

Industrialization and Economic Development

349. In the 200 years following the Industrial Revolution, heavy industry was found in all of the following locations EXCEPT
- (A) North America
 - (B) Russia
 - (C) France
 - (D) east Asia
 - (E) northern Africa
350. Service-based economies are focused on all of the following EXCEPT
- (A) telecommunications
 - (B) tourism
 - (C) marketing
 - (D) sales
 - (E) mining
351. Export-processing zones are most often located in
- (A) underdeveloped regions of developing nations
 - (B) areas with high tax rates
 - (C) countries with low rates of unemployment
 - (D) regions inaccessible by mass transit
 - (E) residential areas of developed nations
352. Deindustrialization occurred at the national level in Great Britain when heavy industry was moved to locations with
- (A) greater access to major ports
 - (B) lower production costs
 - (C) a more educated population
 - (D) economies more geared toward tertiary economic activities
 - (E) higher industrial-economic development

353. According to Rostow's stages of development, which of the following is true?
- (A) All countries will eventually pass through each of the five stages of economic development.
 - (B) The colonial legacy will impede a country's economic growth.
 - (C) Foreign investment is a necessary precondition for economic development in the second stage.
 - (D) Countries might not pass through each of the stages in a linear manner.
 - (E) Deindustrialization is accounted for in the fifth and final stage.
354. In the core-periphery model of global economic patterns, all of Africa is included in the periphery EXCEPT
- (A) Zimbabwe
 - (B) Morocco
 - (C) South Africa
 - (D) Liberia
 - (E) Egypt
355. Which of the following groups of American cities is part of the Rust Belt?
- (A) Detroit, Buffalo, and Cleveland
 - (B) San Jose, Palo Alto, and Cupertino
 - (C) St. Louis, Little Rock, and Oklahoma City
 - (D) Atlanta, Augusta, and Knoxville
 - (E) Albuquerque, Tucson, and Phoenix
356. Mexico's system of maquiladoras is located
- (A) along the coast of the Pacific Ocean
 - (B) on the Baja Peninsula
 - (C) on the Yucatan Peninsula
 - (D) along the Mexico–United States border
 - (E) in the areas surrounding Mexico City
357. China leads newly industrialized countries in terms of demographic transition mostly due to
- (A) its one-child policy
 - (B) rapid urbanization
 - (C) advanced infrastructure
 - (D) low labor costs
 - (E) high per capita income
358. Which of the following encourages the input of cash from foreign countries without the export of goods?
- (A) Agricultural development
 - (B) Tourism
 - (C) Free-trade agreements
 - (D) E-commerce
 - (E) Development of infrastructure
359. Which of the following characterizes a fifth-world country?
- (A) An economy based on agriculture
 - (B) A hard-line Communist government
 - (C) The lack of a formal government
 - (D) A service-based economy
 - (E) A government controlled by the military
360. Offshore financial centers allow companies and individuals to
- (A) avoid high taxes in the countries where they conduct business
 - (B) spread their wealth to less developed countries
 - (C) take advantage of low labor costs
 - (D) pay lower banking fees
 - (E) do business in second-world countries
361. The process in which wealthy individuals and families move into formerly poor neighborhoods is called
- (A) urbanization
 - (B) white flight
 - (C) suburban sprawl
 - (D) gentrification
 - (E) decentralization
362. Which of the following is an example of a second-world country?
- (A) Brazil
 - (B) South Africa
 - (C) Sierra Leone
 - (D) Cuba
 - (E) South Korea

363. Which of the following was a trigger for deindustrialization in Asian countries such as Japan and South Korea in the late 1990s?
- (A) The Asian economic crisis
 - (B) An increase in the cost of labor
 - (C) Withdrawal of foreign investments
 - (D) The outsourcing of labor to North America
 - (E) A sudden decline in population
364. NAFTA allowed for free trade among which of the following?
- (A) North America and South America
 - (B) Canada, the United States, and Mexico
 - (C) Great Britain, Ireland, and France
 - (D) Russia and the former Soviet states
 - (E) Iran, Iraq, and Saudi Arabia
365. According to Immanuel Wallerstein's world-system theory, the modern network of global economic interdependence and competition began
- (A) when European nations began exploring outside of their continent in the 1600s
 - (B) with the spread of the Industrial Revolution from northern Europe to Asia
 - (C) in the early 1990s with the collapse of the Soviet Union and fall of communism
 - (D) after the United States resumed trade with Great Britain following the American Revolution
 - (E) with the spread of capitalism at the end of the 19th century
366. Goods are classified as durable or nondurable based on
- (A) the amount of energy required to manufacture the goods
 - (B) the amount paid for the goods by consumers
 - (C) the amount of time a product can be used
 - (D) the complexity of the manufacturing process used to produce the goods
 - (E) the availability of the resources used to produce the goods
367. All of the following are trade agreements between two or more countries EXCEPT
- (A) NAFTA
 - (B) SADC
 - (C) G-3
 - (D) CEFTA
 - (E) OPEC
368. Which of the following is an example of quaternary economic activity?
- (A) Entertainment
 - (B) Research and development
 - (C) Oil production
 - (D) Agriculture
 - (E) Transportation
369. The Human Development Index is a measure of both economic production and
- (A) social indicators
 - (B) population density
 - (C) unemployment rates
 - (D) income per capita
 - (E) income disparity
370. When compared to fossil fuels, alternative energy sources generally
- (A) create more waste
 - (B) are more expensive
 - (C) require less investment
 - (D) are less sustainable
 - (E) are more efficient
371. Service and high-tech industry jobs offer all of the following benefits over manufacturing jobs EXCEPT
- (A) higher pay
 - (B) less pollution
 - (C) safer working conditions
 - (D) higher standard of living
 - (E) shorter workweeks
372. Deglomeration occurs when a location
- (A) experiences a natural disaster
 - (B) does not have a large enough labor force
 - (C) is saturated with businesses offering similar services
 - (D) sees an increase in large firms moving in
 - (E) experiences a rapid loss of manufacturing activity

373. The Gini coefficient measures the income disparity between
- the wealthiest and poorest population groups in a country
 - men and women throughout third-world countries
 - residents of urban and rural areas in a country
 - workers in different industries in the same country
 - members of the middle class in European countries
374. Which of the following is an example of a bulk-reducing industry?
- Water bottling
 - Car manufacturing
 - Steelmaking
 - Furniture manufacturing
 - Food packaging
375. Italy and Kuwait are examples of countries with
- high GNP and low gender equity
 - low per capita income and high GNP
 - high HDI and low unemployment rate
 - low Gini coefficient and high gender equity
 - high population density and low HDI
376. All of the following are Old Asian Tigers EXCEPT
- Japan
 - South Korea
 - Taiwan
 - China
 - Singapore
377. The United States and Great Britain invested in manufacturing industries in the Old Asian Tiger countries in order to
- stop the spread of communism by establishing a free market
 - rebuild the economies of these countries following World War I
 - open up new markets for manufacturing companies in the West
 - preserve economic ties created in colonial times
 - make a profit on loans given to these countries
378. Which industrial region contains an exceptionally varied collection of minerals valuable in the mining industry?
- Ruhr district
 - Silesia
 - Yangtze River Delta
 - Yorkshire
 - Sohar Industrial Zone
379. All of the following are examples of renewable energy sources EXCEPT
- natural gas
 - solar energy
 - geothermal energy
 - hydropower
 - biomass
380. Foreign development aid from first-world countries to developing countries is
- only given through the World Bank
 - only given in extreme circumstances
 - used only for for-profit investment
 - given in exchange for military aid
 - not expected to be paid back
381. Which of the following is an example of a former third-world country that has experienced an economic crisis and is now classified as a fourth-world country?
- China
 - North Korea
 - Sierra Leone
 - Argentina
 - Kuwait
382. The shift of industry to developing countries has resulted in
- tighter trade restrictions across the globe
 - higher unemployment in developing countries
 - a lower standard of living in developing countries
 - an industrial decline in the United States and Europe
 - a more robust economy in the United States and Europe

383. Henry Ford insisted on paying laborers high wages for unskilled work in order to ensure that workers
- (A) could afford health care so that they could work
 - (B) would gain skills and leave his factory for other jobs
 - (C) would organize themselves to form labor unions
 - (D) could afford to buy the products they produced
 - (E) did not sell trade secrets to other corporations
384. In a right-to-work state, workers cannot
- (A) negotiate a contract with an employer without a union
 - (B) join a union if their employer forbids it
 - (C) be fired without proof of cause
 - (D) be paid overtime for more than 40 hours of work a week
 - (E) be forced to join a union as a condition of employment
385. In cottage industries, manufacturing takes place
- (A) in large factories
 - (B) in homes
 - (C) within designated industrial areas
 - (D) on farms in rural areas
 - (E) in large shopping centers
386. Which area of the United States is known as a megalopolis?
- (A) The Mid-Atlantic
 - (B) The Eastern Great Lakes
 - (C) The Southwest
 - (D) The South
 - (E) The Pacific Northwest
387. Which of the following former Soviet nations controls much of the agricultural production and coal deposits formerly held by the USSR?
- (A) Belarus
 - (B) Ukraine
 - (C) Estonia
 - (D) Lithuania
 - (E) Latvia
388. Which Chinese city is home to one of the world's largest industrial parks?
- (A) Beijing
 - (B) Chengdu
 - (C) Shanghai
 - (D) Wuhan
 - (E) Yenchuan
389. In a Socialist economy, the government controls the prices of basic goods and services in order to ensure that
- (A) no one corporation gains too much power
 - (B) the government has enough money to pay for defense
 - (C) all citizens have access to essential services
 - (D) everyone who wants a job has a job
 - (E) everyone has an incentive to be successful
390. According to dependency theory, some countries allow a large number of citizens to live in poverty in order to
- (A) keep labor costs down and bring in new industry
 - (B) allow an elite class to control all economic resources
 - (C) avoid spending government resources on social programs
 - (D) create a large unskilled labor force to promote industrialization
 - (E) stop rapid population growth and urbanization
391. Which of the following is a characteristic of a downward transition area?
- (A) High unemployment rates
 - (B) A large tax base
 - (C) Population growth
 - (D) Rapid economic growth
 - (E) High cost of living
392. During the contagion stage of Richard Nolan's stages of growth model
- (A) technology is used minimally
 - (B) technology begins to spread
 - (C) people become frustrated with technology
 - (D) practical uses for technology are developed
 - (E) technology is integrated into the workplace

393. Which region of the United States is currently experiencing upward transition?
- (A) Pacific Northwest
 - (B) Rust Belt
 - (C) Mid-Atlantic states
 - (D) Great Plains
 - (E) Sunbelt
394. Expendable income is what is left after
- (A) taxes have been paid
 - (B) all necessary bills have been paid
 - (C) housing costs have been paid
 - (D) energy and transportation costs have been paid
 - (E) food and utility costs have been paid
395. The idea that some people have more access to and are better able to use technology is called
- (A) the technology gap
 - (B) contagion theory of technology
 - (C) technology transfer process
 - (D) maturity stage of technology
 - (E) technology deficiency
396. The northern parts of Alaska, which contain crude oil resources, can be classified as which of the following under the core-periphery model?
- (A) Downward transition
 - (B) Upward transition
 - (C) Resource frontier
 - (D) Industrial core
 - (E) Export processing zone
397. In China, special economic zones have been set up to accommodate
- (A) industry funded by local investors
 - (B) mining in areas rich in natural resources
 - (C) headquarters for foreign companies
 - (D) rural farms and cottage industries
 - (E) transportation hubs
398. The optimistic viewpoint of economic development is based on which of the following principles?
- (A) There is an abundance of both renewable and nonrenewable sources of energy and these resources can be shared.
 - (B) There is enough energy available in the form of fossil fuels to meet the needs of the planet for many millennia.
 - (C) Within 100 years all of the world's energy needs will be met by alternative sources of energy.
 - (D) The demand for energy will increase as the world's population increases, and this demand can be met with alternative energy.
 - (E) The world's population is on the decline, and the current energy supply is adequate.
399. The measure of wealth and life enjoyment that a person holds is called
- (A) cost of living
 - (B) life expectancy
 - (C) literacy
 - (D) standard of living
 - (E) human development index
400. In which of the following regions is life expectancy the lowest?
- (A) Northern Europe
 - (B) The Middle East
 - (C) Southeast Asia
 - (D) Sub-Saharan Africa
 - (E) Central America
401. Which of the following is the basic industry for Silicon Valley in California?
- (A) Farming
 - (B) Steel manufacturing
 - (C) Computer equipment manufacturing
 - (D) Milling industry
 - (E) Food packaging
402. The Eastern Great Lakes region includes all of the following cities EXCEPT
- (A) Niagara Falls
 - (B) Pittsburgh
 - (C) Toronto
 - (D) Buffalo
 - (E) Boston

403. Literacy rate, life expectancy, and infant mortality rate are used to calculate
- (A) gross national product
 - (B) Physical Quality of Life Index
 - (C) standard of living
 - (D) Gender-Related Development Index
 - (E) Multidimensional Poverty Index
404. The gross domestic product per capita is a measure of the total goods and services produced by a country divided by that country's
- (A) unemployment rate
 - (B) gross national product
 - (C) total population
 - (D) number of corporations
 - (E) total number of exports
405. Which of the following is the most energy-efficient method of transportation?
- (A) Trains
 - (B) Diesel trucks
 - (C) Ships
 - (D) Airplanes
 - (E) Personal vehicles
406. Shopping malls are an example of
- (A) urbanization
 - (B) deglomeration
 - (C) agglomeration
 - (D) cumulative causation
 - (E) gentrification
407. Brain drain occurs when
- (A) young people leave their home country for education and do not return
 - (B) teachers are underpaid and leave education to work in other industries
 - (C) a workforce is undereducated and can only perform low-skill jobs
 - (D) educational facilities close due to lack of funding and support from the government
 - (E) girls and women do not have the same access to education as boys and men
408. As a result of the treaty Japan signed ending World War II and forbidding Japan from building its military, the government was able to
- (A) promote industrial development through direct investment
 - (B) force people who used to be in the military to work in factories
 - (C) lower taxes and put more expendable income in the hands of consumers
 - (D) move from a manufacturing-based economy to a service-based economy
 - (E) spend more money on importing foreign-produced goods
409. All of the following are true of e-commerce EXCEPT
- (A) Many e-commerce transactions are transactions to purchase virtual items like premium Web content.
 - (B) Telephone banking and ATMs also fit under the umbrella of e-commerce.
 - (C) Increased competition from e-commerce has driven many traditional retailers out of business.
 - (D) The growth of e-commerce as a segment of the world economy is not expected to increase significantly in the next decade.
 - (E) E-commerce gives consumers the advantage of having more information about products and prices.
410. A free trade zone is an area where
- (A) the normal trade laws of a country, such as tariffs, bureaucratic requirements, and quotas, are eliminated in hopes of stimulating foreign trade and industry
 - (B) large open markets are set up in poor countries for the exchange of international currencies
 - (C) black market trade is carried out under government supervision
 - (D) ideas are exchanged in an academic setting to increase the academic activity of the country
 - (E) people bring agricultural products for trade and barter

411. All of the following are true of the Industrial Revolution EXCEPT
- (A) Technological advancements such as steam power and machine tools helped make the Industrial Revolution possible.
 - (B) Despite social and economic problems, standards of living and incomes increased for most people in industrializing countries.
 - (C) The Industrial Revolution marked the transition from manual labor and draft animals to mechanization.
 - (D) One of the first industries transformed by the Industrial Revolution was the textile industry.
 - (E) Industrialization happened nearly simultaneously in most areas of the world in the 18th century.
412. An example of a product made by a bulk-reducing industry is
- (A) gasoline
 - (B) milk
 - (C) automobiles
 - (D) homes
 - (E) textiles
413. All of the following are criticisms of using gross domestic product (GDP) as a measure of standard of living for residents of a country EXCEPT
- (A) It does not measure the distribution of wealth.
 - (B) It is possible for GDP to increase and for real incomes in a country to decline under certain conditions.
 - (C) It is measured in a consistent way worldwide.
 - (D) It does not take the nonmonetary economy into account.
 - (E) It does not measure economic externalities.
414. All of the following are true of the Human Development Index EXCEPT
- (A) Most countries that score very high on the scale are located in North America and Europe.
 - (B) Many low-HDI countries are located in sub-Saharan Africa.
 - (C) The HDI measures factors such as life expectancy, literacy, education level, and standard of living.
 - (D) Ecology and the environment are strongly considered in the HDI calculations.
 - (E) The United States loses points on the HDI because its education level and literacy rates are lower than countries like Norway and Canada.
415. Unlike the rural poor in developing countries, the urban poor of cities like Mumbai, India, and Jakarta, Indonesia,
- (A) enjoy a higher standard of living than those living in rural areas
 - (B) enjoy higher employment rates than those living in rural areas
 - (C) find better housing opportunities than those living in rural areas
 - (D) are better educated than their rural counterparts
 - (E) are far more likely to live in overcrowded, squalid, and unsanitary conditions
416. In Immanuel Wallerstein's world-system theory, core countries in Europe in the 15th and 16th centuries had an advantage in commerce and used this to
- (A) subjugate and colonize peripheral and semiperipheral countries
 - (B) develop equal trading relationships with peripheral countries
 - (C) share technologies and economic practices with semiperipheral countries
 - (D) establish trading networks free of trade barriers with other core countries
 - (E) integrate the peoples of peripheral and semiperipheral countries into their societies
417. Industries with material orientation are
- (A) those that can operate efficiently in any location
 - (B) most advantageously located near their source materials
 - (C) those that combine large numbers of different materials to make one product
 - (D) heavily dependent on migrant labor and advantageously located near international borders
 - (E) those that service other industries, such as petroleum or agriculture
418. Alfred Weber's least cost theory takes into account all of the following EXCEPT
- (A) locating markets close to source materials
 - (B) transportation costs
 - (C) weight of raw materials
 - (D) agglomeration costs
 - (E) consumer demand for the finished product

419. All of the following are true of globalization EXCEPT
- (A) Access to technology can determine the extent to which countries can participate in the global economy.
 - (B) Globalization involves the division of labor on an international scale.
 - (C) Proponents of globalization argue that increased economic integration will promote world peace.
 - (D) Globalization involves not only economic activity but also cultural exchange, migration, trade, and technology.
 - (E) Globalization has affected all areas of the world in very similar ways and at comparable rates.
420. All of the following are ways countries use ecotourism EXCEPT
- (A) to offset destruction of natural habitats
 - (B) to educate the populace about environmental conservation
 - (C) to offer their people a way to earn money without engaging in slash-and-burn agriculture
 - (D) to prevent the displacement of indigenous cultures and peoples
 - (E) to attract a younger, more eco-conscious tourism clientele
421. The British Agricultural Revolution and the Industrial Revolution were tied together in that
- (A) The Agricultural Revolution produced a surplus population of displaced agricultural workers who provided labor for factories.
 - (B) Working conditions in factories during the Industrial Revolution drove workers to agricultural jobs in large numbers.
 - (C) Mechanization occurred much more quickly in agriculture than it did in industry during this period.
 - (D) The cost of food rose during the Agricultural Revolution, which resulted in severe malnutrition among industrial workers.
 - (E) The Industrial Revolution and Agricultural Revolution shared only a time period, but not technology or ideas.
422. Cell phones and the rise of social networks have led to all of the following EXCEPT
- (A) a rapid flow of information across the globe
 - (B) equal access to information and technology across the globe
 - (C) political revolutions in countries dominated by despots
 - (D) rapid development in emerging economies
 - (E) cultural exchange between countries and people separated by distance
423. Anthropocentrism is the concept that
- (A) humans should protect the earth and its environment at all costs
 - (B) humans are the most important and dominant organism on the earth
 - (C) all human history can be better understood using anthropology and geography
 - (D) humans have a responsibility to look for life outside of the solar system
 - (E) human culture will eventually die out and be replaced
424. Cottage industries are those in which
- (A) the products produced are very costly to produce and transport
 - (B) products are made in homes instead of in factories
 - (C) items are mass-produced and sold at markets
 - (D) locations near raw materials are extremely important to viability
 - (E) only agricultural products can be made
425. All of the following are true of maquiladoras EXCEPT
- (A) The North American Free Trade Agreement spurred the growth of maquiladoras in Mexico.
 - (B) Globalization has increased competition for maquiladoras in Mexico.
 - (C) Because of the North American Free Trade Agreement, maquiladoras are not subject to any Mexican taxes.
 - (D) U.S. firms take advantage of more lenient Mexican labor laws and cheaper wages by using the maquiladoras.
 - (E) China's special economic areas are a big threat to the maquiladoras because they provide cheaper labor in some cases.
426. In a bulk-gaining industry
- (A) companies make money buying and selling bulky items
 - (B) companies assemble products whose weight is greater after assembly
 - (C) companies make weight-gain supplements
 - (D) maquiladoras provide the labor force
 - (E) production centers are far from their markets

427. The development of the core-periphery model led to hundreds of years of European domination of world markets.

- (A) Discuss the ways Europeans excluded nonmember countries from core benefits.
- (B) Peripheral countries have long been excluded from access to technological advances. How have cell phones and the Internet begun to even out the playing field for developing countries? Support your opinion with examples.
- (C) Semiperipheral countries were exploited by core countries. How did that in turn affect peripheral countries?

428. Cottage industry has become a popular idea again. Many seek to reclaim the balance of nature through the use of renewable resources and a small ecological footprint.

- (A) How can cottage industries compete with multinational corporations?
- (B) Use of computers has led to the rise of many home-based businesses. How can this trend benefit the communities in which they are based?
- (C) Burt's Bees is an example of a company that has outgrown its cottage industry beginnings. Yet it still employs ecological conservation. Are the two mutually exclusive? Provide examples to back up your argument.