1. JUSTIFICACIÓN CURSO

Though its antecedents go back several centuries, the modern multinational or transnational company (MNC or TNC) has developed and evolved in the decades following World War II. In order for the student of International Business to fully understand, appreciate, and critique the existence of, competition between, and impacts on society of these firms, a strong theoretical background is required. The student will argue whether theory of internationalization has steadily evolved through the incremental addition of a series of complementary theoretical additions or whether the field is marked with many distinct theories and perspectives on the subject. The critical and comparative analysis of existing theory will prompt further questioning of the current state of affairs of internationalized companies, whether they be from developed or emerging markets.

2. OBJETIVOS GENERALES DEL CURSO

2.1. Familiarize oneself with the most important theoretical perspectives on firm internationalization.

2.2. Compare and contrast the gross and subtle implications of their differences in firms and society.

3. DESCRIPCIÓN ANALÍTICA DE CONTENIDOS

3.1. Introduction of concepts and pre WWII approaches to firm internationalization

Objective:
Differentiate the basic terms and the antecedent approaches to firm internationalization. Learning strategy: Class discussion, readings

Bibliography:
Ietto-Guillies, Parts I and II. Forsgren, Chapter 1

3.2. The Market power of the multinational firm
Objective:
Analyze the theories that broke-through the predominance of macro-level explanations for internationalization. Focus on the firm and its international operations, rather than on capital movements across borders. Learning strategy: class discussion, readings

Bibliography:
Forsgren, Chapter 2

3.3. Product life cycle and international production

Objective:
Explain how firms internationalize in order to protect their existing markets of mature products. Learning strategy: class discussion, readings

Bibliography:
Ietto-Guilles, Chapter 6. Vernon (1966)

3.4. Oligopolistic reactions and the geographical pattern of FDI

Objective:
Explain how firms reduce risk by imitating competing firms’ entrance into foreign operations. Learning strategy: class discussion, readings

Bibliography:
Ietto-Guilles, Chapter 7

3.5. Internalization/ Organisational theory and the transnational corporation

Objective:
Analyze internationalized firms and their activities through an organizational approach. Learning strategy: class discussion, readings

Bibliography:

3.6. Institutional Theory and the Eclectic theory of international production

Objective:
Integrate internationalization theory with location-specific elements of international economies, such as labor costs, barriers to trade, and transport costs. Learning strategy: class discussion, readings

Bibliography:

Business Network Theory of Internationalisation (the Uppsala Model) and Stages
3.7. in the internationalization process

Objective:
Examine the Scandinavian theoretical contribution whereby a firm’s international operations will gradually increase as it gains knowledge and experience in the international arena and as it develops relationships that cross international boundaries. Learning strategy: class discussion, readings

Bibliography:

3.8. New trade theories and MNC activity

Objective:
Explain how trade and specialization are driven by static and exogenous elements due to factor endowment and by dynamic and endogenous elements linked to increasing returns. Learning strategy: class discussion, readings

Bibliography:

3.9. Transnational capitalism

Objective:
Use strategic choice theory to explain how firms facing strategic complexities respond opportunistically to changing market opportunities through careful risk evaluation, planning, and coordination. Learning strategy: class discussion, readings

Bibliography:

4. EVALUACIÓN

4.1. Workshops: 48% (each class 8%)
4.2. Final exam: 22%
4.3. Paper on Colombian Multinational Companies: 30% (June 16th 2011)

5. BIBLIOGRAFIA GENERAL


