# Test

1. **Please fill in using the words presented below.**
2. \_\_\_\_\_\_\_\_\_\_\_\_\_ groups similar cultures together as clusters and civilizations.
3. \_\_\_\_\_\_\_\_\_\_\_\_\_ are a specific form of restriction that disallow full ownership, but allow foreign investors to operate in a country if they establish a joint venture with a local firm. For example, Vietnam did not allow the acquisition of local firms until about 2001.
4. The role of transnational institutions like the \_\_\_\_\_\_\_\_\_\_\_\_\_ & \_\_\_\_\_\_\_\_\_\_\_\_\_ in protecting patents, copyrights & trademarks.
5. Firms formulate & implement environmental management policies to improve their \_\_\_\_\_\_\_\_\_\_\_\_\_ & \_\_\_\_\_\_\_\_\_\_\_\_\_ in the eyes of multiple stakeholders.
6. As \_\_\_\_\_\_\_\_\_\_\_\_\_ are key agents in terms of economic & environmental development, they can promote social & environmental values in the host society & simultaneously encourage other organizations & institutions to develop an environmentally responsible attitude.
7. \_\_\_\_\_\_\_\_\_\_\_\_\_ means rules by which shareholders and other interested parties control corporate decision makers.
8. \_\_\_\_\_\_\_\_\_\_\_\_\_ require a certain proportion of the value of the goods made in the country to originate from that country.
9. \_\_\_\_\_\_\_\_\_\_\_\_\_ benefit from increased tax revenues, provided they have not agreed to extensive tax holidays, or other financial incentives for the investors. Moreover, if foreign investors stimulate growth in the local economy, this has indirect positive effects for the society and government revenues.
10. \_\_\_\_\_\_\_\_\_\_\_\_\_ are exclusive legal rights of firms to use specific names, brands and designs to differentiate their products from others.
11. \_\_\_\_\_\_\_\_\_\_\_\_\_ is an examination of resources to perform a particular activity compared against competitors.
12. \_\_\_\_\_\_\_\_\_\_\_\_\_ is an economic condition in which a nationa imports more than it exports.
13. \_\_\_\_\_\_\_\_\_\_\_\_\_ substitutes for outright bans of FDI, and makes every FDI subject to a registration and approval process. In practice, this often means that governments can impose a wide range of conditions that are subject to negotiation with the foreign investors.
14. \_\_\_\_\_\_\_\_\_\_\_\_\_ is a theory that suggests that nations will develop comparative advantage based on their locally abundant factors.
15. \_\_\_\_\_\_\_\_\_\_\_\_\_ caused liquidity squeezes and support for protectionism.
16. \_\_\_\_\_\_\_\_\_\_\_\_\_ takes place when a firm through FDI moves upstream or downstream in different value chains i.e., when firms perform value-adding activities stage by stage in a vertical fashion in a host country.
17. \_\_\_\_\_\_\_\_\_\_\_\_\_ is negatively related to corporate giving because firms with more debt have more pressure to pay off their debt, which reduces available resources.
18. \_\_\_\_\_\_\_\_\_\_\_\_\_ affect the public awareness of environmental issues through the dissemination of green information.

Local content requirements, WIPO, trademarks, social legitimacy, MNEs, corporate governance, host governments, benchmarking, trade deficit, WTO, case-by-case approval of FDI, factor endowment theory, the global financial crisis in 2008-2009, Non-government organizations, the cluster approach, vertical FDI, ownership requirements, acceptance, CSR, voluntary export restraints, non-equity based entry strategies, born globals, catastrophic risks, institutional theory, a letter of credit, principal-agent conflicts, transaction costs, import quotas, experiential learning, trust, business ties, born globals, R&D contracts, value chain system, leverage

1. **Fill the blanks (1) ~ (4) in the figure that suggests the distinction between offshoring and outsourcing.**

|  |  |  |
| --- | --- | --- |
|  |  | **Location of Activity** |
|  |  | At home | abroad |
| **Mode of Activity** | Internal | (1) | (2) |
| External | (3) | (4) |

(1)

(2)

(3)

(4)

**Discuss why foreign direct investment (FDI) is good & bad for host countries.**