



Foundation Certificate in Marketing - Stage 2

INTERNATIONAL BUSINESS

FRIDAY, AUGUST 20, 2004. 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. Ireland held the Presidency of the EU at a particularly historic time earlier this year.
 - (a) What is the role of the Council of Ministers? (6 marks)
 - (b) What were the major issues of the Irish Presidency? (8 marks)
 - (c) In your opinion, how successful was the Irish Presidency? (6 marks)
2. Describe the **three** environments in which an international company operates.
3.
 - (a) Explain the international product life-cycle trade theory.
 - (b) How useful is the concept for the individual firm?
4. *“The rapid spread of regional trade agreements designed to promote free trade raises the fear among some of a world in which a number of regional trade blocs compete against each other.”* (Hill, 2003)
Outline the main arguments for regional integration. Give examples of successful and unsuccessful attempts at regional integration.
5. Write a note on **three** of the following:
 - (a) Foreign Direct Investment (FDI)
 - (b) Self-reference criterion (SRC)
 - (c) Sogo shosha
 - (d) Political risk
 - (e) The IMF

P.T.O.

6. What are the major forces that affect the availability of labour in an economy?
7. Giving examples, explain the differences between direct and indirect exporting. Discuss the advantages and disadvantages of each.
8. With reference to Ireland, discuss how a country's location can influence its political and trade relationships.