6. External influences on business activity

Starter Quiz · 课前小测

IGCSE Business Studies   Name: ____________   Score: ______

1. During a recession, most businesses experience:
   - ☐ falling demand and lower sales
   - ☐ rising demand
   - ☐ higher profits
   - ☐ labour shortages
2. Pollution from a factory that harms the local community is an example of:
   - ☐ an external cost
   - ☐ a fixed cost
   - ☐ an internal benefit
   - ☐ value added
3. Globalisation refers to:
   - ☐ the growing connection of the world's economies
   - ☐ a single country's economy
   - ☐ a fall in world trade
   - ☐ a type of tax
4. Inflation is most likely to:
   - ☐ raise a firm's costs and reduce customers' spending power
   - ☐ lower a firm's costs
   - ☐ raise real incomes
   - ☐ have no effect
5. Sustainable business activity means meeting today's needs:
   - ☐ without harming future generations
   - ☐ at the lowest possible price
   - ☐ by ignoring the environment
   - ☐ only through exports
6. Which are examples of ethical business behaviour? (Select all that apply.)
   - ☐ paying workers fairly
   - ☐ avoiding child labour

- ☐ sourcing responsibly
- ☐ dumping waste illegally

Tick every correct option.

7. Higher interest rates tend to reduce consumer spending and borrowing.

   ☐ True ☐ False

8. Pressure groups can influence businesses through campaigns and bad publicity.

   ☐ True ☐ False

9. Free trade tends to lower prices and increase choice for consumers.

   ☐ True ☐ False

10. The phase of the business cycle with falling output and rising unemployment is a _________.

    ____

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1. **falling demand and lower sales**

   A recession cuts demand and sales.

2. **an external cost**

   External costs fall on society, not just the business.

3. **the growing connection of the world's economies**

   Globalisation links economies through trade, investment and technology.

4. **raise a firm's costs and reduce customers' spending power**

   Inflation pushes up costs and erodes spending power.

5. **without harming future generations**

   Sustainability protects the ability of the future to meet its needs.

6. **paying workers fairly; avoiding child labour; sourcing responsibly**

   Dumping waste illegally is unethical (and illegal).

7. **True**

   Dearer borrowing cuts spending and demand.

8. **True**

   Negative publicity can hit sales and force change.

9. **True**

   Removing barriers widens choice and lowers prices.

10. **recession**

    A recession is the downturn phase.