

Q-4 Discuss the various ~~approaches~~ approaches of International Business - Discuss various theories of International Business?

Ans-4 International trade theories are simply different theory to explain International Trade is the concept of exchanging goods and services between two people or entities. International trade is then the concept of this exchange between people or entities in two different countries.

International trade →

People or entities trade because they believe that they benefit from the exchange. They may need or want the goods or services. While at the surface they may seem very simple there is great deal of theory, policy, and business strategy that constitute International trade.

In this section, you'll learn about the different trade theories that have evolved over the past century and which are most relevant today. Additionally, you'll explore the factors that impact International Trade and how business and government use these factors to their respective benefit to promote their interests.

To better understand how modern global trade has evolved it's important to understand how countries the mechanics of global trade. The main historical theories are called classical and are from the perspective of a country, or country based by the mid twentieth century modern and are firm-based or company based both of these categories classical and modern consist of several International Theories

Classic Country-Based Theory

- ① Mercantilism
- ② Absolute Advantage
- ③ Comparative Advantage
- ④ Heckscher-Ohlin

Modern Firm-Based Theori

- ① Country Similarity
- ② Product life cycle
- ③ Global Strategic Rivalry
- ④ Porter's National Competitive Advantage