COURSE SYLLABUS

George Mason University—Schar School of Policy and Government

GLOBAL BUSINESS and POLICY—81812-ITRN 752-001
Course Credits: 3
Fall 2017
August 28, 2017-December 20, 2017

Days/Time: Wednesday 4:30-7:10pm
Classroom: Founders Hall 476

Instructor: Jeffrey H. Joseph
Office Hours: On Request
Email: jjosep11@gmu.edu/Phone: 202-251-7791

COURSE DESCRIPTION
This course focuses on the multinational firm (MNE) as the unit of analysis. We will examine the global activities of large as well as small and medium sized (SME) firms. Our purpose is to gain an in-depth understanding of how large firms ‘strategize’ across national borders and address the challenges posed by different governance structures, political economies, institutions and cultures. Students will learn important theoretical concepts and apply them to ‘real’ world business situations. The objective is to have an enhanced understanding of what determines the international success and failure of global firms.

COURSE MATERIALS
Text: “Global Business”, Mike W. Peng, 3rd Edition, Cengage Learning 2013. The decision to use this previous edition is intentional- it sells for less than the recent 4th Edition. The text is available from multiple sources in various formats, for purchase as new or used, and also as a rental. (See Amazon).

Additional Readings are noted on the weekly schedule. Students can access Harvard Business Review articles through a Course Pack available at: http://cb.hbsp.harvard.edu/cbmp/access/57320386.

COURSE LEARNING OBJECTIVES
Knowledge and Understanding

-To be able to assess the interaction between policy and business and understand MNE-government relations in a globalized economy.
-To effectively explain key ideas, concepts, events, and developments shaping the global business climate and strategies from an applied perspective.
-To discuss how markets, firms and governments interact in the context of different national or regional environments and cultures.
Analytical Skills and Abilities

- To critically analyze the role of governments in developing and implementing policy and the effect of those on the activities of large and small global firms in economic change and development.
- To access research findings and apply them to support or refute arguments concerning a case or issue regarding firm behavior in the given context.

Professional Development

- To effectively communicate ideas and analysis verbally and in writing.
- To successfully deliver a professional presentation using relevant technologies.

TEACHING AND LEARNING METHODS

Students prepare every week to discuss reading assignments. Therefore, you must be prepared with the readings. During the semester you will be picked to summarize or critique an assigned article or case. Failure to contribute adequately in such cases will lead to a loss of participation points.

ASSIGNMENT DETAILS

Students will be assigned to groups in the first week of class. During the semester, small student groups will be responsible for leading class discussion on assigned Harvard Business Review Cases (HBR).

1) **HBR presentations and other cases will be presented in class using online materials prepared by the group.** Each HBR case/case study discussion should be summarized on no more than 8 PowerPoint slides, including the title slide. The slides should not repeat case details but only include the analysis and results of the analysis of the case. Emphasis should be made on presenting a creative and logical analysis, with results displayed in tabular or chart form. Depth and quality matter most. Presenters will be required to defend their work from critique by the class.

2) **At the end of the semester, groups will be responsible for making a major presentation that will represent a substantial portion of the total class grade.** Teams of students will analyze the global business environment of a specific country.

Countries to be studied will be chosen from:

- China; India; Singapore; Japan;
- Germany; Great Britain; Mexico,
- South Africa; Egypt, Turkey
Project presentations should include an analysis of the following:

- Political Environment
- Institutional/Cultural/Economic Differences Compared to the US
- Ethical and Environmental Issues
- Commonly Used Entry Modes
- Examples of Foreign Companies Successfully Entered the Country
- Examples of Successful Local Companies

Practical Advice (currency, weather, culture, manners, etc.)

3) **There will be a Final Exam** covering all course materials at the end of the semester.

**GRADING AND PERFORMANCE**

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attendance and Class Participation</td>
<td>15%</td>
</tr>
<tr>
<td>HBR Case Discussions</td>
<td>20%</td>
</tr>
<tr>
<td>Group Project/Presentation</td>
<td>40%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>25%</td>
</tr>
</tbody>
</table>

Interpretation of Grades (out of 100 points)

<table>
<thead>
<tr>
<th>Grade</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>4.00</td>
</tr>
<tr>
<td>A-</td>
<td>3.67</td>
</tr>
<tr>
<td>B+</td>
<td>3.33</td>
</tr>
<tr>
<td>B</td>
<td>3.00</td>
</tr>
<tr>
<td>B-</td>
<td>2.67</td>
</tr>
<tr>
<td>C</td>
<td>2.33</td>
</tr>
<tr>
<td>F</td>
<td>&lt;2.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Grade</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>94-100</td>
</tr>
<tr>
<td>A-</td>
<td>90-93</td>
</tr>
<tr>
<td>B+</td>
<td>87-89</td>
</tr>
<tr>
<td>B</td>
<td>84-86</td>
</tr>
<tr>
<td>B-</td>
<td>80-83</td>
</tr>
<tr>
<td>C</td>
<td>70-79</td>
</tr>
<tr>
<td>F</td>
<td>&lt;70</td>
</tr>
</tbody>
</table>

The faculty of George Mason’s Schar School of Policy and Government takes plagiarism seriously and has adopted a zero tolerance policy. Any plagiarized assignments will receive an automatic grade of “F”. This may lead to failure for the course, resulting in dismissal from the University. This dismissal will be noticed on the student’s transcript. For foreign students who are on a university-sponsored visa (e.g. F-1, J-1, or J-2) dismissal also results in the revocation of their visa.

To help enforce this policy on plagiarism, all written work submitted in partial fulfillment of course or degree requirements must be available in electronic form so that it can be compared with electronic databases, as well as submitted to commercial services to which the School subscribes. Faculty may at any time submit a student’s work without prior permission from the student. Individual instructors may require that written work be submitted in electronic as well as printed form. This policy on plagiarism is supplementary to the George Mason University’s Honor Code; it is not intended to replace it or substitute for it.
Some Resources:

Avoiding Plagiarism:
http://writingcenter.gmu.edu/resources/plagiarism.html

Turnitin@Mason
http://www.irc.gmu.edu/turnitin/resources.html

CLASS SCHEDULE

Session 1—August 30, 2017
Introduction, Syllabus Overview, Groups
Topic—What Is Global Business?
General Discussion: Global Business & Globalization at a Crossroads
Readings: Chapter 1-Globaizing Business
- Case: Harvard Business Review-The End of Corporate Imperialism

Session 2—September 6, 2017
Topic—Understanding Formal Institutions
General Discussion: Political, Legal and Economic Systems
  - Political--Discussion of growing political unrest driven by open borders, free trade and terrorism;
  - Legal--Common Law; Civil Law; Contract Law; Property Rights; Foreign Corrupt Practices Act; Protection of Intellectual Property; Product Safety & Liability;
  - Economic—Re-thinking Traditional; Command; Market; Mixed Economies
Readings: Chapter 2
- Case: Harvard Business Review—Google in China

Session 3—September 13, 2017
Topic—Informal Institutions
General Discussion: Cultures, Ethics and Norms; Attitudes towards immigration; effect on Brexit/EU
Readings: Chapter 3; Integrative Case 1.2
- Chiquita Banana Case in Chapter 3
- Partying In Saudi Arabia Case in Chapter 3

Session 4—September 20, 2017
Topic—Investing Abroad Directly
Discussion: Foreign Direct Investment in the World Economy
Trends, Direction, Sources, Methods in FDI—Exporting & Licensing Politics & FDI; Costs & Benefits of FDI; Host Country Issues
Readings: Chapter 6; Integrative Case 1.1
- Case: Harvard Business Review-Fiat-Chrysler Alliance
Session 5—September 27, 2017  
**Topic:** Ethics, Corporate Social Responsibility and Sustainability  
Discussion: Ethical Issues, Human Rights, Environmental Practices  
Corporate Social Responsibility; Organizational Culture; Leadership  
Sustainability  
**Readings:** Chapter 17; Integrative Case 4.4  
Case: Harvard Business Review-Siemens Energy 2010

Session 6—October 4, 2017  
**Topic:** MNC Governance and Corruption  
Discussion: Walmart in Mexico and Deutsche Bank Global Banking  
**Readings:** Chapter 16; Integrative Case 1.3  
Case: Harvard Business Review-Who’s Responsible for the Walmart Mexico Scandal?  
Case: Harvard Law School Executive Education; Milbank Associates Program—Foreign Corrupt Practices Act using Walmart’s operations in Mexico as a case study (Professor Matthew C Stephenson, Harvard Law School)  
Selected Readings on Deutsche Bank-NY Times, Wall Street Journal, New Yorker, etc.

Session 7—October 11, 2017  
**Topic:** Protecting Jobs, Consumers and National Security  
Discussion: When Governments Intervene in Global Business-Mergers/Antitrust/CIFIUS  
Special Case: Trump Administration’s America First Efforts  
**Readings:** Case: HBR: What We Can Learn from Merger Deals That Never Happen  
Case: Harvard Bus. Law Review; Why Are Foreign Investments in Domestic Energy Under CIFIUS Scrutiny?  
Reading: Google Faces New Round of Antitrust Charges in Europe, New York Times  
Reading: EU Antitrust Case Against Google: How Technology Became A Battleground  
Reading: A Transcontinental Culture War Could Cost Google Billions, The Atlantic, April 15, 2015  
Current articles re: latest Trump Administration efforts on Paris Agreement, etc.

Session 8—October 18, 2017  
**Topic:** Multinational Activities & Practices  
Discussion: Multinational Strategies & Structures—Alliances & Acquisitions; Worldwide Learning, Innovation & Knowledge Management; Managing Human Relations Globally  
**Readings:** Chapters 12, 13 and 15  
Integrative Cases 3.5, 3.6 & 4.5
Session 9—October 25, 2017
Topic: International Tax Issues—Part I
Discussion: International Tax is changing. Policies change, taxpayers modify their behavior. Governments usually limit taxation in some manner territorially or provide offsets relating to extraterritorial income. Countries sign tax treaties to eliminate/reduce double taxation, some with different rules for corporations versus individuals. The US has a “worldwide tax system”-MNCs taxed 35% no matter where profits come from—results in not repatriating earnings; encourages US MNCs to incorporate abroad. Others maintain territorial systems. US debate has begun on a new tax system.
Readings: Tax Policy Center Briefing Book on Multinational Corporations & International Tax
Current articles to be assigned

Session 10- November 1, 2017
Topic: International Tax Issues —Part II
Discussion: Focus on Apple; Ireland has used low tax rates/special tax situations to attract multinationals to their country. This results lower sovereign Irish state revenues that can be shared with the EU.
EU officials—after studying a US Senate probe into Apple’s taxes- are considering whether to force Ireland to change its tax policy for MNCs. EU exploring this through tax and competition policy.
Readings: Apple and Ireland—selected readings;
“Behind The Apple Tax Situation, An Unprecedented Financial Policy, Forbes, September 1, 2016; others to be assigned.

Session 11—November 8, 2017
Topic: The Strategy of International Business & Entering Foreign Markets & Exporting, Importing & Countertrade
Discussion: Strategy Issues: Where to Enter? When to Enter? How to Enter?
Value Creation; Strategic Positioning; Value Chain, etc.
Readings: Chapters 9 and 10; Integrative Cases 3.1 and 3.2
Case: Harvard Business Review-The Global Rise of Female Entrepreneurs

Session 12-- November 15, 2017
Class Projects/ Presentations- Team Meetings/Workshops

Session 13—November 29, 2017
Class Projects/Presentations

Session 14—December 6, 2017
Class Projects/Presentations--Continued

Final Exam—Week of December 13, 2017