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**ADM 3318 A,B,C Fall 2012**  
**International Business**

**Professor: Pranal Manga**

**Time: Three hours**

**NAME:** \_\_\_\_\_

**STUDENT NUMBER:** \_\_\_\_\_

**GENERAL INSTRUCTIONS:** Answer all SIX (6) questions. Write your name on each exam booklet. Write your surname first in all capital letters. Make sure you also write your group number on each booklet. No books or notes or calculators permitted.

**Statement of Academic Integrity**

The School of Management does not condone academic fraud, an act by a student that may result in a false academic evaluation of that student or of another student. Without limiting the generality of this definition, academic fraud occurs when a student commits any of the following offences: plagiarism or cheating of any kind, use of books, notes, mathematical tables, dictionaries or other study aid unless an explicit written note to the contrary appears on the exam, to have in his/her possession cameras, radios (radios with head sets), tape recorders, pagers, cell phones, or any other communication device which has not been previously authorized in writing.

**Statement to be signed by the student:**

I have read the text on academic integrity and I pledge not to have committed or attempted to commit academic fraud in this examination.

Signed: \_\_\_\_\_

Note: an examination copy or booklet without that signed statement will not be graded and will receive a final exam grade of zero.

Answer in the exam booklet.

1. What are the principle factors that explain the sustained growth in globalization in the past decades? What indications can one use to demonstrate the increase in globalization?
2. Price purchasing parity (PPP) theory states that everything that is the same product or services should cost the same around the world. This is not the case, why?
3. Describe and comment on various levels of economic integration.
4. You have been asked by a high tech Canadian firm to provide help with selecting if it should be making or contracting out the manufacturing of its new biodegradable toilets. What would you suggest?
5. A country can use many approaches to ensure protectionism. Describe them, giving specific examples of their uses.
6. Explain why a firm would choose foreign direct investment over other types of selling their products.