

Global Business Program <2008 Curriculum>

Course Offerings

Core Requirements

ECN301 Financial Theories and Applications

ECN304 International Business

ECN305 Principles of Macroeconomics

Core Electives

ECN300 Management Principles and
Practice

ECN302 Management of Knowledge
Information and Technology

ECN303 International Political Economy

ECN310 Accounting

ECN320 International Trade

ECN321 Industrial Organization

ECN322 Economics of Globalization

ECN323 Money, Banking and International
Finance

ECN324 History of Economic Thought

ECN325 Economic Development

ECN326 Environmental Natural Resource
Economics

ECN327 Econometrics and Applications

ECN328 Intermediate Microeconomics

ECN329 Marketing

ECN330 Corporate Finance

ECN331 Entrepreneurship

ECN332 Business Law

ECN333 Contemporary Japanese Economy

ECN334 Strategic Management

ECN335 Leadership: Theory and Applications

ECN338 Time series Econometrics

ECN381-398 Business & Economics Study
Abroad

ECN480 Case Studies (BRICs)

ECN499 Independent Study in Business &
Economics

Capstone Seminars

ECN401 Global Business Capstone Seminar I

ECN402 Global Business Capstone Seminar II

Course Descriptions

Core Requirements

ECN301 Financial Theories and Applications (3 credits)

This introductory course in corporate finance begins by introducing basic rules of accounting, GAAP, and preparation of financial statements – balance sheet, income statement, and statement of cash flow. Students learn how to analyze firms from the perspectives of profitability, efficiency, liquidity, and safety. Basic concepts from corporate finance will be introduced, including time value of money, financing decisions, and investment criteria.

ECN304 International Business (3 credits)

Major topics in this required, introductory course in international business are national differences in political economy and culture, international trade and investment, international monetary system, international capital markets, foreign exchange rates, international corporate strategy and structure, and various aspects of international business operations, including manufacturing, materials management, marketing, R&D, and human resource management. These themes will be viewed from the perspective of Japan, and theories and concepts will be applied in the context of Japan and Japanese firms, which is different from the way our famous American textbook is usually used.

ECN305 Principles of Macroeconomics (3 credits)

It is seldom that we do not see macroeconomic topics in the prime time news or on the front page of daily newspapers. They are about unemployment, business cycle, government budget, interest rate, foreign exchange rate, economic growth, and more. It is important for students to understand macroeconomics not only for their benefits in future career but also as necessary intellectual foundation for global leaders. In this course, students will be requested to develop their capacity to understand some of the major concepts of macroeconomics such as gross domestic product (GDP), inflation, unemployment, and economic growth, by studying standard theories used to interpret and understand macroeconomic events. Students will also learn to use macroeconomic models to critically think about a variety of public policy issues, such as fiscal and monetary policies, and policies for economic stabilization and growth. Considering the required academic rigor, students are encouraged to take this course after they finish principles of microeconomics or equivalent.

Core Electives

ECN300 Management Principles and Practice (3 credits)

This course continues from where ECN100 World of Business and Economics left off. Microeconomic topics include taxation, externalities and public policies, firm behavior, market structure, and markets for the production factors. Macroeconomic topics include GDP, inflation, unemployment, and economic growth. Students learn to use received macroeconomic theories to consider

a variety of public policy issues, such as appropriate fiscal and monetary responses, and policies for economic stabilization and growth.

ECN302 Management of Knowledge Information and Technology (3 credits)

One of the most consistent patterns in business and non-profit organizations is failure to stay atop their industries when technologies, markets, and business models change. This course examines the challenges of managing technologies from a general manager's point of view. It addresses the basics he/she needs to organize successful technology-driven innovation in both entrepreneurial and established firms. This management task is a complex challenge of integrating multiple dimensions – culture, the legal environment, marketing, manufacturing, distribution channels, financial issues, and government policies. During the first few weeks we will briefly review key innovations of the 20th century that gave rise to a science-based world, the world that Thomas Friedman calls flat. Next, we shall examine different types of organizations that excel at identifying, building and commercializing technological innovations. Specific cases in Japan (e.g. Canon, Shimano) and the US (e.g., 3M, GE) will be used to illustrate management techniques. If class size permits, the course will be conducted in seminar format.

ECN303 International Political Economy (3 credits)

This course will introduce you to the study of international political economy (IPE). We begin by building intellectual frameworks that help us understand issues and events

that appear are currently under discussion in various media. We will then study structures of international production, trade, and finance, and understand characteristics of theaters and actors in international economic activities. We will also examine problems of global economy. Finally, students in this course will have an opportunity to experience dynamism of IPE in simulation exercises.

ECN310 Accounting (3 credits)

Accounting is a systematic way of keeping record of corporate activities. Accounting knowledge enables us to evaluate a business' performance. This introductory course Basic Accounting is designed to give Business majors a solid foundation upon which to build their formal education in business. The approach of this course is to get students familiarized with the whole accounting cycle with simple examples of corporate activities in the beginning of the course. Students learn the step-by-step procedures leading to preparing the financial statements: income statement, balance sheet, and statement of cash flow. The second part of course will provide a focus on accounting issues associated with financing, investing and operating activities. We will discuss how these activities affect the financial statements of the firm. Also, we will demonstrate the effect of alternative accounting methods on the firm's financial performance. In the final part of course, we introduce some widely used techniques (ratios) in evaluating a firm's performance in operating efficiency, profitability, liquidity, growth and safety.

ECN320 International Trade (3 credits)

Desirability of a liberal system of international trade has been commonplace economic

discourse since classical economists articulated the principle of comparative advantage nearly 200 years ago. Protection of domestic producers aids domestic producers, while conceding interests of domestic consumers and the global economy as a whole. For more than half a century, global economic interest has been defended mainly by agreements to liberalize trade, often led by super powers with stakes in global prosperity. This course will review international trade theories and policies. Students will gain understanding the nature of trade disputes, universality vs. regionalism, and bilateralism. Students interested in international relations will gain further understanding of the complex nature of international trade relationship among nations.

ECN321 Industrial Organization (3 credits)

Industrial organization is the study of the structure of markets, the strategic behavior of firms, and their interactions. Industrial organization has been referred to as the economics of imperfect competition. Students will become familiar with various modern theories and approaches to the study of industrial organization, including the structure-conduct-performance (SCP) approach, the Chicago School approach, and game theory. Students will investigate the outcomes of different market structures under conditions of price discrimination, product differentiation, collusion, signaling, mergers and acquisitions, and barriers to entry and exit. Frequently, we will contrast industrial organization in Japan with that in other industrialized countries.

ECN322 Economics of Globalization (3 credits)

Ostates vulnerable to external shocks on the one hand, but provides access to previously inaccessible economic opportunity on the other. These forces become increasingly relevant as the world becomes "smaller." In a literal sense, globalization is international integration. It can be described as a process by which the people of the world are unified into a single society. Globalization often refers to economic globalization involving international trade, foreign direct investment, short-term capital flows, and technological, socio-cultural and political forces. Some argue that higher degrees of political and economic freedom in the form of democracy and capitalism are ends in themselves as they produce higher levels of material wealth. They see globalization as the beneficial spread of liberty and capitalism. Critics point to damage of the biosphere as well as perceived unsustainable human costs in terms of poverty, inequalities, and injustices, and erosion of traditional culture, which all occur as a result of the globalization. They challenge directly the metrics, such as GDP, used to measure progress promulgated by institutions such as the World Bank, and look to other ways such as the Happy Planet Index created by the New Economics Foundation to measure progress. With little progress on the issues of concern to developing countries (non-tariff barriers, intellectual property, migration, unskilled intensive services, and agriculture) WTO negotiations during the Doha round have been slow. The course reviews the evolution of international trade policies, trade disputes, universality versus regionalism, bilateralism, various market-access issues, barriers in agricultural trade, services trade, multilateral investment

agreements, government procurement, and trade facilitation initiatives.

ECN323 Money Banking and International Finance (3 credits)

In this course, students will become familiar with concepts and theories related to money, interest rates, and behavior of financial intermediaries and financial markets, as well as their relationships with the real economy. Topics related to financial intermediaries will deal with banking, securities, insurance and consumer finance industries. Topics related to financial markets cover the money market, bond market, stock market, and foreign exchange market. Theoretical coverage includes monetary theory, the relationship between money and the real economy, the IS-LM model, and aggregate demand and supply analysis.

ECN324 History of Economic Thought (3 credits)

The course begins with study of early pre-classical economic thought. We then proceed to understand mercantilism, physiocracy, and other precursors of classical economic thought. This is followed by classical economic thought and its critics, focused particularly on Smith, Ricardo, Malthus, Mill, and Marx. We then move to the neoclassical period and foundations of marginal analysis and ideas of Jevons, Menger, and Marshall. From this period we study also Walras and general equilibrium theory, institutional and historical critics of neoclassical economics, including the Austrian critique and debate about socialism and capitalism. At the end of the course we turn our attention to modern economics and its critiques, focusing on development of modern economic thought, including microeconomic theory,

econometrics and empirical methods, and modern heterodox economic thought. This is an advanced undergraduate course in economics.

ECN325 Economic Development (3 credits)

During the last two decades, economic development debates have focused on need for economic reform to achieve macroeconomic stability, stronger institutions and better governance, and social justice to involve people in the decisions that affect them. Students will learn how UNDP, WTO, and World Bank/IMF are working to reduce poverty, promote trade and development, and respond to climate changes. We will pay special attention to UNDP's Millennium Development Goals, and related activities of the UN Committee for Development Policy (CDP). Through CDP case studies of Least Developed Countries (LDCs), students will gain insight into the complex nature of coordination among international organizations and member nations and the limits and problems of United Nation effectiveness. LDC issues will be connected to the desirability of a liberal system of international trade based on the principle of comparative advantage. Students will examine trade issues facing developing countries. What are some of the major IMF Programs? Does foreign aid work? What are the challenges of structural adjustment? These and other related questions will be explored. Finally, we address climate change and development. We examine critically the UN Millennium goals that world leaders have promised to work together to advance development and reduce poverty by 2015, while examining the theories of Amartya Sen and new institutionalists who challenge the

orthodoxies of development. (The instructor is one of 24 'experts' nominated by the UN Secretary-General to the CDP. The CDP is an advisory body of the United Nation's Economic and Social Council.)

ECN326 Environmental Natural Resource Economics (3 credits)

In this course we study the use of natural resources and the management of environmental quality from the perspective of economics. The course covers conceptual and methodological topics, including sustainability, as well as applications to contemporary environmental issues such as depletion of fish stocks and climate change. The first part of the course is an introduction to the principles of environmental and resource economics. The second part deals with the current issues concerning the use of various environmental resources. In the final part we discuss various policy approaches.

ECN327 Econometrics and Applications (3 credits)

This course provides an introduction to the basic ideas of applied statistics with examples and applications focused in the social sciences. It covers univariate and multivariate analysis, linear regression and analysis of variance, with an emphasis on graphical displays. These methods are in frequent use across the social sciences, testing claims about the relationships between variables in political, economic, psychological, and policy research.

ECN328 Intermediate Microeconomics (3 credits)

This course examines and develops basic techniques of economic theory and analysis in a more rigorous microeconomics

framework than encountered in ECN300 Principles of Economics. The foci are on how individuals optimize their choices in a world of scarcity and how individual choices add up to overall social equilibrium. Topics include consumer behavior, theory of the firm, efficiency, exchange, elements of strategic behavior (game theory), and market failure. Throughout the course, we will seek to develop our economic intuition as well as understand specific models and problems.

ECN329 Marketing (3 credits)

Marketing is one of the various management processes employed by companies to create value for customers. The skillful marketer is able to identify or create customer needs, and then work with the various other functions within or outside the company to design and deploy capabilities to satisfy those needs better than competitors can. The major themes of this course are: marketing environment, market research, consumer and business buyer behavior, market segmentation, target marketing, product development, pricing issues, channel strategy, promotional strategies, international marketing, and related topics. We will use cases to help make the process of identification, analysis, and discussion of factors and issues affecting current marketing strategies and practices more 'real world'.

ECN330 Corporate Finance (3 credits)

Corporate finance deals with two major themes: how corporations raise capital, and how they invest it. Students will have already been introduced to some of the most basic concepts and theories related to corporate financing and investing activities in ECN301 Financial Theories and Applications. In

ECN330 students will explore more deeply the analysis of financial statements, valuation of future cash flows, capital budgeting, risk and return, cost of capital, long-term financial policy. Some advanced topics will be introduced, such as derivatives, mergers and acquisitions, alternative investments, hedge funds, and corporate governance. Students will have opportunities to apply these concepts and theories in the context of Japan.

ECN331 Entrepreneurship (3 credits)

The basic framework of this course is that entrepreneurship is a process. The process begins with the generation of an idea and/or recognition of an opportunity. At the next stage, financial, human, and information resources are acquired and applied to develop the opportunity. At the final stages, the new venture is launched, growth is managed, and rewards are harvested. At each stage, individual, group and interpersonal, and society variables determine success or failure. Our approach will be to see theory and practice as two sides of the same coin, rather than two separate ways to study the subject. Some of our sub-themes of study include: cognitive bases of creativity and opportunity recognition; the legal environment of business (especially business contracts and legal forms of business); the marketing process for a new company, how to find and leverage complementary assets; essential people skills for entrepreneurs: creating trust, exerting influence, and managing stress; recruiting, selecting, and motivating high-performing employees; developing and protecting intellectual property; and how to make an effective business plan presentation.

ECN332 Business Law (3 credits)

Business Law is an undergraduate course for business students, not law students. The course is an overview of legal doctrines that are found in most business contexts such as: contracts, sales & leases, secured transactions, business organizations in general, agency, property, and government regulation. The legal principles covered in this course are derived from American law, i.e., constitutional law, case-law, statutes, and regulations. International legal issues are only addressed within an American legal framework. Students will be expected to make every effort to comprehend and ultimately apply the relevant rule of law to actual case problems. This course is no doubt challenging. However, because business law is an inherent part of all business transactions, an understanding of such is essential for anyone entering the business world today.

ECN333 Contemporary Japanese Economy (3 credits)

This is an intermediate level applied course in economics for junior, senior, and international students. This semester, the course will focus on the impacts of the global financial crisis on the contemporary Japanese economy. Students are expected to read daily economic and financial news papers such as Nikkei, and to identify short-term and long-term problems and discuss policy issues in each class. The role of the government, the market solutions, and the role of the civil society will be discussed. The revival of Keynesian policy versus new classical economic policies and philosophies will be dealt with in the context of the contemporary Japanese economy. If class size permits, the course will be conducted in seminar

format. To understand the current problems facing the Japanese economy, the post-war Japanese economic model will be critically reviewed.

ECN334 Strategic Management (3 credits)

This is an advanced course for business majors. It is assumed that students have already completed nearly all requirements for the major. Ideally, this would be the last undergraduate course taken in business studies. Over the semester, students will become familiar with more than 300 concepts and theories related to corporate strategy, and an attempt will be made to integrate what students are learning in this course with what they have learned in other university courses, particularly in the area of business and economics. Frequently, after students have been introduced to a concept or theory, they will be required to demonstrate how it applies, or in some cases explain why it does not apply, in the context of Japanese firms. The structural framework of our study will be the Strategic Planning Process (SPP), a widely taught and practiced model for the formulation and implementation of strategy. The major elements are: (1) mission and goals, (2) SWOT analysis, (3) the three levels of strategy: corporate, business, and functional, (4) organizational structure, (5) control systems, (6) matching of strategy to structure and controls, and (7) management of strategic change. We will study each of these elements in turn. Students will be given opportunities to apply the concepts in a number of case studies. Whenever possible, these case studies will involve Japanese firms.

ECN335 Leadership: Theory and Applications (3 credits)

What is leadership? What do successful leaders have in common? Do the characteristics of successful leadership differ across countries and cultures? Can we train ourselves to be good leaders? What is a 'good' leader? In this course, we will approach the study of leadership in various ways.

One approach will be to analyze American, European, and Asian business leaders from past and present. We will attempt to identify key characteristics of successful leadership in different parts of the world, paying attention to possible commonalities and differences in the qualities of successful leaders across countries and cultures. We will use case studies from Harvard Business School and other sources. We will also become familiar with seminal scholarly works from the field of leadership, and articles from various media about the challenges of leadership in today's global economy. The seminar is designed to prepare students to meet the challenges of "life's leadership situations." If space permits, this course may be available to Global Studies students as well as Global Business students. International students are especially welcome.

ECN338 Time series Econometrics (3 credits)

This course is designed to introduce students to the modern time series econometric techniques to investigate theories in economics and finance, together with computer lab sessions where these techniques are carried out in practice, and students are given extensive guidance on using the econometrics software package PcGive in Ox metrics developed by a world-famous group of researchers led by Prof. D. F.

Hendry of Oxford University.

This course is being arranged with special assistance from Prof. Sir David F. Hendry, Fellow of Nuffield College, University of Oxford. Time series econometrics describes the use of statistical methods to analyse time series economic data in order to investigate economic theories. Economic theories are proposed by economists after observing the economy, yet these theories may not be relevant in the real world, because theory must simplify the real world in order to form some understanding of it. However, if that simplification is not a good one, then the resulting theory may not accurately reflect how economic variables do actually move. After the Global Financial Crisis of 2007 onwards, time series econometrics methods have become vitally important as economists try to form a better understanding of how the economy behaves. Students who have already completed nearly all requirements for economics and finance subjects are strongly recommended to take this course.

ECN381-398 Business & Economics Study Abroad (1 ~ 18 credits)

During study abroad, AIU regular students may apply a maximum of 18 credits from coursework done outside AIU's Global Business curriculum to satisfy requirements for the Global Business major. Coursework must be related to business or economics and not be a repetition of coursework already completed. Final approval for credit transfer must be received by the Global Business program director. Students are strongly encouraged to check with their Global Business academic advisor prior to enrollment to confirm that the credits will transfer.

ECN480 Case Studies (BRICs) (3 credits)

The focus of the course is on the BRICs economies of Brazil, Russia, India, and China. BRICs are among the world's fastest growing economies of the world. Analysts at McKinsey & Company and Goldman Sachs predict that BRICs will develop rapidly into major global economic centers over the next 40 years. BRICs are undergoing very rapid change and opportunities and risks abound. One dream project is to develop Akita seaport as a gateway to Russia for companies in Japan, for example to supply the newly opened Japanese car assembly plants in St. Petersburg, Russia. Alps Electric, the US\$3 billion Japanese electronics giant, regards the Chinese market as so important that all Alps' new employees must spend one to two months training there. In India, each year 150,000 "medical tourists" combine sophisticated, yet inexpensive, surgery with tours of historical sites. We must be aware of the dangerous tendency to lump BRICs together as "emerging markets" and overlook their very substantial differences in political systems, cultures, reform policies and firm behavior. In this course, we go beyond the traditional hysteria, as it is becoming all too fashionable these days for example to blame China for many of the world's problems. One objective of this course is to analyze these countries within a coherent analytical framework. We forget that in the 15th century over 70% of the world GDP came from India and China. In some respects, the recent rise of these countries is a return to past world order.

ECN499 Independent Study in Business & Economics (3 credits)

The Global Business program provides opportunities to regular students and visiting international students to earn credits through

independent study. A member of the Global Business faculty will serve as mentor for the independent study project. The research question should be in the field of economics or business and will be negotiated between the student and a member of the Global Business faculty.