

## MBAH 551: International Business Environment

Workload : 4 hours per week. - Total credits: 4

Examination : 3 hours 70 marks

Objectives

1. Understand the influence the of various environment factors and the main drivers of globalization on international business operation.
2. To study the international trade barriers.
3. Describe the historical development of modern global monetary system
4. Be familiar with the political systems of different countries; and the economic and political arguments for regional economic integration
5. Recognize the current trends related to FDI in world economy.
6. To study the significance of outsourcing.
7. To study the indicators of Global competitiveness,

Course outcome

On completion of this course students will be

1. Able to face the challenges of international market.
2. Able to identify the factors influencing international business
3. Able to frame strategies to tackle the international business.
4. Able to distinguish countries based on competitiveness.
5. Able to manage the outsourcing activities.
6. Able to procure and manage FDI inflows.
7. Able to tackle the international trade barriers.

Pedagogy : Lectures, assignments, practical exercises, discussions, seminars.

**Module 1:** Introduction to International Business: Importance nature and scope of International business; modes of entry into International Business internationalization process and managerial implications. Approaches to international business. Trade Theories.

**Module 2:** Environmental Context of International Business: Framework for analyzing international business environment – Domestic, foreign and global environments and their impact on international business decisions.

**Module 3:** Global Trading Environment: World trade in goods and services – Major trends and developments; World trade and protectionism – Tariff and non-tariff barriers; Counter trade.

**Module 4:** International Financial Environment: Foreign investments-Pattern, Structure and effects; Movements in foreign exchange and interest rates and then impact on trade and investment flows. Capital flows, foreign investment flow and barriers: FDI and FIIs

**Module 5:** International Economic Environment: World Economic and Trading Situation; International Economic Institution and Agreements; WTO, IMF, World Bank UNCTAD, Agreement on Textiles and Clothing (ATC), GSP, GSTP and other International agreements; International commodity trading and agreements. BRICS and BRICS Bank

**Module 6:** Regional Economic Groupings in Practice: Regionalism vs. multilateralism, Structure and functioning of EC and NAFTA; Regional economic cooperation.

**Module 7:** Multinational Corporations and their involvement in International Business: Issues in foreign investments, MNCs and host and home country relations; technology transfer, Global Operations-need and importance of outsourcing, advantages of outsourcing to India, Global manufacturing system and practices-Current issues and future developments. Global competitiveness; Indicators of competitiveness – competitive advantages of nations.

**Module 8:** Emerging Developments and Other Issues: Growing concern for ecology; Counter trade; IT and international business.

**Reference Books:**

1. Bennet, Roger, International Business, Financial Times, Pitman Publishing, London, 1999.
2. Bhattacharya, B., Going International: Respon se Strategies of the Indian Sector, Wheeler Publishing, New Delhi, 1996.
3. Czinkota, Michael R., et. al., International Business, the Dryden Press, Fortworth, 1999.
4. John D Daniel, Lee H Radebaugh and Daniel P Sullivan, International Business: Environment and Operations, 10<sup>th</sup>Edition., Pearson Education.
5. Griffin, Ricky W. and Pustay, Michael W, International Business: A Managerial Perspective, Addison Wesley, Readings, 1999.
6. Hill, Charles W. L., International Business, McGraw Hill, New York, 2000.
7. Aswathappa K, Essentials of Business Environment, 10<sup>th</sup> Revised Edition, HPH.
8. Francis Cherunilam, International Business , Revised Edition, PHI
9. Francis Cherunilam, Global Economy and Business Environment , Revised Edition, HPH.
10. Vishal Kumar, International Business, 1<sup>st</sup> Edition, 2015, Kalyani Books.
11. Rosy Joshi and Sangam Kapoor, Business Environment, 2<sup>nd</sup> Edition, 2015, Kalyani Books.
12. A Mustafa, International Business Environment, 1<sup>st</sup> Edition 2013, Kalyani Books.

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