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Department of Management **Roll No...**
Odd Semester Examination - January 2024
MBA- Semester I
MBA-FG-104
International Business Environment

Duration: 3 Hour Max.Marks -60
Note: Attempt any Five Questions, All questions carry equal marks (12X5=60)

Q1: England and Russia both have total 1000 units of resources. England can produce with 20 units of resources, 1quital of rice or with 40 units of resources, 1 quintal of wheat. With a 50 units of resources, Russia can produce 1 quintal of Rice or with 30 units of resources, 1 quintal of wheat. Assume that no other inputs are needed.
If there is no trade, what is the production of wheat and rice in both the courtiers?
If there is trade, what would be the total production of both the countries?
Which country has an absolute advantage in the production of which good(s)?

Q2: A person from India was given a foreign assignment in Germany by his company. Assess the difference in culture that he will experience based on Hofstede's Cultural dimensions. The scores of two countries are
India: Power distance (77), Individualism (48), Masculinity (56), Uncertainty avoidance (40), Long-term orientation (51), Indulgence (56)
Germany: Power distance (35), Individualism (67), Masculinity (66), Uncertainty avoidance (65), Long-term orientation (83), Indulgence (40)

Q3: (a) If Government put Regulation on exchange rates as well as restriction on conversion of the local currency against foreign currency to correct deficit in Balance of Payment, then do you think it will help in deficit correction? Explain with the help of example.
(b)Sometimes countries deliberately devalue their currencies. What are the advantages of currency devaluation? How it corrects deficit in balance of payment?

Q4: Michael Porter's Competitive Advantage theory gives the logical rationale for International Trade. Select an Industry of your choice and assess it on the basis of Porter's Diamond. You are free to make assumptions, wherever necessary.

Q5: What was the role of IMF in "Adjustable Peg System" in determining exchange rate? Discuss how its role has weakened over time.

Q6: The Agreement on subsidies and countervailing measures under WTO are important tools in the hand of importing countries to deal with Unfair Trade Practices in International Trade. Do you agree with the statement? Give reason for your answer.

Q7: Why Uruguay round of GATT is considered as turning point in the History of World Trade? What do you mean by GATS? Discuss different modes of cross border supply of services.

Q8: The concept of product patents by pharmaceutical products is likely to make the life-saving drugs beyond the reach of poor and deprived section of the society around the world. A number of African countries have been the worst hit by the spectre of AIDS. Cipla, an Indian Pharmaceutical company, has offered to market anti-AIDS medicine at one-tenth the costs at which it is sold by global pharmaceutical firms. However, due to the product patent laws, substantial controversy has been generated around the globe on ethical grounds. If we follow patenting of drugs strictly, we deprive the needy population of the latest scientific inventions crucial for saving human life? Discuss a plan to deal with an issue.