

WM9L1-15 Global Business Environment and Markets

22/23

Department

WMG

Level

Taught Postgraduate Level

Module leader

Hui Pan

Credit value

15

Module duration

2 weeks

Assessment

Multiple

Study location

University of Warwick main campus, Coventry

Description

Introductory description

In "Global Business Environment and Markets" we explore how international markets impact on price, cost and investment decisions of businesses with a global reach. We investigate how firms may formulate responses which preserve and bolster their competitiveness. We aim to develop students' understanding of globalisation, and how the forces sustaining it impact on a firm's production, sourcing and investment decisions and ultimately its profitable existence. A critical approach towards globalisation is adopted; one in which the many economic and social advances that have occurred as a result are highlighted, but also attendant drawbacks, such as increasing income disparities, environmental concerns, and the creation of a fertile environment for the emergence of giant corporations with dominant market shares. We also develop insights into how future business leaders active in global value chains can formulate responses to a changing environment which serve to preserve and bolster their organisations' competitiveness. These topics are covered through a combination of material taught via lectures, as well as syndicate work designed to enhance insight into crucial topics.

Module aims

The module is structured around the following aspects of economic globalisation: trade and

transactions; capital and investment flows; the dissemination of knowledge across country borders and relationship to innovation. It is intended that participants on the course will:

1. Acquire a critical mastery of a framework encompassing perspectives on international trade; characteristics and operation of firms with a cross-border reach; and cross border transfers of technology and the relation to innovation.
 - 2) Participants will explore concepts, models and frameworks that can be applied to increase the probability of success for their own organisations as the global business landscape changes.
2. Embark on the process of developing skills needed to make projections and forecasts which are crucial inputs into business planning decisions.
 - 4). Develop a critical approach to issues related to sustainability and climate change, and how these can provide an entry point into a discussion of global energy markets

Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

The title of the module alludes to the four subject areas taught during the module – Global; Business; Environment; and Markets. Topics covered include, but are not limited to:

A: Global

i) The Gains from Trade

Trade interactions enable many countries to bolster productivity and raise living standards

ii): Government Organisations and Trade

Multilateralism vs. Regionalism as Institutional frameworks to support cross-border interactions

iii) The Contemporary Business Landscape and the Macroeconomic Policy Response

B: Business

i) The creation of multinational enterprises (MNEs) and supply chains through cross border capital flows (Foreign Direct Investment)

ii) Relationships between FDI and Technology Transfer and company size and Innovation

iii) Perspectives on Quality

iv) Perspectives on ICT and Business

v) Contracts and Global Business.

C) Global (Part 2)

i) The new digital phase of globalisation. Wilder, less predictable era of globalisation

ii) Supply Chain Disintegration versus Integration in the electronics sector

D: Markets

i) Prices and Global Markets

ii) Approaches to Forecasting Market Dynamics

F. Environment:

Provides a point of entry to insights into the role of natural capital in relation to produced and human capital, as well as the working of energy markets

i) The depletion of Natural Capital vs Produced Capital

ii) Energy Demand, Carbon Prices and the costs of energy generation via fossil fuels and renewable sources

Learning outcomes

By the end of the module, students should be able to:

- Critically discuss how government regulatory policy in relation to economic globalisation has fashioned the markets in goods, services, technology and energy in which global and local businesses operate
- Evaluate the mechanisms by which gains arise from international trade as broadly defined across goods, services technology and finance.
- Analyse and identify the levers at the disposal of firms in establishing and sustaining competitiveness in global markets
- Critically evaluate government responses to market externalities in respect of innovation and energy policy
- Create a synthesis of analytical models with appropriate data in order to construct a business relevant narrative on a contemporary topic

Indicative reading list

Pre-Reading

A more extensive reading list, including pre-readings, is available with library links on Moodle.

Kyle Bagwell & Chad P. Bown & Robert W. Staiger, 2016. "Is the WTO Passé?," *Journal of Economic Literature*, American Economic Association, vol. 54(4), pages 1125-1231, December. (skip the maths unless of particular interest)

Paul Krugman (1994). *Competitiveness, a dangerous obsession*. *Foreign Affairs* pp. 28-44

Baldwin R. (2016). *The Great Convergence: Information Technology and the New Globalization*. Harvard University. Pages 47-78

The 'Exporting Jobs' Canard; Repeated research shows that multinational hiring abroad doesn't come at the expense of U.S. workers.

Slaughter, Matthew J. *Wall Street Journal (Online)*; The 'Exporting Jobs' Canard; Repeated research shows that multinational hiring abroad doesn't come at the expense of U.S. workers. New York, N.Y. [New York, N.Y]. 14 June 2017

Days 1&2

Husted, S., Melvin, M. and Rakshit, A. (2013). *International economics*. Harlow: Pearson Education, Chapter 3

Baldwin R. (2019). *The Great Convergence: Information Technology and the New Globalization*. Harvard University Press, Pages 47-78

Days 3-5

Peter Marsh (2013) *The New Industrial Revolution: Consumers, Globalization and the End of Mass Production*. Yale University Press, Chapter 4

Peter J. Neary (2009). *Foreign Direct Investment: The OLI Framework*. Oxford University Online. UNCTAD: *World Investment Report 2022*. UNCTAD, June 2022

Days 6&7

Charles Duhigg (2019). *Is Amazon Unstoppable?* *The New Yorker*, October 10, 2019

Rick Wartzman and Kelly Tang (2021) Which Industry Excels at Innovation? Wall Street Journal, Feb. 18, 2021 1:00 pm ET

Day 8

Baldwin R. (2019). The Great Convergence: Information Technology and the New Globalization. Harvard University Chapter 5, What's Really New?, pg. 142-176

Day 10

Final Report - The Economics of Biodiversity: The Dasgupta Review. HM Treasury. 2 Feb 2021 (Abridged version)

William D. Nordhaus (2013). The Climate Casino. Risk, Uncertainty, and Economics for a Warming World. Yale University Press - selected sections

Richard S.J. Tol (2009). The Economic Effects of Climate Change. Journal of Economic Perspectives. Spring 2009. Pages 29 –51. And subsequent updates.

[View reading list on Talis Aspire](#)

Research element

In writing their PMAs students research topics in greater depth than taught during the module. They draw on sources of secondary data and use these to contextualise points made in the essay.

Interdisciplinary

Economics, international trade, theory, regulatory policy and the impact on business, business economics models of the operation of MNEs, relationship between finance and production via the behaviour stock markets, technological and business aspects of renewable energy. The role of innovation in modern business life is a recurring theme. Challenges posed by the growing need for the careful management of the interface between the firm and the environment.

International

The module's entire focus is on globalisation and the interdependence of countries, including the various ways in which the principle economic agents of households, firms, and governments shape and interact within this environment. Not only is the course content global in nature, but the speaker line-up tends to comprise experts from a variety of countries as well as diverse cultural and gender backgrounds.

Subject specific skills

Correct use of data in business presentations and reports.

Leadership and business communication skills.

Identify profitable trading opportunities.

The correct usage of key concepts from economics.

Contextualise micro level developments in relation to global trends.

Awareness of how to manage cross-border transfers of intellectual property, and routes to the protection thereof

The role of renewable energy in long-term economic development

Transferable skills

Writing a business and academic essay that merges the use of secondary data and the creation of analytical charts with analytical perspectives. How to weave empirical perspectives into an analytical framework.

Use of numerical reasoning in resolving business conundrums

Business writing skills as required to work within a consultancy and as an input into decisions made by senior management

Foundational forecasting skills as required as an input into business decisions

Group work - how to interact with colleagues in a syndicate group setting.

Presentation skills,

Study

Study time

Type	Required	Optional
Lectures	15 sessions of 1 hour 30 minutes (15%)	
Tutorials	(0%)	1 session of 1 hour
Supervised practical classes	4 sessions of 45 minutes (2%)	
Online learning (scheduled sessions)	3 sessions of 1 hour 30 minutes (3%)	
Online learning (independent)	9 sessions of 1 hour 30 minutes (9%)	
Other activity	9 hours (6%)	
Private study	37 hours 30 minutes (25%)	
Assessment	60 hours (40%)	
Total	150 hours	

Private study description

Pre-reading for module

Reading around the topic - Baldwin (2016); Journal Articles; Business periodicals

Asynchronous viewing of pre-recorded lectures

Other activity description

Review materials needed to participate in group exercises

Working in syndicate groups to solve problem sets in group exercises, preparing presentations

Costs

No further costs have been identified for this module.

Assessment

You do not need to pass all assessment components to pass the module.

Assessment group A

	Weighting	Study time
Assessed work as specified by department	60%	39 hours
PMA: Post Module assignment. Students are offered a choice between two questions.		
Assessed work as specified by the Department	20%	10 hours 30 minutes
Write a reflective piece on how one aspect of the material taught in the module will equip them to for their intended careers or, alternatively: Create their own forecast based on a problem or context specified when the topic is set		
In-Module Syndicate Work and Presentations	20%	10 hours 30 minutes
2x In Group Exercises culminating in a presentation where each member of the group presents a section of the answer		

Assessment group A1

	Weighting	Study time
4000 Word Essay	100%	60 hours

Assessment group R

	Weighting	Study time
Essay	100%	
3500-4000 words, students are offered a choice between two questions.		

Feedback on assessment

Written feedback on PMA, detailed comment on the merits of student's analysis as well as overarching comments about quality of academic writing, presentation, graphs and diagrams, and critical thinking.

Availability

Courses

This module is Optional for:

- Year 1 of TWMS-H1S8 Postgraduate International Trade, Strategy and Operations (Full-time)
- Year 1 of TWMS-H1S6 Postgraduate Taught Innovation and Entrepreneurship (Full-time)
- Year 1 of TWMS-H1S9 Postgraduate Taught Management for Business Excellence (Full-time)
- Year 1 of TESS-H1ZW Postgraduate Taught Programme and Project Management
- Year 1 of TWMS-H1Y8 Postgraduate Taught Service Management and Design
- Year 1 of TWMS-H7BR Postgraduate Taught Supply Chain and Logistics Management