Aston Business School
Birmingham

BSM934 ADVANCED TOPICS IN INTERNATIONAL BUSINESS

Academic Year 2013/14

Number of Aston Credits: 15

Number of ECTS Credits: 7.5

Staff Member Responsible for the Module:

Dr Yama Temouri, Economics & Strategy Group
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Availability: Tuesday 10am – 12pm
Friday 10am – 12pm
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Lynne Woolley South Wing Room 907B, Extension 3038 or 3331

Other Staff Contributing to the Module:

Ms Alena Pivavarava, Economics & Strategy Group
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Availability: Tuesday 11am – 2pm
Or please contact the Economics & Strategy Group Administrator
Lynne Woolley South Wing Room 907B, Extension 3038 or 3331

Pre-requisites for the Module:

To study this module you must have completed BSM933.

Mode of Attendance:

On Campus

Module Objectives and Learning Outcomes:

BSM933 International Business outlines the increasing importance of the international dimension of business and introduces the major theories and frameworks for understanding and analysing international business strategies. The objectives of this module are to build on BSM933 to broaden and deepen the students' knowledge of international business strategies and the contexts in which they are developed and

implemented and thus to prepare students either for an internationally oriented career in business or for international business research.

At the end of the module, students should have:

(a) the ability to assess the effects of major economic, management, policy and technical trends and factors on businesses operating internationally;

(b) the understanding of shifting competitive advantage and international strategy formation and evolution in advanced as well as emerging/transition economies, and

(c) the ability to use relevant models in appraising and formulating international business strategies

Module Content:

Week 1: Introduction to Module + Globalisation

Week 2: International Trade Theory

Week 3: Regional Integration (Guest lecture)

Week 4: The Foreign Exchange Market

Week 5: Entrepreneurship & Innovation (Guest lecture)

Week 6: Multinational Firm strategy

Week 7: FDI and its effects on host and home economies

Week 8: International Technology Transfer (Guest lecture)

Week 9: Coursework Preparation and Module Revision

Week 10: **Examination**

Corporate Connections:

Many of the sessions will use material developed from the lecturer's and guest lecturer's own research and consultancy work. In addition, extensive use will be made of international business case studies and examples.

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Birmingham

International Dimensions:

The entire module is international in nature with a focus on international business strategy in the context of a changing international environment. In addition, the coursework for this module is linked to international study visits organised in collaboration with Aston Business School's European partner institutions.

Contribution of Research:

Teaching on this module is informed by lecturers' research and consultancy in the areas of collaboration between firms in industrialised and emerging /transition economies and the development of capability and competitiveness of firms these economies.

Ethics, Responsibility and Sustainability:

The module discusses the various effects of globalisation on host and home countries, including policy initiatives to attract FDI and subsequent environmental and worker standards.

Method of Teaching and Learning:

A combination of lectures, interactive case study discussions, syndicate group work and syndicate group presentations will be employed. Lectures will highlight the major issues themes and business strategies and relate them to theoretical models and frameworks. Case studies and other syndicate group work are intended to (a) provide experience in the application of theories and frameworks in examining international business strategies, (b) develop more in depth understanding, and (c) cultivate abilities to critically appraise theories and strategies. A number of guest lecturers with expertise and experience in different areas of international business research will contribute to the module. There is a significant amount of reading that is required for this module. In addition students are encouraged to write and hand in drafts of essays and coursework well before the examination in order to receive feedback on how to improve their performance.

Method of Assessment and Feedback:

Two hour closed book examination (70%). Coursework (30%).

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Learning Hours:

Pre-reading	25
Contact and directed learning	27
(Lectures /syndicate groups / discussions / presentations)	
Private study, reading and additional group work	68
Company study group work	30
Total	**150**

The following readings are subject to change. Students should not therefore purchase textbooks prior to commencing their course. If students wish to undertake background reading before starting the course, many of the chapters/readings are available in electronic form via on-line library catalogues and other resources

Pre-reading:

Deardorff, A. (2002) What Might Globalization's Critics Believe? Discussion Paper 492

Available at: http://www.fordschool.umich.edu/rsie/workingpapers/Papers476-500/r492.pdf

Aisbett, E. (2007) Why Are the Critics So Convinced That Globalization Is Bad for the Poor? NBER chapter.
Available at: http://www.nber.org/chapters/c0113.pdf

Paul Krugman (2008) The Increasing Returns Revolution in Trade and Geography (Nobel prize lecture)

Available at: http://www.nobelprize.org/nobel_prizes/economic-sciences/laureates/2008/krugman-lecture.html

WTO, World Trade Statistics 2012
Available at: http://www.wto.org/english/res_e/statis_e/its2012_e/its2012_e.pdf

Faff, R.W. and Marshall, A. (2005) International evidence on the determinants of foreign exchange rate exposure of multinational corporations, Journal of International Business Studies, 36, 539–558.

Gorg, H. and Greenaway,D. (2004) Much Ado about Nothing? Do Domestic Firms Really Benefit from Foreign Direct Investment?, World Bank Research Observer, 19(2), 171-197.

Driffield, N.L. and Love, J. (2007) Linking FDI motivation and host economy productivity effects: conceptual and empirical analysis, Journal of International Business Studies, 38, 460–473

Essential Reading:

Hill CWL (2009), International Business *: Competing in the Global Marketplace*, 8th Edition, London: McGraw-Hill and Irwin.

Indicative Bibliography:

Week 1: Introduction to Module + Globalisation

Main Textbook: International Business, by Hill, Chapter 1

How to save Globalization from its cheerleaders, by Dani Rodrik

Globalization and Its Impact on Labor, by Robert Feenstra

Who makes the rules of Globalization?, by Alan Deardorff

What Might Globalization's Critics Believe?, by Alan Deardorff

What the Public Should Know about Globalization and the WTO, by Alan Deardorff

International Economics: Unlocking the Mysteries of Globalization, by Jeffrey Sachs

Book: In Defense of Globalization, by Jagdish Bhagwati

Book: Globalization and its Discontents, by Joseph Stiglitz

Sachs, J. "International economics: Unlocking the mysteries of globalization." Foreign policy 110.Spring (1998):97.

Deardorff, Alan V., What You Should Know about Globalization and the World Trade Organization, Review of International Economics, August 2002, 10(3), 404-23

Week 2: International Trade Theory

Main Textbook: International Business, by Hill, Chapter 5

Book: International Economics, Theory & Policy, by Krugman and Obstfeld, Chapters 1-6

The Increasing Returns Revolution in Trade and Geography, by Krugman

Is Chinese Mercantilism Good or Bad for Poor Countries, By Dani Rodrik

WTO International Trade Statistics link

WTO International Trade Statistics 2010 Report

Week 3: Regional Integration (Guest lecture)

Main Textbook: International Business, by Hill, Chapter 8

De Grauwe "The Greek crisis and the future of the Eurozone"

Adjustment to Asymmetric Shocks

Corsetti et al. "Can Greece pull it off"

Vines "How to rescue the EMU"

Wolf "Time for common sense on Greece"

Krugman "Neo-Calvinists and the Euro Crisis"

Chapter 21 Feenstra and Taylor "International Economics"

Chapter 20 Krugman et al. "International Economics: Theory and Policy"

Mundell “A Theory of Optimum Currency Areas"

Week 4: The Foreign Exchange Market

Main Textbook: International Business, by Hill, Chapter 9

Nydahl, S. "Exchange Rate Exposure, Foreign Involvement and Currency Hedging of Firms: Some Swedish Evidence." European financial management 5.2 (1999):241-257.

Faff, R. "International Evidence on the Determinants of Foreign Exchange Rate Exposure of Multinational Corporations." Journal of International Business Studies 36.5 (2005):539.

Doidge, C. "Measuring the economic importance of exchange rate exposure." Journal of empirical finance 13.4 (2006):550-576

El-Masry, A. "The exchange rate exposure of UK nonfinancial companies: industry level analysis." Managerial Finance 32.2 (2006):115-136.

El-Masry, A. "Exchange rate exposure: do size and foreign operations matter?." Managerial Finance 33.9 (2007):741-765

Week 5: Entrepreneurship & Innovation (Guest lecture)

Week 6: Multinational Firm strategy

Main Textbook: International Business, by Hill, Chapter 16

Daniels, J.D., Radebaugh, L.H. and D.P. Sullivan International Business: environments and operations, Chapter 17

Week 7: FDI and its effects on host and home economies

Main Textbook: International Business, by Hill, Chapter 7

Greenaway and Gorg, 2004

Lipsey and Sjoholm “The impact of inward FDI on host countries: why such different answers?”

Lipsey “Home and Host country effects of FDI”

Week 8: International Technology Transfer (Guest lecture)

Driffield, N. "Linking FDI motivation and host economy productivity effects: conceptual and empirical analysis." Journal of International Business Studies 38(2007):460-473

Menghinello, S. "Industrial districts, inward foreign investment and regional development." Journal of economic geography 10.4 (2010):539-558

Driffield, N. "The multinational enterprise as a source of international knowledge flows: Direct evidence from Italy." Journal of International Business Studies 41.2 (2010):350-358

Alfaro, Laura. How Does Foreign Direct Investment Promote Economic Growth? Exploring the Effects of Financial Markets on Linkages

Useful Online Sources Include:

Business Source Premier, Econlit, Datastream, Proquest, Orbis, United Nations Conference on Trade and Development (UNCTAD), Journal of International Business Studies, Transnational Corporations, World Trade Organisation, ESDS data website.