

KL 3: Business Economics & International Business (EIB)

100
MARKS

COMPETENCIES TO ASSESS

- TECHNICAL
- BUSINESS

PREDOMINANTLY BASIC

EXPECTED PROFICIENCY

SYLLABUS STRUCTURE

This course comprises the following modules with the relative learning weightage:

Module		Weight
A	Business Economics	50%
B	International Business	50%

COURSE DESCRIPTION

This course presents the fundamentals of different economic and international business concepts. The first part of the course, Business Economics, consists of microeconomics, macroeconomics and Bangladesh economy which portray the economic environment of business and different aspects of micro, macroeconomic forces and Bangladesh economic conditions that influence the business decision. Similarly, an understanding of international business is essential for aspiring professional accountants in today's interdependent global world. This course provides an overview of international business explaining how firms engage in conducting business crossing the local boundary, the key characteristics of the foreign environment that need to be considered, the typical challenges of daily operations in an MNC and the main strategic level decisions which a multinational corporation (MNC) must make and analyze.

COURSE OBJECTIVES

This course is designed to provide aspiring professional accountants with an understanding of the basic concepts & theories of economics and to show how competition, the behavior of markets and government economic policies can influence an organization's decisions regarding price determination and value maximization. Besides, this course will provide students with the knowledge, skills, and abilities to understand the global economic, political, cultural, and social environment within which the firms operate. It is expected that the

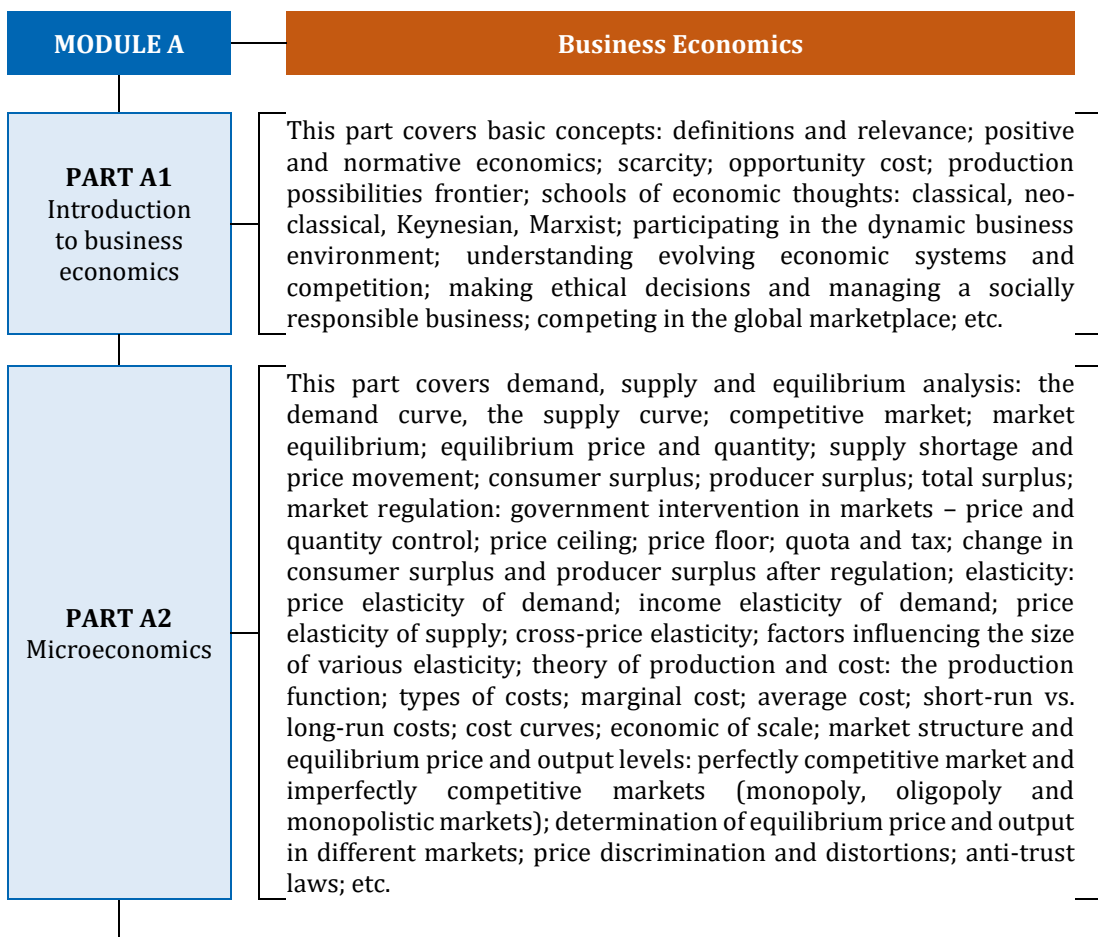
knowledge of the course will enable an aspiring professional accountant to formulate and execute strategies, plans and tactics to succeed in local and international business ventures.

COURSE LEARNING OUTCOMES

On successful completion of this course, the student will be able to:

1. understand the economic environment in which an organization operates;
2. explain the fundamental concepts of economics and international business;
3. describe and apply different theories of economics and international trade;
4. illustrate different macroeconomic aspects of Bangladesh;
5. evaluate and apply the international trade policies and procedures in business operation;
6. understand the regulatory requirements and international trade finance, import and export mechanisms; and
7. formulate strategies considering ethics, the local and global business environment.

DETAIL CONTENTS



MODULE A
Business Economics
PART A3
 Macroeconomics

This part covers definition of macroeconomics; basic concepts and data; importance and relevance of macro-economics for business students; Gross Domestic Product (GDP), Gross National Product (GNP), Net National Product (NNP) and National Income (NI); the monetary system, virtual money and digital currency; inflation: factors resulting in inflation, measurement; unemployment and the labor market; etc.

PART A4
 Bangladesh economy

This part covers economic policies in Bangladesh; Bangladesh's current economic indicators; trend of prices of consumer goods and other goods in Bangladesh; growth, structure and performance of Bangladesh economy; current economic affairs; etc.

End of Module A
MODULE B
International Business
PART B1
 Introduction and strategy

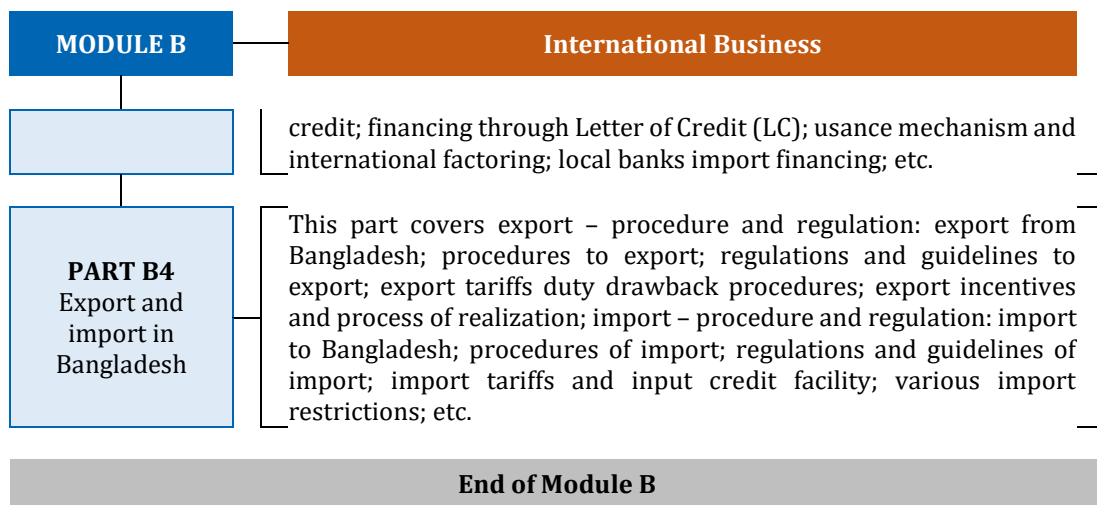
This part covers definition of international business; international trade theories; current trends and historical patterns of international trade; globalization in world trade and world economy; international strategic planning; entry strategy and strategic alliances; assessing competitive dynamics and advantages, disadvantages in international business; global dynamics, political and country risks in international business; ethics, corporate sustainability and corporate social responsibility; etc.

PART B2
 International trade policy and foreign direct investment

This part covers framework of international trade policy; trade policy tools; development and current role of the WTO; trade policy: tariffs, trade wars, trade agreements and the WTO; economic integration with global and regional trade bodies; the international trade policy and monetary system; definition and methods of Foreign Direct Investment (FDI); benefits of FDI; disadvantages of FDI; types and examples of FDI; what to consider investing in Bangladesh; etc.

PART B3
 Payment and finance mechanism

This part covers mode of payment: various payment methods in international trade; risks issues in international trade payment; identifying frauds in international payments; various risks and mitigating procedures in the international secured payment mechanism; Documentary Credits (DC): what is DC; types of DC; documentations of DC; rules and procedures governing DC; settlement procedure and retirement of DC; Uniform Customs and Practice for Documentary Credits (UCPDC); international commercial terms (incoterms); trade finance mechanism: financing arrangement through the export country – Export Credit Agency (ECA), buyer's



RECOMMENDED BOOKS AND LEARNING MATERIALS

Primary Textbook

1. ICMAB Learning Manual for Business Economics.
2. ICMAB Learning Manual for International Business.

Recommended Textbooks

1. McDaniel, C. D., & Gitman, L. J. (2009). *The Essentials of the Future of Business*, Fourth Edition, Thomson South-Western.
2. Samuelson, P. A., & Nordhaus, W. D. (2010). *Economics*, Nineteenth Edition, McGraw- Hill.
3. Wild, J. J., & Wild, K. L. (2019). *International Business: The Challenges of Globalization*, Ninth Edition, Pearson.
4. Griffin, R. W, & Pustay, M. W. (2020). *International Business: A Managerial Perspective*, Ninth Edition, Pearson.

Reference Books/Other Learning Materials

1. Krugman, P., & Wells, R. (2020). *Microeconomics*, Sixth Edition, Worth Publishers.
2. Dornbusch, R., Fischer, S., & Startz, R. (2018). *Macroeconomics*, Thirteenth Edition, McGraw-Hill Education.
3. Blanchard, O. (2021). *Macroeconomics*, Eighth (Global) Edition, Pearson.
4. Hill, C. W. L. (2023). *International Business: Competing in the Global Marketplace*, Fourteenth Edition, McGraw- Hill Education.
5. Daniels, J. D., Radebaugh, L. H., & Sullivan, D. P. (2019). *International Business: Environments and Operations*, Sixteenth (Global) Edition, Pearson.