



Foundation Certificate in Marketing - Stage 2

INTERNATIONAL BUSINESS

FRIDAY, AUGUST 22, 2003. TIME: 9.30 am - 12.30 pm

Please attempt **FIVE** questions.

(If more than the specified number of questions are attempted, delete those you do not wish to have marked. Otherwise the Examiner will mark the **FIRST** five questions in your Answer Book).

All questions carry equal marks.

Do **NOT** repeat question in answer, but show clearly the number of the question attempted on the appropriate page of the Answer Book.

1. Describe the evolution and role of the WTO. Critically assess the organisation's achievements including reference to examples from the current year.
2. Write notes on **three** of the following:
 - (a) Japanese Keiretsu
 - (b) The Leontieff Paradox
 - (c) Incoterms
 - (d) FDI
 - (e) Dumping.
3. The need for control over foreign operations varies with firms' strategies and core competencies. Discuss the implications of this for market entry strategy.
4. Using the newer trade theories (First Mover, Linder etc) and Porter's theory of national competitive advantage, outline the case for government policies that would build national competitive advantage in a particular industry. Would these policies be in harmony with the basic free trade philosophy?
5. Why is International Business different from domestic business?
6. Describe the major components of culture and illustrate their significance for companies involved in International Business.

P.T.O.

7. Outline the key economic & socio-economic data which companies should be familiar with before entering an international market.
8. Describe the method of payment options open to an exporter. Evaluate these in terms of the security they provide.