

**JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD**  
**MBA II Semester Regular Examinations August 2010**  
**INTERNATIONAL BUSINESS**

**Time : 3hours**

**Max.Marks:60**

**Answer any five questions**  
**All questions carry equal marks**

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1. Why the culture of a country might influence the costs of doing business in that country? Illustrate with examples.
2. What conditions is it ethically defensible to outsource production to the developing world where labor costs are lower when such actions also involve laying off long-term employees in the firm's home country?
- 3.a) Explain the role of FDI in the development of economy.  
b) Discuss the government attitude towards FDI.
- 4.a) Discuss the role of home country involvement in asset protection.  
b) What are the economic and political arguments for regional economic integration?
5. What are the advantages and disadvantages of letter of credit in international business?
- 6.a) What are the pros and cons of manufacturing the components in-house.  
b) Discuss the Criteria choosing marketing and production sites.
7. What is Global Corporate citizenship? Discuss how MNC should adopt to the changes within the home government.
8. Write short notes on:
  - a) Country Risk Analysis
  - b) NAFTA
  - c) Strategies dealing with cultural differences.
  - d) Collective Bargaining.

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