



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**14-16 AHMADU BELLO WAY, VICTORIA ISLAND LAGOS**  
**MARCH/APRIL 2016 EXAMINATION**

**SCHOOL OF MANAGEMENT SCIENCES**

**CREDIT UNIT: 2**

**COURSE CODE: ENT 419**

**COURSE TITLE: INTERNATIONAL BUSINESS I**

**TIME ALLOWED: 2HRS**

**INSTRUCTIONS: 1. Attempt question Number one (1) and any other two (2).**

**2. Question number 1 is compulsory and carries 30 marks, while the other questions carry 20 marks each**

**3. Present all your points in coherent and orderly manner**

- Q1. a. State why international trade is refer to as indispensable and inevitable activity in modern business. 10marks
- b. Briefly explain 5 barriers to international trade. 10marks
- c. Enumerate the term absolute advantage as stated by Adam Smith in his book The Wealth of Nations. 10marks
- Q2. a. Explain world business environment under the following
- i. Demographic Environment
  - ii. Natural Environment
  - iii. Political/legal environment
  - iv. Socio-cultural environment 10mrks
- b. Define globalization and state the benefits of globalization 10marks
- Q3. a. Discuss theories of Foreign Direct Investment (FDI) under any 3 of the following.
- i. The product life cycle theory
  - ii. The electric paradigm
  - iii. The radical view
  - iv. The free market view 10marks
- b. Briefly outline five challenges in international marketing 10marks
- Q4. a. Briefly explain the 3 most appropriate promotional mix in international business 10marks
- b. List and explain 5 determinants of channel type 10marks
- Q5. a. List and explain ethical issues in international business 10marks
- b. Describe Multinational Corporation under any 2 of the following 10marks
- i. By size
  - ii. By structure
  - iii. By performance
  - iv. By behaviour