

7. Read the following infographic and answer the questions which follow.



(i) Name the region to which Ireland exports most of its goods.

(ii) Calculate the **Balance of Trade**. State if it is a Surplus or Deficit.

**Show your Workings**

**Answer:** \_\_\_\_\_

(iii) Name **one** import above which could **not** be substituted with a home-produced good.

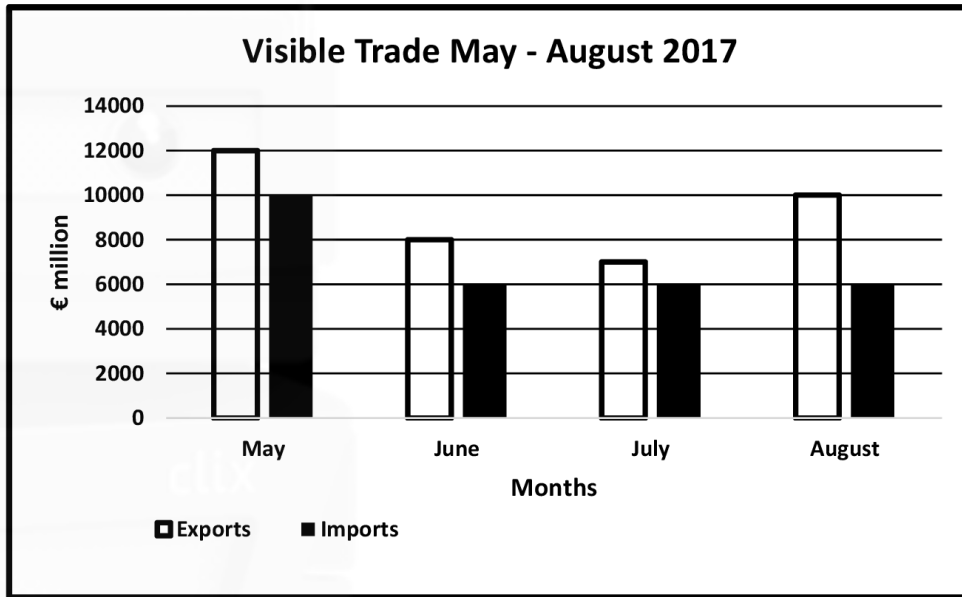
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(iv) Outline **one** reason for your answer.

\_\_\_\_\_

\_\_\_\_\_

5. Study the bar chart below, which illustrates a country's visible trade from May to August 2017.



- (i) Name the month which had the highest level of visible exports. \_\_\_\_\_
- (ii) Name the month which had the largest **balance of trade**. \_\_\_\_\_
- (iii) Explain the term **import substitution**. \_\_\_\_\_

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7. (a) Complete the missing figures in the three unshaded areas of the table below.

Visible Exports (€bn)	Visible Imports (€bn)	Balance of Trade (€bn)
€70	€105	
€90		€25 surplus
	€110	€30 deficit

- (b) Explain the term **invisible exports** and provide **one** example with reference to the Irish economy.

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**Example** \_\_\_\_\_

3. “The goal of the *World Trade Organisation (WTO)* is to reduce protectionism and allow free trade.” Illustrate your understanding of the underlined term.

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9. Illustrate your understanding of the term *Trading Bloc*.

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5. (a) Illustrate what is meant by the term ‘invisible imports’, with reference to the Irish economy.

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- (b) Using the following data, calculate (i) Balance of Trade, (ii) Balance of Payments. State in **each** case whether it is a surplus or deficit. (Show your workings.)

	<b>Workings</b>
Visible Exports      €50bn	
Invisible Imports    €40bn	
Visible Imports      €30bn	
Invisible Exports    €35bn	

ANSWER BOX		Surplus OR Deficit
(i)Balance of Trade	€	
(ii)Balance of Payments	€	

8. Distinguish between a *Quota* and a *Tariff* as **barriers** to free trade between countries.

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10. (a) Explain the term 'invisible exports':

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(b) Using the following information, calculate the (i) Balance of Trade and (ii) Balance of Payments:

Total Imports €16 billion  
Total Exports €19 billion

Invisible Exports €11 billion  
Invisible Imports €9 billion

(i) Balance of Trade \_\_\_\_\_

(ii) Balance of Payments \_\_\_\_\_

**Workings**

<b>Workings</b>
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(A) Evaluate the role of the EU institutions in the decision making process of the European Union. (25)

(B) *In January 2019 the Euro celebrated its 20<sup>th</sup> anniversary.*

Explain the reasons why an Irish business may choose to trade with other businesses in the **Eurozone**. (15)

(C) Read the information supplied and answer the question which follows.

Irish natural skincare businesses are using a combination of natural ingredients and science to develop innovative products for the growing international natural skincare market.

*The Irish Times June 2018*

Discuss the benefits **and** the challenges for an Irish natural skincare business of trading in the global market. (20)

### International Environment

#### Question 3

(A) Read the information supplied and answer the question which follows.

*"Ireland has failed to collect €13 billion in tax due from Apple."*

[www.rte.ie](http://www.rte.ie)

Evaluate the opportunities **and** challenges for the Irish economy of foreign multinationals (MNCs) locating in Ireland, providing examples to support your answer. (20 marks)

(B) *Membership of the **Economic and Monetary Union (EMU)** has been good for Irish business.* Do you agree with this statement? Outline reasons for your answer. (20 marks)

(C) Explain the following terms in relation to international trade:

- Trading bloc
- Tariffs
- Embargoes
- Subsidies.

(20 marks)

**(60 marks)**

- (A) Discuss reasons why multinational companies (MNCs) may choose to locate in Ireland. Provide examples to support your answer. (20 marks)

- (A) Read the information below, supplied by the CSO and answer the questions which follow:



	Balance of Trade	Balance of Invisible Trade
	€m	€m
Quarter 2, 2012	10,004	(6,769) deficit
Quarter 2, 2011	9,660	(9,192) deficit

- (i) Explain the terms 'Balance of Trade' and 'Balance of Payments'.  
(ii) Calculate the Balance of Payments figures for both years from the above data.  
(iii) Illustrate what is meant by the term 'invisible exports' with reference to the Irish economy. (20 marks)
- (B) Discuss the opportunities **and** challenges for large indigenous companies, such as Kerry Group plc, in exporting to non EU countries. (20 marks)
- (C)

Ireland's Presidency of the Council of the European Union is an opportunity to play an active part in shaping Europe's future.

Discuss the benefits for the Irish economy of on-going membership of the EU.

(20 marks)

**(60 marks)**

- (B) "Protectionism is a Government policy of placing barriers on free trade."  
Describe, using examples, barriers to free trade between countries.

(20 marks)

*“Globalisation refers to the increasing interdependence of the world’s economies.”*

- (A) Outline **four** developments in technology that have facilitated the growth in globalisation. (20 marks)

- (A) Discuss how the changing nature of the international economy affects Irish exporters. (20 marks)

*The Irish economy is an open economy and is greatly affected by economic influences from abroad. These influences create both opportunities and challenges for Irish business.*

- (A) Discuss the opportunities provided by international trade for Irish business. (25 marks)
- (B) Explain the term ‘global marketing’ and its role in international business. (25 marks)
- (C) Outline, using an example, the role of ‘interest groups’ in the European Union. (10 marks)
- (60 marks)**

- (C) Analyse how changes in the international economy are impacting on Irish business. Use relevant examples to illustrate your answer. (15 marks)

- (C) Discuss two business opportunities for Irish business in ‘developing’ markets e.g., in the European Union. (20 marks)

