

## THE EFFECTS OF TARIFFS ON RESEARCH AND DEVELOPMENT

1. What is the primary argument presented in the passage?
  - A. High tariffs encourage innovation by protecting domestic industries.
  - B. Digital communication has eliminated the need for innovation.
  - C. Tariffs discourage research and development, while free trade promotes it.
  - D. Innovators thrive best when working in isolation.
2. According to the passage, why do high-tariff countries justify their tariffs?
  - A. To protect domestic inventors and producers.
  - B. To compete with digital economies.
  - C. To stimulate foreign investment.
  - D. To discourage monopolies.
3. How does the example of Soviet cars in the 1980s support the passage's argument?
  - A. It shows that high-tariff nations can still produce competitive products.
  - B. It explains why tariffs help nations develop stronger economies.
  - C. It demonstrates that protected industries may become outdated over time.
  - D. It proves that innovation thrives in isolation from global competition.
4. Why does the passage suggest that restrictive tariffs can lead to a "brain drain"?
  - A. High tariffs attract top researchers to domestic industries.
  - B. Skilled professionals leave tariff-heavy countries for better opportunities elsewhere.
  - C. Protectionist policies encourage innovation in early-career professionals.
  - D. Countries with tariffs are better at retaining innovators
5. What can be inferred about the relationship between free trade and innovation?
  - A. Free trade isolates industries from global competition.
  - B. Free trade accelerates access to resources and encourages competition.
  - C. Free trade discourages the development of new technologies.
  - D. Free trade increases production costs.
6. What is the meaning of "invigorating" in the sentence: "while a country that generally pursues free trade is probably invigorating it"?
  - A. Delaying
  - B. Weakening
  - C. Ignoring
  - D. Strengthening
7. In the passage, "This leaves no one at home motivated to try to build such industries from scratch," what does "this" refer to?
  - A. The encouragement of free trade.
  - B. The impact of restrictive tariffs on researchers.
  - C. The increasing competition among innovators.
  - D. The advantage of high-tariff industries.