Bharati College

 **(University of Delhi)**

Janak Puri, Delhi- 100058

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Lesson Plan (DSE, Semester VI, Jan to May 2023)

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| **Name of Teacher** |  Ms. Sunita | **Department** |  Commerce |
| **Course** |  B.COM (H) | **Semester** |  VI |
| **Paper** |  BCH 6.4(d): INTERNATIONAL BUSINESS | **Academic Year** |  2022-23 |
| **Learning Objectives** |
| This course aims to introduce students to the international business, trading and financial environment. Students are also expected to understand the basic features of the foreign exchange market and types of exchange rates. The course also creates awareness about emerging issues such as outsourcing and environmental sustainability in the context of international business.  |
| **Learning Outcomes** |
| 1: understand the process of globalization, its impact on the evolution and growth of international business and to appreciate the changing dynamics of the diverse international business environment. 2: analyze the theoretical dimensions of international trade and intervention measures adopted; to appreciate the significance of different forms of regional economic integration and to understand the concept of Balance of payment account and its components. 3: understand the significance of different forms of regional economic integration and to appreciate the role played by various international economic organisations such as the WTO, UNCTAD, IMF and World Bank. 4: familiarize students with the international financial environment, and get them acquainted with the basic features of the foreign exchange market – its characteristics and determinants. 5: critically examine the concept and form of foreign direct investment, and to create awareness about emerging issues in international business such as outsourcing and ecological issues |
| **Lesson Plan** |
| **Week No.** | **Theme/Curriculum** | **Any Additional Information** |
| Week 1 &2  |  Introduction to International Business: Globalization and its growing importance in the world economy; Impact of Globalization; International business contrasted with domestic businesses – complexities of international business; Internationalization stages and orientations; Modes of entry into International businesses. |  |
|  Week 3 |  International Business Environment: Economic, demographic, cultural and political-legal environment |  |
|  Week 4 & 5 | International Trade: Theories of International trade - Absolute advantage theory, Comparative advantage theory, Factory proportion theory and Leontief paradox, Product life cycle theory, National competitive advantage theory; Tariff and Non-Tariff Barriers |  |
| Week 6 | BOP- Balance of payment account and its components |  |
| Week 7 & 8 | Regional Economic Integration: Forms of regional integration; Integration efforts amongst countries in Europe, North America and Asia: EU, NAFTA and SAARC; Cost and benefits of regional economic integration |  |
| Week 9 | International Economic Organisations: WTO, UNCTAD, World Bank and IMF |  |
| Week 10 & 11 | International Financial Environment: Foreign exchange markets, Spot market, spot rate quotations, bid-ask spreads, trading in spot markets, cross exchange rates, forward markets, forward rate, long and short forward positions, forwards premium and discount; Arbitrage, Hedging and Speculation; Types of exchange rate systems – fixed and floating, soft peg, crawling peg, free float, managed float; Foreign exchange risk and exposure |  |
| Week 12 | Exchange rate Determination: Types of Exchange rates, Factors affecting exchange rate- relative inflation rates, i |  |
| Week 13  | Foreign Direct Investment: Types of FDI - Greenfield investment, Brownfield investments, Mergers & Acquisition, Strategic alliances; Benefits and drawbacks of FDI |  |
| Week 14 | Developments and Issues in International Business: Outsourcing and its potential for India; International Business & Ecological considerations |  |
| **References**• Bennett, Roger. International Business, Delhi: Pearson• Charles, W L Hill and Jain, Arun Kumar, International Business, New Delhi: Tata McGraw Hill• Daniels John. D. Lee H. Radenbaugh and David P Sullivan. International Business, Pearson Education. • Griffin, Ricky W and Michael W Pustay- International Business-A Managerial Perspective Prentice Hall • Michael R. Czinkota, et al. International Business. Fortforth. The Dryden Press. • Menipaz, E., Menipaz A. and Tripathi S.S. International Business : Theory and Practice. New Delhi. Sage Publications India Pvt. Ltd**Additional Resources**• Economic Survey, various issues • RBI Report on Currency & Finance, various issues.• UNCTAD Reports • Websites: RBI, IMF, WORLD BANK, WTO.• WTO Annual report, various reports |
| **Online Resources (If Any)** |  |
| **Assignment and Class Test Schedule for Semester** | Link the assignment and Test (optional) |