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International Business

UNH Course Code: BUS 320

Subject Area: Business

Level: 300

Prerequisites: None required

Language of Instruction: English

Contact Hours: 45 hours

Recommended Credits: 3 credits

Description:

Although international business has been important for decades, its impact on our lives has been more visible in the recent years. I am presently typing this syllabus in a computer manufactured by an American corporation (H-P), many of whose components are produced in Taiwan or mainland China. The computer was assembled in the Czech Republic and purchased to the Spanish HP subsidiary in an Internet Auction conducted by an American firm (EBay). A few minutes ago, a courier delivered me the latest International Business book I ordered a week ago from a UK Internet-bookstore.

Why this complex network of business corporations that spread across the countries? Why now and not before? Why we should study international business differently as regular business? This course will provide an overview of the challenges facing businesses as they compete on the global playing field.

We shall start the course focusing on the economic foundations of international business. Next we will consider the main forces that shape business across countries: political, economic, cultural and legal forces. The last part of the course will analyze the internal aspects of a firm oriented towards international business.

At the end of the course you should be able to:

1. Understand the most widely used international business terms and concepts.
2. Identify the role and impact of political, economical, social and cultural variables in international business.
3. Analyze international business from a multi-centric perspective, avoiding ethnocentrism.

Class Format:

This is a 4-week course, structured in 16 150-minute periods. Each lecture will combine a presentation of the topic done by the lecturer, plus the joint discussion of a previously assigned reading or audiovisual material.

Business decisions are based on facts, and numerical data is the most helpful way to justify a particular choice. As you will see we will work frequently with tables and charts. Don't be frightened by the math. The required math level is very elementary.

Alternatively there is a possibility that speakers from outside firms will come to class and talk about them.

Form of Assessment:

- 10% Class Participation
- 20% Project Oral Defence
- 10% Project Document Presentation
- 30% Mid-term exam
- 30% Final Exam

Final grades will be assigned following the usual CEA norms.

It is understood that class participation means active participation. Class attendance is compulsory but does not ensure full grade: you have to prepare the readings or the audiovisuals that will be presented in class and be active during their discussion. Mid-term exams will be administered during the course and will take no more than twenty minutes. Alternatively they can take the form of a take-home exercise.

Project description

The countries to be studied are:

1. China
2. Japan
3. India
4. Thailand
5. Malaysia
6. Laos
7. Vietnam
8. Cambodia
9. Philippines
10. Taiwan
11. South Korea
12. Myanmar

The students will explain the advantages or disadvantages of doing business and investing in the chosen country.

Some of the contents that the project will have to cover are:

- Why this country?
 - For and against
 - Reasons to invest
 - Infrastructure
 - Human resources
 - Sector of opportunities

- General statistics
- Laws and regulations
- Incentives: criteria's, privileges, eligible activities.
- Taxation policy
- Building and land ownership policy
- How to do business:
 - Company establishment
 - Setting up a business
 - Cost of doing business

- Final conclusions

The project will be done in groups of 3-4 people.

The research project is split in 2 areas:

- 1) Oral: The project oral presentation and defense. This weights 20% in the final grade. The date of the presentations will be at the end of the program and before the final exam. All students without exception will have to make an oral presentation in front of the class and the teacher of a given country in Asia.

What I expect at the presentations

- Do not only read slides.
- Add value.
- Work under the assumption that your audience will be entrepreneurs, businessmen and potential investors.
- Be professional.
- Dress well.

2) Written: The students will have to deliver the same day of their presentation a printed paper containing their work. This will weight a 10% in the final grade. It must be done as follows:

- Word format. Verdana 10.
- Double spaced.
- Between 15 and 20 pages. (more or less space will deduct points)
- Demonstrate and absolute knowledge about the country.

No documents will be admitted out of date and schedule UNDER ANY CIRCUMSTANCE.

CEA Attendance Policy:

Every student is expected to attend all scheduled class sessions on time and be thoroughly prepared for the day's class activities. In compliance with NEASC and UNH accreditation requirements, CEA instructors compile regular attendance records for every course and take these records into account when evaluating student participation and performance.

- In each course, a maximum of two days of accumulated absences due to sickness, personal emergency, inevitable transport delay and other related impediments will be tolerated.
- Your final course grade will drop one full letter grade (e.g. A- to B-) for missing three days of class, regardless of the reason for your absence. However, you will automatically fail a course if your absences exceed three days of class.

Furthermore, to comply with immigration and financial regulations, you must maintain full-time student status and attend at least 1 course in accordance with this policy. Consequently, the Dean and Program Director will dismiss from all CEA courses, programs, activities and housing any student who fails to maintain full-time status.

Required Reading:

You will need to buy a copy of the following book, and the approximate total price will be 60€. The book is ordered and available at a specific bookstore that will be indicated by the Academic Coordinator during Academic Orientation. Please note that it is mandatory to buy this reader, and that it is mandatory for you to have your personal copy.

The basic reference of this course is the following textbook:

- HILL, Charles W.L. "International Business: Competing in the Global Marketplace", 5th ed., McGraw-Hill, 2005.

Recommended Readings:

Below is a list of non-technical readings. These may be helpful if you want to go in depth into a particular topic. All of them are intended for a general audience.

- BALL, Donald & McCULLOCH, Jr. "International Business: The Challenge of Global Competition". Irwin Press 2002.
- *The World is Flat; a Brief History of the 21st Century*, Friedman, Thomas. Penguin 2005. This is a best-selling book which describes the author's perception about recent years' changes due to globalization. Chapter 1 has been included in the reading list.
- *China, Inc.; the Relentless Rise of the Next Great Superpower*, Fishman, Ted C. Simon & Schuster, 2005. This book describes the evolution of China during the recent decades and how it will affect the world economy in the future years.

Online Reference & Research Tools:

GlobalEDGE Website

Throughout the course you will prepare and present case studies, individually and in groups. Consequently, you are advised to become familiar with the Michigan State University *GlobalEDGE* website. This is a leading knowledge portal for professionals in international business. Through global business resources and links, it presents specialized information on international business transactions, culture, and firm practices, including country profiles that outline business climate, political structure, history, and statistical data for more than 190 countries. You will use this resource to navigate through the internet in search of knowledge and insight into the theory and practice of international business.

<http://globaledge.msu.edu>

The following business related publications are also available online:

- *Business Week Online Magazine* with headlines on global business and international issues
<http://www.businessweek.com/globalbiz/>
- *The Economist Online Magazine*: <https://www.economist.com/world/index.cfm>
- *Global Business Web*: <http://www.globalbusinessweb.com/>
- *The Globalist*, covers political, economic, cultural, and business issues related to globalization:
www.theglobalist.com
- *Financial Times*: www.ft.com
- *Newsweek International Edition*: www.msnbc.com/news/nw-ni_front.asp
- *International Herald Tribune*: www.iht.com/
- *World Trade Organization*: <http://www.wto.org/>

Other useful sites for your research include:

http://news.bbc.co.uk/1/hi/country_profiles/default.stm
<https://www.cia.gov/library/publications/the-world-factbook/>
<http://www.dfid.gov.uk/countries/allcountries.asp?view=region>
<http://www.happyplanetindex.org/map.htm>
<http://www.euromonitor.com/>
<http://www.businessmonitor.com/>
<http://www.worldbank.org>

<http://www.countryrisk.com/>
<http://www.countrywatch.com/>
<http://www.doingbusiness.org/>
<http://www.trading-safely.com/>
<http://www.nationbrandindex.com/index.phtml>
<http://www.emerging-markets.com/>
<http://www.economist.com/countries/>

International Business

Course Contents

| Session | Topic | Activity | Student Assignment(s) |
|------------------------------|--|--------------------------------------|---|
| 1 June 2 | Introduction to the Course <ul style="list-style-type: none"> - General introduction - Explanation of projects - Current world situation | Introductions & General Overview | In-class Information Sheet Ensure textbook purchases |
| 2 June 3 | Globalization <ul style="list-style-type: none"> - What is Globalization - The Globalization of Markets - The Globalization of production | Lecture & Discussion | <i>HILL, Charles W.</i> Chapter 1: Globalization |
| 3 June 4 | National Differences in Political Economy <ul style="list-style-type: none"> - Political systems - Economic systems - Legal systems | Lecture & Discussion | <i>HILL, Charles W.</i> Chapter 2: National Differences in Political Economy |
| 4 FRIDAY June 5 | Differences in culture <ul style="list-style-type: none"> - Values and norms - Social structure - Religious and ethical systems | Lecture & Discussion | <i>HILL, Charles W.</i> Chapter 3: Differences in culture |
| 5 June 8 | The political economy of International trade <ul style="list-style-type: none"> - Tariff & subsidies - Trade policy - Protectionism | Lecture & Discussion | <i>HILL, Charles W.</i> Chapter 5: The political economy of International trade |
| 6 June 9 | Foreign Direct Investment <ul style="list-style-type: none"> - Trends of FDI - The source of FDI - Horizontal FDI - Vertical FDI | Lecture & Discussion | <i>HILL, Charles W.</i> Chapter 6: Foreign Direct Investment |
| 7 June 10 | The political economy of FDI <ul style="list-style-type: none"> - Introduction - The radical view - The free market view | Lecture & Discussion | <i>HILL, Charles W.</i> Chapter 7: The political economy of FDI |
| 8 June 11 | Regional Economic Integration <ul style="list-style-type: none"> - Introduction - Levels of Economic integration - The EU, NAFTA and others | Lecture & Discussion | <i>HILL, Charles W.</i> Chapter 8: Regional Economic Integration |
| 9 June 15 | Mid term exam I | QUIZ 1 | |
| 10 June 16 | Video and comments: A decent factory | Documentary film and team discussion | Notes on Video |

International Business

Course Contents

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|---------------|--|-------------------------|---|
| 11 June 17 | <p>The Foreign Exchange Market</p> <ul style="list-style-type: none"> - The functions - George Soros - Investments in Forex Markets | Lecture & Discussion | <i>HILL, Charles W.</i> Chapter 9: The Foreign Exchange Market |
| 12 June 18 | Project presentations | | |
| 13 June 22 | <p>The strategy of International Business</p> <ul style="list-style-type: none"> - Strategy and the firm - Value creation - Strategy in International Business | Lecture & Discussion | <i>HILL, Charles W.</i> Chapter 12: The strategy of International Business |
| 14 June 23 | <p>Entry strategies and strategic alliances</p> <ul style="list-style-type: none"> - Basic entry decisions - Entry modes - International expansion of ING group | Lecture & Discussion | <i>HILL, Charles W.</i> Chapter 14: Entry strategies and strategic alliances |
| 15 June 24 | No class – Bank Holiday | No class | No class |
| 16 June 25 | Final exam | | |