

International Business: Global and Local (2017-2021)

Course Overview

Title: International Business: Global and Local

Prerequisites (recmd): intro to economics, micro or macroeconomics

Hours: Class meets twice a week or four times a week depending on term.

Classroom and field studies for 60 hours (approx.)

Number of Credits: 5

Type of Course: International Business

Term: Spring, Summer

Language: English

Instructor: Dr. Rosa Alonso I Terme

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Course Description:

This course is designed as an introduction to the study of global business. We will examine contemporary issues regarding the political, social, and economic consequences of the globalization of markets and industries. We will also examine the responses of multinational enterprises to the challenges of globalization. Topics include: national business systems, regional and multilateral integration, international trade and investment, the global financial system, culture, ethics and international operations. Because of its introductory nature, the course will introduce a large number of key issues whose understanding can be deepened through subsequent courses or readings.

Course Objectives:

In today's environment many companies operate globally. This class will expose students to the challenges and opportunities managers face when conducting business internationally. The goal is to provide students with the frameworks and tools to help them assess and react to these opportunities and challenges. We will also focus on current global events and analyze the effects these have on companies as well as the countries in which they are operating. The course will give particular attention to the European environment and European economic integration, including its opportunities, challenges and prospects. Similarly, it will use the Spanish and Catalan context of the ALBA program to focus its sessions on country analysis.

Course Methodology:

The course will use a combination of sources, tools and techniques to expose students to trends and issues in international business today. It will pay particular attention to the inter-action between legal, political, economic and business decisions at the global level. Attention to both international and country context in business strategy will be emphasized. Questioning the role of the firm in the economy and society will be woven throughout the course, with

particular attention paid to business ethics. General principles and trends will be combined with case studies to better illustrate concepts and issues analyzed. The attention devoted to the various course sessions will be determined jointly with the students to better address their interests. The class will foster discussion and make use of study groups. Inter-action with local firms will be fostered through class presentations by local business people, case studies in student papers and at least one visit to a local international firm.

Course Evaluation:

Student performance will be assessed through a combination of a final examination (40 percent of the grade), a research paper (40 percent of the grade) and class attendance, assignments and participation; a class presentation can be added at the student's choice (20 percent of the grade).

TOPICS AND SESSIONS

INTRODUCTION-THE ROLE OF THE FIRM IN OUR GLOBAL WORLD

This first block of sessions will attempt to introduce students to the key actor in the class -the international firm—and its operating environment -the global economy. Key concepts will be studied, prominent trends analyzed and critical questions raised and discussed.

Session 1. The Role of the International Firm—Economics, Politics, Law and Ethics

What is the role of a(n) (international) firm? What is its economic rationale? Does it have a political identity/role? What is it legally? What ethical objectives should it have?

Session 2. Doing Business in a Global Environment: Globalization & Localization Today

What are the key characteristics of our contemporary global economy? How do these characteristics impact the (international) firm? How does (and should) a firm make the decision to stay local or expand/buy/sell/finance itself/produce abroad?

THE INTERNATIONAL ENVIRONMENT—A GLOBALIZED WORLD

Three sets of core issues regarding the operating environment of the international firm will be studied: monetary and financial; trade; and labor and environmental issues. In these areas, basic concepts and issues, trends, international organizations and other relevant international actors and international law will be addressed and discussed.

Session 3. International Monetary and Financial Issues

What are the key characteristics of the current international monetary system? What is the role of the International Monetary Fund in this system? What types of monetary policies and exchange rate regimes exist? What are the main characteristics of the contemporary financial system? What international organizations regulate the international financial system? How do they affect the international firm? What financing options does the international firm have? What are their advantages and disadvantages?

Session 4: International Trade—Issues, Recent Developments and Prospects

What are the main gains from trade? What are the drawbacks of an open economy? What are the most important developments in world trade since 1945? How do multi-lateral and regional trade agreements co-exist? What are the advantages of operating within regional trading agreements for a firm? What are the prospects of the world's trade system?

Session 5: International Labor and the Environment—Profit, Law and Ethics

How do/should profit and the wellbeing of workers impact firm decision-making? What guidance do the International Labor Organization and international law provide us? What about ethics? What are the most important international agreements regarding the environment? How do they impact firms? What is a *green* firm? How can firms thrive in a greening economy?

THE REGIONAL CONTEXT-- EUROPEAN ECONOMIC INTEGRATION

Our global world is also a world in which regional organizations matter greatly to production, labor, trade and money flows. The European Union will be taken as an illustration of the important contemporary reality that the regional environment matters greatly to the firm.

Session 6: The European Environment—European Economic Integration

How does the European Union impact a firm operating within its territory? What are the main EU institutions? What is EU law and why does it matter to the firm? What are the central characteristics of European Union regarding labor, trade, investment and other money flows?

THE COUNTRY SETTING—SPAIN AND CATALONIA

Even the most international firm is also a local firm. The national and local environment matter greatly, especially as regards investment. That is why understanding the national context, including its key historical, cultural and political features is of great importance to sound decision-making and successful business operation. Similarly, analyzing the macro-economic situation and the business climate of a country is of the essence to the firm as it will critically impact the environment it operates in and, hence, its bottom line and prospects. Because these issues are difficult to understand in the abstract, Spain and Catalonia will be taken as case studies for this block of sessions.

Session 7: History, Culture and Political Institutions

What are the central shaping events of Spanish and Catalan history? How are they viewed by Spaniards and Catalans? What do we need to know about Spanish and Catalan culture to successfully operate a business (t)here? What are the key characteristics of the Spanish and Catalan political system?

Session 8: Economic, Fiscal and Business Climate

How are the Spanish and Catalan macro-economic situation doing? How are growth, employment and investment doing? What is the deficit and public debt situation? What is the tax system like? What about the productive structure? What sectors are growing? What sectors are struggling? Why? What are the strengths and weaknesses of the educational system? How good and sound are infrastructure and infrastructure policy? How about energy policy, labor and environmental regulation? What are the most salient characteristics of the business climate? What does the economy's future look like?

THE FIRM—CORPORATE MANAGEMENT AT THE GLOBAL LEVEL

We finish the class by zeroing in on the international firm itself. We choose to study four key issues. First, we study corporate management, particularly as regards human resource management and firm organization and structure. Second, we move on to analyzing the international strategy of the global firm, especially concerning its production and sales decisions. Third, we focus on innovation by looking at some European firms which are leaders in technological, design and production innovation. Fourth, we finish by looking at key issues, questions, emerging trends and good practices in corporate social responsibility.

Session 9: Management--Principles and Strategies for the International Firm

What are the principles of successful management? How do these principles apply to the international firm? How do they impact firm structure, organization, human resource management, finance and investment structure and decision-making? How does management shape firm culture? What can we learn from some global leaders in successful management?

Session 10: Globalization-Entering Foreign Markets, Global Alliances and Marketing

How do firms go about entering foreign markets? What criteria do they follow in their decision-making process? What is the role of global alliances? What are some key principles of successful international marketing? How does that differ by firm size? Can (relatively) small firms go global? How do/can governments support the internationalization of firms? How has the Chilean Pro-Chile export-promotion agency helped expand Chilean exports? How did USAID support Timorese Cooperativa Café Timor to link up with Starbucks? What can we learn from Catalan firms Tous Jewelry Stores, Freixenet and La Caixa? A field trip to at least one of them will be scheduled.

Session 11: Innovation—Principles, Trends and Case Studies in Global Success

How does innovation impact firm performance? What are some good firm practices in research and development? In employee training and capacity development? In firm organization and structure? Product design? What can we learn from three European innovation leaders--IKEA, Nokia and Zara?

Session 12: Corporate Social Responsibility—Principles, Emerging Issues, Case Studies

What is corporate social responsibility? What is its history? Its most recent developments? What are the latest emerging areas of action? What are some key criteria to critically assess it? What can we learn from some of the most effective actors in corporate social responsibility in Catalonia, Spain, Europe and globally?

REQUIRED TEXT:

Global Business Today: by Charles Hill 9th edition; McGraw-Hill, or
ISBN: 9781308691510 This is the custom version with Connect or
ISBN: 9780078112911 Used copies Standard edition or
ISBN: 9781259299216 Loose Leaf Standard edition

Recommended Reading:

The Financial Times <https://www.ft.com/>

The Economist Magazine <http://www.economist.com/>

BBC News Business <http://www.bbc.com/news/business>

Sources of information**Country and Industry Reports**

Bloomberg News, Markets, Sectors, Commodities

<http://www.bloomberg.com/europe>

Economist Intelligence Unit Country Profiles & Reports and Industry Reports

<http://country.eiu.com/AllCountries.aspx>

European Bank for Reconstruction and Development Business Advice by Country

<http://www.ebrd.com/cs/Satellite?c=Page&cid=1395237304871&pagename=EBRD%2FPage%2FCountry>

International Monetary Fund Country Reports

<http://www.imf.org/external/country/index.htm>

OECD Country Studies http://www.oecd-ilibrary.org/economics/oecd-economic-surveys_16097513

United Nations Development Program Country Profiles and Country Reports

<http://www.undp.org/>

World Bank Country Reports <http://www.worldbank.org/en/country>

World Bank (Country) Investment Climate Assessments

<http://documents.worldbank.org/curated/en/docsearch/document-type/904594>

World Economic Forum, World Competitiveness Reports and Country Profiles

<http://reports.weforum.org/global-competitiveness-report-2015-2016/>