2015

ECON 300-04 International Trade and Business Environment

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In today’s highly competitive global economy, it is important to understand how firms can create new profit opportunities and manage the risk of doing business across different countries. Managing a business abroad is different from managing a business at home due to cultural, political, economic, legal, and currency differences. This course aims to enhance our understanding of how firms succeed in an environment characterized by all these differences. We will discuss why countries trade, what are the benefits and costs of free trade, how multinationals operate, and how the global economy impacts traditional business strategies. By the end of the course, you will have hopefully acquired the necessary knowledge to recognize and analyze issues pertinent to international business.

Course Overview:

Global Business Today by Charles Hill (9th edition). Other editions will be fine as well. Additional readings and course material will be posted in Canvas.

Grading:

Your grades will be based on the following components:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
<th>Due Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attendance</td>
<td>0%</td>
<td>No class on Oct. 8 (Fall Break), Nov. 26 (Thanksgiving)</td>
</tr>
<tr>
<td>Participation/group assignments</td>
<td>15%</td>
<td>Assignment due dates will be announced later</td>
</tr>
<tr>
<td>Midterm</td>
<td>25%</td>
<td>Oct. 6</td>
</tr>
<tr>
<td>Final</td>
<td>30%</td>
<td>Dec. 17, 10:30-12:20; not comprehensive, but may include some material from the midterm</td>
</tr>
<tr>
<td>Final Presentation and Summary</td>
<td>20%</td>
<td>Dec. 8, Dec. 10&lt;br&gt;Email presentation slides and Summary (2-3 double-spaced pages) by 5 pm, Dec. 7</td>
</tr>
</tbody>
</table>

Group work: There is much we can learn from each other in a course like this, so group work will be an invaluable part of this course. We will form groups of 3-4 students, during the first week of class. If anyone is absent during the first week of class, a group will be automatically assigned to them. Once the groups are formed, the groups will be responsible for two presentations that should each last 10-12 minutes and some group homework assignments. Another expected advantage of group work is that if you miss a class for any reason, you already know someone in class who can share with you their lecture notes and any important class announcements. The two group presentations are:
(a) Country Report Presentation: These presentations are intended to inform us about what is happening in other parts of the world. Each group will be assigned a different country/region. At the minimum, the country report should consist of (1) three tips regarding etiquettes and business culture in that country, (2) most popular food items in the country, (3) major languages and capital city, (4) major religious and ethnic groups, (5) average income and wealth distribution in the country, (6) political/economic system (e.g. democratic socialism, capitalism, etc.), and political/economic stability, and (7) update on any recent event (economic, political, social, etc.) in the country that may be of global importance. Ideally, the presentations should not only list these items but also teach us something new and important about the country and its society. Each group should bring a 1 page handout (summarizing their presentation) for everyone in class.

(b) International Business Plan Presentation: The international business plan should combine your own research with insights obtained from the lectures and course material. Your plan should break down the challenges and opportunities associated with introducing a product/service of your choice for an existing company to the same country you selected for your Country Report Presentation. You may use some relevant information about the country from your country report presentation. Information about the company should be brief. The focus of the presentation should be on entry strategy (e.g. export, franchising, FDI, etc.), outsourcing/off-shoring if applicable, competition, and product characteristics. Submit a 2-3 page written summary of the plan, as well as your presentation slides, by email to me at faruqh@xavier.edu by 5 pm on December 7. One email per group will be sufficient.

Exams: They will be closed book and consist of a mix of problems, short questions, and multiple-choice questions. For the exams, you will be responsible only for the material discussed in class.

The grades may be curved if the class average is very low, but there is no guarantee it will happen. Final grades will be determined according to the following scale. Only the final grade will be rounded off.

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>95% and above</td>
</tr>
<tr>
<td>A-</td>
<td>91-94%</td>
</tr>
<tr>
<td>B+</td>
<td>87-90%</td>
</tr>
<tr>
<td>B</td>
<td>83-86%</td>
</tr>
<tr>
<td>B-</td>
<td>80-82%</td>
</tr>
<tr>
<td>C</td>
<td>70-79%</td>
</tr>
<tr>
<td>D</td>
<td>60-70%</td>
</tr>
<tr>
<td>F</td>
<td>Below 60%</td>
</tr>
</tbody>
</table>

Tentative Course Coverage:

The course coverage may vary depending on our progress in class. Any changes will be announced in class and in Canvas.

Weeks 1-5
Globalization Ch 1
Differences in Culture Ch 3
Ethics in International Business Ch 4
National Differences in Political Economy Ch 2

Weeks 6-8
International Trade Theory Ch 5
Political Economy of International Trade Ch 6
Midterm Exam, October 6

Weeks 9-14
Foreign Direct Investment Ch 7
Entry Strategy and Strategic Alliances Ch 14
Global Production, Outsourcing, and Logistics Ch 16
The Foreign Exchange Market  | Ch 9
The International Monetary System  | Ch. 10
Regional Economic Integration  | Ch 8

**Weeks 15-16**  
International Business Plan Presentation, December 8 and 10  
Final exam: Tuesday, December 17, 10:30-12:20

**Course Policies:**

**Attendance:** Attendance is not required (although be sure to attend your own group’s presentations!) but I strongly encourage you to attend class since having a good set of lecture notes is essential for performing well in this course. Sometimes, we will skip some sections of the textbook, cover some chapters in a different order than they are in the textbook and rely on outside readings. If you miss a class, get the lecture notes from one of your classmates at your earliest convenience. After reviewing the notes, do not hesitate to talk to me if you have any questions.

**Participation, conduct and assignments:** Your participation (e.g. paying attention in class, answering questions, etc.) and conduct in class, office hours and email may be taken into account to determine your final grade for the course. This class has a ‘no laptop/tablet PC’ policy. Activities such as leaving classroom during lecture, frequent sidebar conversations and frequent texting on cell phones instead of taking class notes can distract other students and will impact your class participation grade. There may also be several assignments (in-class and/or homework) to help check your progress in the course. Your effort in these assignments will also be factored into the calculation of your final grades.

**Make-up exam/assignments:** In case of a verifiable *documented* medical/work emergency, the weight of your remaining exams/assignments will be adjusted to make up for lost credit. If you have a conflict with the exam dates listed above, talk to me as soon as possible. The final exam is mandatory. Missing it will result in a grade of zero for the final.

**Late submissions:** Any written assignments will be due at the beginning of class on the due date. Late submissions will be marked down 20% per day and will not be accepted after the answers are discussed in class or posted online.

**Email:** If you want to set up an appointment, talk to me about your grades, or discuss why you may miss a class, the best time to get hold of me is usually at the beginning or end of class rather than sending me an email. For longer questions or questions involving graphs/algebra, you are welcome to talk to me in person in my office hours. *I am happy to see you in my office!* If you use email, kindly use it for short questions (i.e. anything that can be answered in 1-2 lines).

**Academic dishonesty:** Plagiarism on a project/paper, copying classmates’ assignments word-for-word or cheating during an exam will result in a grade of "F" for the relevant assignment. In addition, the Dean of the College will be notified about the incident.

**Accommodations for disability:** Students who require disability accommodations in this class are encouraged to make their requests by sharing their Accommodation Letters with me at the beginning of the semester either during office hours or by appointment. Disability related information is confidential. If you have not previously contacted Disability Services, I encourage you to do so by phone at 513-745-3280, in person on the Fifth Floor of the Conaton Learning Commons, Room 514, or via e-mail to
Cassandra Jones at jonesc20@xavier.edu, to coordinate reasonable accommodations as soon as possible as accommodations are not retroactive.

About this syllabus: I reserve the right to modify the syllabus as needed.

How to do well in this course:

Pay attention in class and take good notes. The course material builds up quickly, so do not hesitate to ask questions, especially if you do not understand something or if something seems important. Talk to me outside of class, if necessary. I will be happy to see you in my office. Keep up with your readings. Review the assignments carefully. Most importantly, do all of these things early; do not wait until just before an exam to find out whether you can understand the course material. If you show me that you have a sincere interest to learn, I will do my best to help you get the most out of this course.

WCB Mission Statement:

“We educate students of business, enabling them to improve organizations and society, consistent with the Jesuit tradition.”

WCB Learning Goals for This Course:

Critical Thinking

Learning Goal: WCB graduates will be able to think logically, reason quantitatively, and utilize appropriate analytical techniques and technology when evaluating and making decisions.

Corresponding Objective: WCB students will collect, evaluate and synthesize information to offer solutions and support decision making.

Ethics and Social Responsibility

Learning Goal: WCB graduates will be able to recognize ethical issues, discern moral implications of decision making, and be prepared, and willing, to serve as responsible and professional members of society.

Corresponding Objective: WCB students will recognize ethical issues and their implications on personal and business decisions.

Effective Written and Oral Communication

Learning Goal: WCB graduates will be able to organize, support and communicate ideas clearly and effectively, employ multiple mediums of communication (e.g., written, oral and visual), and adapt communication to audience, context or purpose.

Corresponding Objectives: WCB students will make effective presentations, accompanied by the appropriate technology, demonstrating their ability to organize and communicate ideas clearly and professionally, both individually and in teams.

Global Perspective and Cultural Diversity

Learning Goal: WCB graduates will appreciate the historical and cultural contexts of the world in which they live, demonstrate the competencies required for engaging in global business activities, and respect and value diverse peoples and perspectives.

Corresponding Objective: WCB students will identify and contrast key attributes of countries’ business environments.