COURSE DESCRIPTION

This course examines the relationship between the strategies for innovation of multinational corporations (MNCs) and those of national governments in a global economic environment. A key theme is the relationship between innovation and competitiveness at the firm and country levels, and the interaction between these two levels since the majority of technological capacity is held by MNCs while government policies affect the extent and pattern of innovations within national boundaries. Attention is given to the distinctiveness of national patterns of technological specialization, how these reflect the characteristics of local policies and institutions, and how they have been changing over time. The international location of technological activity is considered from the national perspective of the effects of globalization on catching up (or falling behind); from the cross-border perspective of MNCs; and from the local perspective of regional systems of innovation and localized clusters, and the interactions in knowledge creation between MNC subsidiaries and indigenous firms. The course concludes with an evaluation of how innovation policies are being gradually reshaped in the current context of the globalization of a knowledge-driven economy.

Requirements of students on the course:

1. To attend all weekly classes, and any other additional lectures as may be advised from time to time.

2. To complete a term paper by the end of the semester, to be submitted in week 15. 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. Since there are 10 potential term paper topics, and hence up to 10 presentations that answer the associated term paper questions, M.S. students may not be required to give a presentation if there are more than 10 students registered for the class; however, if 10 or fewer students are registered then all students will ordinarily be expected to contribute presentations. 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 and presentations will be scheduled for specific slots during the classes in weeks 13 or 14. 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 comments on the readings for the week, and questions on the lecture to be presented at appropriate intervals in order to help begin class discussions during the class. These in-class commentaries are not intended as presentations, and no slides are required. The first class intervention, before a mid-session break, should be a brief (10 minute or so) commentary on the class readings for the week, focusing on why the readings for that week’s topic are interesting or what they have to say. The second class intervention, towards the end of the class, should provide comments or questions related to the lecture for that week’s topic, for which students already have available the slides which will be used.
LEARNING GOALS AND OBJECTIVES

This course is designed to help graduate students to acquire advanced knowledge in the area of specialization of International Business. Students who complete this course will demonstrate mastery of some fundamental concepts used in research in the International Business field.

Students develop this knowledge through the following course activities and assignments:

(i) Lectures, that deliver basic concepts, arguments and methods used in research in the field, and explain how they are related, to provide an integrated perspective on the subject area. Some common themes are shown to apply in more than one context, and so the lecture materials ensure that the course is more than just the sum of its parts.

(ii) A term paper, in which each student is required to individually complete a paper which answers a specific question on a topic covered in the course. In doing so, the student is expected to demonstrate their understanding of some selected key research themes that have been highlighted during the course.

(iii) Doctoral students on the International Business major in the Ph.D. Program in Management need to successfully pass a qualifying exam, following the completion of their coursework.

ACADEMIC INTEGRITY

I do NOT tolerate cheating. Students are responsible for understanding the RU Academic Integrity Policy (http://academicintegrity.rutgers.edu/).

I will strongly enforce this Policy and pursue all violations. On all examinations and assignments, students must sign the RU Honor Pledge, which states, “On my honor, I have neither received nor given any unauthorized assistance on this examination or assignment.” I will screen all written assignments through SafeAssign or Turnitin, plagiarism detection services that compare the work against a large database of past work. Don’t let cheating destroy your hard-earned opportunity to learn. See business.rutgers.edu/ai for more details.

CLASS TOPICS
1. A review of cross-country differences in national innovation policies.

2. International competitiveness at a country or industry level.

3. Historical patterns of technological change across countries, and the impact of international business activity.

4. Cross-country catch-up (or falling behind) in innovative activity, and the effects of globalization.

5. The competitiveness of multinational corporations (MNCs) and the organization of innovation.


7. Regional systems of innovation and localized clusters.

8. Local and international knowledge accumulation in MNCs.

9. National systems of innovation, and their interaction with MNCs.

10. MNC subsidiary and indigenous firm local competence development, and inter-firm knowledge spillovers.

11. National innovation policies in catching up economies, and the varying role of international business.
Week 1

1. A review of cross-country differences in national innovation policies.

(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
2. International competitiveness at a country or industry level.

**Paper Title**: Discuss why national competitiveness need not be a zero sum game.


Week 3

3. Historical patterns of technological change across countries, and the impact of international business activity.

**Paper Title**: Evaluate the effect of historical changes in the way in which innovation is organized on national patterns of technological specialization.


Week 4

4. Cross-country catch-up (or falling behind) in innovative activity, and the effects of globalization.

Paper Title: Assess how the role of international business connections in countries that are catching up technologically depends on the stage of national development, and on the local institutional and policy environment.


Week 5

5. The competitiveness of multinational corporations (MNCs) and the cross-country organization of innovation.

**Paper Title:** Consider the relationship between corporate competitiveness, the multinationality of activity, and R&D-intensity.


Week 6


Paper Title: Assess the role of international business connections in the recent success of Japanese and East Asian firms, and how these firms have contributed to the emergence of a new technological paradigm.


Week 7

7. Regional systems of innovation and localized clusters.

**Paper Title:** Assess how MNCs may create competitive advantage through their participation in localized inter-firm clusters, and comment on the implications for regional policy-makers.


Week 8
8. Local and international knowledge accumulation in MNCs.

**Paper Title:** Evaluate the conditions under which, when they are developing innovations in a given location, MNCs source relatively more technological knowledge from the local environment, from their home country, or from other parts of the world.


Week 9

no class.

Week 10
9. National systems of innovation, and their interaction with MNCs.

**Paper Title**: Briefly describe the concept of a national innovation system (NIS), and examine how the interrelationship between NISs and the international innovation networks of MNCs has affected NISs.


Week 11

10. MNC subsidiary and indigenous firm local competence development, and inter-firm knowledge spillovers.
**Paper Title:** Examine the relative significance, to the learning processes of indigenous firms in host countries with a foreign MNC presence, of the following factors: the technology gap, the extent of local absorptive capacity, and the motives and MNC group status of local subsidiaries.


Week 12

11. National innovation policies in catching up economies, and the varying role of international business.

**Paper Title:** Evaluate how, if at all, innovation policies should differ in catching up economies, compared to such policies in longer established industrialized countries.


Week 13

Discussion of first set of student presentations.

Week 14

Discussion of second set of student presentations.

Week 15
No class; completion of term papers; submission of term papers is due via the Canvas course site (under the tab "Assignments", you'll find an assignment named "Term paper", click on this and then on "Submit Assignment" at the top right, upload your paper there, and submit it).

SUPPORT SERVICES


[Rutgers University-New Brunswick ODS phone (848)445-6800 or email dsoffice@echo.rutgers.edu]

[Rutgers University-Newark ODS phone (973)353-5375 or email ods@newark.rutgers.edu]

If you are pregnant, the Office of Title IX and ADA Compliance is available to assist with any concerns or potential accommodations related to pregnancy.

[Rutgers University-New Brunswick Title IX Coordinator phone (848)932-8200 or email jackie.moran@rutgers.edu]

[Rutgers University-Newark Office of Title IX and ADA Compliance phone (973)353-1906 or email TitleIX@newark.rutgers.edu]

If you seek religious accommodations, the Office of the Dean of Students is available to verify absences for religious observance, as needed.

[Rutgers University-New Brunswick Dean of Students phone (848)932-2300 or email deanofstudents@echo.rutgers.edu]

[Rutgers University-Newark Dean of Students phone (973)353-5063 or email DeanofStudents@newark.rutgers.edu]

If you have experienced any form of gender or sex-based discrimination or harassment, including sexual assault, sexual harassment, relationship violence, or stalking, the Office for Violence Prevention and Victim Assistance provides help and support. More information can be found at http://vpva.rutgers.edu/.
[Rutgers University-New Brunswick incident report link: http://studentconduct.rutgers.edu/concern/. You may contact the Office for Violence Prevention and Victim Assistance at (848)932-1181]

[Rutgers University-Newark incident report link: https://cm.maxient.com/reportingform.php?RutgersUniv&layout_id=7. You may also contact the Office of Title IX and ADA Compliance at (973)353-1906 or email at TitleIX@newark.rutgers.edu. If you wish to speak with a staff member who is confidential and does not have a reporting responsibility, you may contact the Office for Violence Prevention and Victim Assistance at (973)353-1918 or email run.vpva@rutgers.edu]

If students who have experienced a temporary condition or injury that is adversely affecting their ability to fully participate, you should submit a request via https://temporaryconditions.rutgers.edu.

If you are a military veteran or are on active military duty, you can obtain support through the Office of Veteran and Military Programs and Services. http://veterans.rutgers.edu/

If you are in need of mental health services, please use our readily available services.
[Rutgers University-Newark Counseling Center: http://counseling.newark.rutgers.edu/]
[Rutgers Counseling and Psychological Services–New Brunswick: http://rhscaps.rutgers.edu/]

If you are in need of physical health services, please use our readily available services.
[Rutgers Health Services – Newark: http://health.newark.rutgers.edu/]
[Rutgers Health Services – New Brunswick: http://health.rutgers.edu/]

If you are in need of legal services, please use our readily available services: http://rusls.rutgers.edu/

Students experiencing difficulty in courses due to English as a second language (ESL) should contact the Program in American Language Studies for supports.

[Rutgers–Newark: PALS@newark.rutgers.edu]
[Rutgers–New Brunswick: eslpals@english.rutgers.edu]
If you are in need of additional academic assistance, please use our readily available services.

[Rutgers University-Newark Learning Center: http://www.ncas.rutgers.edu/rlc]

[Rutgers University-Newark Writing Center: http://www.ncas.rutgers.edu/writingcenter]

[Rutgers University-New Brunswick Learning Center: https://rlc.rutgers.edu/]

[Optional items that many faculty include:

- Students must sign, date, and return a statement declaring that they understand the RU Academic Integrity Policy.

- Students must sign, date, and return a statement declaring that they understand this syllabus.]