

DSE IV: MDG 603: GLOBAL BUSINESS ENVIRONMENT

Course Objectives:

The purpose of this course is to give an overview of the process of globalization and its impact on business environment. The emphasis is on understanding the changes in organizations and their strategies in the global environment.

Learning Outcomes:

- Understand the process of globalisation
- Explain the gains from trade and various global trading agreements
- Identify linkages between foreign exchange and interest rates
- Define key characteristics of international institutions and agreements

Course Contents:

Unit I

(3 weeks)

Globalization Process: Globalization vs internationalization; role of foreign direct investment; transnational or multinational corporations; transnational corporations as drivers of global economy; trends in globalization process; global and local markets; transnationality of firm.

References:

Janet Morrison (2002) The International Business Environment: Diversity and the Global Economy. 2nd ed Palgrave Macmillan (Chapter 2)

Sonia Gupta (2015) International Business. Mc Graw Hill Education (India) Pvt. Limited. (Chapter 7)

Unit II

(4 weeks)

World trade and International Competitive Environment: International trade theories (theory of comparative advantage, newer trade theories, porter's theory of competitive advantage, product life cycle theory); Trade policy and national priorities; tools of Government trade policy; International regulation of trade (GATT principles, WTO); Regionalism (EU, NAFTA, Regionalism in Asia); Regionalism vs Multilateralism; developing countries and world trade; globalization and world trading system.

References:

Janet Morrison (2002) The International Business Environment: Diversity and the Global Economy. 2nd ed Palgrave Macmillan (Chapter 9)

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Sonia Gupta (2015) International Business. Mc Graw Hill Education (India) Pvt. Limited.
(Chapter 10 and Chapter 11)

Unit III

(2 weeks)

International Financial Environment: Foreign direct investments (pattern, structure and effects); movements in foreign exchange and interest rates and their impact on trade and investment flows.

References:

Sonia Gupta (2015) International Business. Mc Graw Hill Education (India) Pvt. Limited.
(Chapter 14 and Chapter 15)

Unit IV

(3 weeks)

International Financial Institutions and Agreements: IMF, World Bank, UNCTAD, agreement on textile and clothing (ATC), GSP, GSTP and other international agreements; International commodity trading and agreements, International liquidity.

Reading: Janet Morrison (2002) The International Business Environment: Diversity and the Global Economy. 2nd ed Palgrave Macmillan (Chapter 11)

References:

Sonia Gupta (2015) International Business. Mc Graw Hill Education (India) Pvt. Limited.
(Chapter 16)

Text Books:

1. Janet Morrison (2002) The International Business Environment: Diversity and the Global Economy. 2nd ed Palgrave Macmillan.
2. Sonia Gupta (2015) International Business. Mc Graw Hill Education (India) Pvt. Limited.

Additional Readings:

1. Sumati Verma (2017). International Business: 3rd ed, Pearson India Education Services Pvt. Ltd.

Note: Latest editions of all readings to be used

Teaching Learning Process:

Lectures, class room discussions, team paper, presentations, case studies

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Assessment Methods:

- Internal Assessment 25 marks
- Written Theory Exam 75 marks

Key Words:

Gains from trade, trade theories, exchange rate, international agreements, international economic institutions, trade policy