

**College of Administrative and Financial Sciences**

**Assignment 1**

**Deadline: 17/10/2020 @ 23:59**

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| Course Name: Intro to International Business | Student’s Name: |
| Course Code: MGT-321 | Student’s ID Number: |
| Semester: I | CRN: |
| Academic Year: 1441/1442 H |

**For Instructor’s Use only**

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| --- |
| Instructor’s Name: |
| Students’ Grade: Marks Obtained/Out of | Level of Marks: High/Middle/Low |

**Instructions – PLEASE READ THEM CAREFULLY**

* The Assignment must be submitted on Blackboard (**WORD format only**) via allocated folder.
* Assignments submitted through email will not be accepted.
* Students are advised to make their work clear and well presented, marks may be reduced for poor presentation. This includes filling your information on the cover page.
* Students must mention question number clearly in their answer.
* Late submission will NOT be accepted.
* Avoid plagiarism, the work should be in your own words, copying from students or other resources without proper referencing will result in ZERO marks. No exceptions.
* All answered must be typed using **Times New Roman (size 12, double-spaced)** font. No pictures containing text will be accepted and will be considered plagiarism).
* Submissions without this cover page will NOT be accepted.

***Assignment Regulation:***

* All students are encouraged to use their own word.
* Assignment -1 should be submitted on or before the end of Week-07 in Black Board only.
* This assignment is an individual assignment.
* Citing of references is also necessary.

***Assignment Structure:***

|  |  |  |
| --- | --- | --- |
| **A.No** | **Type** | **Marks** |
| Assignment-1  | Case Study | 5 |
| **Total**  |  | **5** |

***Learning Outcomes:***

* Identify the major components of international business management (Lo 1.2)
* Explain the forces driving and evaluate the impact of globalization (Lo 1.3)
* Discuss the reasons for and methods of governments’ intervention in trade (Lo 1.7)
* Carry out effective self-evaluation through discussing economic systems in the international business context (Lo. 3.6)

**Case study**

Please read Case 8: **“Volkswagen in Russia”** available in your e-book (page no.619), and answer the following questions:

**Assignment Question(s): (Marks: 5)**

1. What factors underlay the decision by Volkswagen to invest directly in automobile production in Russia? Why was FDI preferable to exporting from existing factories in Germany?
2. Which theory (or theories) of FDI best explain Volkswagen’s FDI in Russia?
3. How do you think FDI by foreign automobile companies might benefit the Russian economy? Is there any potential downside to Russia from this inflow of FDI?
4. Russia is largely dependent on oil exports to drive its economy forward. Given the sharp fall in global oil prices that occurred in 2014 and 2015, what impact do you think this will have on FDI into Russia?
5. Volkswagen has signaled that it is going to stay the course in Russia, despite current political and economic headwinds. Why do you think it made this decision? What are the pros and cons of this decision? In your opinion, is it the correct decision?

**Answer:**

1.

2.

3.

4.

5.

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