COURSE DESCRIPTION

This course examines the history of international business, with a particular focus upon the context and determinants of the growth over the last 150 years of the largest multinational corporations (MNCs). The course begins with the long-term historical background of globalization, and explains how globalization can be seen as either very old or very new depending upon how it is defined. The history of the largest MNCs and of the patterns of investment with which they have been associated are then outlined, and the history of scholarly thought on these issues is also discussed. Historical differences between groups of MNCs are demonstrated to have existed in terms of industry (with a focus on the role of the rise of science-based industries), nationality of origin, and the direction and extent of corporate technological diversification. The changing historical relationship between competition and cooperation within industries is considered with reference to both the inter-firm interdependencies brought about by technological complexity, and the rise and fall of international cartel arrangements. The course concludes with a look at the historical evolution of industry-university linkages, and a consideration of the role of new information and communications technology on the recent formation of more active international networks for knowledge creation and exchange within MNCs.

CLASS ORGANIZATION & ADMINISTRATION

1. To attend all weekly classes, and any other additional lectures as may be advised from time to time. The weekly classes are to be held on Tuesdays from 10:00am to 12:50pm, and the full schedule is set out below.

2. To complete a term paper by the end of the Fall semester, to be submitted in week 15 (by Thursday, December 10th). Term papers should not normally exceed 2,500 words of text (the bibliography is not part of this word count). The title for the term paper must be chosen from the titles given below, each associated with a particular class topic (from topics 2-11; it is not possible to write on topic 1, which is a background introduction). The term paper must demonstrate an understanding of the issues raised in the relevant lecture, and make reference to the readings set for that topic. The term paper must answer the question set, with reference to the key themes of the course articulated in the lectures and readings. It is not to be treated as an independent research paper. All students should read the chapters and articles indicated in the lists below, whether or not they are writing their term paper on that topic. The course has been designed as an integrated treatment of the subject with underlying connections between topics. The term paper should therefore also demonstrate an appreciation of how the answer to a specific question on a given
topic fits into the broader context of the course. The course must not be regarded as a set of 11 separate topics that can be treated in isolation from one another. Thus, while students are welcome if they wish to undertake additional reading on the topic of their term paper, this must be related to or used to critique the central themes of the course in the term paper. Any such extra readings should not be used in the term paper merely to provide some other alternative essentially unrelated approaches to the topic, and in particular additional readings on a specific topic must not be regarded as a potential substitute for undertaking (and where they are relevant, referring to) the readings for other topics that are also part of the course. To reiterate: a term paper should answer the question set so as to (i) incorporate understandings derived from all the readings for the relevant topic and from the lecture on that topic, (ii) incorporate reference to other selected readings required in the course, and to general themes that recurred at various stages during the classes, and (iii) should only incorporate other references not included in the readings for the course to the extent that these help build upon and consolidate (but not detract from) the key themes and content of the course.

3. For Ph.D. students, and selected M.S. students, to give a presentation on their chosen topic to the class towards the end of the semester, prior to the submission of the paper itself at the end of the semester. Presentations can last for a maximum of 15 minutes when given by just one student, and for a maximum of 20 minutes when a joint presentation is given by two or more students (the allotted time then being divided equally between them). Presentations are to be prepared in PowerPoint, and to ensure that the necessary time limits are observed they must be contained in a maximum of 12 slides per student for a lone presenter or 8 slides per student in the case of joint presentations (excluding a title slide, if there is one), and all the text of each slide must be in at least a minimum font size of 24. Any presentation that does not conform to these guidelines may be stopped before it is completed. A hard copy of the slides to be used is to be given to the course convenor prior to the oral presentation. Topics will be allocated in week 1 (September 1st), and presentations will be scheduled for specific slots during the classes in weeks 13 or 15 (November 24th or December 8th). Where students give presentations, assessment will be 25% for the presentation, and 75% for the paper.

4. Those students that will give presentations are expected to consult the class materials for their topic ahead of the session to be held on that topic, and to prepare some questions on the lecture in order to begin a class discussion once that week’s lecture has been completed.
International Business and Business (26:553:602)

COURSE SCHEDULE

Class topics

1. The history of globalization.

2. The history of multinational corporations (MNCs).

3. The history of foreign direct investment (FDI).

4. The history of thought on international business.

5. Large firms and the rise of science-based industry.

6. Comparing the major national groups of MNCs historically.

7. Corporate technological diversification and the growth of large firms.

8. Competition and cooperation: (i) managing technological complexity in industries.

9. Competition and cooperation: (ii) from interwar cartelization to post-war competition.

10. The historical evolution of industry-university linkages.

11. MNCs in the information and communications technology (ICT) age.
Week 1, September 1st

1. The history of globalization. (An introduction pertinent to each of the remaining topics; students should treat this as essential background material, but there is no term paper corresponding to this topic.)


Week 2, September 8th

No class - Monday classes will be held on the Tuesday of this week following Labor Day.
Week 3, September 15\textsuperscript{th}

2. The history of multinational corporations (MNCs).

\textbf{Paper Title:} Assess the characteristics of the modern MNC that emerged around 1870, and comment on how it has evolved since that time.


Week 4, September 22\textsuperscript{nd}

3. The history of foreign direct investment (FDI).
Paper Title: Evaluate the historical significance of FDI at the beginning of the twentieth century, whether it became more important during the twentieth century, and if so how this occurred.


Wilkins, M. (1999), "Two literatures, two storylines: is a general paradigm of foreign portfolio and foreign direct investment feasible?", *Transnational Corporations*, vol. 8, no. 1, pp. 53-116.


Week 5, September 29th

4. The history of thought on international business.

Paper Title: Outline how international business theory derives from an integration of various branches of theory. Consider the extent to which alternative perspectives on international business in the past can be distinguished by the emphasis they place upon one branch of theory rather than others.


Week 6, October 6th

5. Large firms and the rise of science-based industry.

**Paper Title**: Examine the extent to which the dynamism of the largest firms over the last 100 years has depended upon the conduct of in-house research and development (R&D).


Week 7, October 13th

6. Comparing the major national groups of MNCs historically.

**Paper Title:** Discuss the role of path-dependency in the historical evolution of MNCs when they are grouped by their nationality of origin.


Week 8, October 20th

7. Corporate technological diversification and the growth of large firms.

**Paper Title:** Compare and contrast the historical paths of corporate technological diversification taken by the largest firms in the chemical and the electrical equipment industries.


Week 9, October 27th
8. Competition and cooperation: (i) managing technological complexity in industries.

**Paper Title:** Critically evaluate the effects on large companies of inter-firm technological cooperation in industries characterized by technological complexity.


Week 10, November 3rd

9. Competition and cooperation: (ii) from interwar cartelization to post-war competition.

**Paper Title:** Assess whether or not the purposes of inter-firm cooperation within industries altered after 1945, and if so how they were changed.


Week 11, November 10th

10. The historical evolution of industry-university linkages.

   **Paper Title:** Discuss the significance of industry-university linkages for the historical evolution of both science and technology.


Week 12, November 17th

11. MNCs in the information and communications technology (ICT) age.

**Paper Title:** Examine the relationship between the revolution in computing and communications, and the emergence of international networks for innovation within MNCs.


Week 13, November 24th

Discussion of first set of student presentations.

Week 14, December 1st

No class. Please note, this is the week following Thanksgiving week.

Week 15, December 8th

Discussion of second set of student presentations.

Week 15, December 10th

Completion of term papers following the final class; submission of term papers due by Thursday, December 10th, via the Blackboard course site (under the tab "Assignment", you'll find an assignment named "Term paper", click "View/Complete", upload your paper there, and submit).