

B.A. (VS) Small and Medium Enterprises
Semester VI
DISCIPLINE SPECIFIC ELECTIVE COURSE -6.4 (DSE-6.4)

Fundamentals of International Business

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Fundamentals of International Business (DSE-6.4)	4	3	1	-	12th Pass	Nil

Learning Objective: The course aims to impart the core body of knowledge in international business to the students. The course would introduce students to the international trading and investment environment and also create awareness about emerging issues such as outsourcing and sustainable development in the context of international business.

Learning Outcomes: After completion of the course, learners will be able to:

1. analyse the process of globalization and its impact on growth of international business.
2. evaluate the changing dynamics of the diverse international business environment.
3. analyse the theoretical dimensions of international trade as well as intervention measures adopted.
4. analyse the significance of different forms of regional economic integration and the role played by various international economic organisations.
5. evaluate the forms of foreign direct investment and analyse benefits and costs of FDI.
6. discuss emerging issues in international business such as outsourcing and sustainable development.

Unit 1: Introduction to International Business

7 Hours

Globalization - concept, significance and impact on international business; international business contrasted with domestic business; complexities of international business; internationalization stages and orientations; modes of entry into international businesses.

Unit 2: International Business Environment

11 Hours

Role of political and legal systems in international business; cultural environment of international business; implications of economic environment for international business.

Unit 3: International Trade**9 Hours**

Theories of international trade – Theory of Absolute Advantage theory, Theory of Comparative Advantage, Factor Proportions theory and Leontief paradox, Product Life Cycle theory, Theory of National Competitive Advantage; Instruments of trade control.

Unit 4: Regional Economic Integration and International Economic Organisations**9 Hours**

Forms of regional economic integration; Integration efforts amongst countries in Europe, North America and Asia: EU, USMCA, and SAARC; Cost and benefits of regional economic integration.

International Economic Organisations: WTO- functions, structure and scope; World Bank and IMF

Unit 5: International finance and contemporary issues in IB**9 Hours**

Types of FDI - Greenfield investment, Mergers & Acquisition, strategic alliances; benefits and drawbacks of FDI, Overview of Exchange Rate systems, Contemporary issues in international business: Outsourcing and its potential for India; international business and sustainable development.

Exercises:

The learners are required to:

1. demonstrate through case studies the suitability of each mode of entry in international business.
2. conduct a comparative analysis of countries which are different in terms of political/legal/economic/cultural environment to understand the impact of these dimensions on international business.
3. analyse data on trade of select countries to examine if trade patterns conform to different trade theories.
4. conduct an in-depth study of a regional economic arrangement and evaluate its costs and benefits by applying the theoretical knowledge gained during the course
5. make presentations on developments in contemporary issues affecting international business such as sustainable development.
6. Comment on various emerging issues in international business such as outsourcing and sustainable development

Suggested Readings:

- Bennett, R. (1999). *International Business*. New Delhi; Pearson. (Unit I to V)
- Cavusgil, S. T., Knight, G., & Riesenberger. (2020). *International Business: The New Realities*. Pearson India. (Unit I to V)
- Charles, W. L. Hill., Tomas, M., & Mehtani, R. S. (2018). *International Business*. New Delhi; Tata McGraw Hill. (Unit I to V)

- Daniels, J. D., Radenbaugh, L. H., & Sullivan, D. P. (2007). *International Business: Environments & Operations*, Pearson Education. (Unit I to V)
- Griffin, R. W., & Pustay, M. W. (2020). *International Business - A Managerial Perspective*. Pearson India. (Unit I to V)
- Menipaz, E., Menipaz, A., & Tripathi, S. S. (2011). *International Business: Theory and Practice*. New Delhi; Sage Publications. (Unit I to V)

Additional Resources:

- *Economic Survey, various issues.*
- *RBI Report on Currency & Finance, various issues.*
- *World Investment Reports, UNCTAD*
- *Websites: RBI, IMF, WORLD BANK, WTO.*
- *WTO Annual reports*

Notes:

1. **Suggested readings shall be updated and uploaded on the college website from time to time.**
2. **Examination scheme and mode as prescribed by the Examination Branch, University of Delhi, from time to time.**