

FA 357 International Business in the Global Economy

Campus: Loop
Dates: Autumn Quarter 2004-5
Competencies: A4, H5, H1X, FX

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Course description: The advances in communications technology have changed the global economy and have shaped communities throughout the world. The advent of the Internet, email systems, worldwide shipping capabilities and the pressure for profit production have contributed to the erosion of political and national lines in favor of international trade. Global trade agreements, the World Trade Organization, and the European Union illustrate the new era of cross-national trade taking precedence over traditional nationalistic interests. As the economy becomes more global, it becomes essential for all participants to understand emerging trends in order to thrive, sustain or survive. This course examines the resources used in international business and analyzes movements in the global economy. The process will include a study on how these economic changes effect global communities and redefine ethical systems. Students will learn to identify the underlying factors that move the global economy and what effects those movements have on various ethical, social and economic systems. New economies, economic processes and implementation, as well as political, social and ethical systems construct the global community of today. This globalization effects all in the workforce, regardless of level or perceptions. Each member of the global society should be able to recognize, adapt and interpret current trends in this new economy in order to make appropriate business, social and ethical decisions. This class consists of discussions focused on global systems, economic and ethic, introductory lectures on basic global economic concepts and theoretical frameworks. Students will participate in discussions of current events related to economic globalization and write reflective papers addressing their competencies.

Competence statements:

- A-4-** Analyze problem using two ethical systems.
 - H-1-C-** Can explain the emergence, maintenance, or evolution of an economic or political system.
 - H-1-X-** Can understand change in the local workplace community in relation to international business and assess its impact.
 - H-5-** Analyze issues/problems from global perspective.
 - F-X-** Can interpret, analyze and comment on globalization of business economy.
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Criteria for demonstrating competence:

A-4- A 6-8 page essay examining at the differences and similarities between a “western” or “developed” nation and “developing nation”. This inquiry will consist of looking at the sources of ethical norms such as religion, tradition, culture and economics, etc. In addition, determine if the source of the ethical norms dictate globalization policy or vice versa.

H-1-C- A 6-8 page essay that explores the emergence, maintenance, or evolution of an economic system. Analysis of the steps that led to the significant change in the economic system. All key players, which may be individuals, institutions, governments, etc. should be defined and examined to assess each of

the significant drivers roles in creating change.

H-1-X- Two 3-4 page essays that inquire on how globalization has changed the dynamics of the workplace community. These essays should focus on workplace trends such as international outsourcing, multi-national corporations, and foreign ownership of local workplaces. One essay should address the workplace community from a United States worker perspective and another should address it from a worker in a “developing” country.

H-5- A 8-14 page essay examining the system of globalization. The keys issues to be addressed included ‘Is this system inevitable?’ ‘What is currently working?’ ‘What is currently failing?’ ‘What are the alternatives?’ The focus of the paper should be a demonstration of critical thought with a balanced conclusion on what path should be taken in the future.

F-X- A 6-8 page essay on the economic merits of free market vs. Keynesian. The essay should look at the pros and cons of both sides including examples of the triumphs and failures of each side (note that no economic system has ever been a pure form of either). The conclusion should state what direction should developed countries and developing nations should take. Are they the same? Why or why not.

Overall assessment: All students are expected to attend class regularly. Each student is allowed to miss only one class without prior approval and written assignment make-up. A student who misses more than two classes will not be able pass the class. Each student must **always** be prepared to participate fully and in-depth in all class projects and discussions. All competencies will include several short written assignments based on current week readings and analysis. Written assessments will be evaluated based upon depth of understanding, subject matter accuracy, persuasiveness of argument, quality of writing and creativity.

Academic integrity: All students are expected to adhere to the academic integrity guidelines presented in the DePaul Student Handbook.

Teaching methods: The class will primarily consist of lectures, discussions, case studies and presentations. All assignments are expected to be completed on time prior to the start of class.

Required Texts: *Globalization and Its Discontents*, Stiglitz, 2002.
The Lexus and the Olive Tree, Friedman. 2000.

Schedule

Week 1 - Introduction to class. Discussion of goals for class and particular interests of students. Lecture on basics tenants of globalization. Discussion on the system of Globalization as Thomas Friedman sees it. Development of groups for small group discussion and project. Small group project will include a presentation at the end of the class based upon how globalization has effected an area of Chicago or its surrounding suburbs.

Readings- Friedman – Chapters 1 - 7

Week 2 - Lecture and discussion about *Plugging into the System*. Break off into groups to work on group project.

Readings- Friedman – Chapters 8 – 14

Assignment- One page essay, typed, about one aspect of your life that has been effected by globalization.

Week 3 – Complete discussions on Thomas Friedman’s work. Discussion will review his basic tenants of

globalization. A bridge to the pitfalls of globalization is built by *The Backlash Against the System*.

Readings- Friedman – Chapters 15 – 20

Week 4 – Begin discussion relating to the many pitfalls and ‘backlash’ against globalization. Break off into different small groups for specific areas of discussions including short readings given in class.

Readings- Stiglitz – Chapters 1 – 5

Week 5 – Completion of Stiglitz book. Reaction to the contrast of Stiglitz versus Thomas Friedman. Discussion of which opinion of globalization the class leans towards and why. What are the economic tenants that lie beneath each of the opinions.

Readings- Stiglitz – Chapters 6 – Afterword

Assignment- One page essay, typed, about a current event that is influenced by globalization, include analysis learned from Thomas Friedman and Joseph Stiglitz.

Week 6 - Discussion and lecture on various critiques of both Thomas Friedman and Joseph Stiglitz works. Break into small groups to continue work on group project.

Readings- **Nobel Laureate Discusses Globalization and Its Discontents**, J. McLane
An Open Letter, K. Rogoff, (In response to Globalization and Its Discontents)
An interview with Milton Friedman, J. Hawkins
Commanding Heights, Keynesian Economic Theory
We Are The Capitalists. You Will Be Assimilated. Resistance is Futile., D. Korten

Week 7- Discussion related to the Ethics and Human Rights of Globalization. Meet with small groups to finish work on local project presentation for following week.

Readings- **Companies as Guardians of Human Rights?** K. Leisinger
Corporate Ethics and International Business: Some Basic Issues. K. Leisinger
The Debate on Globalization, Poverty and Inequality: Why Measurement Matters. M. Ravallion

Assignment- Find a current article related to the ethics or human rights of a developing nation in relation to globalization.

Week 8 - Final presentations of small group project. Class discussion related to the entire class, a review, reflect and look forward session.

Readings- **NONE**

Assignments- Small group project presentation.

Week 9 - Discussion on how globalization effects the workers and the poor. Small groups will read addition articles and have a small debate at the end of class for and against globalization for the workers.

Readings- **Does Globalization Lower Wages and Export Jobs**, M. Slaughter and P. Swagel
Globalization of Services: The Backlash Begins P. Morrison
Life on \$3 a day, D. Hajewski
The Poor Like Globalization, D. Dollar

Week 10- Review and discussion. To be determined what and if additional readings will be done.

Readings- To be determined.

Week 11- To be determined if used.

Assignments: All competencies final papers are due.