



**BUSI 4707 A**

**Regionalism and Globalization**

**Winter 2015**

INSTRUCTOR: Alex Beliaev, P.Eng, MBA

OFFICE: DT919

CLASS HOURS: Thursdays 14:35- 17:25

CLASSROOM: TBD

OFFICE HOURS: Thursdays, 17:30 - 18:30 (by appointment only)

EMAIL: [alexbelv@yahoo.ca](mailto:alexbelv@yahoo.ca)

Teaching Assistant: TBD

## **1.0 Text Books and Required Readings:**

The following textbook is required for this course:

- Wild, Wild and Han (2014) International Business; The Challenges of Globalization, 7th edition, Pearson/Prentice Hall (hereafter WWH); ISBN-10: 0133063003 • ISBN-13: 9780133063004 (available on reserve at the library)

In addition to the textbook, key/required readings are assigned from other sources (e.g., periodicals, case studies) for each week as indicated in the outline. Supplementary readings are assigned where deemed appropriate.

### **Supplementary Readings:**

1. Bernard M. Hoekman & Michel M. Kosteci. (2009). The Political Economy of the World Trading Systems: The WTO and Beyond. Oxford University Press, THIRD EDITION ONLY (on Reserve in the University Library).
2. Sangeeta Khorana, et al. (2010). Bilateral Trade Agreements in the Era of Globalization. (on reserve in University Library).

## **2.0 Prerequisites:**

This course covers critical examination of the managerial and institutional issues of globalization from the perspectives of emerging economies; indigenous and international institutions' role in the evolution of a competitive and inclusive global economy and society; discerning lessons of experience for newly globalizing societies. The course precludes additional credit for BUSI 4902 (taken in the academic year of 2002-2003, 2003-2004, and 2004-2005). Prerequisite(s): fourth year standing in B.Com, BIB, or Minor in Business; ECON 1000.

### 3.0 General Course Introduction and Information

Success in the 21st century demands visionary and dedicated leadership at management corporate, sectorial, sub-national and national levels. As we will discuss in this course how globalization and regionalism have intensified competition creating opportunities and risks along the way. Indeed, business managers currently face a landscape characterized by increasing integration (i.e., high levels of globalization and regionalization) that has in turn been dominated by three powerful forces, namely: change, complexity and uncertainty. It is in such an environment that business managers must strategically respond to and also influence their environment by building dynamic and sustainable capabilities to confront competitive dynamics domestically and abroad.

Taking a broader perspective this course examines the conceptual, theoretical and practical meanings of regionalism and globalization with a particular focus on the managerial implications of these processes within the context of the dynamics of the global economy and the associated responses by businesses, governments and civil society actors in industrialized, emerging, transition and developing countries.

Thus, this course specifically seeks to:

- (1) Provide students with a clear understanding of the meanings of regionalism and globalization and how these processes are implicated in the broad dynamics of the international environment facing business corporations and state authorities at various (i.e., local, sub-national, national regional and global) levels.
- (2) Explore how various actors including corporate organizations, public institutions have responded to and/or facilitated/propelled global/regional dynamics
- (3) Enable the student to apply theory to the phenomena we observe in the “real” world;
- (4) Further enhance the students’ individual and group oriented learning tools and skills, including research, analytical, presentation and teamwork skills; and,
- (5) Prepare students for more advanced studies in regionalism/globalization and international business.

Various methods will be used during the semester: lectures, case analysis and discussions, critical discussions of assigned readings, student case presentations, stories, current events relevant to the course, videos, and guests. Students must read all assigned readings and come to class prepared to engage in informed discussions. Students are also encouraged to bring in their own national, regional and international experiences as may be relevant for class discussions.

**Class attendance is mandatory for this course.**

### 4.0 Grading Scheme:

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|--|-------------|
| • Class Participation                                  | 10%         |
| • Mid-term Exam (In-class)                             | 15%         |
| • Final Exam   | 30%         |
| • Term Project (Group):                                |             |
| ○ Phase 1: Research Memo and Preliminary Presentations | 10%         |
| ○ Phase 2: Project Presentation                        | 15%         |
| ○ Phase 3: Final Report                                | 20%         |
| • <b>Total</b>   | <b>100%</b> |

NOTE: The student MUST participate in ALL items of the Grading Scheme in order to get a passing grade. Failure to do so will result in failing the Course.

### **Individual Participation**

Attendance in this class is mandatory. Students are required to come to class on time. The Professor reserves the right to take attendance records at randomly selected times. Any student who is unable to come to class must inform the Professor before class or as soon after as possible. In addition to physical presence, the course requires each student to come to class prepared to actively engage in the discussions of the day. Students are required to have read all assigned readings before coming to class and must come prepared to make contributions especially in areas where they feel particularly knowledgeable or feel strongly about. Assessment of participation is based on demonstrated knowledge of class materials as discussed in class and group presentations. Students with special needs should see the Professor during office hours.

To make it easier for the Professor to recognize your in-class contributions, Please place a name tag as you're known in the official class list on the desk or use a nametag.

### **IMPORTANT NOTES ON EVALUATION:**

1. If you're not sure how your work will be evaluated on any aspect of the Grading Scheme, please consult the Professor for clarification.
2. All students are expected to be personally present for all grading assignments (tests, examinations, meetings, etc). Failure to attend will result in a grade of zero. Students with legitimate reasons must report immediately their absence to the appropriate authorities (Registrar's Office in case of University Exams).
3. English is the medium of instruction: Both spoken and written work will be judged on content as well as grammar, style, organization, formatting and presentation. For further details, consult "Paper Formatting & Documentation Guidelines":  
[http://sprott.carleton.ca/academic\\_programs/index.htm](http://sprott.carleton.ca/academic_programs/index.htm). Click on "Useful Links" then "Paper Writing Guidelines"
4. Supplemental and grade raising exams are not available for this course.
5. Students must record, double check and observe all due dates.
6. If Group Assignments include peer evaluations, details will be given in class.
7. If circumstances change some aspects of the Course and Grading Scheme may be changed and students will be notified as soon as possible.

## 5.0 Term Project

### General

Canada exports approximately 80% of everything it produces. In this context, students are asked to select and research a specific country within a regional trade bloc which represents an export opportunity for a Canadian sector. Students are asked to conduct research into the macro-economic, political, and business environment attributes of the selected country as well as research a key Canadian industrial sector in terms of its capabilities. The goal of the project is to qualify and quantify the strengths, weaknesses, threats and opportunities of a Canadian sector in the context of regionalism and globalization of the selected country. This project will be organized as follows:

1. Students, under the guidance of the Professor, will form groups of at least four to five.
2. Each group will select a research project by selecting:
  - a. A regional trade bloc, followed by a country within the trade bloc, among those posted by the Professor at the beginning of the term
  - b. A Canadian industry sector among those posted by the Professor at the beginning of the term which represents an export opportunity into the country selected in item a.

There are three phases to the term project:

### Phase 1: Interim Report

Each student group is required to select a trading bloc of its choice and prepare a brief background of the chosen bloc. Each group will prepare a 10 min presentation and submit a research memo based on instructions published in cuLearn.

### Phase 2: Final Presentations

Each team/group will be required to do a 25 minute presentation based on their respective term projects. Presentations will be assessed for both content and presentation skills. The instructor will facilitate the discussion and provide guidance on the subject matter as deemed appropriate. Each team will also assign roles to other teams and the instructor for question period.

### Phase 3: Final Report

Each group is required to prepare a final report of their respective project based on the data/information and feedback received in the preceding phases. A suggested outline of the final report will be posted on the cuLearn.

The following are recommended regional trading blocs and Canadian industrial sectors for the term projects:

<b>Recommended Regional Trade Blocs:</b>	<b>Recommended Industrial sectors:</b>
<ul style="list-style-type: none"> <li>• European Union (EU)</li> <li>• Central American Free Trade Agreement</li> <li>• Southern Common Market (MERCOSUR)</li> <li>• Caribbean Community and Common Market (CARICOM)</li> <li>• Association of Southeast Asian Nations (ASEAN)</li> <li>• GCC (Gulf Cooperation Council)</li> <li>• Economic Community of West African States (ECOWAS)</li> <li>• South Asian Association for Regional cooperation (SAARC)</li> <li>• Southern African Development Community (SADC)</li> <li>• Arab Maghreb Union (UMA)</li> <li>• Commonwealth of Independent States (CIS)</li> <li>• Latin American Integration Association (ALADI; excluding MERCOSUR Member States)</li> <li>• Economic Cooperation Organization (ECO, Central Asia)</li> </ul>	<ul style="list-style-type: none"> <li>• Information and communications technology</li> <li>• Cleantech</li> <li>• Agriculture</li> <li>• Extractive/Mining</li> <li>• Transportation</li> <li>• Oil and Gas</li> <li>• Retail</li> <li>• Healthcare</li> <li>• Education</li> <li>• Media &amp; Entertainment</li> </ul>

### Select Assessment Tools and Databases

1. Trade and Investment:
  - World Trade Organization (WTO), and the International Trade Centre (ITC), Trade Performance Index
  - The World Bank Group ([www.worldbank.org](http://www.worldbank.org))
  - The United Nations Conference on Trade and Development (UNCTAD)
  - Export Development Canada ([www.edc.ca](http://www.edc.ca))
  - The World Investment Directory
  - The United Nations Industrial Development Organization (UNIDO)
  - The Fraser Institute (Economic Freedom of the world)
2. Migration and Remittances:
  - The World Bank: Migration and Remittances Factbook 2011
  - The International Organization for Migration ([www.iom.int](http://www.iom.int))
3. Trading Blocs and Country Websites:
  - Some regional blocs such as the EU and the ASEAN and international regional organizations such as the OECD and G20 may have data on their respective websites
  - Some countries such as Canada (e.g. [www.international.gc.ca](http://www.international.gc.ca)) and their respective statistics bureaus (e.g. [www.statcan.gc.ca](http://www.statcan.gc.ca)) have data and information on their own websites.
4. Other Relevant Databases:
  - TRAC: Transparency International
  - Global Talent Index (GTI): Heidrick & Struggles
  - The Future of Migration: Building Capacities for Change International Organization for Migration
  - HDI (UNDP): The Number of Refugees who have migrated or fled their country

## 6.0 BUSI 4707A Course Schedule

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### *Week 1 (Jan 8th): Intro and Course Overview; Globalization: What is it?*

In this first session of the course, the class will discuss the structure and objectives of the course as well as elicit the participants' expectations. The session will also review administrative arrangements (re: assignments, test, group term project, class presentation, etc.) and then initiate a general discussion and preliminary articulation of the issues at the center of this course.

The first topic to be discussed is the definition of globalization. This session will explore the meaning of globalization focusing on its manifestations, dynamics and impacts.

#### **Questions to Ponder:**

- (a) What is global?
- (b) Why have world markets become more integrated today? Why is this significant?
- (c) How has this integration taken place?
- (d) Who are the key actors in the integration process?

#### **Key Readings:**

Wild, Wild and Han (2007):

- (a) "Globalization" (Chapter 1)
- (b) "Cross-Cultural Business" (Chapter 2)
- (c) "Economics and Emerging Markets" (Chapter 4)
- (d) Nayyar, D. (2006) "Globalisation, History and Development: A Tale of Two Centuries", Cambridge Journal of Economics 30:137-159.

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### *Week 2 (Jan 15<sup>th</sup>): What is Regionalism?*

The 1980s and 1990s saw a sharp increase in regional trade agreements. What accounts for such a resurgence and how different are the recent arrangements from those of the earlier periods? What are the benefits and costs of such arrangements? This session will be devoted to addressing these questions by exploring the broader meaning of regionalism and its relationship with globalization. Specifically, the class will examine the differences between the "old" and "new" regionalism, as well as between regionalism and regionalization.

#### **Questions to Ponder:**

- (a) What is a region?
- (b) What are the differences between the "old" and the "new" regionalism?
- (c) What factors account for the resurgence of regionalism?
- (d) Is there a single pattern of regional integration, or do different regions have different goals, institutional designs, and methods of cooperation? How do we account for the differences?
- (e) Is regionalism a "stumbling block" or "building block" to global free trade? In other words, does regionalism help build momentum for multilateral liberalization or undermine more general liberalization?

#### **Key Readings:**

- (a) Wild, Wild and Han (2007) "Regional Economic Integration" (Chapter 8)
- (b) Vayrynen, R. (2003) "Regionalism: Old and New", International Studies Review 5(1): 25-51
- (c) Case: Chiquita Brands International, Harvard Business School, Case 797015, 1996

**Due: Term Project Topic submit for approval**

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### ***Week 3 (Jan 22nd): The Impacts of Globalization and Regionalism***

For the proponents, globalization is the harbinger of everything good, but for the critics/skeptics globalization (and regionalism) are nothing but sources of intense worry. This session will thus examine the different ways globalization/regionalism can be both of benefit as well as risky to society.

#### **Questions to Ponder:**

- (a) In what ways does globalization affect you as a consumer?
- (b) Is fair globalization feasible?
- (c) Do regionalism and/or globalization foster increased well-being, or increase poverty and inequality?
- (d) Should we be concerned about increasing financial fragility?
- (e) Does regionalism offer benefits to developing countries that they cannot secure at the global level?

#### **Key Readings:**

Wild, Wild, and Han (2007)

- (a) "Politics, Law and Business Ethics (Chapter 3)
- (b) "International Trade" (Chapter 5)
- (c) Glyn, A. (2004) "The Assessment: How Far Has Globalization Gone?" Oxford Review of Economic Policy 20(1):1-14.
- (d) Case: Nanosolar, Harvard Business Review

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### ***Week 4 (Jan 29): Integrative Trade; Measuring Globalization & Regionalism***

Numerous efforts are being expended (with varying degrees of success) on measuring globalization and regionalism. This session will critically explore some of these projects with the particular aim of familiarizing students with the various techniques/approaches used as well as with the purposes, contexts and ethics of such endeavours.

#### **Questions to Ponder:**

- (a) What is Integrative Trade?
- (b) What are the purposes of measuring regionalism/globalization?
- (c) How can globalization and regionalism/regionalization be best measured? In other words, what techniques and approaches are best suited to measuring globalization/regionalism?

#### **Key Readings:**

- (a) Kaufmann, D., A. Kraay and M. Mastruzz Governance Matters VII.
- (b) Kearney, A. T. & Foreign Policy (various years) "Measuring Globalization" in Foreign Policy Magazine, Available in the Library, online.

### **Due: Interim Report and Group Preliminary Presentations**

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### ***Week 5 (Feb 5th): Global/Regional Governance and International Business***

A variety of institutions and a complex web of principles and practices govern international economic relations. In fact, contemporary globalization has been accompanied by the emergence (at multiple levels) of a number of new governance regimes as well as through the breathing of new life into old mechanisms. This session will explore and critically assess global level institutions and organizations and how they affect international business, and vice versa.

#### **Questions to Ponder:**

- (a) What roles do the WTO, the World Bank, and the IMF play in the world economy?
- (b) Are they clubs of the rich nations?

(c) If not, why did thousands of people in Seattle protest against the WTO meeting in 1999?

**Key Readings:**

- (a) Wild, Wild and Han (2007) "Business-Government Trade Relations" (Chapter 6)
- (b) Teegen, H., J.P. Doh, and S. Vachani (2004) "The Importance of Nongovernmental Organizations (NGOs) in Global Governance and Value Creation: An International Business Research Agenda", *Journal of International Business Studies* 35:463-483.
- (c) Case: Can Florida Orange Growers Survive Globalization?, Harvard Business School

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***WEEK 6 (Feb 12<sup>th</sup>): Midterm Exam***

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***WEEK 7 (Feb 19<sup>th</sup>): Winter Break***

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***WEEK 8 (Feb 26): Midterm Review and International Competitiveness***

The need for countries to be more competitive has almost become an article of faith in this era of globalization and regionalism. However, while statements about competitiveness abound, a precise definition has remained elusive. This session will thus engage students in the ongoing debate about competitiveness and introduce them to the World Economic Forum's "Global Competitiveness Index".

**Questions to Ponder:**

- (a) What are competitiveness/competitive advantage?
- (b) Can we all be more competitive?
- (c) What are your views/opinions on global competitiveness ranking?
- (d) What are industrial clusters? Why do they arise? What are their main benefits?

**Key Readings:**

- (a) The Global Competitiveness Report 2014–2015, World Economic Forum;
- (b) Snowden, B. and G. Stonehouse (2006) "Competitiveness in a Globalised World: Michael Porter on the Microeconomic Foundations of the Competitiveness of Nations, Regions, and Firms", *Journal of International Business Studies* 37:163-175.
- (c) Case: Ready to Take Off: The Global Large Civil Aircraft Industry, Harvard Business Review

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***Week 9 (Mar 5<sup>th</sup>): Foreign Direct Investments***

Foreign Direct Investments (FDI) in Canada and abroad have been steadily rising over the past several decades. This week we discuss the advantages and challenges associated with FDI.

**Questions to Ponder:**

- (a) What is Foreign Direct Investment?
- (b) Why Canadian Businesses are Pursuing Foreign Investments?
- (c) What are the gaps in Foreign Direct Investments?

**Key Readings:**

- (a) Case: Automotive Foreign Direct Investment in the United States: Economic and Market Consequences of Globalization, Kelley School of Business

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***Week 10 (Mar 12): Managerial Implications of Globalization & Regionalism***

This session will endeavor to draw, tie-in and synthesize insights from the discussion held in the previous sessions so as to map the contours of the managerial implications of regionalism and globalization.

**Questions to Ponder:**

- (a) Where do the current circumstances leave corporate executives and their companies?
- (b) How can nations and companies fully participate & compete in this global marketplace?
- (c) How is the way individuals work and interact changing because of globalization?
- (d) Why do (or should) firms expand globally?
- (e) Does every firm seek identical goals or face the same threats in this process?

**Key Readings:**

Wild, Wild and Han (2007)

- (a) "Analyzing International Opportunities" (Chapter 12);
- (b) "Developing and Marketing Products" (Chapter 14)
- (c) Qureshi, Z. (1996) "Globalization: New Opportunities, Tough Challenges", Finance & Development, March: 30-33.
- (d) Case: Lessons Learned from Brazilian Multinationals' Internationalization Strategies, Harvard Business Review

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***Week 11 (Mar 19<sup>th</sup>): Group Presentations***

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***Week 12 (Mar 26<sup>th</sup>): Group Presentations***

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***Week 13 (April 2<sup>nd</sup>): Group Presentations***

In this final session of the course the following will be the main activities:

- (a) Course Evaluation,
- (b) Course Summary and Wrap-up.

**Due: Final term Paper**

## Required calculator in BUSI course examinations

If you are purchasing a calculator, we recommend any one of the following options: Texas Instruments BA II Plus (including Pro Model), Hewlett Packard HP 12C (including Platinum model), Staples Financial Calculator, Sharp EL-738C & Hewlett Packard HP 10bII

## Group work

The Sprott School of Business encourages group assignments in the school for several reasons. They provide you with opportunities to develop and enhance interpersonal, communication, leadership, follower-ship and other group skills. Group assignments are also good for learning integrative skills for putting together a complex task. Your professor may assign one or more group tasks/assignments/projects in this course. Before embarking on a specific problem as a group, it is your responsibility to ensure that the problem is meant to be a group assignment and not an individual one.

## Grade Definition

In accordance with the Carleton University Undergraduate Calendar (p 34), the letter grades assigned in this course will have the following percentage equivalents:

A+ = 90-100	B+ = 77-79	C+ = 67-69	D+ = 57-59
A = 85-89	B = 73-76	C = 63-66	D = 53-56
A - = 80-84	B - = 70-72	C - = 60-62	D - = 50-52

F = Below 50    WDN = Withdrawn from the course

ABS = Student absent from final exam

DEF = Deferred (See above)

FND = (Failed, no Deferred) = Student could not pass the course even with 100% on final exam

### FND:

To reduce instances of miscommunication Carleton introduced a grade FND (Failure with No Deferral) to be assigned to students who fail to meet the minimum in-term performance standards explicitly set out in the outline and applied consistently (i.e., there is no other hidden criteria).

### Satisfactory In-term Performance

1. Unless otherwise stated below in item #2, the requirement for Satisfactory In-term Performance is set at 50% of all, not each, pre-final term work (i.e. assignments, participation marks, tests etc.).
2. The criterion/criteria and the standard(s) for Satisfactory In-term Performance are as follow(s):
  - a. <insert list here if applicable>
3. Unsatisfactory In-term Performance in this course will lead to failure in this course (regardless of the performance at the Final exam or final project) Yes  No   
FND grade in this course (in case of missed Final exam or project) Yes  No

## Academic Regulations, Accommodations, Etc.

University rules regarding registration, withdrawal, appealing marks, and most anything else you might need to know can be found on the university's website, here:

<http://calendar.carleton.ca/undergrad/regulations/academicregulationsoftheuniversity/>

### Requests for Academic Accommodations

#### Academic Accommodations for Students with Disabilities

The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability requiring academic accommodations in this course, please contact PMC at 613-520-6608 or [pmc@carleton.ca](mailto:pmc@carleton.ca) for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send me your **Letter of Accommodation** at the beginning of the term, and no later than two weeks before the first in-class scheduled test or exam requiring accommodation (*if applicable*). After requesting accommodation from PMC, meet with me to ensure accommodation arrangements are made.

-- The deadlines for contacting the Paul Menton Centre regarding accommodation for final exams for the December 2014 exam period is November 7, 2014 and for the April 2015 exam period is March 6, 2015.

#### *For Religious Obligations:*

Students requesting academic accommodation on the basis of religious obligation should make a formal, written request to their instructors for alternate dates and/or means of satisfying academic requirements. Such requests should be made during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist, but no later than two weeks before the compulsory event.

Accommodation is to be worked out directly and on an individual basis between the student and the instructor(s) involved. Instructors will make accommodations in a way that avoids academic disadvantage to the student.

Students or instructors who have questions or want to confirm accommodation eligibility of a religious event or practice may refer to the Equity Services website for a list of holy days and Carleton's Academic Accommodation policies, or may contact an Equity Services Advisor in the Equity Services Department for assistance.

#### *For Pregnancy:*

Pregnant students requiring academic accommodations are encouraged to contact an Equity Advisor in Equity Services to complete a letter of accommodation. The student must then make an appointment to

discuss her needs with the instructor at least two weeks prior to the first academic event in which it is anticipated the accommodation will be required.

## **Academic Integrity**

Violations of academic integrity are a serious academic offence. Violations of academic integrity – presenting another’s ideas, arguments, words or images as your own, using unauthorized material, misrepresentation, fabricating or misrepresenting research data, unauthorized co-operation or collaboration or completing work for another student – weaken the quality of the degree and will not be tolerated. Penalties may include expulsion; suspension from all studies at Carleton; suspension from full-time studies; a refusal of permission to continue or to register in a specific degree program; academic probation; and a grade of Failure in the course, amongst others. Students are expected to familiarize themselves with and follow the Carleton University Student Academic Integrity Policy which is available, along with resources for compliance at <http://www2.carleton.ca/sasc/advisingcentre/academic-integrity/>.

## **Assistance for Students:**

Student Academic Success Centre (SASC): [www.carleton.ca/sasc](http://www.carleton.ca/sasc)

Writing Tutorial Services: <http://www1.carleton.ca/sasc/writing-tutorial-service/>

Peer Assisted Study Sessions (PASS): [www.carleton.ca/sasc/peer-assisted-study-sessions](http://www.carleton.ca/sasc/peer-assisted-study-sessions)

### **Important Information:**

- Students must always retain a hard copy of all work that is submitted.
- All final grades are subject to the Dean’s approval.
- Please note that you will be able to link your CONNECT (MyCarleton) account to other non-CONNECT accounts and receive emails from us. However, for us to respond to your emails, we need to see your full name, CU ID, and the email must be written from your valid CONNECT address. Therefore, it would be easier to respond to your inquiries if you would send all email from your connect account. If you do not have or have yet to activate this account, you may wish to do so by visiting <https://portal.carleton.ca/>