



**NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF MANAGEMENT SCIENCES
2024_2 EXAMINATION**

COURSE CODE: BUS 726

COURSE TITLE: GLOBAL ECONOMIC ENVIRONMENT

CREDIT UNIT: 3

TIME: 3 HRS

INSTRUCTIONS: 1. Indicate your Matriculation Number Clearly

2. Attempt question one (1) and any other two (2) questions: three questions in all

3. Question one (1) is compulsory and carries 30 marks, while the other questions carry 20marks each.

4. Present all your points in a coherent and orderly manner.

QUESTION ONE

- a. Define free trade
- b. State 5 barriers to Trade in Nigeria
- c. Differentiate between the Theory of Comparative Cost Advantage and Absolute Cost Advantage.

QUESTION TWO

- a. What is the economic environment?
- b. Discuss (4) five main components of the economic environment?

QUESTION THREE

- a. Explain 3 negative impact of the global financial crisis on the global economy
- b. State 3 measures undertaken by government and central banks to control the situation

QUESTION FOUR

- a. What is Asset Price Inflation
- b. Inflation is regarded as harmful to an economy, discuss 4 negative effects of inflation to an economy