

CENTRAL UNIVERSITY



Department of Management & Public Administration
End of Semester Exams Questions
2021/2022 Academic Year

Course Code & Name: CBMG 303 - International Business

Lecturers: Dr. Nick Fobih

Time Allowed: 2 Hours

Total Marks: 60 Marks

Instructions: Students are required to answer all questions - Multiple Choice – 60 Marks

1. Any business that has productive activities in two or more countries is a.....
 - a. Multi-domestic business
 - b. Multilateral enterprise
 - c. Multinational enterprise
 - d. Bilateral Enterprise

2. Cross-border relations between countries and growth in international exchange and interdependence through international processes and economic transactions is.....
 - a. Deregulation
 - b. Liberalization
 - c. Deterritorialization
 - d. Contracting out

3.in countries create employment opportunities and better wages for workers, and contribute to the GDP of many developing nations
 - a. TNCs' Bilateral Zones
 - b. Multilateral Zones
 - c. TNCs' Export Promotion Zones
 - d. TNCs' Economic Zones

4.the process of spreading various objects and experiences to people at all corners of the world
 - a. Liberalization
 - b. Deterritorialization
 - c. Universalization
 - d. Commodification

5. seeks the best people, regardless of nationality, for key jobs
 - a. Polycentric approach
 - b. Geocentric approach
 - c. Ethnocentric approach
 - d. Histocentric approach

6.keep track of the payments to and receipts from other countries for a particular time period
 - a) Debt servicing
 - b) Current account balance
 - c) Balance-of-payments accounts
 - d) Trade balance accounts

7. International businesses can gainwhen they outperform their rivals in the industries in which they operate
 - a) Mercantilism
 - b) Competitive advantage
 - c) Comparative advantage
 - d) Absolute advantage

8. Adam Smith theory argued that a country has anin the production of a product when it is more efficient than any other country in producing it
 - a) Mercantilism
 - b) Competitive advantage
 - c) Comparative advantage
 - d) Absolute advantage

9. Aeliminates all barriers to the trade of goods and services among member countries
 - a) Customs union
 - b) Free trade area
 - c) Common market
 - d) Economic union

10. Aeliminates trade barriers between member countries and adopts a common external trade policy
 - a) Customs union

- b) Free trade area
- c) Common market
- d) Economic union

11. Aoccurs when a firm builds a plant in a country or supplies technology, equipment, training, or other services to the country

- a) Balance-of-payments accounts
- b) Buyback
- c) Letter of credit
- d) Bill of Lading

12. An organisation that attempts to standardize and integrate operations worldwide in all functional areas either as a global or a multi-domestic company is:

- a) Foreign business
- b) Global company
- c) International Business
- d) Multi-Domestic company

13. Foreign direct investment can also be in the form of:

- a) Mergers, acquisitions & Manufacturing
- b) Mergers, acquisitions & stockholders
- c) Joint ventures, Mergers & Acquisitions
- d) Strategic alliances, joint ventures & stock brokerage

14. International Business has gained much momentum and complexity over the past three decades and brought a global reorientation in:

- a) Production, distribution, servicing & marketing strategies
- b) Production, distribution, servicing & wholesale strategies
- c) Production, distribution, servicing & warehousing strategies
- d) Production, distribution, servicing & transportation strategies

15. In International Business, a firm operating across borders must deal with three kinds of forces or environments—

- a) Domestic, foreign & international
- b) Foreign, domestic & national
- c) International, domestic & national
- d) Foreign, domestic & national

16.all productive activities are privately owned and production is determined by the interaction of supply & demand and government encourages free and fair competition between private producers

- a) Mixed economies
- b) Command economies
- c) Market economies
- d) Foreign, domestic & national

17.are quotas on trade imposed by the exporting country, typically at the request of the importing country's government
- a) Subsidies
 - b) Import quotas
 - c) Voluntary Export Restraints
 - d) Tariffs
18. An organisation with multi-country affiliates, each of which formulates its own business strategy based on perceived market differences
- a) Foreign business
 - b) Global company
 - c) International Business
 - d) Multi-Domestic company
19.certain sectors of the economy are left to private ownership and free market mechanisms while other sectors have significant state ownership and government planning
- a) Mixed economies
 - b) Command economies
 - c) Market economies
 - d) Command & Market economies
20. A situation where a government does not attempt to influence through quotas or duties what its citizens can buy from another country or what they can produce and sell to another country is:
- a) Economic union
 - b) Market union
 - c) Free trade
 - d) Common Union
21.is the ultimate controlling authority within the EU
- a. The European Commission
 - b. The European Council
 - c. The European Parliament
 - d. European Union
22.responsible for proposing EU legislation, implementing it, and monitoring compliance with EU laws by member states
- a. The European Commission
 - b. The European Council
 - c. The European Parliament
 - d. European Union

23. debates legislation for the union
- The European Commission
 - The European Council
 - The European Parliament
 - European Union
24. Thetreaty committed the EU to adopt a single currency
- EU treaty
 - Maastricht Treaty
 - Trafalgar treaty
 - Dova treaty
25. The North American Free Trade Area includes the
- Brazil, Argentina and USA
 - United States, Canada, and Mexico
 - USA, Canada & Brazil
 - Canada, USA & Columbia
26. The African Union used to be called.....
- Organization of Africa States
 - Organization of Africa Union
 - Organization of Africa Confederation
 - Organization of Africa Caucus
27. The United Nations Conference on Trade and Development represents.....
- Developed countries trade interests
 - Developing countries trade interests
 - Global trade interests
 - Regional trade interests
28. OPEC is an association of
- Paper producing countries
 - Coal producing counties
 - Oil producing countries
 - Energy producing countries
29. NATO Pact is an alliance represented by.....
- Developed counties
 - Developing countries
 - Western bloc countries
 - Eastern bloc countries
30. WARSAW Pact is an alliance represented by.....
- Developed counties
 - Developing countries

- c. Western bloc countries
 - d. Eastern bloc countries
31. The shift toward a more integrated and interdependent world economy leading to significant changes in the global economic system
- a. Internationalization
 - b. Globalization
 - c. Deregulation
 - d. Liberalization
32.are taxes levied on imports that effectively raise the cost of imported products relative to domestic products
- a) Import quotas
 - b) Subsidies
 - c) Velorem
 - d) Tariffs
33.restricts the quantity of some goods that may be imported into a country
- a) Subsidies
 - b) Import Quotas
 - c) Velorem
 - d) Tariffs
34. Ahas no barriers to trade between member countries, a common external trade policy, and the free movement of the factors of production
- a) Free trade area
 - b) Common market
 - c) Customs union
 - d) Economic union
35. Anhas the free flow of products and factors of production between members, a common external trade policy, a common currency, a harmonized tax rate, and a common monetary and fiscal policy
- a) Free trade area
 - b) Common market
 - c) Customs union
 - d) Economic union
36. A is issued to the exporter by the common carrier transporting the merchandise
- a) Current account balance
 - b) Balance-of-payments accounts
 - c) Letter of credit
 - d) Bill of Lading

37.approach to staffing in international business is to fill key management positions with parent-country nationals
- Polycentric approach
 - Geocentric approach
 - Ethnocentric approach
 - Histocentric approach
38.the transformation of goods and services or commercialization of an object or activity that is not inherently commercial for profit and capital flows or the extent to which a market value has been given to previously non-commercial goods and services.
- Liberalization
 - Deterritorialization
 - Universalization
 - Commodification
39. Globalization' entails a 'reconfiguration of geographical boundaries so that social space is no longer wholly mapped in terms of territorial places, territorial distances and territorial borders.the spread of supraterritoriality or transworld.
- Liberalization
 - Deterritorialization
 - Universalization
 - Commodification
40.is a decision tool with which managers can recognize, assess, and address the needs of different stakeholders, allowing the firm to achieve competitive advantage while acting as a good corporate citizen.
- Corporate social responsibility analysis
 - Corporate governance analysis
 - Stakeholder impact analysis
 - Competitor analysis
41. The World Trade Organization was formerly known as
- International Development and Reconstruction
 - United Nations Trade and Tariffs Development
 - General Agreement on Trade and Tariffs
 - United Nations Trade Bloc
42. The BRICS stands for
- Belgium, Russia, India, Canada & South Africa
 - Belgium Russia, India, Canada & Soviet Union
 - Brazil, Russia, India, China & South Africa
 - Brazil, Russia, India, China & Soviet Union

43. Which country is the second largest land mass with single largest bilateral trade with the world?
- South Korea
 - Australia
 - Canada
 - USA
44. South Korea, Taiwan, Singapore and Hong Kong in particular have made such rapid strides in international business that they are collectively known as the.....
- ASEAN Gurus
 - Four Asian Tigers
 - Asian Giants
 - Asian Elephants
45. Ais a contract under which a firm agrees to fully design, construct, and equip a facility and then turn the project over to the purchaser when it is ready for operation.
- Outsourcing
 - Benchmarking
 - Turnkey project
 - Contracting out
46. approach to staffing is recruiting host-country nationals to manage subsidiaries in their own country, and parent-country nationals for positions at headquarters
- Polycentric approach
 - Geocentric approach
 - Ethnocentric approach
 - Histocentric approach
47. Cultural training, language training and practical training reduces.....
- Business failure
 - Product failure
 - Expatriate failure
 - Market failure
48. The process of removing government-imposed restrictions on movements of goods and trade between countries in order to create an "open" and "borderless" world economy is.....
- Protectionism
 - Tariffs and Quotas
 - Liberalization and deregulation
 - Internationalization

49.is the means of settling a dispute by having an impartial third party (the arbitrator) hold a formal hearing and render a decision that may or may not be binding on both sides
- Arbitration
 - Mediation
 - Bargaining
 - Negotiation
50. A.....may be the fundamental attribute of a global manager
- Global leadership
 - Global mind-set
 - Global governance
 - Global change
51.is a situation when a business contracts aspects of its production and other business processes over to a third-party or specialized service provider.
- Business
 - Outsourcing
 - Contract
 - Turnkey
52.restricts the quantity of some goods that may be imported into a country
- Subsidies
 - Import quotas
 - Velorem
 - Tariffs
53. suggests that it is in a country's best interest to maintain a trade surplus to export more than it imports.
- Comparative advantage
 - Mercantilism
 - Competitive advantage
 - Absolute advantage
54. A.....is a range of barter-like agreements that facilitate the trade of goods and services for other goods and services when they cannot be traded for money
- Balance-of-payments accounts
 - Letter of credit
 - Bill of Lading
 - Countertrade

55. Some of the key factors driving international business in contemporary times are:
- Globalization, Technology, Competition & good governance
 - Globalization, Technology, Competition & protectionism
 - Globalization, Technology, Competition & population
 - Globalization, Technology, Competition & Profit maximization
56. is when government plans the goods and services that a country produces, the quantity that is produced, and the prices at which they are sold
- Mixed economy
 - Command economy
 - Market economy
 - Mixed Market economy
57. David Ricardo's theory ofadvocates that countries should specialize in the production of those goods they produce most efficiently and buy goods that they produce less efficiently from other countries
- Mercantilism
 - Competitive advantage
 - Comparative advantage
 - Absolute advantage
58.occurs when a firm invests directly in new facilities to produce and/or market in a foreign country
- Export
 - Import
 - International trade
 - Foreign direct investment
59. Ais issued by a bank at the request of an importer states the bank will pay a specified sum of money to a beneficiary, normally the exporter, on presentation of particular, specified documents
- Current account balance
 - Balance-of-payments accounts
 - Letter of credit
 - Trade balance accounts
60. Ais an order written by an exporter instructing an importer, or an importer's agent, to pay a specified amount of money at a specified time
- Current account balance
 - Balance-of-payments accounts
 - Letter of credit
 - Draft

End of Examination