



Name:

Enrolment No:

UPES
End Semester Examination, December 2024

Course: Global Business Environment

Semester: III

Program: BBA (Foreign Trade)

Course Code: INTB 2001

Time: 03 hrs.

Max. Marks: 100

Instructions:

- This is a CLOSED-BOOK EXAM.
- Cellphones / Tablets / Laptops / Books / Notes etc. are NOT allowed.
- All questions are compulsory.
- Your answers must be “brief & to the point.”

SECTION A
10Qx2M=20Marks

S. No.	Statement of question.	Marks	CO
Q 1.1	Which level of regional economic integration eliminates trade barriers between member countries but allows each country to set its own trade policies with non-members? a) Customs Union b) Free Trade Area c) Common Market d) Political Union	2	CO1
Q 1.2	Which of the following is an effect of government-imposed tariffs on imports? a) Increase in the price of imported goods b) Increase in the number of imports c) Decrease in domestic production d) Removal of export subsidies	2	CO1

Q 1.3	<p>According to the Theory of Absolute Advantage, a country should export goods in which it:</p> <ul style="list-style-type: none"> a) Has a lower opportunity cost than other countries b) Can produce more efficiently than any other country c) Has the highest demand domestically d) Can sell at the lowest price 	2	CO1
Q 1.4	<p>According to the Theory of Mercantilism, a country should:</p> <ul style="list-style-type: none"> a) Maximize exports and minimize imports to accumulate gold and silver b) Rely on the market forces of supply and demand to drive trade c) Specialize in the production of goods that have the lowest opportunity cost d) Avoid government intervention in international trade 	2	CO1
Q 1.5	<p>Critics argue that utilitarianism can lead to morally questionable outcomes because it:</p> <ul style="list-style-type: none"> a) Does not account for individual interests b) Focuses too much on the intentions behind actions c) Justifies sacrificing individuals for the greater good d) Prioritizes short-term happiness over long-term well-being 	2	CO1
Q 1.6	<p>What is the main goal of John Rawls' theory of justice?</p> <ul style="list-style-type: none"> a) To maximize overall utility b) To ensure fairness and equality, especially for the least advantaged c) To promote individual freedom above all else d) To eliminate all forms of government intervention 	2	CO1
Q 1.7	<p>Which of the following is NOT a form of Foreign Direct Investment?</p> <ul style="list-style-type: none"> a) Merger or acquisition 	2	CO1

	b) Greenfield investment c) Portfolio investment d) Joint venture		
Q 1.8	Which ethical theory focuses on the consequences of actions to determine their morality? a) Cultural relativism b) Rights Theory c) Utilitarianism d) Justice Theory	2	CO1
Q 1.9	Which of the following is NOT a method of government intervention in trade? a) Tariffs b) Quotas c) Exchange rate manipulation d) Free trade agreements	2	CO1
Q 1.10	Which level of integration allows for the free movement of goods, services, capital, and labour among member countries? a) Free Trade Area b) Customs Union c) Common Market d) Economic Union	2	CO1
SECTION B 4Qx5M= 20 Marks			
Q	Write a short-notes on the followings		
2	What is a born global firm? Discuss its key characteristics. Provide examples to illustrate your answer.	5	CO2
3	Explain the concept of Rights Theory of Ethics with an appropriate example.	5	CO2

4	What are Embargoes, and how do they affect international trade and diplomatic relations?	5	CO2
5	Explain the concept of Greenfield investment with the help of an example.	5	CO2
SECTION-C 3Qx10M=30 Marks			
Q	Statement of question		
6	What do you understand by globalization? Discuss the drivers that have contributed to the process of globalization.	10	CO3
7	What are the key benefits associated with the globalization of markets? Discuss with relevant examples.	10	CO3
8	Explain the International Product Life Cycle (IPLC) theory, using a specific product to illustrate each stage.	10	CO3
SECTION-D 2Qx15M= 30 Marks			
Q	Statement of question		
9	Explain the different instruments of trade restrictions, such as tariffs, quotas, and embargoes. How do they influence domestic industries and international trade relations? Or, Describe the levels of regional economic integration, from free trade areas to political unions, and analyze their impact on economic cooperation and member states' sovereignty.	15	CO4
10	Critically evaluate the relevance of Factor Proportions Theory in explaining trade between developed and developing nations in the modern global economy. Analyze how advancements in technology and globalization challenge the assumptions of Factor Proportions Theory. Or, What are the key instruments of trade promotion, and how do they help boost a country's exports? Provide examples to illustrate their effectiveness.	15	CO4