

1. Expropriation of corporate assets without prompt and adequate compensation is an example of _____.
 - a. economic risk
 - b. political risk
 - c. legal risk
 - d. cultural risk
2. What is political risk? Give an example of how political risk can affect a MNC.
3. The planning phase of the strategic process consists of all of the following except _____.
 - a. clarifying mission
 - b. establishing an organizational structure
 - c. assessing the external environment
 - d. performing a SWOT analysis
4. Dell, with its worldwide sourcing and fully integrated production and marketing system is considered to be _____.
 - a. a multidomestic company
 - b. a regional company
 - c. a fully local company
 - d. a globally integrated company
5. When France's Thomson combined with China's TCL to form TCL-Thomson electronics with Thomson owning 33% and TCL owning the remaining 67% of the combined company, _____ was formed.
 - a. a non-equity strategic alliance
 - b. a manufacturing alliance
 - c. a global alliance
 - d. an equity strategic alliance
6. Which of the following is a stage in Stopford's stages model?
 - a. a. domestic structure plus export department
 - b. domestic structure plus foreign subsidiary
 - c. international division
 - d. all of the above (moderate, page 266)
7. To ensure that expatriates do not lose out through their overseas assignment, the _____ approach is often used to equalize the standard of living between the host country and the home country and to add some compensation for inconvenience or qualitative loss.
 - a. income statement
 - b. balance sheet
 - c. cafeteria
 - d. revenue generation