

GPT5019 Global Business Environment

Fall 2015

SKK GSB Professional MBA Program

The mission of SKK GSB is to advance business knowledge in a multicultural learning environment in order to develop socially responsible managers who will lead in a global organization.

Instructor:

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Course Description

The course introduces the most fundamental concepts in macroeconomics and international economics that are critical in understanding the current global economic events and business environments. The course will help students understand the current events and evaluate policy choices with relevant analytical tools. Students will be presented with materials that constitute the core of economists' viewpoints in today's global economy: (i) what determines economic growth and causes fluctuations in outputs; (ii) the role of central banks and monetary policy in global economy; (iii) forces that drive financial markets and financial crises, and their impact on the world economy; and (iv) factors that influence international trades and the sources of conflicts. The course will discuss roles played by the governments, central banks, and financial institutions, and examine investment and strategic issues faced by businesses in the global economy. The course will be presented through lectures, exercises and student-led discussions of cases and readings.

Learning Objectives

At the conclusion of the course, you should be able to:

- Transform economic data into useful information and be able to interpret the current economic events.
- Apply the analytical concepts and models in macroeconomics and international economics to analyze policy choices.
- Evaluate investment and strategic choices faced by firms in the context of the global economy.

Assurance of Learning

In accordance with SKK GSB's educational mission and goals, this course will help you develop the following skills:

- **Quantitative skills (high)**
- **Critical thinking skills (high)**
- Management skills (low)
- Communication and cooperation skills (low)
- Ethics learning skills (low)
- Foreign language skills (low)

Course Materials

The course material will be drawn from a textbook, readings, lecture notes, and other materials distributed by the instructor.

- (M) Textbook #1: A Concise Guide to Macroeconomics, David A. Moss, Harvard Business Review Press, 1st edition (2007) or 2nd edition (2014)
- (E) Textbook #2: Guide to Economic Indicators: Making Sense of Economics, 6th edition (2006) or 7th edition (2010), The Economist, John Wiley and Sons
- (R) Reading Packet:
Case/reading packets will be distributed separately.

Course Policy

- Course grade will be determined by the following criteria

Participation & Presentation	10%
Assignments / Exercises / Quizzes	60%
Final Examination	30%

- Participation & Presentation – Students are required to participate in the classroom discussions. It is critically important for the success of the course that each students come prepared for the class discussions by completing the reading and case assignments prior to each class.
- Assignments / Exercises / Quizzes – Assignments in the form of case write-ups will be given throughout the module. This is an individual assignment, but you are encouraged to work with others. However, each individual is required to **submit his/her own work**. **No late submission** of assignments is permitted under any circumstances. In addition, short exercises and quizzes will be given to ensure that students are keeping abreast of the course materials.
- Final Exam – A final examination will be administered during the last week of the course. Time will be announced at a later time.

Course Outline

Please note that the following outline is tentative and is subject to change, and the content and the timing of the course materials may change depending on the interests of the class.

Week	Topic	Required Reading*
1	Output & Economic Growth	(M) Ch.1, Ch.5
2	Money, Interest Rates, and Central Banks	(M) Ch.2, Ch.4
3	BOP & Exchange Rates	(M) Ch.6, Ch.7
4	Synthesis – Macro Models	(M) Ch.3, Conc.; (R) #1, #2
5	Fiscal Policies, Monetary Policies, and Economic Growth	(R) #3, #4, #5, #6, #7
6	Global Economy & Business Strategy	(R) #8, #9

*(M) Textbook by Moss; (R) Reading packet.

Reading Packet List

Item	List of Reading Materials
1	“How the World Works: A Brief Course in Macroeconomics,” Excerpted from: <i>Ben Bernanke’s Fed: The Federal Reserve After Greenspan</i> , Ethan S. Harris
2	A Technical Note on IS/LM and AS/AD Models, UV1050
3	“How Fast Can the U.S. Economy Grow?” Paul Krugman, HBR July-August 1997
4	“Macroeconomic Policy and U.S. Competitiveness,” Richard Vietor and Matthew Weinzierl, HBR March 2012
5	The U.S. Current Account Deficit, HBS 9-706-002
6	European Monetary Union, HBS 9-799-131
7	The Euro Crisis: Decision Time at the European Central Bank, HBS 5-711-049
8	Country Risk Analysis and Managing Crises: Tower Associates, TB0087
9	“The Well-Timed Strategy: Managing Business Cycle” by Peter Navarro, California Management Review, CMR 325, 11/01/05