

GLOBAL BUSINESS

1. Multinational corporations also can be called:
 - a. countrywide, international, or worldwide
 - b. continental, international, or countryside
 - c. global, transnational, or worldwide
 - d. worldwide, continental, or transcontinental

Competency: Basic International Concepts

Task: Define international business and explain terms and concepts related to international business and marketing.

2. Vietnamese entrepreneurs set aside money to cover financial losses. This is called risk:
 - a. reduction
 - b. sharing
 - c. avoidance
 - d. assumption

Competency: Ownership and Management

Task: Identify risks and rewards related to doing business in a foreign market.

3. Which of the following is **not** a source of international law?
 - a. an arbitrator
 - b. general principles of law
 - c. treaties and conventions
 - d. customs

Competency: Legal Issues

Task: Describe the difference between the legal systems of various countries and the United States (e.g. codes, statutes, and common law).

4. Of the following countries, the one in which there are strong ties between family and business is:
 - a. Mexico
 - b. Canada
 - c. Australia
 - d. United States

Competency: Communication (including culture and language)

Task: Define terms such as culture, multiculturalism, stereotyping, and cultural bias and their effects on conducting business internationally.

5. A political influence of the marketing environment would be a nation's:
- type of government
 - population distribution
 - system of schools
 - religious beliefs

Competency: Marketing

Task: Describe what a company must consider when marketing a product/service in other countries.

6. The Double Taxation Avoidance Treaty is an agreement between countries to:
- increase taxes on imports to protect national corporations by lowering their corporate income tax
 - prevent taxes levied twice on the same product
 - provide taxes on sales of products in both countries
 - lower the taxes paid on products produced in one country and sold in another

Competency: Taxes and Government Regulations

Task: Discuss the impact of inflation and tax structures on international business decisions.

7. _____ is Europe's trading bloc.
- World Trade Organization
 - European Union
 - NAFTA
 - North Atlantic Treaty Organization

Competency: Treaties and Trade Agreements

Task: Discuss the benefits to countries for entering into trade agreements

8. The _____ is the common currency for 12 European Union countries.
- Euro
 - Peso
 - Dollar
 - Franc

Competency: Currency Exchange

Task: Identify factors that affect the value of currency and calculate foreign exchange rates of various currencies.

9. _____ is/are income paid or deemed paid to the shareholders of the corporation from the residual earnings of operations.
- VAT
 - Royalties
 - Dividends
 - Interest

Competency: Finance

Task: List sources of capital for international, transnational, multinational, and global companies.

10. When conducting ethical global business, CEOs should not ask themselves if their proposals are:
- true
 - beneficial
 - fair
 - endearing

Competency: Ethics

Task: Identify current and emerging ethical issues in the global business environment.

Global Business Answer Key

- 1) C
- 2) D
- 3) A
- 4) A
- 5) A
- 6) B
- 7) B
- 8) A
- 9) C
- 10) D

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