

**ABOU BAKR BELKAID Tlemcen University**

**Department Of Commercial Sciences**

**Third Year International Trade**

**First Semester English Exam**

**Activity one: (6pts)**

Define the following basic concepts for international trade:

Tariffs, Quotas, and Domestic subsidies.

**Activity two: (4pts)**

Answer by True or False the following ideas:

1/ International trade is the exchange of goods and services inside borders of country.

2/ The theory of Mercantilism was the commercial revolution, the transition from local economies to national economies.

3/ The absolute advantage theory leads the exchanges from any market, internal or external to determine the value of goods by measuring the labour incorporated in them.

4/ The comparative advantage theory demonstrates that countries can gain from trade even if one of them is less productive than another to all goods that is produce.

**Activity three: (10pts)**

Globalization refers to the process of increasing economic integration and growing economic interdependence between nations. It means integration of different economies of the world into one global economy thereby reducing the economic gap between different countries. This is achieved by removing all restrictions on the movement of goods, services, capital, labour and technology between nations. Globalization leads to an increased level of interaction and interdependence among different countries. There is free flow of goods, services, technology, management practices and culture across national boundaries.

Write an economic paragraph in which you describe the key historical phases of globalization.

**-GOOD LUCK-**

## Corrected Type of English Exam First Semester, 3<sup>rd</sup> Year Marketing

### Activity one: (6pts)

Tariffs: tax or import duty levied on goods or services entering a country (2pts)

Quotas: a numerical limit in terms of value or volume imposed on the amount of product which can be imported. (2pts)

Domestic subsidies: the provision of financial preferential tax status to domestic manufacturers which gives them an advantage over external suppliers. (2pts)

### Activity two: (4pts)

1/ International trade is the exchange of goods and services inside borders of country. False (1pt)

2/ The theory of Mercantilism was the commercial revolution, the transition from local economies to national economies. True (1pt)

3/ The absolute advantage theory leads the exchanges from any market, internal or external to determine the value of goods by measuring the labour incorporated in them. True (1pt)

4/ The comparative advantage theory demonstrates that countries can gain from trade even if one of them is less productive than another in all goods that it produces. True (1pt)

### Activity three: (10pts)

#### Introduction (1.5pts)

Globalization is the close integration of countries and peoples around the world. Traditionally, international business has been stressing the economic dimension of globalization.

#### Problematic (0.5pt)

So, what are the different phases of globalization?

#### Development (6pts)

1<sup>st</sup> phase: (1830-1880) Trade and the British Empire (ocean transport, railroads, trading companies)

2<sup>nd</sup> phase: (1900-1945) the international corporation (electricity and steel, European and US MNCs)

3<sup>rd</sup> phase: (1948-1970) end of World War II (GATT, WOT, Marshall plan, rise of Japan and brands)

4<sup>th</sup> phase: (1980-present) end of cold war (privatization, rise of China and emerging markets).

#### Conclusion (2pts)

According to BREMMER (2014), we have entered another phase of globalization in the aftermath of the global recession of 2008-2009. He calls this phase guarded globalization.