

## Study Questions

### Lecture 2 Institutions of the International Economy

#### Part 1: Multiple Choice

Select the **best** answer of those given.

1. Which of the following is *not* one of the international economic institutions that were created at the end of World War II?
  - a. International Monetary Fund
  - b. International Bank for Reconstruction and Development
  - c. General Agreement on Tariffs and Trade
  - d. World Trade Organization
  - e. World Bank
  
2. During the half century since the end of World War II,
  - a. The major currencies of the world, which initially had flexible exchange rates, have become fixed.
  - b. The World Bank has switched from providing assistance to poor countries to primarily settling transactions among rich countries.
  - c. The GATT has been transformed into the WTO.
  - d. The IMF has changed from being a members-only bank to being a mutual fund for investment in emerging-economy stock markets.
  - e. Tariffs levied by developed countries against developing-country exports have increased.
  
3. Which of the following was the name of one of the GATT negotiating rounds?
  - a. NAFTA
  - b. Wilbur
  - c. Nixon
  - d. Seattle
  - e. Uruguay

4. Which of the following is *not* an example of an international public good?
  - a. Open markets in a recession
  - b. Capital flows to less-developed countries
  - c. Money for settlement of international debts
  - d. Coordination of last resort lending
  - e. Exploration for new oil deposits
  
5. Near the end of World War II, the architecture of the postwar economic environment was constructed at a conference of the major Western powers held at?
  - a. Geneva, Switzerland
  - b. Bretton Woods, New Hampshire
  - c. New York City
  - d. Versailles, France
  - e. Stratford on Avon, England
  
6. How many countries are member of the G-20?
  - a. 7
  - b. 8
  - c. 19
  - d. 20
  - e. 24

7. What, according to the assigned article by Donnan about the December 2013 WTO Ministerial Meeting, is meant by “trade facilitation”?
  - a. Export subsidies
  - b. Import subsidies
  - c. A package to help businesses get their products through borders more easily
  - d. Reform of export credit facilities
  - e. Expansion of national export-import banks
  
8. Which of the following countries is not currently negotiating to be part of the Trans-Pacific Partnership?
  - a. Brunei
  - b. United States
  - c. Chile
  - d. China
  - e. Malaysia

## **Part II: Short Answer**

Answer in the space provided.

1. Define the following terms:
  - a. Conditionality
  
  - b. National Treatment
  
  - c. Free Riding
  
  - d. G-7

