# brief CONTENTS

## Part 1 Introduction and Overview

Chapter 1

Globalization 2

# Part 2 Country Differences

Chapter 2 National Differences in Political Economy 42

Chapter 3 Differences in Culture 88

Chapter 4 Ethics in International Business 124

Cases: Western Drug Companies and the AIDS Epidemic in South Africa 156

KFC in India—Ethical Issues 158

Ann Burns's Personal Jihad 163/GC-5

#### Part 3 The Global Trade and Investment Environment

Chapter 5 International Trade Theory 164 V

Chapter 6 The Political Economy of International Trade 200

Chapter 7 Foreign Direct Investment 236

Chapter 8 The Political Economy of Foreign Direct Investment 262

Chapter 9 Regional Economic Integration 290

Cases: Agricultural Subsidies and Development 324

Drug Development in the European Union 325

FDI: India versus China 327

Mergers and Acquisitions in the Russian Oil Sector—The FDI Factor 330

Ireland in 2004 335/GC-3

## Part 4 The Global Monetary System

Chapter 10 The Foreign Exchange Market 336

Chapter 11 The International Monetary System 366

Cases: America's Dollar Policy: Weak Dollar versus Strong Dollar 402

The 1994 Devaluation of the Mexican Peso and After 405/GC-3

The Falling Dollar 405/GC-9

# Part 5 The Strategy and Structure of International Business

Chapter 12 The Strategy of International Business 406

Chapter 13 The Organization of International Business 438

Chapter 14 Entry Strategy and Strategic Alliances 478

Cases: 3M in the New Millennium: Innovation and Globalization 512

Lenovo in 2005 518

DHL's Business Strategy in China 528

# Part 6 Business Operations

Chapter 15 Exporting, Importing, and Countertrade 532

Chapter 16 Global Production, Outsourcing, and Logistics 554

Chapter 17 Global Marketing and R&D 582

Chapter 18 Global Human Resource Management 616

Chapter 19 Accounting in the International Business 644

Chapter 20 Financial Management in the International Business 666

Cases: Merrill Lynch in Japan 694

GTI in Russia 695

Can Madison Avenue Marketing Help Developing Countries? The Case

of Jordan 702

Glossary 705

Photo Credits 717

Index 718