

**DISCIPLINE SPECIFIC ELECTIVE - GLOBAL BUSINESS MANAGEMENT (DSE 7)**

**GLOBAL TRADE MANAGEMENT (BARRIERS AND BLOCS)**

**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		
Global Trade Management (Barriers and Blocs) (DSE 7)	4	3	1	0	Class XII	Basics of Management and Marketing

**Learning Objectives**

- This course aims to enrich the understanding of learners about the globalization of business in the setting of new opportunities and threats to governments, firms, and individuals.
- This course attempts to introduce elements of strategy in the way of business in the global marketplace as it exists today, with an outlook of the future growth and expansion.

**Learning Outcomes**

On successful completion of the course the learner will be able to:

- Recognise how the economic, political/legal, and financial environments affect international business operations.
- Interpret international trade theories, international investments, trends toward economic integration around the world; and how government and business decisions influence international trade.
- Illustrate the effects of current regional trade agreements and economic integration on developing countries.
- Judge and implement strategies that will help provide a competitively advantageous position and differentiate between smaller firms and multinational corporations.

**SYLLABUS FOR DSE 7**

**Unit 1: Global Business Environment**

**(12 Hours)**

Theories of international business – Mercantilism, Absolute Advantage, Comparative Advantage, Factor Endowment, Competitive Advantage. National Differences, National Differences under PESTEL: Culture, Bureaucracy, CSR, Environmental Consciousness and Sustainability. Porter’s Diamond model of National Competitiveness. Doing business globally; supply chain management; currency management; raising capital; making payments for internationally traded goods and services; ease of doing business; marketing across cultures; pricing; costing for internally traded goods and services; dispersed manufacturing; import-export. Introduction to Analytics for global business operations. Trade hubs. Key regions, companies and countries impacting global trade.

Various businesses and industries operating globally. Global movement of knowledge and unskilled workers.

**Unit 2: Globalization and Free Trade**

**(12 Hours)**

Globalization: Meaning, Definition, Features, Advantages and Disadvantages. Challenges to global operations: Socio–Cultural, Political, Legal and Economic Implications. Globalization and India: GATT, WTO, Intellectual Property Rights, Industrial promotion schemes such as SEZs and Atmanirbhar Bharat, TRIPS Agreements, India’s Trade Policy. Globalisation of Indian Businesses. Concept of global free trade: role of global bodies such as WTO, IMF; ethical issues; biases and restrictions; global climate agreements; enforcement of global trade pacts and regulations; trade sanctions; preferential and non-preferential treatments  
Trade Blocs and Trade Agreements; introduction, need and relevance; pros and cons. Overview of major agreements such as NAFTA, TPP, EU, MERCOSUR, OPEC etc. Impact of such blocs and agreements on strategies for global expansion and global business activities.  
Regional Trade Blocks, Preferential Trade Agreements, Free Trade Area, Custom Union, Economic Union. Entering Developed and Emerging Markets.

**Unit 3: International Business Management**

**(10 Hours)**

Modes of creating an International Business: Global Strategic Management and Multinational Enterprises, International business analysis; modes of entry: exporting (direct and indirect), licensing, franchising, contract manufacturing, management contracts, turnkey projects, Joint ventures, Mergers and Acquisitions, Foreign direct investment; Comparison amongst different modes of entry. Emerging markets as a unique segment of international business opportunities; bottom of the pyramid; need for innovation; unique operational challenges and circumstances.  
Challenges to international business operations and trade barriers.

**Unit 4: Protectionism and Trade Barriers**

**(11Hours)**

Introduction to Protectionism: history; stages; current scenario. Various types of protectionist measures: import quotas, tariffs; anti-dumping; bans etc. Protectionist measures since 1945: banana wars, Japanese companies entering USA and Western Europe; anti-dumping and China; political issues affecting imports; trade agreements; export restrictions. Barriers affecting the movement of goods, intellectual property, services and people.  
Export driven economies: UK, Germany, USA, Japan, Asian Tigers, Mexico, India, China + Rise of global manufacturing and outsourcing hubs like Mexico, China, Bangladesh, India, Vietnam, parts of Eastern Europe - and their experience with trade barriers - solutions and present scenario  
Rise of globally relevant trade agreements: relevance, impact on strategies of international business operations.  
Current scenario of trade barriers and protectionism.

**Essential/recommendation Readings (latest editions of readings to be used)**

1. Peters, Margaret E. (2017). *Trading Barriers:Immigration and the Remaking of Globalization*. (1st edition). Princeton University Press
2. Bhagwati, Jagdish N. (1990). *Protectionism*. (1st edition). MIT Press
3. Heron, Tony. (2012). *Global Political Economy of Trade Protectionism and Liberalization*. (1st edition). Routledge
4. Hill, C.W..L, Hult, G.T.M. &Mehtani, R. (2018). *International Business: Competing in the Global Marketplace*. (11th edition). McGraw Hill

**Suggestive Readings (latest edition of readings to be used)**

1. Hahn, Balthasar & Jaeger, Carl. (2010). *Trade Liberalization & Protectionism*. (1st edition). Nova Science Publishers
2. Kahanmoui, Farrokh. (2008). *Effects of Trade Barriers on Growth*. (1st edition). VDM Verlag
3. Liu, Fang & Peters, Bill. (2011). *Green Trade Barriers*. (1st edition). Lambert Academic Publishing
4. Winters, L. Alan. (2011). *Non-tariff Barriers, Regionalism And Poverty*. (1st edition). World Scientific Publishing Co.
5. Salvatore, Dominick. (1993). *Protectionism and World Welfare*. (1st edition). Cambridge University Press
6. Cherunilam, Francis. (2020). *International Business*. (1st edition). PHI Learning
7. Justin, Paul. (2013). *International Business*. (1st edition). PHI Learning
8. USTR, 2021 National Trade Estimate Report on Foreign Trade Barriers. USTR. (Available at <https://ustr.gov/sites/default/files/files/reports/2021/2021NTE.pdf>)

**Note:** Examination scheme and mode shall be as prescribed by the Examination Branch University of Delhi, from time to time