

Kathmandu University School of Management
Bachelor of Business Administration
Course Syllabus

Course Title	INTERNATIONAL BUSINESS
Course Code	GEM 470
Credit hours	Three (3)
Courseobjective:	The objective of the course is to build the conceptual and analytical skills of the learners in understanding the context and issues of the international business system
Enabling Objectives:	<p>After the completion of all the learning units and the requirements of the course, participants will be able to:</p> <ul style="list-style-type: none"> a) Understand and explain different mode of entry used in international business b) Explain in detail about international trade theory and its implications in international business. c) Relate the importance of international investment theory and its application in attracting FDI. d) Understand the pattern and trend in international trade and predict the direction of international trade flow. e) Explain how tariff, non-tariff barriers effect international trade. f) Discuss how Nepal can use bilateral, regional and multilateral trade agreements for trade enhancement. g) Understand the functioning of international monetary system and describe how it is used in international business operation.
Learning Units	
Learning Unit one Net Contact Hours - 9 hours	1. Introduction Introduction to International Business; Distinguishing aspects of International Business; Brief history of International Business; Globalization and its Forces, Impacts, and Debates; Multinational Companies (MNCs) or Trans-national Companies (TNCs) and their Impacts on Host Countries; Entry into Foreign Markets- Entry Strategies and Modes of International Business (Direct Export, Licensing and Franchising, Contract Manufacturing, Foreign Assembly, Strategic Alliances and Joint Ventures, Merger and Acquisition, Greenfield Investment); Challenges and Complexities of International Business.
Learning Unit two Net Contact Hours- 6 hours	2. Theories of International Trade Mercantilism; Absolute Cost Advantage Theory; Comparative Cost Advantage Theory; Factor Endowment Theory; International Product Life Cycle Theory; and Theory of National Competitive Advantage.
Learning Unit three Net Contact Hours- 3hours	3.Theories of International Investment Theories of International Investment: Monopolistic Advantage; Cross Investment, Internalization, and Dunning's Eclectic Theory.
Learning Unit four	4. Domestic & International Trade International Trade: Volume, Direction, Pattern, and Trends; Brief Assessment of

Net Contact Hours- 6 hours	Nepalese Trade - Volume, Direction, Pattern, and Trends and FDI Flow; Nepal's Trade Policy and Export & Import Procedures; Nepal's FDI Policy and Procedures; Foreign Direct Investment (FDI) – its Pattern, Inflows and Outflows, and Recent Trends; Portfolio Investment; Impact of International Trade and FDI on Economic and Social Development of Host Countries.
Learning Unit five Net Contact Hours- 6 hours	5. International Business System National Government's Influence on the Trade and Investment: Trade Restrictions, Arguments for Trade Restrictions, Instruments of Trade Control – Tariffs, Para-Tariffs, and Non-Tariff Barriers; Investment Policy Measures – Trade and Non-Trade related.
Learning Unit six Net Contact Hours- 9 hours	6. Hierarchy of International Institutions in Global Business System – Preferential Trading Arrangement for LDC's Bilateral Trade and Investment Treaties; Concepts The Regional Economic Integration (REI) or Trade Blocs: Introduction, Reasons to join REI, Different levels or types of REI; The effects of REI – Dynamic, Static, Trade Creation, Trade Diversion; Brief Assessment: SAFTA, BIMSTEC, ASEAN-FTA, EU and NAFTA; and Multilateral Integration or International Arrangement: Introduction, Principle, Functions, Opportunities and Challenges of WTO, UNCTAD
Learning Unit seven Net Contact Hours- 9 hours	7. International Monetary System and Exchange Rates Gold Standard System; Brettonwoods Agreement and formation of IMF; roles of IMF in International Monetary System; Emergence of floating exchange; Foreign Exchange Markets – Introduction and Functions (Currency Conversion and Currency Speculation); Exchange Rates (Spot and Forward) and Causes of Exchange Rate Fluctuations – (Purchasing Power Parity, Supply and Demand of a Currency, Fisher Effect, Monetary and Fiscal Policies); Understanding the Risk of Currency Fluctuation: Transaction, Translation and Economic Exposure; Exchange Instruments: Managing Exchange Rate Risks (Forward Contract, Currency Swaps, Futures, and Options); Foreign Exchange Control.
Total Contact Hours	48 hrs (excluding assessment and final examination)
Basic Text	Donald A. Ball, Wendell H. McCulloch and others, <i>International Business: the challenges of global business</i> , McGraw-Hill Irwin, Eleventh Edition (2008).
References Books	John D. Daniels, Lee H. Radebaugh and Daniel P. Sullivan (2007), <i>International Business: Environments and Operations</i> , Pearson Education, Eleventh Edition.
References for Nepalese trade and investment context	Procedural Manual for Foreign Direct Investment published by DOI Relevant Publications by Trade and Export Promotion Centre, Ministry of Commerce and Supplies
Evaluation Scheme	In-Semester evaluation 50% End-Semester evaluation 50% Total evaluation 100%