



LINCOLN UNIVERSITY

Course No. BA 417

Course Title: POLITICAL AND LEGAL ASPECTS OF INTERNATIONAL BUSINESS

Credit: 4 units = 45 hours of lecture + 45 hours of self-study research project

Instructor & Contact: Allan Samson

Office Hours: By Appointment

Class Hours: Three (M & W, 6:30-9:15 PM)

(415) 391-4949

Semester: Fall 2013

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Textbooks:

- **Charles W.L. Hill, Global Business Today, 7th ed., McGraw-Hill (2010) ISBN-10: 0071220844, ISBN-13: 978-0071220842**
- **Schaffer, Agusti, Dhooge & Earle, International Business Law and Its Environment, 8th ed., South-Western Cengage Learning (2011) ISBN-10: 0538473614, ISBN-13: 978-0538473613**

Course Description:

The course includes: analysis of political, military, economic and ideological factors affecting the behavior of states and the conduct of transnational business, with particular attention to multinational enterprises, formulation of foreign policy processes, including economic and trade policies. It also includes: analysis of international legal systems, with particular emphasis on business disputes arising from anti-trust laws; contracts and agreements; tariff liabilities; nationalization procedures for arbitration and settlement. A one-unit written research project and its oral presentation is a required part of the course. (4 units)

Introductory Questions:

What is the effect of globalization on international trade and investment?
What economic theories influence international trade and investment?
How does culture affect international business practices?
What is outsourcing?
Is free trade good?

Learning Objectives:

At the end of the course, you will have been exposed to the major ideas about international trade and investment, and you will know where and how to look up contemporary discussion that appears in major media sources such as the New York Times and The Economist.

You should understand different points of view about global business.

Course Questions:

What are the forms of foreign direct investment? How important are concepts of strategic positioning and value creation in foreign investment? What are the various entry strategies in entering a foreign market — e.g., exporting, turnkey operations, licensing, franchising, joint ventures, and wholly-owned subsidiaries? What strategy should you follow if you were the international business lawyer for a French company that wanted to open up French supermarkets in China? What strategies would you follow if you were the Chinese government lawyer in charge of allowing French supermarkets to open? What is globalization? How unstoppable a force is it? What is outsourcing? Is political ideology important in international business? Is democracy beneficial for international development? Is a strong authoritarian government beneficial for international development?

Methodology:

Students are expected to read the assigned chapter and articles and case studies before each class. Case studies and hypothetical problems will comprise a part of each class session. Students will consider the case studies individually and in teams. Many of the case studies and articles will be available by downloading from their computers.

Case studies and articles will be sent to the students' e-mail addresses several days before class. Hard copies of some cases will be provided a week before.

There will be class discussions and group presentations by students on the case studies and articles.

Project:

Case study problems on ethical issues will be assigned to students on an individual basis and on a group basis. Answers will be turned in and graded.

There will be a final project on a topic to be decided by the students and the professor. The projects will be presented by teams on the last day of class. The project paper will be submitted before the end of the semester. The project will comprise approximately 15 per cent of the final grade.

Students' work is expected to be original.

Testing:

There will be one mid-term examination and one final examination. Both will be essay examinations. Homework assignments will be turned in. Questions on international business case studies will be given and answered in class.

Grading:

Grading will be based on the following criteria:

Mid-term	: 20 per cent
Final Examination	: 40 per cent
Final Project	: 15 per cent
Class Attendance and Homework	: 10 per cent
Case Studies Analysis	: 15 per cent

Grading Standard:

100-95	A	76-74	C
94-90	A-	73-70	C-
89-87	B+	69-67	D+
86-84	B	66-60	D
83-80	B-	Below 60	F
79-77	C+		

Classroom Protocol:

Courtesy is expected. This includes no cell phone usage. Excessive talking will be punished by immediate beheading.

Course Calendar and Assignments:

The assigned material for each date should be read before the class with the exception of the first class. Class participation in discussing the material and presentation of case studies and hypothetical questions is expected. Almost every week articles from the New York Times and academic journals will be assigned. They will usually be e-mailed to you several days before class. They are an important part of class assignments and grades.

Date

Assignments

August 26:

Global Business Today: Chapter 1 (Globalization)

Introduction to the Concept of Globalization

Discussion of Opening Case, Closing Case, Critical Thinking and Discussion Questions, Country Focus Questions, and Management Focus Question (China's Hisense).

August 28:

Global Business Today: Chapter 2 (National Differences in Political Economy)

Lecture on Comparing Economic Systems and the Effects of Income Inequality

Discussion of Closing Case, Critical Thinking and Discussion Questions, Country Focus Question (Corruption in Nigeria), and Management Focus Question (Starbucks in China)

Article: "State Capitalism" (The Economist, January 21, 2012)

September 4:

Global Business Today, Chapter 3 (Differences in Culture) (excluding pp. 103-120) AND Chapter 4 (Ethics in International Business) (excluding pp. 141-146)

Chapter 3: Discussion of Opening Case (Business Culture in China), Critical Thinking and Discussion Questions (excluding Question 5), and Country Focus Question (Breaking India's Caste System)

Chapter 4: Discussion of Opening Case (Working Conditions in a Chinese Factory) and Management Focus Case — Making Apple's iPod (p. 132)

Compare to Article in New York Times: "Signs of Change in Electronic Factories in China" (Dec. 26, 2012)

September 9: Global Business Today, Chapter 6 (The Political Economy of International Trade)

Discussion of Country Focus Case (Subsidizing Wheat Production in Japan), Management Focus Case (U.S. Magnesium Seeks Protection), Country Focus Case (Trade in Hormone-Treated Beef), Critical Thinking and Discussion Questions

NYT Article on Hormone-Treated Beef

NYT Articles on Competition between Boeing and Airbus

Articles on the Choice between Encouraging Free Trade or Protecting Turtles and the Environment

(WTO: "India etc. v. US: Shrimp-Turtle")

(WTO: "The Environment: a Specific Concern")

September 11: Global Business Today, Chapter 7 (Foreign Direct Investment)

Discussion of Country Focus Case (Foreign Direct Investment in China), Critical Thinking and Discussion Questions, and Closing Case

September 16: Mid-Term

September 18: Global Business Today, Chapter 11 (The Strategy of International Business)

Discussion of Management Focus Cases (Vodafone in Japan, Evolution of Strategy at Proctor & Gamble, and Cisco and Fujitsu), Critical Thinking and Discussion Questions

September 23: Global Business Today, Chapter 12 (Entering Foreign Markets)

Discussion of Management Focus Case (Tesco's International Growth Strategy), Management Focus Case (The Jollibee Phenomenon), Critical Theory and Discussion Questions

September 25: Topical Problems in International Business

“Capitalism and Inequality” (The Economist, October 13, 2012)
Muller, “Capitalism and Inequality” (Foreign Affairs, January 2013)
“Outsourcing and Offshoring” (The Economist, January 19, 2013)
Porter and Rivkin, “Choosing the U.S.” (HBR, March 2012)
Bremer and Roubini, “The New Normal” (Institutional Investor, June 17, 2013)

September 30: International Business Law, Chapters 2 and 3

Discussion and Analysis of Legal Case Decisions

October 2: International Business Law, Chapters 16 and 17

Discussion and Analysis of Legal Case Decisions

October 7: International Business Law, Chapter 18 (excluding pp. 577 – 586) and Chapter 19

Discussion and Analysis of Legal Case Decisions

October 9: Class Presentations

October 14: No Class

October 16: Final Examination

Faculty Information:

Professor Samson has a B.A. in Economics from the University of Illinois, an M.A. in Economic Development from the East-West Center of the University of Hawaii, a Ph.D. in Political Science from the University of California-Berkeley, and a J.D. from the University of San Francisco.

He has been professor at Lincoln University since 2001 and has taught Political and Legal Aspects of International Business at Lincoln University for the past four years.

He is Chairman of the Board of Trustees at Lincoln University.

He is a practicing attorney in San Francisco.

Update:

July 29, 2013