3 Between June 2022 and June 2023 global container shipping costs fell by 61%.

Ceteris paribus, which **one** of the following is most likely to result from this decrease in global container shipping costs?

☒ **A** Trade as a proportion of world GDP will rise

☒ **B** Costs of production for businesses will rise

☒ **C** Global inflationary pressures will not change

☒ **D** Patterns of world trade will not change

(Total for Question 3 = 1 mark)

5 The table shows the maximum production possibilities for Country X and Country Y in a given year.

Country	Bags		Shoes
X	80 000	**OR**	80 000
Y	35 000	**OR**	35 000

Which **one** of the following can be deduced from this table?

☒ **A** Neither country will benefit from specialisation and trade

☒ **B** Country X has a comparative advantage over Country Y in the production of bags and shoes

☒ **C** Country Y has an absolute advantage over Country X in the production of bags and shoes

☒ **D** There is no opportunity cost for either country in producing bags or shoes

(Total for Question 5 = 1 mark)

1 Which **one** of the following factors has contributed to increased globalisation in the last 50 years?

☒ **A** An increase in the cost of transport

☒ **B** An increase in the cost of communications

☒ **C** A reduction in tariffs and quotas

☒ **D** A reduction in the number of trading blocs

(Total for Question 1 = 1 mark)

3 In 2018 the UK Government introduced tariffs on imported steel. In 2022 it decided to maintain these tariffs until 2024.

Which **one** of the following is the most likely reason why the UK Government maintained these tariffs until 2024?

- ☒ **A** To increase the level of unemployment in the UK steel industry
- ☒ **B** To prevent dumping of steel in the UK from foreign countries
- ☒ **C** To protect transnational companies supplying steel to the UK
- ☒ **D** To decrease government revenue from tariffs on imported steel

(Total for Question 3 = 1 mark)

8 Between 1980 and 2020 it was estimated that total global shipping container volumes increased from 100 million tonnes to 2 billion tonnes.

Evaluate factors that have contributed to increased globalisation in the last 50 years. Refer to examples of countries in your answer.

(Total for Question 8 = 20 marks)