Module 12 Assessment

Test I. Identification Quiz (20 Items)

Direction: Identify the term, concept, event, or economic effect being described. Write your answer on the blank provided.

1. The 1979 event that replaced the Iranian monarchy with an Islamic government.
   Answer: ____________________
2. The Iranian leader who led the Islamic government after the 1979 revolution.
   Answer: ____________________
3. The event in which American diplomats were held hostage in Tehran for 444 days.
   Answer: ____________________
4. A major source of tension between the United States and Iran involving concerns over weapons development.
   Answer: ____________________
5. The Iranian military general whose assassination in 2020 heightened tensions between the United States and Iran.
   Answer: ____________________
6. The energy resource often described as the lifeblood of the modern economy.
   Answer: ____________________
7. The strategic waterway located between Iran and Oman through which a large portion of the world's oil supply passes.
   Answer: ____________________
8. Countries such as Saudi Arabia, Iraq, Kuwait, and the United Arab Emirates depend on this route to export oil.
   Answer: ____________________
9. A sudden interruption in oil production or transportation caused by war or conflict.
   Answer: ____________________
10. The buying and selling of oil futures based on expectations of future shortages or price increases.
    Answer: ____________________
11. An additional amount included in oil prices to account for the possibility of future supply disruptions.
    Answer: ____________________

12. A continuous increase in the prices of goods and services.
    Answer: ____________________

13. The economic condition in which businesses reduce investment and production because of higher energy costs.
    Answer: ____________________

14. The condition that may occur when firms reduce hiring or lay off workers due to rising operating expenses.
    Answer: ____________________

15. A situation where a country imports more goods than it exports, often worsened by expensive oil imports.
    Answer: ____________________

16. The improvement of living standards, employment opportunities, industrial growth, and poverty reduction.
    Answer: ____________________

17. The Philippines' major source of foreign income that could be affected if Overseas Filipino Workers in the Middle East are displaced.
    Answer: ____________________

18. The strategy of investing in solar, wind, hydroelectric, and geothermal energy to reduce dependence on imported oil.
    Answer: ____________________

19. Government stockpiles of petroleum maintained for emergencies and supply disruptions.
    Answer: ____________________

20. A sudden reduction in supply that causes prices to increase.
    Answer: ____________________

Answer Key

1. Iranian Revolution of 1979
2. Ayatollah Ruhollah Khomeini
3. Iran Hostage Crisis
4. Nuclear Disputes (Iran's Nuclear Program)
5. General Qasem Soleimani
6. Oil (Petroleum)
7. Strait of Hormuz
8. Strait of Hormuz
9. Supply Disruption
10. Market Speculation
11. Risk Premium
12. Inflation
13. Slower Economic Growth
14. Unemployment
15. Trade Deficit
16. Economic Development
17. Remittances
18. Diversification of Energy Sources
19. Strategic Oil Reserves
20. Supply Shock

Test II. Essay Questions (5 Items)

Direction: Answer each question in 5–10 sentences. Support your answers with examples from the Philippines whenever possible.

1. Discuss the historical causes of the US–Iran conflict. How have political, military, and nuclear issues contributed to tensions between the two countries?
2. Explain the strategic importance of the Strait of Hormuz. Why do disruptions in this waterway have significant effects on the global economy?
3. Analyze how oil price hikes affect economic development. Discuss their effects on inflation, employment, business investment, and poverty.
4. Evaluate the impact of a prolonged US–Iran conflict on the Philippine economy. Consider transportation, electricity, food prices, OFWs, and economic growth in your discussion.
5. Propose strategies that the Philippines can implement to reduce its vulnerability to global oil price shocks. Explain the role of renewable energy, energy conservation, strategic reserves, and diplomacy.

Suggested Scoring

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

Total = 70 points.