

Teaching Tools:

International Business Activity Masters

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International Business Feature 1

Benefits of International Trade

Within the past 24 hours you have probably worn clothes, eaten food, traveled in a motor vehicle, and used electronic equipment made in part or entirely outside the United States. Our global economy involves the exchange of goods and services among people in different countries. These international business transactions allow countries to buy and use items they might not otherwise be able to obtain.

International trade has several benefits for the consumers, workers, and society. Trade among countries gives you, the consumer, a wider selection of buying choices. The global economy creates new job opportunities for workers. For society, international business activities can improve political and cultural relationships among nations, reducing the chance of war.

Some nations in the global economy are able to provide products more efficiently than other countries. An absolute advantage exists when a country can produce a good or service at a lower cost than other countries. This situation usually occurs as a result of the natural resources or raw materials of a country. For example, Canada has an absolute advantage for lumber while certain South American countries have an absolute advantage for coffee, and countries in the Middle East are major oil producers.

A country may have an absolute advantage in more than one area. If so, a decision must be made on how to maximize economic wealth. For example, a country may be able to produce both computers and clothing more efficiently than other countries. If the world market for computers were stronger than for clothing, the country would benefit by manufacturing computers and buying clothing made in other countries. This is a comparative advantage, a situation in which a country specializes in the production of a good or service for which it is relatively more efficient.

International Business Activity Master 1

Name _____

Date _____

Benefits of International Trade

Complete the activity below, based on what you learned about trade among nations. Reread the feature on benefits of international trade if you need assistance.

1. Prepare a list of products used in your home, school, and community that were manufactured in another country. How could the buying and selling of these goods among countries benefit all involved in this exchange?

2. What actions might a nation take to improve its level of economic development?

3. Using library resources or a search of the World Wide Web, find information about international trade activities. What are some of the recent developments related to global business activities among countries?

4. **Visual Display.** List some examples of absolute and comparative advantages for various countries. Prepare a poster or other visual display showing these examples. Describe how a nation benefits from an absolute or comparative advantage.

International Business Feature 2

Levels of Economic Development

Some people travel on a “bullet” train to manage a computer network in a high-rise building. Others go by oxcart to a grass hut to operate a hand loom to make cloth for family members and people in their village.

These differences in living and work environments reflect the level of economic development. Nations with extensive, modern business activity are commonly called industrialized countries. They have highly educated populations and use technology for production and distribution.

In contrast, less-developed countries (LDC) have very little economic wealth. These nations depend on agriculture or mining with few other industries. People have poor housing, food quality, and health care. This low level of economic development may result from poor weather, limited natural resources, low literacy, or uncertain political situations.

Nations moving from being an LDC to becoming industrialized are called developing countries. The U.S. Department of Commerce has identified some of these as “big emerging markets” since they offer great potential for U.S. exports. Examples of big emerging markets are Argentina, Brazil, China, India, Indonesia, Mexico, Poland, South Africa, South Korea, and Turkey.

What factors influence economic development? In addition to strong educational systems, technology, and industries beyond agriculture, a nation’s economic success is affected by infrastructure. This refers to the transportation, communication, and utility systems of a country. Highways, airports, telephones, and electricity are needed for businesses to operate. Countries that desire to improve their economic well-being usually start with improving their educational systems and infrastructure.

International Business Activity Master 2

Name _____

Date _____

Levels of Economic Development

Complete the activity below, based on what you learned about economic development. Reread the feature on levels of economic development if you need assistance.

1. Your company plans to sell telephones in other areas of the world. What level of economic development would be most appropriate for these sales? Why? How might your product be sold in nations with other levels of economic development?

2. What actions might a nation take to improve its level of economic development?

3. Go to the website of the International Trade Administration of the U.S. Department of Commerce. What skills or abilities would be useful for people who desire to work for this organization?

4. **Website Design.** List various items (information and features) that a company might present on its website to attract customers from other countries. (*Optional:* Attach examples of websites that are designed to do business in several countries.)

International Business Feature 3

Measuring Global Economic Progress

The World Cup, the World Series, and the Olympics are sports events that involve scorekeeping. In a similar way, international business also keeps score. These numbers are commonly called economic indicators.

A country's gross national product (GNP) has been one of the most popular measures of economic progress. GNP measures the total value of all goods and services produced by the resources of a country. This measurement includes production in other countries involving the resources of the country whose GNP is being measured. In recent years, as international business activities expanded, a slightly different economic measurement has evolved. Gross domestic product (GDP) measures the productive output of a country within its borders, including items produced with foreign resources. GDP would include, for example, motor vehicles manufactured in the United States by foreign-owned companies.

Comparing total GDP of different-sized countries may not be meaningful. Instead, a per capita (per person) comparison may be used. The per capita GDP of a country is obtained by dividing the total GDP by the number of people in the country.

Another important measure of global economic progress is balance of trade. This figure is the difference between a nation's exports and imports. When a country exports (sells to other countries) more than it imports (buys from other countries), this is referred to as favorable balance of trade. This situation is also called a trade surplus. However, if a country imports more than it exports, the nation has an unfavorable balance of trade or a trade deficit.

International Business Activity Master 3

Name _____

Date _____

Measuring Global Economic Progress

Complete the activity below, based on what you learned about economic indicators. Reread the feature on measuring global economic progress if you need assistance.

1. Using library research or a Web search, obtain recent economic data for a country of your choice. Gather information about the nation's GDP, balance of trade, and other economic data. How does this economic data compare to that of other countries?

2. What actions might a nation take when it has an unfavorable balance of trade?

3. How would a person making decisions for a company doing business in several countries use economic data? Describe how a specific economic indicator might be used to plan or implement an international business decision.

4. **Data Graph Presentation.** Select an economic indicator such as GDP per capita or balance of trade. Obtain the most recent data on this item for five countries in different areas of the world. Prepare a graph comparing the countries. What factors might account for any differences in this economic data among these countries?

International Business Feature 4

International Trade Intermediaries

Getting a product to a rural area of China could involve an ocean freighter, a train, a bicycle, and eventually an ox cart. Movement of goods to desired locations is vital for international business. These distribution activities involve intermediaries, which are businesses that move goods from producers to consumers.

An export management company (EMC) provides complete distribution services for companies that desire to sell in foreign markets. EMCs make it easier for companies involved in foreign trade since they have immediate access to established buyers. Most EMCs are small firms that specialize in specific products or in a certain foreign market.

An export trading company (ETC) is a full-service global distribution intermediary. An ETC buys and sells products; conducts market research; and packages, ships, and distributes goods abroad. An ETC may also be involved in banking, financing, and production activities. Japanese trading companies, called *sogo shoshas*, handle the major portion of Japan's imports and exports.

A freight forwarder ships goods to customers in other countries. Like a travel agent for cargo, these companies move merchandise to the required destination and help with proper documentation of shipments. Often a freight forwarder will accumulate several small export shipments and combine them into one larger shipment in order to get lower freight rates.

A customs broker, also called a custom house broker, is an intermediary that specializes in moving goods through the customs process. This process involves inspection of imported products and payment of duties (import taxes). Customs brokers are licensed in the countries where they work and must be aware of the import rules and fees.

International Business Activity Master 4

Name _____

Date _____

International Trade Intermediaries

Complete the activity below, based on what you learned about global business intermediaries. Reread the feature on international trade intermediaries if you need assistance.

1. Describe the services commonly offered by trade intermediaries such as export management companies, export trading companies, and freight forwarders.

2. What skills and abilities would be useful for a person who would like to work as a customs broker?

3. Conduct a Web search on “freight forwarders.” What services do these organizations offer?

4. **Prepare a Commercial.** Create a video presentation for an export management company, export trading company, or a freight forwarder. Communicate the services and benefits to companies involved in exporting and foreign trade. What would be the major themes of your promotional message?

International Business Feature 5

The Global Marketing Environment

Should a company sell a product in the same way in every foreign market? Or, is it necessary to adapt to various aspects of a country's business environment? For example, a food company may change the flavor of a product to adapt to the cultural tastes of a foreign market. Global marketing decisions are commonly influenced by geographic, economic, cultural, and political factors.

A country's climate, terrain, and other geographic factors influence marketing decisions. Cake mixes sold in the mountains of Peru have slightly different ingredients and instructions than those sold at lower elevations.

Economic factors include a country's infrastructure—transportation, communication, and utility systems. This can influence how a company distributes and advertises a product.

The social and cultural influences on marketing include family, customs, and religious beliefs. A company would not advertise showing a teenager talking back to a grandparent in a country in which the people show great respect for the elderly.

Trade barriers are examples of political and legal factors affecting global marketing. Tariffs and import restrictions can limit how and where a product is sold.

As international marketing managers look for potential customers in other countries, they need to identify a target market. This refers to the specific customers as defined by geography and demographic characteristics. For example, a target market for certain types of baby food may be defined as large families (five or more people), with children under age two, living in urban areas of countries with developing economies.

International Business Activity Master 5

Name _____

Date _____

The Global Marketing Environment

Complete the activity below, based on what you learned about global marketing. Reread the feature on the global marketing environment if you need assistance.

1. Geography (climate, terrain, waterways, natural resources) has a very important influence on marketing activities in a country. Select a country and research its geography. Describe how these factors might affect the creation, promotion, and distribution of a product.

2. Describe why a country's infrastructure is important for marketing activities.

3. Go to the website of a company that does business in several countries. What are some differences in the company's marketing activities in different countries?

4. **Visual Presentation.** Select a product. Create a visual presentation (such as a poster, newsletter, or other display) that shows different target markets for this item in different countries. How does geography, culture, level of economic development, and the political environment affect who buys the product?

International Business Feature 6

International Trade Agreements

An economic community is an organization of countries that bond together to allow a free flow of goods and services. The group acts as a single country when conducting business with other regions of the world. An economic community is also called a common market.

The European Union (EU) is the largest and most extensive economic community. This economic community allows a free flow of goods, services, and workers among the member nations. As of 1999, the EU consisted of 15 countries with others (mainly in Eastern Europe) applying for future membership.

The North American Free Trade Agreement (NAFTA) consists of Canada, Mexico, and the United States. Trade within this economic community has created many new jobs in the region.

Other examples of regional economic cooperation include MERCOSUR (involving Argentina, Brazil, Paraguay, and Uruguay); the Economic Community of West African States (ECOOWAS); the Association of Southeast Asian Nations (ASEAN); and the Central American Common Market.

The exchange of goods and services between two parties with no money involved is direct barter. However, since trading items of equal value is difficult, a different barter method is used. Countertrade is the exchange of goods and services among companies in different countries. With countertrade, however, some currency may be involved.

A free-trade zone is an area designated by a government for duty-free (no import taxes) entry of nonprohibited goods. Free-trade zones are commonly located at a point of entry into a nation, such as a harbor or airport. One example is the Colon Free Zone in Panama.

In a free-trade zone, merchandise may be stored, displayed, or used without duties (taxes) being paid. Duties are imposed on the goods only when the items pass from the free-trade zone into an area of the country subject to customs.

International Business Activity Master 6

Name _____

Date _____

International Trade Agreements

Complete the activity below, based on what you learned about trade agreements. Reread the feature on international trade agreements if you need assistance.

1. How and why are economic communities formed? What would be the benefits of an economic community for a company planning to do business in a region of the world that has such a common market?

2. How does countertrade benefit a country with a weak economic situation?

3. Using library research or a Web search, obtain information on free-trade zones. What are the benefits of free-trade zones? What are the locations of some free-trade zones?

4. **In-Class Debate.** List several positive and negative aspects of an economic community. Debate another student (or in teams) on the benefits of an economic community for a country. Be ready to also point out potential drawbacks of these common markets.

International Business Feature 7

Foreign Government Agencies

How can a small business owner contact potential customers in other countries? Embassies, consulates, foreign trade offices, and foreign chambers of commerce are some of the foreign government agencies available.

Embassies are official representatives of a foreign government. These offices usually have foreign trade specialists available to assist exporters with identifying potential markets. These trade specialists analyze current economic conditions and assist companies with various international trade activities.

Embassies also provide other services. As people travel to other countries, embassy staff members may assist them with various services and information. In an emergency, travelers commonly contact an embassy for assistance.

Similar to an embassy, a consulate is an office located in a foreign country that represents the home country, and serves the interests and businesses of the country it represents. Most countries have consulates in large cities throughout the world.

Countries and states establish trade offices in other nations to encourage international trade. For example, the European Union has a trade office in Washington, D.C., to contact potential buyers and sellers in the United States. Additionally, the state of Illinois has a foreign trade office in China in an attempt to expand exports to Asia.

Foreign chambers of commerce in the United States promote and encourage international trade for their countries. These organizations can assist importers and exporters with making contacts and providing information. Most of these chambers of commerce are located in New York City and Washington, D.C.; others, especially those representing Asian companies, are in San Francisco.

International Business Activity Master 7

Name _____

Date _____

Foreign Government Agencies

Complete the activity below, based on what you learned about foreign agencies. Reread the feature on foreign government agencies if you need assistance.

1. You are planning to import small engines from Europe to use in making other products. How might a foreign chamber of commerce assist you with this planned business enterprise?

2. What services are commonly provided by an embassy?

3. Go to the website of a country's embassy. What information is provided? What skills or abilities would be useful for people who desire to work for this type of organization?

4. **Website Design.** List various items (information and features) that a country might present on a website to attract business from other countries. (*Optional:* Attach examples of websites that are designed to attract foreign investment.)

International Business Feature 8

Pricing for Global Markets

A new car that costs \$16,000 in the United States could cost over \$30,000 in South America. Production costs, consumer demand, and competition are the most common factors affecting prices in a country. However, in the global marketplace, prices are also affected by other economic and political influences.

Fluctuations of currency exchange rates can result in a company receiving less money than expected. This risk of fluctuating currency rates can be eliminated by setting prices based on the currency of the selling company's country. Countertrade, the process of directly exchanging products and services among companies in different countries, can also minimize pricing risks.

Sometimes a company may intentionally set extremely low prices for foreign trade. Dumping is the practice of selling exported products at lower prices than they are sold in the company's home country. While this can benefit consumers, others will suffer. The lower price drives out competition, causing workers to lose jobs.

Recently, Chilean salmon companies were accused of selling their fish for less than the going market price. This put Norwegian and U.S. fisheries at a competitive disadvantage in the world market. However, the Chilean companies contended that the price they charged was based on their operating costs and the large supply of salmon during that harvest season.

Businesses often pressure governments into helping to prevent dumping. Countries may adopt antidumping laws or antidumping tariffs. These trade barriers prohibit importers from selling products at artificially low prices.

International Business Feature 9

Technology and International Business Communications

A common global business conversation may go like this:

“Can you e-mail me the latest sales figures from our Paris office?”

“Are you kidding? It’s five in the morning!”

“Not here in London; it’s the middle of the business day.”

Improved technology has made possible various types of business transactions that were considered science fiction a few years ago. Today, a person in Bangkok can talk with and see a business associate in Oslo.

Medical professionals are able to attend to the health care needs of people in rural South America without leaving their clinic in the city. The use of expert systems and video conference equipment allows a diagnosis by a distant doctor with the treatment administered by a local medical assistant. Technology expands the availability of health care.

Companies reduce operating and inventory costs with the use of technology. A chain of food stores in Japan monitors all product sales with a centralized computer system. This network allows managers to know which stores need which product and when. As a result, stores always have the items wanted by customers.

Technology also makes language translation possible. Voice-activated computers are available to convert one language into another. This system allows a French-speaking sales manager to understand the product needs of a Russian-speaking customer.

Global financial markets are also changing because of technology. Funds can be transferred from a customer to make a payment within a few seconds, using electronic banking systems. The amount is easily converted from dollars to pesos, euros, or yen. The World Wide Web and other computer networks allow investors to continually monitor investment values anywhere in the world.

International Business Activity Master 9

Name _____

Date _____

Technology and International Business Communications

Complete the activity below, based on what you learned about global communications. Reread the feature on technology and international business communications if you need assistance.

1. Your business success will be influenced by your ability to communicate clearly and effectively. Describe some communication skills that would be beneficial for a person to have who wants to work in an international business career.

2. Companies often face difficulties with communication when doing business with other nations. What actions might a business take to reduce the problem of miscommunication when conducting international business activities?

3. Describe how technology expands international business activities. What are some ways that technology makes it possible to contact customers around the world? How has technology made the delivery of goods and services faster and less expensive?

4. **Global Memo.** Assume that you work for an international company. Prepare a memo that communicates your willingness to travel to another country to help the company open a new office in that nation. Point out the career skills you have that will be useful in this overseas business assignment.

International Business Feature 10

Global Marketing Opportunities

Some businesses sell toys in one city while others sell medical products throughout the world. While both organizations are involved in marketing, the medical company has a global perspective.

International marketing involves marketing activities among sellers and buyers in different countries. Global marketing opportunities for companies are designed to maintain and expand an organization's profits. These international business opportunities commonly result from global trends, such as the following:

1. Expanded communications, such as computer networks, make it possible to communicate with customers all over the world. The use of fax machines, e-mail, video conferencing, and the World Wide Web expands selling to people worldwide, when previously this may not have been possible due to time and expenses.
2. Technology, such as automated production systems, makes it easier for companies to set up manufacturing plants in other countries. Technology also improves product distribution. Refrigeration systems on ships allow fruits and vegetables grown in Chile to arrive fresh in Japan.
3. Changing political situations can result in expanded business opportunities. Many previously closed societies now encourage foreign companies to help with their nation's economic development.
4. Increased competition results in a need to offer new and different products. As domestic and foreign competitors enter a market, managers must be more creative and more efficient in their production, marketing, and distribution.
5. Changing demographics, such as birthrates, age distributions, marriage rates, income levels, and education, also create new marketing opportunities. The fact that more parents are working usually means greater demand for childcare and convenience foods. People living longer can lead to new business opportunities for health care and travel services.

International Business Feature 11

Export Assistance Agencies

Major companies such as Ford, Kellogg's, and Coca-Cola have their own international divisions and offices in other countries. However, small companies cannot usually afford an exporting department. To assist these smaller enterprises, several federal government agencies are available to help with planning and implementing exporting activities. These agencies can assist with finding customers, shipping procedures, and financing global activities.

The International Trade Administration (ITA), a division of the U.S. Department of Commerce, is the federal government's main agency for promoting exports. Export Assistance Centers are available throughout the country to help small business owners identify potential foreign markets for their goods and services. ITA is also actively involved in creating international trade policies of the United States.

The Small Business Administration (SBA) also encourages exporting. It provides smaller companies with loans to manufacture products for exporting. SBA also offers seminars, publications, and other information about exporting and international business activities.

The Export-Import Bank of the United States helps finance exporting of goods and services produced by U.S. companies. This federal government agency provides loans, loan guarantees, and insurance programs to assist and promote exporting.

International Business Activity Master 11

Name _____

Date _____

Export Assistance Agencies

Complete the activity below, based on what you learned about export assistance. Reread the feature on export assistance agencies if you need assistance.

1. Your company would like to sell its product in other countries. What information would be needed before exporting can begin? Where would you find this information?

2. What are the benefits of federal government agencies promoting exporting among small and medium-sized companies?

3. Go to the website of the Small Business Administration or the Export-Import Bank of the United States. What information is provided to assist companies that are involved in foreign trade and exporting?

4. **Develop an Exporting Plan.** List the actions necessary to export a product to another country. Prepare a flowchart or graph to show the steps involved in the exporting process.

International Business Feature 12

International Consumer Behavior

People in all regions of the world have the same basic needs. A need for food, health care, and social interaction is not unique to one climate or geographic area. While we are all motivated to make buying decisions based on a common foundation, our culture and level of economic development will affect these buying choices. Four major categories commonly influence consumer behavior:

1. *Physical and emotional needs.* You require air, food, shelter, clothing, and health care to survive. However, these basics of life may vary for different people. While you may purchase clothes at a store, other people may wear homemade clothing.
2. *Geographic and demographic factors.* A person in a warm climate will require different housing and clothing from someone living in a cold climate. Demographic traits such as age, gender, family size, and education level also influence buying habits. For example, as people of a nation have a longer life span, the demand for health care, travel, and recreational services increases among older consumers.
3. *Personality factors.* Attitudes are another influence on consumer behavior. A person's beliefs toward risk, change, convenience, and families will affect buying habits.
4. *Social and cultural factors.* Family, friends, and religion influence what and how we buy. In cultures with strong social connections, consumers buy goods and services that emphasize and promote these relationships.

International Business Activity Master 12

Name _____

Date _____

International Consumer Behavior

Complete the activity below, based on what you learned about global buying influences. Reread the feature on international consumer behavior if you need assistance.

1. All people have basic physical needs. However, these needs will vary based on a country's level of economic development. Describe how a nation's economy influences a person's buying habits and consumer behavior patterns.

2. Describe how climate, terrain, and other geographic factors might affect the buying habits in a country.

3. Select a product or service. Collect advertisements and photos that show how physical and emotional needs, geographic and demographic factors, personality factors, and social and cultural factors influence a person's decision to buy and use that item. Describe how the ads and pictures portray these buying influences.

4. **Global Interview.** Talk to someone who has lived in or traveled to another country. Obtain information about the buying habits, shopping activities, television programs, and other consumer behaviors in that nation. How do these various habits and attitudes differ from those in the United States?

International Business Feature 13

International Legal Systems

Laws are necessary in every society. Without a legal system, business activities would be confusing. People would not know if the items they purchased would be received. Companies might not receive payments for goods and services sold.

Civil law, also called code law, is a complete set of rules that is enacted as a single, written system or code. When a government enacts a civil code, it attempts to write down all of the laws and rights that govern every aspect of the society. The first civil laws were created in the seventeenth century B.C. in Babylon. Most countries today are governed by civil law.

Common law is a system of decisions made for various situations. In modern common law, also referred to as case law, judges make decisions guided by rulings in previous cases. The principle of fairness, important in business transactions, is often the basis for common law.

A third legal system is statutory law. This system is based on laws enacted by a lawmaking body, such as a parliament or a congress. Statutes are enacted to add or change existing laws and to create laws for new situations that arise. For example, recent laws regulate business transactions on the Internet.

Tax laws vary from country to country. In the United States, federal income tax and state sales taxes are the main sources of government revenue. In the European Union, a value-added tax (VAT) is used. A VAT is a tax assessed on the increase in value of goods from each stage of production to final consumption. This type of tax may be viewed as a national sales tax.

International Business Activity Master 13

Name _____

Date _____

International Legal Systems

Complete the activity below, based on what you learned about international law. Reread the feature on international legal systems if you need assistance.

1. What are the differences among civil law, common law, and statutory law? How does history and cultural tradition influence a nation's use of one of these legal systems?

2. Describe measures that a company might need to take if legal action is necessary in another country.

3. Conduct library research or a Web search to obtain information about different laws affecting business in other countries. Describe a law that you found to be interesting or unusual.

4. **Taxes and Global Business.** Prepare an in-class presentation that reports the types of taxes that might affect international business activities. Explain how taxes are used by governments to achieve various economic and social goals for their countries.

International Business Feature 14

International Financial Agencies

Countries need money to pay for various goods and services, just as families and businesses do. Maintaining a steady system of foreign exchange is necessary for global financial stability. The World Bank and the International Monetary Fund, each with over 150 member nations, are two international agencies that ensure this stability.

Created in 1944, the World Bank was originally established to provide loans for rebuilding nations devastated by World War II. Presently, the World Bank provides economic assistance to less developed nations. World Bank funds are used to build energy plants, transportation networks, and communications systems. Capital and technical support are provided to private businesses in nations with limited resources. The World Bank also promotes joint ventures between foreign and local companies to bring capital investment to developing nations.

The International Monetary Fund (IMF) helps to maintain an orderly system of world trade and foreign exchange rates. Before the IMF was established in 1946, nations often manipulated their currency values to attract foreign customers, or imposed trade restrictions in order to hinder competitors, thus resulting in trade wars among nations.

Today the IMF functions as a cooperative deposit bank, helping countries to decrease foreign debt and stabilize local currency. The IMF may suggest economic policies to correct a nation's problems, and can provide low-interest loans to aid countries with high foreign debt.

International Business Activity Master 14

Name _____

Date _____

International Financial Agencies

Complete the activity below, based on what you learned about international agencies. Reread the feature on international financial agencies if you need assistance.

1. Assume you are starting your own business importing crafts from Ecuador. Would you go to the World Bank or the International Monetary Fund (IMF) for assistance? Why?

2. What are the main activities of the World Bank? of the International Monetary Fund?

3. Look up the World Bank and IMF, using your Web browser. Identify skills or requirements for getting a job at these organizations.

4. **Business Letter** Write a sample business letter to either the World Bank or the International Monetary Fund, requesting information about doing business in a country of your choice. Write the letter as if you are a businessperson interested in opening a new company or new office in that country. Ask for information that will be important in making your decision to start operations in that country.

International Business Feature 15

Developing Nations

More than 200 nations exist in our world. Of those, less than 50 are considered to have a high level of economic development. We usually hear about business activities in the United States, Canada, Japan, and western European countries. However, most countries of the world do not have modern roads, high-speed communication systems, and shopping malls.

Developing nations usually depend on agriculture and natural resources as the foundation for their economies. Farming is a basic industry that employs many people. Agricultural products are commonly the result of human labor with little or no use of machinery. Mining also provides an economic base in many developing nations. Products such as coal, copper, iron ore, lead, silver, and zinc are common exports.

Other characteristics typical in developing nations are low literacy rate and poor health conditions. These countries have very few resources available for schools, teacher salaries, and educational materials. Many children are not in school, as their efforts are needed on farms or in the family business. The low level of economic development in these countries creates shortages of adequate food and clean water, which results in various diseases. In addition, doctors, hospitals, and medical supplies are also usually in short supply.

Developing nations attempt to expand their economies through international trade and foreign investment. Exports can help a country obtain resources to improve its living conditions, while foreign companies can improve the business environment and economic opportunities. As a nation's economy develops with more industrialization, new jobs are created and economic wealth expands.

International Business Activity Master 15

Name _____
Date _____

Developing Nations

Complete the activity below, based on what you learned about economic development. Reread the feature on developing nations if you need assistance.

- 1. A company plans to do business in a developing nation. List types of products and services that might be sold that could improve the country's level of economic development.

- 2. Explain why improving transportation and communication systems in a country is important for its economic development.

- 3. Conduct a Web search to obtain information about a developing nation. What are the country's main natural resources and agricultural products? How could a company use these raw materials to expand economic opportunities in that country?

- 4. **Letter Writing.** Prepare a letter to one of your U.S. senators or member of the U.S. House of Representatives. Request information about our country's efforts to provide economic assistance and other aid to developing nations.

International Business Feature 16

International Trade Organizations

How can a company with little or no resources available for global expansion get involved in international trade? Several organizations exist to assist companies that are new to exporting as well as established exporters that want to expand their foreign markets.

The World Trade Center, with its main office in New York City, has more than 300 branches in more than 90 countries, including most large cities in the United States. This nonprofit organization works to bring together international buyers and sellers of goods and services. The World Trade Center in Chattanooga, for example, links exporting companies in Tennessee to potential customers throughout the world. In a similar manner, the World Trade Center in North Carolina generates job growth by expanding international trade and increasing access to foreign markets for North Carolina companies.

The International Chamber of Commerce (ICC) is a private organization that serves companies involved in global business. The ICC has offices in more than 100 countries. It publishes materials to assist exporters with various international trade procedures. ICC publications include information on terms of sale, shipping risks and costs, contracts, collection procedures, and transport documents.

International Business Activity Master 16

Name _____

Date _____

International Trade Organizations

Complete the activity below, based on what you learned about export assistance resources. Reread the feature on international trade organizations if you need assistance.

1. Your company plans to expand its business activities into countries in the Middle East. What types of information and assistance might be obtained from a World Trade Center?

2. What services are offered by the International Chamber of Commerce?

3. Go to the website of the World Trade Center Association or the Federation of International Trade Associations. List some of the resources and services available to exporting companies from these organizations.

4. **Career Plan Chart.** Prepare a visual presentation (poster, newsletter, or other visual) that presents the skills needed to work for a World Trade Center office. List various experiences and knowledge that might be needed for this type of work.

International Business Feature 17

Foreign Exchange and Currency Rates

Would you be willing to pay 60 pesos for a hamburger? Or, is 5,200,000 yen a good price for an automobile?

Someday you might have to answer these questions when traveling or when conducting international business transactions. Foreign exchange is the process of converting the currency of one country into the currency of another country. The exchange rate is the amount of one currency that can be traded for one unit of the currency of another country.

This value of a nation's currency is affected by three main factors. First, the balance of payments of a country will affect its currency value. As a nation imports more than it exports, the value of its currency will decline. This results because more of its currency is on the world market; higher supply of that currency on the world market results in lower demand, and a lower price, for that currency.

Second, economic conditions affect currency values. As prices rise in a country (inflation), the buying power of the currency declines. This results in a lower value of the currency on the world market.

Third, political instability causes uncertainty about a country's currency. Future uncertainty about a nation's government reduces the demand (and value) of its monetary unit.

These three factors affect the supply and demand of a nation's currency. Lower demand results in depreciation, when the price of a currency falls. For example, if the euro (the currency of the European Union) depreciates, one euro can be exchanged for fewer Japanese yen.

In addition to the market forces of supply and demand, a country's government can directly affect the exchange rate. Devaluation is the process of setting a lower value for a nation's currency. If the Mexican peso is devalued, the number of pesos that can be exchanged for other currencies increases. Each peso has a lower value. Devaluation is an attempt to encourage exporting, since a nation's products will cost less in other countries.

International Business Activity Master 17

Name _____

Date _____

Foreign Exchange and Currency Rates

Complete the activity below, based on what you learned about exchange rates. Reread the feature on foreign exchange and currency rates if you need assistance.

1. As a company starts doing business in other countries, explain how trade balances, inflation, and political stability might affect the currencies that the country might receive in payment for its goods and services.

2. Describe actions a nation might take to improve the value of its currency on the world market.

3. Every country has an agency that keeps track of the nation's trade balance and currency value. What skills or abilities would be useful for people who desire to work for this type of organization?

4. **Currency Rate Graph.** Using library research or data from the World Wide Web, obtain recent currency rates (in relation to the U.S. dollar) from three other countries. Plot these values on a graph for two or three different dates. What factors might affect any changes in the value of these currencies?

International Business Feature 18

Global Financial Institutions

In Frankfurt, Germany, an investor buys shares of Porsche. In Tokyo, Japan, shares of Mazda are purchased. And on the New York Stock Exchange, interested investors purchase Ford Motor Company shares.

A stock exchange is a location where stocks are bought and sold. In the past, most stock markets were physical places where representatives of buyers and sellers met to negotiate stock prices. Today, some stock exchanges exist only through computer networks with buyers and sellers negotiating online.

The value of stock is affected by a variety of factors. A company's profit potential is probably the most important influence on its stock price. Current economic conditions, such as inflation and interest rates, will also affect stock prices.

More than 70 stock markets exist throughout the world. Some of these are located in Bombay, Copenhagen, Milan, Rio de Janeiro, Seoul, Sydney, and Tel Aviv. In recent years, stock exchanges have also started in countries with developing economies, such as the Czech Republic, Russia, South Africa, and Vietnam.

The bond market is another important financial institution for global business. A bond is a certificate representing money borrowed by a business organization or a government. Bonds are bought and sold similar to stock. The market value of a bond varies, based on changing interest rates and the credit rating of the borrowing organization.

The foreign exchange market involves the buying and selling of currencies. These currencies are needed to pay for goods and services that are purchased from companies in different countries. Each day, the value of the dollar (and other currencies) changes in relation to other currencies. For example, when many countries buy U.S. goods and services, these must be paid for in U.S. dollars. As more people buy dollars, this demand pushes the value of the dollar upward. The current value of the dollar (in relation to other currencies) may be obtained from the business section of newspapers or on the World Wide Web.

International Business Activity Master 18

Name _____

Date _____

Global Financial Institutions

Complete the activity below, based on what you learned about international finance. Reread the feature on global financial institutions if you need assistance.

1. An investor asks you to recommend a stock of a company in another country. What factors would you consider when recommending this stock? What actions would you take to research the company and country?

2. What are the benefits of online stock markets for investors?

3. Why might a company issue bonds instead of stock when planning to finance its international business activities?

4. **Monitoring Global Stock Values.** Select a company listed on a foreign stock exchange. Locate the value of this company's stock for several weeks. Prepare a table or graph showing these values. What factors might have caused changes in the value of this stock?

International Business Feature 19

Global Risk Management Strategies

As an international business manager, would you be willing to ship automobiles to a company in another country before receiving the payment? Or, would you agree to take a country's currency for a payment instead of U.S. dollars?

These are examples of risks faced by every organization involved in international business. To reduce international business risk, management experts recommend four strategies:

First, conduct business in many countries. This approach reduces the risk faced when doing business in only one country or a single region. If turmoil occurs in one nation, causing lost sales and profits, the global company is covered with profits from other markets.

Next, offer a variety of products. When an organization diversifies its product line, reduced sales in one item will not mean complete failure for the company. Successful global organizations continually create new products, seek new uses for existing products, and look for new markets for their products.

Third, risk may be reduced by involving local business partners. Joint ventures with local companies help to reduce political and social risks. An agreement between a global company and a locally run business can benefit both parties. Also, the citizens and government of the host nation will not feel as threatened by outsiders.

Finally, employ local management in order to lower global business risk. Administrators who are native to a country or region better understand cultural norms and political actions. This knowledge can help the international company adapt its product and business activities to the needs of the society being served.

International Business Activity Master 19

Name _____

Date _____

Global Risk Management Strategies

Complete the activity below, based on what you learned about international business risk. Reread the feature on global risk management strategies if you need assistance.

- 1. Assume you are a company that plans to sell clothing in Central and South America. Describe actions that international managers might take to reduce the risk of doing business in these countries.

- 2. Select a company. Describe some new products the company might offer to reduce its international business risk.

- 3. Using library research or a Web search, obtain information on political stability in various countries. Which countries have a high level of political risk?

- 4. **Visual Presentation.** Create a poster (or other visual presentation) showing a possible joint venture between two companies in different countries. Explain how this partnership would benefit each company. How does this joint venture reduce international business risk?

International Business Feature 20

International Property Rights

In some Asian countries, local companies not associated with the National Basketball Association create shirts celebrating the championship of an NBA team. In a Latin American country, copies of a popular video are duplicated illegally and sold by street vendors. These are both examples of violations of property rights.

Property rights are the exclusive rights to possess and use property and its profits. This excludes everyone else from interfering with the use of the item. Intellectual property refers to technical knowledge or creative work. These include software, clothing designs, or films. For many companies, their intellectual properties are valuable assets that generate sales revenue and profits.

A patent is the exclusive right of an inventor to make, sell, and use a product or process. A patent may be obtained on a computer component, an airtight package, or a prescription drug. These inventions can give a company a competitive advantage. Patents are designed to encourage innovation and progress.

A trademark is a distinctive name, symbol, word, picture, or combination of these that is used to identify products or services. Common trademarks known around the world include the McDonald's golden arches, Kellogg's Tony the Tiger, and American Express.

A copyright protects the original works of authors, composers, playwrights, artists, and publishers. In the United States, a copyright gives originators exclusive rights to publish and exhibit their creative works for their lifetime plus 50 years. Most other countries have similar laws.

Counterfeiting refers to illegal uses of intellectual property, patents, trademarks, and copyrights. A foreign company may slightly change a well-known trademark to obtain financial gains based on the reputation of the famous company. When property rights laws are not enforced, companies can lose profits, which discourage them from participating in international trade.

International Business Activity Master 20

Name _____

Date _____

International Property Rights

Complete the activity below, based on what you learned about property rights. Reread the feature on international property rights if you need assistance.

- 1. Locate an example of a brand name that is known around the world. What makes this product name popular in many areas of the world?

- 2. What are the benefits of a country respecting the patent and copyright laws of other countries? What actions might a nation take to protect these intellectual property rights?

- 3. Conduct library research or a Web search on product “counterfeiting” in other countries. What are the costs of counterfeiting for businesses, workers, and consumers?

- 4. **Trademark Design.** Develop an idea for a new product that might be sold in several countries. Create a trademark or brand name for this item. Explain why your trademark or brand name might be successful for international business.

International Business Feature 21

International Business Risks

Every international company faces global business risks. A civil war may destroy a factory. A parts supplier may go out of business. Or, inflation might cause higher prices that customers cannot afford. Risks associated with doing business in other countries are commonly viewed in three categories:

1. Political risk refers to the uncertainty that may result from the instability of a government. Political control in a country may change during civil unrest or a revolution. This change in government may result in increased corruption or changes in business regulations. Trade barriers also create political risk. These trade barriers may include tariffs, antidumping laws, import quotas, and currency exchange controls.
2. Social risk relates to differences in cultural factors that could influence business activities. These risks may be related to historic tradition, religious beliefs, or family values. For example, in some areas of the world, family-business ties are strong. Companies must adapt to this cultural situation to be successful.
3. Economic risk involves factors in a nation's economy that might affect the business environment. Consumer demand, inflation, currency values, and interest rates are some of the economic factors that can create business risk. Changing currency values can result in difficulties when collecting money from a company in another country.

With change continually occurring in the world, international managers must keep track of foreign economic and political situations. This may be done by reading and monitoring news through newspapers, the World Wide Web, and television. Reports from people who live and work in other countries are another important way to keep up with changes in a nation's business environment. An ongoing awareness of factors such as political stability, religious influences, and changing economic conditions can help companies act early to reduce risk and to make wiser global business decisions.

International Business Activity Master 21

Name _____

Date _____

International Business Risks

Complete the activity below, based on what you learned about global risks. Reread the feature on international business risks if you need assistance.

1. A company is planning to export food products to countries in Asia and Africa. Describe potential political, social, and economic risks that might be encountered.

2. What actions can a company take to identify risks before doing business in another country?

3. Go to the website of the U.S. State Department. What information is provided about business or travel risks for other countries?

4. **Global Interview.** Talk to a person who has lived in or travelled to another country. Obtain information about any experiences or observations that would increase risk for a company doing business in that country.

International Business Feature 22

International Trade Agencies

Some countries believe in a free market for international trade. Others impose trade barriers to protect their domestic economies. The General Agreement on Tariffs and Trade (GATT) was created to negotiate these types of differences among nations. This agreement was originally negotiated in 1947 and started operations in 1948 with about 20 countries. Today, the membership of GATT involves more than 120 countries. The overall goals of GATT are to promote international trade through negotiation and to make world trade secure among nations.

Recent GATT negotiations included guidelines for the protection of intellectual property rights. GATT is continually changing as additional countries join the program and new trade agreements are negotiated.

The United Nations, an international organization that promotes cooperation among countries, is actively involved in global business. Economic development of less-developed countries is a major concern of the United Nations. The organization also assists businesses in obtaining loans, sets safety standards for products sold internationally, regulates international telecommunications, and promotes cooperation among postal services in different countries. Economic and political information about the nations of the world can also be obtained from the United Nations.

The International Court of Justice, established in 1946, settles disputes between nations when both nations request this service. Decisions are based on written evidence, as no jury is used. Additional evidence may be requested before a decision is rendered. This court also advises the United Nations on various aspects of international law.

International Business Activity Master 22

Name _____

Date _____

International Trade Agencies

Complete the activity below, based on what you learned about international business organizations. Reread the feature on international trade agencies if you need assistance.

1. How do countries benefit by the General Agreement on Tariffs and Trade (GATT)?

2. Describe a situation that might come before the International Court of Justice.

3. Go to the website of the United Nations. What information and services are offered that would be useful to companies involved in international business?

4. **Class Presentation.** Prepare and present an in-class presentation (or video) explaining GATT. Explain how countries benefit from this agreement. Obtain information from a Web search.

Solutions

International Business Activity Master 1 Benefits of International Trade

1. Many products we use each day come from other countries. Students should be able to point out some examples of these.
2. To improve its level of economic development, a nation might expand educational programs, increase the use of technology, or attempt to attract foreign investment.
3. This activity allows students to use various research sources to expand awareness of current trends related to international trade and global business activities.
4. Examples of absolute advantages may include oil in the Middle East, forests in Canada and Chile, and diamonds in South Africa. Comparative advantages include technology in the U.S. and Japan, or clothing industries in some Asian and Latin American countries.

International Business Activity Master 2 Levels of Economic Development

1. To sell telephones to other countries, a manager must consider the level of economic development so potential customers will be able to afford the product. Lower-cost versions of products may be adapted to nations with other levels of economic development.
2. To improve its level of economic development, a nation might expand educational programs, increase the use of technology, or attempt to attract foreign investment.
3. Working for the International Trade Administration of the U.S. Department of Commerce will probably require writing and other communication skills, along with an ability to research various international topics.
4. Student's websites may include information on product features, online ordering capability, and translations of the information into different languages.

International Business Activity Master 3 Measuring Global Economic Progress

1. This activity will give students the opportunity to become more aware of current economic data such as a nation's GDP and balance of trade.
2. A nation with an unfavorable balance of trade may impose trade barriers (such as tariffs) to reduce imports, or the country may attempt to expand its exports.
3. Economic data could be of value to a person making decisions for a company doing business in several countries through an awareness of the buying potential of customers and the effect of inflation on prices.

4. This activity gives students the opportunity to better understand economic indicators such as GDP per capita or balance of trade. Factors that might account for differences in this economic data among these countries may include level of economic development, availability of natural resources and technology, and education level.

International Business Activity Master 4
International Trade Intermediaries

1. Services commonly offered by trade intermediaries such as export management companies, export trading companies, and freight forwarders include marketing research, packaging, shipping, and documenting exports.
2. Skills and abilities useful for a person who would like to work as a customs broker include foreign language competency, record keeping ability, and communication skills.
3. This activity will allow students to expand their knowledge of freight forwarders.
4. This video presentation gives students an opportunity to better understand export management companies, export trading companies, and freight forwarders.

International Business Activity Master 5
The Global Marketing Environment

1. Geography can affect marketing activities in another country as a result of climate, terrain (such as mountains), and seaports and rivers (to facilitate shipping).
2. A country's infrastructure is important for marketing activities as transportation and communication systems are necessary for planning and implementing business transactions.
3. This activity can expand student awareness of marketing activities in different countries.
4. This visual presentation can provide an opportunity for students to better understand various target markets in different countries.

International Business Activity Master 6
International Trade Agreements

1. Economic communities are formed to allow a group of countries to compete with other regions of the world. One of the main benefits of an economic community is the free flow of goods and services within the common market.
2. A country with a weak economic situation can benefit from countertrade by obtaining goods and services from other countries in exchange for goods and services. This will not require the country to use its currency on the world market.
3. This activity provides students with an opportunity to expand their awareness of free-trade zones.

4. This activity helps students better understand the positive and negative aspects of an economic community. Make sure students research both the benefits and potential drawbacks of these common markets.

***International Business Activity Master 7
Foreign Government Agencies***

1. A foreign chamber of commerce may assist companies by bringing together potential buyers and sellers in different countries.
2. Services commonly provided by an embassy include travel assistance and information.
3. This activity will allow students to better understand the skills or abilities that would be useful for people who desire to work for an embassy.
4. This activity provides students with an opportunity to better understand the role of websites for obtaining international business information and assistance.

***International Business Activity Master 8
Pricing for Global Markets***

1. Factors that would need to be considered when setting the price of these motor vehicles in other countries include production costs, taxes, other business expenses, government regulations, consumer income, and competition.
2. Actions a company might take to sell its products in countries with a lower level of economic development include changing ingredients to reduce production costs, reducing prices, or selling in smaller quantities.
3. This activity allows students to expand their awareness of the affects of “dumping” on international trade.
4. This activity provides students with an opportunity to learn about prices in different countries.

***International Business Activity Master 9
Technology and International Business Communications***

1. Communication skills that would be beneficial for a person to have who wants to work in an international business career would include a foreign language, writing ability, and oral presentation skills.
2. Common difficulties with international communication include translation problems between languages and gestures that may have different meanings in different cultures. To reduce the problem of miscommunication when conducting international business activities, a company might hire people who are aware of several cultures and several languages.
3. Technology may expand international business activities through faster communications and quicker delivery of goods and services.

4. This activity will encourage students to think about needed career skills related to international business work.

International Business Activity Master 10
Global Marketing Opportunities

1. The factors that create international marketing opportunities include expanded communications, technology, changing political situations, increased competition, and changing demographics.
2. Before marketing a product or service in another country, a company should consider the geographic, economic, social-cultural, and political-legal factors that may affect product, pricing, distribution, and promotion.
3. This research activity will expand student awareness of international marketing activities.
4. This activity gives students the opportunity to view international business activities in various advertisements.

International Business Activity Master 11
Export Assistance Agencies

1. Information that is usually needed before exporting includes foreign market needs, economic and cultural differences, business regulations, and distribution channels. This information may be obtained through library and Web research, from government agencies, and by talking with other companies involved in exporting.
2. The benefits of federal government agencies promoting exporting among small and medium-sized companies include expanded economic development and new job opportunities.
3. This activity will provide students with additional information about the Small Business Administration and the Export-Import Bank of the United States.
4. This activity will help students better understand the actions necessary to export a product to another country.

International Business Activity Master 12
International Consumer Behavior

1. A nation's level of economic development will influence the way the person's physical needs are met. The types of foods and housing will be affected by resources available in a country.
2. The climate, terrain, and other geographic factors of a country will influence buying habits such as clothing, transportation, food, and other products.
3. This activity will allow students to show how physical and emotional needs, geographic and demographic factors, personality factors, and social and cultural factors influence a person's decision to buy and use that item.

4. This activity will provide students with an awareness of the social and cultural environment in another country.

International Business Activity Master 13

International Legal Systems

1. Differences among civil law, common law, and statutory law involve how the accepted rules in a society are obtained. History and cultural tradition influence a nation's use of one of these systems in that some societies use legal codes that have evolved over many years.
2. When a company needs to take legal action in another country, it may first attempt to work within the nation's legal system. If necessary, additional legal action involving an international legal agency may be appropriate.
3. This activity allows students to obtain information about different laws affecting business in other countries.
4. This activity provides students with an opportunity to expand their awareness of the types of taxes that might affect international business activities.

International Business Activity Master 14

International Financial Agencies

1. The World Bank or the International Monetary Fund (IMF) can provide assistance by making funds available or taking other actions to promote international trade.
2. The main activities of the World Bank include providing loans, technical support, and promoting joint ventures. The main activities of the International Monetary Fund include providing countries with currency assistance and suggesting economic policies.
3. This activity will allow students to identify skills or requirements for getting a job at the World Bank or the IMF.
4. This activity provides students with the opportunity to prepare a sample business letter that requests information about starting international business operations.

International Business Activity Master 15

Developing Nations

1. Encourage students to list products and services that might be sold that could improve the country's level of economic development.
2. Improving transportation and communication systems in a country will make business activities faster and more efficient. This will also attract business from other countries.
3. This activity will allow students to obtain information about a country's main natural resources and agricultural products and better understand how a company uses these raw materials to expand economic opportunities.

4. This activity provides students with an opportunity to request information about providing economic assistance and other aid to developing nations.

International Business Activity Master 16
International Trade Organizations

1. World Trade Centers provide information on potential buyers and sellers of goods and services in other countries.
2. Services offered by the International Chamber of Commerce include materials to assist exporters with various international trade procedures such as terms of sale, shipping risks and cost, contracts, collection procedures, and transport documents.
3. This activity allows students to become familiar with services from the World Trade Center Association and the Federation of International Trade Associations.
4. This visual presentation can help students better understand skills needed to work for an international trade organization.

International Business Activity Master 17
Foreign Exchange and Currency Rates

1. Trade balances, inflation, and political stability can result in changes in the value of a country's currency.
2. Actions a nation might take to improve the value of its currency on the world market may include attempting to reduce inflation and expanding its exports.
3. The skills and abilities needed to keep track of the nation's trade balance and currency value include math accuracy, economic knowledge, and computer competency.
4. This activity gives students an opportunity to expand their awareness of changes of foreign currency rates.

International Business Activity Master 18
Global Financial Institutions

1. The factors that should be considered when recommending a stock of a company in another country include profit potential and ability of company management, along with economic potential and political stability of the country.
2. The benefits of online stock markets for investors include faster, lower-cost transactions.
3. A company might issue bonds instead of stock when planning to finance its international business activities to take advantage of using the money of others and to deduct the interest payments as a business expense.
4. This activity will allow students the opportunity to become aware of stock exchanges in other countries.

International Business Activity Master 19
Global Risk Management Strategies

1. Actions an international manager might take to reduce the risk of doing business in other countries include working with local companies, selling in many regions, and hiring local managers and employees.
2. This activity allows students an opportunity to become aware of how offering new products might reduce a company's international business risk.
3. This activity provides students with expanded awareness of political stability.
4. This visual presentation expands student understanding of joint ventures.

International Business Activity Master 20
International Property Rights

1. Encourage students to become aware of the many brand names that are used around the world.
2. The benefits of a country respecting the patent and copyright laws of other countries include better trade relations with other countries.
3. This activity can provide students with expanded awareness of product counterfeiting in other countries.
4. This activity allows students to be creative in planning a trademark or brand name for use in international business.

International Business Activity Master 21
International Business Risks

1. Potential political, social, and economic risks include abrupt changes in governments, business regulations, religious beliefs, cultural tradition, inflation, and changing currency rates.
2. Actions a company can take to identify risks before doing business in another country include talking to people in the country, collecting published information, and observing business activities.
3. This activity provides students with expanded awareness of business and travel risks.
4. This activity gives students an opportunity to obtain information about risks for a company doing business in another country.

International Business Activity Master 22
International Trade Agencies

1. Benefits of the General Agreement on Tariffs and Trade (GATT) include smoother trade relations among countries and protection of intellectual property rights.
2. This activity allows students to expand their awareness of international legal problems that may arise when conducting international business.

3. This activity provides students with an opportunity to learn about the information and services offered by the United Nations that might be useful to companies involved in international business.
4. This activity will give students the opportunity to expand their knowledge of GATT.