



**PAMIBIA UNIVERSITY**  
OF SCIENCE AND TECHNOLOGY

**FACULTY OF MANAGEMENT SCIENCES**  
DEPARTMENT OF MANAGEMENT

<b>QUALIFICATION: BACHELOR OF BUSINESS MANAGEMENT HONOURS</b>	
<b>QUALIFICATION CODE: 08BBMH</b>	<b>LEVEL: 8</b>
<b>COURSE CODE: IBM811S</b>	<b>COURSE NAME: INTERNATIONAL BUSINESS MANAGEMENT</b>
<b>SESSION: JULY 2019</b>	<b>PAPER: THEORY</b>
<b>DURATION: 3 HOURS</b>	<b>MARKS: 100</b>

<b>SECOND/SUPPLEMENTARY OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
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<b>INSTRUCTIONS</b>
<ol style="list-style-type: none"><li>1. Answer ALL the questions.</li><li>2. Write clearly and neatly.</li><li>3. Number the answers clearly.</li></ol>

**THIS EXAMINATION QUESTION PAPER CONSISTS OF 5 PAGES (Including this front page)**

## SECTION A

[20 MARKS]

### Question 1- Multiple Choice Questions [10 x 2 marks]

- 1.1 Which of the following philosophies can be traced back to the ancient Greek philosopher Aristotle?
- A. Socialism
  - B. Individualism
  - C. Collectivism
  - D. Anarchism
- 1.2 The tenet of \_\_\_\_\_ is that the welfare of society is best served by letting people pursue their own economic self-interest.
- A. socialism
  - B. communism
  - C. anarchism
  - D. individualism
- 1.3 BP, one of the world's largest oil companies, has made it part of the company policy to undertake "social investments" in the countries where it does business. There was no economic reason for BP to make this social investment, but the company believes it is morally obligated to give something back to the societies that have made their success possible. BP's actions are an example of:
- A. cultural relativism
  - B. the Friedman doctrine
  - C. noblesse oblige
  - D. the tragedy of the commons

1.4 Totalitarianism:

- A. refers to a political system in which government is by the people, exercised either directly or through elected representatives.
- B. is based on a belief that citizens should be directly involved in decision making.
- C. is a form of government in which one person or political party exercises absolute control over all spheres of human life.
- D. is based on the idea that the welfare of society is best served by letting people pursue their own economic self-interests.

1.5 The G20 was originally established to \_\_\_\_\_.

- A. preserve peace through international cooperation and collective security
- B. maintain order in the international monetary system
- C. formulate a coordinated policy response to financial crises in developing nations
- D. manage, regulate, and police the global marketplace

1.6 A situation in which none of the available alternatives seems morally acceptable is called:

- A. an ethical dilemma
- B. noblesse oblige
- C. the tragedy of the commons
- D. the free rider problem

1.7 A common law system is different from a civil law system because:

- A. a common law system is based on religious teachings, while a civil law system is based on cultural traditions.
- B. a common law system is very rigid, while a civil law system tends to be more flexible.
- C. in a common law system a judge relies on legal codes to make rulings, while in a civil law system a judge relies on his intuition and moral reasoning to make judgments.
- D. in a common law system a judge has the power to interpret the law, while in a civil law system a judge has the power only to apply the law.

- 1.8 The idea that businesspeople should consider the social consequences of economic actions when making business decisions and that there should be a presumption in favor of decisions that have both good economic and social consequences is known as:
- A. moral relativism
  - B. noblesse oblige
  - C. ethical dilemma
  - D. social responsibility
- 1.9 When companies disperse different stages of the value chain to those locations around the world where perceived value is maximized or where the costs of value creation are minimized, companies create:
- A. a differentiated organization.
  - B. a location economy curve.
  - C. economies of scale.
  - D. a global web of value creation activities.
- 1.10 \_\_\_\_\_ refer(s) to systematic reductions in production costs that have been observed to occur over the life of a product.
- A. Experience curve
  - B. Economies of scale
  - C. Location economies
  - D. Production possibility

## SECTION B

[80 MARKS]

### Question 2- Essay Questions

- 2.1 Free market economies stimulate greater economic growth, whereas state directed economies stifle growth. Discuss the nature between political economy and economic progress? [10 Marks]
- 2.2 The term ethics refers to accepted principles of right or wrong that govern the conduct of a person, the members of a profession or the actions of an organisation. Discuss the philosophical approaches to ethics [20 Marks]
- 2.3 Toba Beta wrote in his master of stupidity book that "Laws are made not to be broken but are made to curb our savagery." Laws enforced through legal systems. What are legal systems and distinguish between Common law and Civil law? [15 marks]
- 2.4 Many African countries have tried but failed to export beef to China due to stringent laws of this East Asian country. However, Namibia is the first and probably the only African country currently exporting beef to China. With the help of the CAGE framework, analyse the attractiveness and challenges that Namibia faces in this agreement. [15 Marks]
- 2.5 Firms that compete in the global marketplace typically face two types of competitive pressures such as pressures for cost reductions and pressures to be locally responsive. Discuss the four basic strategies to compete in the international environment and which strategies become less viable when competitors emerge? [20 Marks]