

**ALLAMA IQBAL OPEN UNIVERSITY, ISLAMABAD
(Department of Business Administration)**

INTERNATIONAL BUSINESS & FINANCE (8536)

CHECKLIST

SEMESTER: SPRING, 2014

This packet comprises the following material:

1. Text Book (one)
2. Courses Outline
3. Assignment No. 1 & 2
4. Assignment Forms (2 sets)

In this packet, if you find anything missing out of the above mentioned material, please contact at the address given below:

Director Admission and Mailing
Allama Iqbal Open University
H-8, Islamabad

Mahmood-ul-Hasan
(Course Coordinator)

ALLAMA IQBAL OPEN UNIVERSITY ISLAMABAD
(Department of Business Administration)

WARNING

1. **PLAGIARISM OR HIRING OF GHOST WRITER(S) FOR SOLVING THE ASSIGNMENT(S) WILL DEBAR THE STUDENT FROM AWARD OF DEGREE/CERTIFICATE, IF FOUND AT ANY STAGE.**
2. **SUBMITTING ASSIGNMENTS BORROWED OR STOLEN FROM OTHER(S) AS ONE'S OWN WILL BE PENALIZED AS DEFINED IN "AIOU PLAGIARISM POLICY".**

Course: International Business and Finance (8536)
Level: MBA (3 ½ Years)/ MBA (2 ½ Years)

Semester: Spring, 2014
Total Marks: 100
Pass Marks: 50

ASSIGNMENT No. 1

- Q. 1 Make a comparative study of Mercantilist's view regarding trade and absolute theory of international trade. **(20)**
- Q. 2 Discuss H.O. Model with its assumptions and also explain that how countries trading under this theory gain from trade. **(20)**
- Q. 3 Discuss main assumptions of Leontif Paradox model and how this model can be beneficial for international trade. **(20)**
- Q. 4 Different between tariff and non tariff barriers. Also analyze their economic effects. In your view which one is more effective in order to regulate international trade? **(20)**
- Q. 5 Discuss the application of Product Life Cycle Hypothesis in explaining the modern trends of international trade. Give examples from Pakistan's experience. **(20)**

GUIDELINES FOR ASSIGNMENT No. 1

The student should look upon the assignments as a test of knowledge, management skills, and communication skills. When you write an assignment answer, you are indicating your knowledge to the teacher:

- Your level of understanding of the subject;
- How clearly you think;
- How well you can reflect on your knowledge & experience;
- How well you can use your knowledge in solving problems, explaining situations, and describing organizations and management;
- How professional you are, and how much care and attention you give to what you do.

To answer a question effectively, address the question directly, bring important related issues into the discussion, refer to sources, and indicate how principles from the course materials apply. The student must also be able to identify important problems and implications arising from the answer.

For citing references, writing bibliographies, and formatting the assignment, APA format should be followed.

ASSIGNMENT No. 2

Total Marks: 100

Pass Marks: 50

This assignment is a research-oriented activity. You are required to obtain information from a business/commercial organization and prepare a report of about 1000 words on the issue allotted to you to be submitted to your teacher for evaluation.

You are required to select one of the following issues according to the last digit of your roll number. For example, if your roll number is P-3427180 then you will select issue # 0 (the last digit):-

Issues:

- | | |
|---------|--|
| 0 | Impact of tariffs on textile sector |
| 1 and 6 | WTO and Pakistan |
| 2 and 7 | Non Tariff Barriers in Pakistan |
| 3 and 8 | FDI in Pakistan |
| 4 and 9 | Balance of Payment Analysis |
| 5 | Exchange rate and its impact on business organizations |

The report should follow the following format:

1. Title page
2. Acknowledgements
3. An abstract (one page summary of the paper)
4. Table of contents
5. Introduction to the issue (brief history & significance of issue assigned)
6. Practical study of the organization (with respect to the issue)
7. Data collection methods
8. SWOT analysis (strengths, weaknesses, opportunities & threats) relevant to the issue assigned
9. Conclusion (one page brief covering important aspects of your report)
10. Recommendations (specific recommendations relevant to issue assigned)
11. References (as per APA format)
12. Annexes (if any)

GUIDELINES FOR ASSIGNMENT # 2

- 1.5 line spacing
- Use headers and subheads throughout all sections
- Organization of ideas
- Writing skills (spelling, grammar, punctuation)
- Professionalism (readability and general appearance)
- Do more than repeat the text
- Express a point of view and defend it.

WORKSHOPS

The workshop presentations provide students opportunity to express their communication skills, knowledge & understanding of concepts learned during practical study assigned in assignment # 2.

You should use transparencies and any other material for effective presentation. The transparencies are not the presentation, but only a tool; the presentation is the combination of the transparencies and your speech. Workshop presentation transparencies should only be in typed format.

The transparencies should follow the following format:

1. Title page
2. An abstract (one page summary of the paper)
3. Introduction to the issue (brief history & significance of issue assigned)
4. Practical study of the organization (with respect to the issue)
5. Data collection methods
6. SWOT analysis (strengths, weaknesses, opportunities & threats) relevant to the issue assigned
7. Conclusion (one page brief covering important aspects of your report)
8. Recommendations (specific recommendations relevant to issue assigned)

GUIDELINES FOR WORKSHOP PRESENTATION:

- Make eye contact and react to the audience. Don't read from the transparencies or from report, and don't look too much at the transparencies (occasional glances are acceptable to help in recalling the topic to cover).
- A 15-minute presentation can be practiced several times in advance, so prepare on that until you are confident enough. Some people also use a mirror when rehearsing as a substitute for an audience.

WEIGHTAGE OF THEORY & PRACTICAL ASPECTS IN ASSIGNMENT # 2 & WORKSHOP PRESENTATIONS

Assignment # 2 & workshop presentations are evaluated on the basis of theory & its applicability. The weightage of each aspect would be:

Theory:	60%
Applicability (practical study of the organization):	40%

INTERNATIONAL BUSINESS AND FINANCE COURSE OUTLINE (8536)

Level: MBA (3 ½ Years)/ MBA (2 ½ Years)

Credit Hours: 03

Unit–1 Introduction and Trade Theories

- 1.1 Subject Matter of International Economics
- 1.2 Significance of International Business (IB)
- 1.3 Justification of IB
- 1.4 Classical Theories of IB
- 1.5 Dynamic Theories of IB

Unit–2 Trade Restriction: Tariffs

- 2.1 Political Economy of Protection
- 2.2 Tariffs: Types and Their Objectives
- 2.3 Economic Effects of Tariffs for IB
- 2.4 Partial Equilibrium Analysis

Unit–3 Trade Restrictions: Non Tariff Barriers

- 3.1 Types of Non-tariff Barriers
- 3.2 Economic Impact of Import Quotas and Tariff Ceilings
- 3.3 Other Non Tariff Barriers
- 3.4 Voluntary Export Restraints, Technical, Administrative, and Others
- 3.5 Regulations, International Cartels, Dumping, Export Subsidies, etc.
- 3.6 Comparison of Tariff and Non tariff Barriers in the International Context
- 3.7 Economic Implications of Non Tariff Barriers for IB

Unit–4 Economic Integration

- 4.1 Theory of Economic Integration
- 4.2 Economic Effects of Economic Integration: Static and Dynamic
- 4.3 Attempts of Economic Integration in IB
- 4.4 Economic and Monetary Integration: The European Experience

Unit–5 Multinational Corporation and Foreign Direct Investment

- 5.1 Motives for International Capital Flows
- 5.2 Portfolio Investments and Foreign Direct Investment
- 5.3 Multinational Corporations: Reasons for Their Existence
- 5.4 Critical Appraisal of the Role of MNEs from the Host
- 5.5 Country, Parent Country, and Global Perspective

Unit–6 World Trade Organization

- 6.1 Failure of the GATT and the Emergence of WTO
- 6.2 Critical Appraisal of the Role WTO
- 6.3 WTO Regulations and Free Trade
- 6.4 Implication of WTO Rules and Regulation for Pakistan
- 6.5 WTO and the Regional Economics

Unit-7 Globalization

- 7.1 Historical Development of Globalization
- 7.2 Impact of Globalization for Developed and Developing Countries
- 7.3 Implications of Globalization for Pakistan's Trade, Foreign Direct Investment, Transfer of Technology, etc.
- 7.4 Liberalization of Trade Under Globalization and its Implication for LDCs and Pakistan

Unit-8 Foreign Exchange Markets and Exchange Rates

- 8.1 Role of Foreign Exchange Markets
- 8.2 Fixed vs. Flexible Exchange Rates
- 8.3 Determination of Fixed and Flexible Exchange Rates
- 8.4 Critical Appraisal of the Fixed and Flexible Exchange Rates
- 8.5 Exchange Rate Adjustment: Development, Revaluation, Appreciation, Depreciation, etc.
- 8.6 Monetary Approaches to BOP and Exchange Rates

Unit-9 International Monetary System

- 9.1 Evolution of the International Monetary System
- 9.2 European Monetary System
- 9.3 Era of Managed Floating Exchange Rates
- 9.4 Dollar Under Managed Floating Exchange Rates
- 9.5 International Monetary System: Present and Future

Recommended Books:

Salvator, D. (2009). *International Economics* (10th Ed.). USA: John Wiley Sons.

Williamson J., & Milner, C. (1997). *The World Economy*. UK: Harvester Wheatsheaf.

Krugman, P., & Obstfeld (1997). *International Economics: Theory and Policy*. Singapore: AWL Inc.

Plesis, S. P. J. (1987). *International Economics*. UK: Butterworth.

Hodgson, J., & Herander, M. (1987). *International Economic Relations* (International Ed.). London: Prentice Hall.

