

KARACHI UNIVERSITY BUSINESS SCHOOL
University of Karachi
FINAL EXAMINATION JANUARY 2011: AFFILIATED COLLEGES
INTERNATIONAL BUSINESS BA (H) – 612
BS – VIII

Date: January 07, 2011

Max Time: 3 Hours

Max Marks: 60

ATTEMPT ALL QUESTIONS. ALL QUESTIONS CARRY EQUAL MARKS

1. One of the most common entry for MNCs is the joint venture. Why are so many companies opting for this strategy? Briefly discuss the different strategies that a firm pursue when competing internationally.
2. Explain the product life-cycle theory. Also discuss why the product life-cycle theory is becoming less predictive in today's environment.
3. The most common ethical issues in international business involve employment practices, human rights and moral obligations. Discuss.
4. Why do many firms prefer horizontal FDI or licensing over exporting? Whose interest should be the paramount concern of government trade policy – the interest of the producers or those of consumers?
5. What makes international business so much complicated in comparison to domestic business? Comprehend the different dimensions of international business.
6. What are the political costs of adopting a free trade regime? What measures should the governments take to reduce these costs?