



Financial Terms of International Contracts.d

- 1 In terms of international business, it is most accurate to say that _____.
- 2 Individuals should most likely study international business to _____.
- 3 Devon, an accounts manager at a large electronics firm, does not have any direct international responsibilities; however, Devon would most likely benefit from studying international business issues so that he can _____.
- 4 The widening set of interdependent relationships among people from different parts of the world is known as _____.
- 5 Which of the following best defines international business?
- 6 Which of the following is an indication of the increased globalization of business since the end of World War II?
- 7 The integration of markets, nation-states, and technologies in a way that is enabling individuals, corporations, and nation-states to reach around the world farther, faster, deeper, and cheaper than ever before is referred to as _____.
- 8 Most of the world's goods and services are sold _____.
- 9 Which of the following has NOT been a major force increasing globalization in recent decades?
- 10 Which of the following has MOST influenced consumers to demand access to foreign-made products?
- 11 Which of the following best explains why international business has grown rapidly in the past few decades?
- 12 _____ consists of specific learned norms based on attitudes, values, and beliefs of a group of people.
- 13 Which of the following is NOT true about cultural diversity?
- 14 Culture is not _____.
- 15 When divergent cultures come in contact, _____ occurs.





- 16 Which of the following is defined as a group of people who share a unique way of life within a larger, dominant culture?
- 17 Which of the following BEST describes a result of cultural collision in international business?
- 18 Which of the following is the MOST accurate statement about culture?
- 19 Businesspeople seeking to understand more about another culture in order to successfully conduct business within that culture would be best advised to do which of the following?
- 20 Which of the following is a common shortcoming of studies examining culture in different countries and regions?
- 21 Certain attitudes can link groups, such as managers, from different nations more closely than managers within a given nation. As a result, international businesspeople should most likely _____.
- 22 Managing and cultivating diverse teams is facilitated by first encouraging team members to _____.
- 23 The nation offers a workable reference for studying cultural differences because _____.
- 24 Which of the following is a true statement about China?
- 25 Which of the following ideas holds that a government should NOT interfere in business affairs?
- 26 The principle that an individual has the freedom to pursue his or her interests is called _____.
- 27 Proponents of _____ argue that individual interests are not as important as the welfare of the group.
- 28 Which of the following is a characteristic of totalitarian governments?
- 29 Raif belongs to a country in which religion governs all aspects of his life, whether personal or public. He has to abide by a strict, rigid, code that dictates everything from the clothes he wears to the food he eats. Breaking away from these traditions is not an option since religion plays an important role in the functioning of the nation. What political system prevails in his country?
- 30 Which of the following is an advantage of conducting business in totalitarian nations?
- 31 In a country that emphasizes collectivism, _____.





- 32) Political systems based on the _____ paradigm, such as those of Japan and China, accept the principle that government may intervene to ensure that business practices benefit society.
- 33) Although there are different views about the purpose of a political system, most analysts agree that an essential task of a political system is to _____.
- 34) In a practical sense, the term political system is meant to signify the _____.
- 35) John, an international manager for CADE International, has been given the task of analyzing the economies of three different emerging countries for the firm's potential expansion. Which of the following questions is LEAST relevant to John's assignment?
- 36) Taylor Enterprises wants to expand its operations into Asia. Managers are focusing on countries with high degrees of economic freedom most likely because the firm is interested in a country with _____.
- 37) Tatum Manufacturing recently opened a new facility in Japan. The firm can most likely expect the Hong Kong government to _____.
- 38) Which of the following is NOT a characteristic of capitalism?
- 39) Communism primarily relies on a system of _____.
- 40) In a market economy, the patterns of resource allocation are most directly influenced by _____.
- 41) A system in which individuals, rather than the government, make the majority of economic decisions is commonly referred to as a _____.
- 42) Market economies are primarily characterized by _____.
- 43) In a command economy, the goods and services that a country produces, the quantity in which they are produced, and the prices at which they are sold are planned by _____.
- 44) In Country X, all dimensions of economic activity, including pricing and production decisions, are determined by the central government. Which term best describes Country X?
- 45) Which of the following is most typical of a command economy?
- 46) In a _____ economy, certain sectors of the economy are left to private ownership and free market mechanisms, while other sectors have significant state ownership and government planning.





- 47) According to the text, which of the following has resulted from GE's Ecomagination initiative?
- 48) Which of the following statements about GE and its "Green is Green" movement is true?
- 49) The term _____ refers to those people and organizations that are directly affected by the practices and performance of an organization.
- 50) Which of the following is NOT a key stakeholder group that a company must work to satisfy in order to survive in a global environment?
- 51) In a world, ever sensitive to social and environmental issues, more and more firms are embracing social responsibility and sustainability. Such firms are more likely than not to _____.
- 52) Which stakeholder group primarily wants additional sales and increased productivity?
- 53) Which stakeholder group is most interested in trustworthy behavior by corporate executives and increased corporate taxes?
- 54) Which of the following statements is most likely true regarding relationships between MNEs and stakeholders?
- 55) Which of the following is one of the primary business objectives for pursuing ethical behavior?
- 56) _____ is one of the primary business objectives for pursuing ethical behavior.
- 57) Which of the following is a primary business objective for pursuing ethical behavior?
- 58) Bantam Enterprises, a multinational enterprise, makes significant efforts to avoid being perceived as socially irresponsible. What is the most likely reason for this?
- 59) Factor mobility refers to the movement of which of the following combinations?
- 60) South Korea's emergence as a global competitor by building on imported technologies and targeting technical education to become both a competitive and technical leader is largely due to its adoption of _____ trade policy.
- 61) The trade theory that says a country should export more than it imports is known as _____.
- 62) Under mercantilism, governments sought to influence trade by _____.





- 63 Which of the following undesirable results will most likely occur for a country running a favorable balance of trade?
- 64 Neomercantilism describes the approach of countries that try to run a favorable balance of trade to _____.
- 65 According to Adam Smith's theory of absolute advantage, specialization allows countries to increase their efficiency for each of the following reasons EXCEPT _____.
- 66 Which of the following is most likely a basis for a Taiwan's natural advantage in the production of tea?
- 67 Both absolute and comparative advantage theories assume that _____ is the only resource used in the production process.
- 68 As a leading exporter of luxury automobiles, Germany has built a strong reputation in engineering. Germany's trade most likely relies on a(n) _____.
- 69 Assume the following conditions: In the United States it takes 5 units of resources to produce a ton of potatoes and 10 to produce a ton of coal. In Canada it takes 6 units of resources to produce a ton of potatoes and 9 to produce a ton of coal. According to the theory of absolute advantage, _____.
- 70 Comparative advantage differs from absolute advantage in that the former _____, whereas the latter _____.
- 71 Protectionism will most likely affect which aspect of a company's operations?
- 72 The term protectionism, when applied to international trade, refers to _____.
- 73 Why should managers have an understanding of trade protectionism?
- 74 Managers should understand the effect of trade protectionism because _____.
- 75 Assume a government is considering import restrictions on sugar because sugar imports are hurting the domestic industry. Which of the following groups is LEAST likely to speak out on the subject?
- 76 Assume a government places restrictions on a specific product from a specific foreign country. What would be the government's most likely concern about the foreign country's response?
- 77 What is the most likely reason that consumers rarely protest import restrictions that raise the prices they pay for a specific product?





- 78) Unemployed workers are most apt to form a pressure group to support _____.
- 79) Imports can stimulate exports by _____.
- 80) All of the following are generally true about trade-displaced workers EXCEPT that they _____.
- 81) The rationale for the infant-industry argument for trade protection is that _____.
- 82) Which of the following is true regarding the protection of infant industries from international competition?
- 83) _____ integration is the political and economic agreements among countries that give preference to member countries to the agreement.
- 84) The process whereby countries in a geographic area cooperate with one another to reduce or eliminate barriers to the international flow of products, people, or capital is called _____.
- 85) Country A and Country B make an agreement to cooperate more closely and implement tariff reductions. Which of the following best describes this agreement?
- 86) The European Union is an example of _____ integration.
- 87) Global integration occurs as countries from all over the world decide to cooperate through the _____.
- 88) Which of the following statements most accurately describes the relationship between trading groups and MNEs?
- 89) Baldani Manufacturing, an Italian firm, plans to expand into Asia. In order to take advantage of regional trading groups, Baldani will most likely need to change its _____.
- 90) The _____ clause embodied the fundamental principle of GATT-trade without discrimination.
- 91) The _____ requires that any preferential treatment granted to one country must be extended to all countries.
- 92) Which of the following accurately identifies a difference between GATT and the WTO?
- 93) What countries are granted the most-favored-nation status under the GATT?
- 94) The primary goal of the _____ was to promote a free and competitive international trading environment.

