

Code: BA4T1

**II MBA - II Semester – Regular/Supplementary Examinations
MAY 2017**

INTERNATIONAL BUSINESS

Duration: 3 hours

Max. Marks: 70 M

SECTION-A

1. Answer any FIVE of the following: 5 x 2 = 10 M

- a) GATT
- b) Licensing agreement
- c) Predatory Pricing
- d) EXIM Policy
- e) Competitive Advantage
- f) SAARC
- g) Cultural Diffusion
- h) IMF

SECTION – B

Answer the following: 5 x 10 = 50 M

2. a) Discuss the Frame work for analyzing international business environment.

OR

b) Explain the various theories of International Business.

3. a) Explain briefly about the various economic institutions which facilitate international trade.

OR

b) Describe the role of international commodity agreement in international trade.

4. a) Explain briefly the types and the role of pricing policy in international trade.

OR

b) Discuss the significance of strategic alliance in international trade.

5. a) Explain the various types of foreign investment in international trade.

OR

b) Explain the benefits of FDI investment in India. Give an example.

6. a) Discuss the growing concern for ecology in International Trade. Give an example.

OR

b) What is the impact of Information Technology on international trade?

SECTION – C

7. Case Study

1 x 10 = 10 M

One of the banners one saw during the demonstration at Seattle proclaimed the WTO was not the World Trade Organization but the Wrong Trade Organization. it was the wrong trade organization because it involved itself with trade which (as the protestors saw it.) spoilt the environment and promoted unacceptable working conditions for labourers in the poor countries. In the face of it, the charge is clearly not acceptable, but then, do the demonstrations have a point at all? The Seattle demonstrators said that in large parts of the developing world, the production of goods that ultimately generated higher trade figures rested on unsatisfactory working conditions. Their point was that the WTO was not doing anything to ensure that such production did not enter the stream of globally traded items. Since trade (being only one part of pure economic activity) cannot set the standards either in labour or the environment, the WTO should not get into these spheres of activity but should restrict itself to policing international trading activity, taking as given, the prevailing labour and environment standards. It can also be argued that since not much effective work is being done in both the labour and environment spheres by way of tightening up on standards by different international forums currently engaged in the task –the international labour organization and so on. There is no alternative but to tighten the screw of these related aspects of trade activity within the WTO itself. There are some who will argue that the entire effort to involve the WTO with the labour and environment aspects of trade is actually a part of larger effort by

some developed countries to reduce the comparative advantage which poor countries enjoy by way of lower overall production costs, which makes their products cheaper in the world market. If this is correct, then the point needs to be emphasized that the WTO is the right trade organization, which is being sought to be influenced and controlled by wrong sort people.

- a) What are the basic limitations of World Trade Organizations?
- b) Why the World Trade Organization is called “Wrong Trade Organization”?
- c) How does WTO affect India, Particularly in agriculture and Labour aspects?