

# **ECN304 International Business**

## **Course Outline Spring 2015**

### **Instructor**

Clinton Watkins PhD

Office: A4-7

Email: [clinton-watkins@aiu.ac.jp](mailto:clinton-watkins@aiu.ac.jp)

Office hours: Tuesday and Thursday 15:15 – 16:45

### **Class times**

Friday 15:30 – 16:45, 17:00 – 18:15, Room D102.

### **Course Description**

This is an introductory course in international business. The course covers (1) an overview of the means of conducting international business, with an emphasis on what makes international different from domestic; (2) the effects of the social systems within countries on the conduct of international business; (3) the major theories explaining international business transactions and the institutions influencing those activities; (4) the financial exchange systems and institutions that measure and facilitate international transactions; (5) the dynamic interface between countries and companies attempting to conduct foreign business activities; (6) corporate strategy alternatives for global operations; and (7) international activities that fall largely within functional disciplines. Topics include globalisation, understanding and dealing with different national business environments and cultures, international trade theory and political economy, foreign direct investment, the global monetary system, international business strategy and structure, and the operations of an international business. We will take a global perspective, but also emphasise the perspective of Asian firms and doing business in Asia. Working through case studies from the text or other sources will be a key part of the program.

## **Objectives**

Students will attain an understanding of a wide range of issues and concepts related to the practice of international business:

1. The different challenges business face when they operate in an international environment;
2. The various cultural, political and legal issues that impact international business activity;
3. The international institutions and practices that impact international business;
4. Trade and investment theory, foreign exchange and the determination of foreign exchange rates;
5. The interaction of business and government as they relate to international commerce;
6. The management implications of international business strategy and operations.

## **Expected Academic Background**

Familiarity with basic micro and macroeconomics would be helpful, but is not mandatory.

## **Textbook**

Hill, Wee and Udayasankar, International Business: An Asian Perspective, 2012, McGraw Hill (available from the bookshop and in the library).

## **Reference books & other study materials**

- Hill, Charles W.L., International Business: Competing in the Global Marketplace, 8<sup>th</sup> edition, 2010, McGraw Hill. (Photocopies of selected case studies from this book will be provided in class.)
- globalEdge: <http://globaledge.msu.edu> (free online access, online course modules, country and industry insights).
- The Economist: <http://www.economist.com/> (also paper copy is available in AIU Library).
- WSJ Real-time Japan Blog: <http://blogs.wsj.com/japanrealtime/>
- Harvard Business Review (AIU Library and online).
- Bloomberg Businessweek (AIU Library and online).
- Financial Times: [www.ft.com](http://www.ft.com)
- Wall Street Journal: <http://www.wsj.com/asia>

## Assessment

- Group exercises 10%
- Group presentations 30%
- Mid-semester quiz x 2 20% each
- Final exam 20%

Students must form international groups of three to do the group exercises and presentations. Each group should do three case study presentations during the semester. Each group should also submit the two globalEDGE research exercises at the end of each chapter, and be prepared to briefly discuss their research work during the class. Groups should complete globalEdge exercises for at least 14 of the 20 chapters (you may choose which chapters to do).

Exams will include multiple choice and essay questions. There will be a choice of essay questions.

## Class Schedule

Session	Topic	Text
10 April	Introduction and overview, class organisation. Globalisation	Ch. 1
17 April	Globalisation Case study: <ul style="list-style-type: none"> <li>• Ikea – The Global Retailer **</li> <li>• Globalisation at General Electric *</li> </ul> National differences in political economy Case study: <ul style="list-style-type: none"> <li>• India’s Transformation *</li> <li>• Indonesia – After Suharto and the Asian Crisis **</li> </ul>	Ch. 1  Ch. 2
24 April	Differences in culture Case Study: <ul style="list-style-type: none"> <li>• Wal-Mart’s Foreign Expansion *</li> <li>• DMG-Shanghai**</li> </ul> Ethics in international business Case study: <ul style="list-style-type: none"> <li>• Wal-Mart’s Chinese Suppliers *</li> <li>• Google in China **</li> </ul>	Ch. 3  Ch. 4



12 June	<p>Market entry and strategic alliances</p> <p>Case study:</p> <ul style="list-style-type: none"> <li>• JCB in India*</li> <li>• Tesco Goes Global **</li> </ul> <p>Exporting, importing, countertrade</p> <p>Case study:</p> <ul style="list-style-type: none"> <li>• Exporting and Growth for Small Businesses *</li> <li>• Megahertz Communications **</li> </ul>	<p>Ch. 14</p> <p>Ch. 15</p>
19 June	<p>Mid-semester exam 2</p> <p>Production, outsourcing, logistics</p> <p>Case study:</p> <ul style="list-style-type: none"> <li>• Building the Boeing 787 *</li> <li>• Microsoft – Outsourcing Xbox Production **</li> </ul>	Ch. 16
26 June	<p>Marketing and R&amp;D</p> <p>Case study:</p> <ul style="list-style-type: none"> <li>• Dove – Building a Global Brand *</li> <li>• Kodak in Russia **</li> </ul> <p>Human resource management</p> <p>Case study:</p> <ul style="list-style-type: none"> <li>• Lenovo *</li> <li>• XCO China **</li> </ul>	<p>Ch. 17</p> <p>Ch. 18</p>
3 July	<p>Accounting</p> <p>Case study:</p> <ul style="list-style-type: none"> <li>• Adopting International Accounting Standards *</li> <li>• TBA</li> </ul> <p>Financial management</p> <p>Case study:</p> <ul style="list-style-type: none"> <li>• Brazil's Gol *</li> <li>• TBA</li> </ul>	<p>Ch. 19</p> <p>Ch. 20</p>
10 July	TBA	
17 July	TBA	
24 July	Final Exam	

\*\* Denotes case studies from Hill, Wee and Udayasankar (2012).

\* Denotes case studies from Hill (2010), to be provided as handouts.

### **AIU Academic Dishonesty Policy**

Acts of Academic Dishonesty: In accord with AIU policies and good practices in higher education, acts of academic dishonesty such as plagiarism, cheating, forgery (on a paper, examination, test, or other assignment) will result in the failure of the course at a minimum. An act of academic dishonesty during the final examination or assignment in lieu of the final examination will result in failure of all courses registered in the relevant academic term. Cases of academic dishonesty will be reported to the Dean of Academic Affairs for relevant action.