

Name:			
Enrolment No:			
Name of the Program: MBA OG		Semester – IV	
Subject Name: International Business Management		Max. Marks : 100	
Subject Code : INTB 7002		Duration : 3 Hrs	
Instructions:			
Attempt All Questions. Section A (each carrying 5 marks); Section B (each carrying 10 marks) Attempt any 5 questions from Section B. Section C (carrying 20 marks)			
Section A (Attempt all Questions)			
1.	True and False	Marks	CO
a)	Real GDP is calculated at current prices	[5]	CO1
b)	A letter of credit is a document from a bank that guarantees payment.	[5]	CO1
c)	Most-Favored-Nation (MFN) is the principle of giving others the same treatment as one's own nationals.	[5]	CO1
d)	Comparative advantage is when a country produces a good or service for a lower opportunity cost than other countries	[5]	CO1
e)	Dumping occurs when goods are exported at a price less than their normal value	[5]	CO1
f)	Power Distance is the degree to which people accept inequality	[5]	CO1
Section B (Attempt any 5 questions)			
2.	Explain purchasing power theory or law of one price with the help of example.	[10]	CO2

3.	Explain functions and role of WTO. Cite few disputes settled in WTO.	[10]	C02									
4.	<p>Following is the table showing output per hour of work with regards to watches and shoes in China and India</p> <table border="1" data-bbox="155 506 1135 674"> <thead> <tr> <th></th> <th>Watch</th> <th>Shoes</th> </tr> </thead> <tbody> <tr> <td>China</td> <td>12</td> <td>6</td> </tr> <tr> <td>India</td> <td>2</td> <td>4</td> </tr> </tbody> </table> <p>Calculate total production before and after trade. Assume that total number of hours is 1000 out of which 750 is dedicated to manufacturing watches and 250 for shoes.</p>		Watch	Shoes	China	12	6	India	2	4	[10]	C02
	Watch	Shoes										
China	12	6										
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5.	What is cultural convergence? What are the forces that are helping cultures to converge?	[10]	C03									
6.	<p>“Job outsourcing helps U.S. companies be more competitive in the global marketplace. It allows them to sell to foreign markets with overseas branches. They keep labour costs low by hiring in emerging markets with lower standards of living. That lowers prices on the goods they ship back to the United States.”</p> <p>Discuss and give rational on your stand on current US policies on outsourcing. Is protectionism gaining ground? Support your argument with facts.</p>	[10]	C04									
7.	What are the major risks involved with International Business.	[10]	C04									
SECTION C												

8.	<p>“Financial crisis of 2007–08, also called subprime mortgage crisis, severe contraction of liquidity in global financial markets that originated in the United States as a result of the collapse of the U.S. housing market. It threatened to destroy the international financial system; caused the failure (or near-failure) of several major investment and commercial banks, mortgage lenders, insurance companies, and savings and loan associations; and precipitated the Great Recession (2007–09), the worst economic downturn since the Great Depression (1929–c. 1939). “</p> <p>Elaborate on the factors that caused the crises and the remedial measures by the central bank to pull the economy back on track.</p>	[20]	CO5
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