4

B is correct as globalization increases the availability of a wider range of products by providing access to international markets.

A is incorrect as globalization generally expands, rather than limits, the variety of goods available to consumers.

C is incorrect as global brands often gain more influence, not less.

D is incorrect as globalization typically increases the appeal of international products, not decreases it.

Answer 5

C is correct as the World Trade Organization (WTO) is commonly associated with promoting global trade and reducing trade barriers.

A is incorrect as the World Health Organization (WHO) focuses on global health issues rather than trade.

B is incorrect as the International Monetary Fund (IMF) deals with monetary cooperation and financial stability, not specifically trade.

D is incorrect as the United Nations (UN) covers a wide range of global issues, but is not specifically focused on trade.

Answer 6

C is correct as globalization can lead to job losses in some industries while creating new opportunities in others, due to shifting economic dynamics.

A is incorrect as globalization does not result in a uniform wage rate globally.

B is incorrect as globalization affects labor markets in both developed and developing countries, not just the former.

D is incorrect as globalization often increases the demand for skilled labor rather than eliminating it.

Answer 7

B is correct as an increase in foreign investment typically contributes to economic growth and job creation in the investing country.

A is incorrect as foreign investment usually boosts, rather than decreases, GDP.

C is incorrect as foreign investment generally increases export activities rather than reducing them.

D is incorrect as foreign investment often improves the quality of goods and services through enhanced technologies and practices.

Answer 8

B is correct as globalization provides small businesses with greater market access and opportunities for growth by opening up international markets.

A is incorrect as globalization typically increases, rather than protects from, international competition.

C is incorrect as globalization often improves access to new technologies.

D is incorrect as globalization tends to increase consumer demand for diverse products, including local ones.

Answer 9

B is correct as outsourcing refers to contracting work to be done by external companies, often located in other countries, to reduce costs or leverage expertise.

A is incorrect as outsourcing involves contracting out work rather than bringing it back to the home country.

C is incorrect as outsourcing does not directly relate to reducing international trade.

D is incorrect as outsourcing involves reducing costs, not increasing tariffs.



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Answer 10

B is correct as globalization can lead to cultural changes by encouraging the adoption of new cultural practices and products through increased interaction between countries.

A is incorrect as globalization generally promotes, rather than restricts, cultural exchanges.

C is incorrect as globalization often increases, rather than isolates, international cultural influences.

D is incorrect as globalization can lead to cultural evolution rather than maintaining traditional practices unchanged.