Module 8 Assessment

Test I. Identification Quiz

Direction: Identify the term, concept, theory, organization, or economic integration level being described. Write your answer on the blank provided.

1. The increasing integration of economies through international trade, investment, technology, communication, and the movement of people and ideas.
   Answer: ____________________
2. The international organization that establishes rules to ensure fairness and predictability in global trade.
   Answer: ____________________
3. A benefit of globalization that allows countries to access larger markets and expand economic opportunities.
   Answer: ____________________
4. The Philippine industry that provides outsourced customer service, technical support, and IT services to international companies.
   Answer: ____________________
5. The transfer of advanced technologies, management systems, and production techniques from foreign investors to host countries.
   Answer: ____________________
6. A disadvantage of globalization where some sectors or groups benefit more than others.
   Answer: ____________________
7. The early trade theory that emphasized accumulating gold and silver by maximizing exports and minimizing imports.
   Answer: ____________________
8. The economist who introduced the theory of Absolute Advantage.
   Answer: ____________________
9. The theory stating that countries should specialize in producing goods they can produce more efficiently than others.
   Answer: ____________________
10. The economist who developed the theory of Comparative Advantage.
    Answer: ____________________

11. The trade theory based on producing goods at a lower opportunity cost than another country.
    Answer: ____________________

12. The theory that explains trade based on a country's abundant factors of production such as labor, land, and capital.
    Answer: ____________________

13. The observation that challenged the Heckscher-Ohlin Theory.
    Answer: ____________________

14. The modern trade theory proposing that countries with similar levels of development trade more extensively with one another.
    Answer: ____________________

15. The theory developed by Raymond Vernon that explains how products move through stages from innovation to standardization.
    Answer: ____________________

16. The theory emphasizing competition among multinational corporations through innovation and technological leadership.
    Answer: ____________________

17. The theory developed by Michael Porter explaining national competitiveness through four interconnected factors.
    Answer: ____________________

18. The arrangement in which member countries remove tariffs among themselves but maintain independent trade policies toward non-members.
    Answer: ____________________

19. The regional organization that promotes economic cooperation among Southeast Asian nations.
    Answer: ____________________

20. The highest level of economic integration involving a common government and substantial sharing of sovereignty.
    Answer: ____________________

Answer Key

1. Globalization
2. World Trade Organization (WTO)
3. Expansion of International Trade
4. Business Process Outsourcing (BPO) Industry
5. Technology Transfer
6. Growing Inequality
7. Mercantilism
8. Adam Smith
9. Absolute Advantage
10. David Ricardo
11. Comparative Advantage
12. Heckscher-Ohlin Theory (Factor Proportions Theory)
13. Leontief Paradox
14. Country Similarity Theory
15. Product Life Cycle Theory
16. Global Strategic Rivalry Theory
17. Porter's National Competitive Advantage Theory
18. Free Trade
19. Association of Southeast Asian Nations (ASEAN)
20. Political Union

Test II. Essay Questions (5 Items)

Direction: Answer the following questions in 5–10 sentences each.

1. Discuss the advantages and disadvantages of globalization. Explain how globalization has affected the Philippine economy and society.
2. Compare and contrast the theories of Absolute Advantage and Comparative Advantage. Why are these theories important in explaining international trade?
3. Explain the Heckscher-Ohlin Theory and the Leontief Paradox. How do these theories help us understand modern trade patterns?
4. Discuss the role of ASEAN in the economic development of the Philippines. What benefits does ASEAN membership provide to the country?
5. Among the classical and modern international trade theories discussed in the module, which do you think best explains the Philippines' participation in global trade? Support your answer with examples.

Suggested Scoring

- Identification: 20 items × 1 point = **20 points**
- Essay: 5 items × 10 points = **50 points**

Total = 70 points.