**Unit 2 Test Review**

**Terms for Multiple Choice and T/F**

Comparative Advantage

Absolute Advantage

Economies of Scale

GDP

GDP Per Capita

Productivity

WTO

IMF

World Bank

Free Trade

Rationalization

Quality Control

Kaizen

Total Quality Management

ISO

**Short Answer Possibilities**

1. What motivates Canadian companies to go global?
2. Give 2 examples of products, services or resources in which Canada has a comparative advantage. Indicate what provides the advantage and what countries would be our closest competitors for such products.
3. Canada’s GDP, although has risen over time, has slipped relative to the US and a number of other countries. Give three reasons.
4. In a paragraph, convince a Japanese based technology company to open a manufacturing facility in Canada.
5. What are the advantages and disadvantages of free trade?
6. What are the causes of rationalization?
7. What are the main points that Demming stated about quality?
8. How does achieving ISO certification benefit a company?
9. What are the three main points of the Funny Money presentation?