

BUS230

MERCER COUNTY COMMUNITY COLLEGE
Division of Business and Technology

COURSE OUTLINE FALL 2008

BUS 230
Course Number

International Business
Course Title

3
Credits

3
Class Hours

0
Lab Hours

Main Text:

Title: International Business w/Glode CD
Author: Wilde
Publisher: Pearson
Edition: 4th

Catalog Description:

Covers the issues confronting multinational corporations, with heavy emphasis on the economic, political, financial, and cultural environment within which international business takes place.

Prerequisites: None

Corequisite: None

Professor Framarz Khoushab
Course Coordinator

Instructor's Name: _____

Time/Location: _____

Office/Phone # _____

Office Hours: _____

E-Mail: _____

Rev. August 2007

INTERNATIONAL BUSINESS

This is a survey course in international business. The aim is to introduce students with challenges in international business and international competitive environment students is expected to read topics, such as political economy, cultural variation, trade theory, Multinational Corporation, international monetary system, foreign investment, and foreign exchange markets.

Course Objectives:

By the end of the course, the student should be able to:

- explain the concepts of international business and its major terminology..
- discuss and explain basic ideas in international trade theory.
- identify and discuss the risk fact that moles. (Multinational Corporation) are facing in global economy..
- evaluate the role of currency and foreign exchange rate in the operation of international business.
- evaluate the role of culture in international business.

Unit 1: The Economic Framework and the nature of international business

1. International Business Overview
2. Theories of International Trade
3. Foreign Direct Investment

Learning Objectives:

The student will be able to:

- to discuss the role and importance of international business and how it has gradually evolved.
- to discuss the notion on interdependence in the world economy.
- explain why trade occurs among nation by exploring different theories of trade.
- explain foreign direct investment and why the government intervenes in foreign direct investment (FDI).

Unit 2: Culture in International Business

1. National Cultural and Subculture
2. Social Cultural
3. Hofstede Framework

Learning Objectives:

The student will be able to:

- describe the component of culture and their impact in international business arena.
- discuss the cultural change and explain how companies and cultures affect each other.

Unit 3: Business Environments and Regional Economic Integration

1. Political Ideologies
2. Economic System
3. Economic Integration

Learning Objectives:

The student will be able to:

- explain different political ideologies and their importance in international business.
- identify the origin of political risk and how managers can reduce its effects.
- explain different economic system such as; free market economy, centrally planned economy, mixed economy and their impact on moles as how to do business.
- distinguish between free trade zone, custom union, common market, and economic union.
- discuss the benefit and drawbacks of regional economic integration.
- explain why nations are making significant effort of regional integration and study the most prominent regional trading block such as; NAFTA, and EU.

Unit 4: Government Impact and International trade mode of entry

1. Tariffs
2. Quotas
3. Local Content Requirement

Learning Objective:

The student will be able to:

- discuss the political, economic and cultural motive behind government intervention.
- explain various method used by government to promote or restrict international trade.
- discuss the importance of WTO.
- discuss why or how companies use exporting and importing.
- discuss various means of financing export and import activities.
- discuss various investment entry mode.

Unit 5: International Monetary System and Foreign exchange markets

1. International Capital Market
 - Debt
 - Equity
2. Foreign Exchange Market
 - Direct vs. indirect quoting
 - Cross rate
 - Spot rate

- Forward rate
 - Swap, option, and future
3. Determinants of Exchange Rate
 - Law of one price
 - PPP (Purchasing Power Parity)
 - Role of Inflation
 - Role of interest rate (International fisher effect)
 4. Forecasting Exchange Rate and Evaluation of the International Monetary System
 - Gold standard system
 - Collapse of the gold standard
 - Managed float system
 5. Recent Financial Crisis

Learning Objective:

The student will be able to:

- discuss the international bond and international equity and Eurocurrency Market.
- discuss the function of the foreign exchange market and explain how the currencies are quoted.
- explain how the exchange rate influences the activities of domestic and international companies.
- identify the factors that help to determine the exchange rate.
- discuss the evolution of the current international monetary system.

Unit 6: International Business Management

1. International Planning And Strategy
2. Formulate Strategies
3. Potential Market And Sites
4. Developing Product Strategies
5. Facilities Location Planning
6. Process Planning

Learning Objective:

The student will be able to:

- identify the international strategies; corporate level strategies' business level strategies; and department level strategies.
- explain the impact at globalization on international marketing activities such as promotional pricing, and distribution.

Evaluation Procedure:

Quizzes	20%		
Test 1	20%	Chapters 1,2,5,7	Unit 1& 2
Test 2	20%	Chapters 3, 4,6,8,9	Unit 3& 4
Test 3	20%	Chapters 10-15	Unit 4, 5, 6
Research Paper	20%		

Suggested Sources for Paper

Financial Times	Wall-Street Journal	Time
Business Week	U.S. News and World	N.Y. Times
Economists	Report	

Grading

Letter Grade	Nominal %
A	93-100
A-	90-92
B+	87-89
B	83-86
B-	80-82
C+	77-79
C	70-76
D	60-69
F	00-59

Academic Integrity Statement:

“A student who knowingly represents work of others as his/her own, uses or obtains unauthorized assistance in the execution of any academic work, or gives fraudulent assistance to another student is guilty of cheating. Violators will be penalized.” (Student Handbook)

Classroom Conduct Statement:

It is the student’s responsibility to attend all of their classes. If they miss a class meeting for any reason, students are responsible for all content that is covered, for announcements made in their absence, and for acquiring any materials that have been distributed in class. If students walk into a class after it has begun, it is expected that they choose a seat close to where they entered the room so that they do not disrupt the class meeting.

Students are expected to follow ordinary rules of courtesy during class sessions. Engaging in private, side conversations during class time is distracting to other students and to the instructor. Leaving class early without having informed the instructor prior to class is not appropriate. Unless there is an emergency, leaving class and returning while the class is in session is not acceptable behavior. Disruptive behavior of any type, including sharpening pencils during class while someone is speaking, is not appropriate.

The college welcomes all students into an environment that creates a sense of community of pride and respect; we are all here to work cooperatively and to learn together.