

MID-WESTERN UNIVERSITY
FACULTY OF MANAGEMENT
FINAL EXAMINATIONS: 2074
MASTER OF BUSINESS STUDIES (MBS)
SEMESTER - II

Subject: International Business

Course Code: MGMT 523

Full Marks: 100

Time: 4:00 Hours

You are required to answer in your own words as far as applicable. Figures in the margins indicate full marks.

SECTION A: CRITICAL THINKING QUESTIONS (10 X2 = 20 MARKS)

Answer all questions:

- Q1. Define globalization.
- Q2. Name any two organizations that help to manage, regulate and police the global market place.
- Q3. What is mercantilism?
- Q4. Point out any four gains from international trade.
- Q5. Write down any four elements of culture.
- Q6. Point out the basic principles of multilateral trade negotiation.
- Q7. What is spot exchange rate?
- Q8. How does fisher effect theory determine the nominal interest?
- Q9. When the currency of any country is said to be non-convertible?
- Q10. Write the meaning of first mover advantage.

SECTION B: SHORT ANSWER QUESTIONS (6 X 8 = 48 MARKS)

Answer any SIX questions:

- Q11. Explain the Absolute cost advantage theory and comparative cost advantage theory with suitable examples. (4+4)
- Q12. What is cultural diversity? Explain the four dimensions of cultural diversity as explained by Greet Hofsted. (2+6)
- Q13. Do you agree with the statement that “globalization is exporting jobs to low-wage nations and contributing to higher unemployment and lower living standards in developed countries”? Write your arguments. (8)
- Q14. Briefly explain the features of foreign exchange market. Also explain the role played by U.S dollars in foreign exchange market. (4+4)
- Q15. If you are entering a foreign market, what factors would you consider for selecting the market? Explain. (8)
- Q16. Explain two schools of thought for forecasting exchange rate. (8)
- Q17. Define country similarity theory. Do you prefer doing international business with countries which are similar to your home country in terms of geography, history, language, culture or other things? Why or why not? Explain with examples. (2+6)
- Q18. Write short notes (on any Two): (4+4)
 - a) Licensing
 - b) Franchising
 - c) Joint ventures

SECTION C: LONG ANSWER QUESTIONS (2 X 16 = 32 MARKS)

Answer any TWO questions:

- Q19. Define foreign exchange market. Explain the different types of economic theories of exchange rate determination. (4+12)
- Q20. Do you believe that giving protection to the domestic industries will enhance their efficiency? Give your own view. Explain the economic and noneconomic factors that argue for trade protection. (4+12)
- Q21. In the last 40 years the demographics of global economy has changed dramatically. Write your opinion about the changing demographics of global economy with the facts you know. (16)