**Globalization**

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**Learning Objectives**

1.1 Understand what is meant by the term *globalization*.

1.2 Recognize the main drivers of globalization.

1.3 Describe the changing nature of the global economy.

1.4 Explain the main arguments in the debate over the impact of globalization.

1.5 Understand how the process of globalization is creating opportunities and challenges for management practice.

**Chapter** **Summary**

This opening chapter introduces the reader to the concepts of globalization and international trade, and provides an introduction to the major issues that underlie these topics. The components of globalization are discussed, along with the drivers of globalization and the role of the General Agreement on Tariffs and Trade (GATT) and its successor the World Trade Organization (WTO) in lowering trade barriers. The influence of technological change in facilitating globalization is also discussed, along with the role of multinational firms in international business.

The chapter also describes the changing demographics of the global economy, with a special emphasis on the increasingly important role of developing countries in world trade. This discussion is complemented by a description of the changing world order, which was brought on by the collapse of communism in Eastern Europe and republics of the former Soviet Union. The chapter ends with a candid overview of the pros and cons of the trend towards globalization.

**Chapter Activity**

Conduct this activity during the first week of class, as an icebreaker.

After students introduce themselves, ask them what their aspirant professional job will be after graduation. Organize the responses into groups on the whiteboard: accountants, supply chain managers, ERP managers, business owner or entrepreneur, marketing and sales reps, etc. Then, ask what additional skills they will need to do those jobs with *international* customers, suppliers, and co-workers.

The idea is to help students understand they are unlikely to be successful unless they understand globalization and develop cultural competencies. Skills they might name include comfort with rapid change, can understand national cultural differences, can work in diverse cultures, can adapt to diverse management, leadership and participation styles, can understand differences in intercultural communication, can build relationships, be a lifelong learner, and others.

Uber: Going Global from Day One

opening case

**Summary**

The opening case follows the development and business model of San Francisco-based Uber. Uber offers an alternative business model to the traditional taxi service offered in metropolitan areas worldwide. Instead of relying on traditional city-based laws to regulate the number of taxis registered in a given city, Uber bases its business model on a smartphone app which allows potential riders to find, track, and pay for transportation services. The price for a ride between locations is determined by an algorithm Uber uses to set prices that matches demand for transportation with the supply of automobiles available. A discussion of the case can involve the following questions.

**Discussion Questions**

QUESTION 1: Reflect on the purpose and practical application of taxi market regulation by city authorities. What does this type of regulation accomplish? What are the drawbacks? How has this allowed Uber to successfully enter markets?

ANSWER 1: The stated purpose of the regulations in place are five-fold: 1) to limit taxi supply and increase demand for other forms of public transportation; 2) to decrease traffic congestion; 3) to ensure rider safety via licensed taxis; 4) to guarantee "fair" prices; and 5) to ensure reasonable profitability for taxi owners. The main drawback to these purposes is that there are typically shortages in many cities as the number of taxi licenses issued in the past decades has not met increased population levels. To meet the demand for individualized transportation services, Uber enters a market and relies on the support generated among its consumers to pressure local governments not to discontinue their offering.

QUESTION 2: How have local authorities and competitive actors responded to Uber's market entry strategies?

ANSWER 2: Many times local regulations permit Uber and its drivers to conduct business in a metropolitan area. However, there are numerous incidents in which the service has been banned to protect the existing transportation system. Vancouver (Canada), Brussels (Belgium), and Delhi (India) are noted as cases in which this has been done. Also, there are cases where taxi drivers have gone on strike due to Uber's presence (London) and where local rivals provide formidable challenges with a strong market position prior to Uber's entry (Beijing).

**Teaching Tip:** Students can explore Uber's operations and fare options at the company's website at {<http://www.uber.com/>}.

**Lecture Note:** To extend the discussion, consider Uber's pullout strategy in China as Didi Kuaidi (also known as Didi Chuxing) buys its operations. To learn more, go to {<http://www.bloomberg.com/news/articles/2016-08-01/uber-s-china-deal-moves-ride-sharing-giant-a-step-closer-to-ipo>}.

**Chapter Outline with Lecture Notes, Video Notes, and Teaching Tips**

**Introduction**

A) *Globalization* refers to the trend towards a more integrated global economic system where barriers to cross-border trade and investment are declining, perceived distance is shrinking thanks to advances in transportation and telecommunications, and material cultures are more similar across borders. The effects of globalization can be seen everywhere, from the cars people drive and the food they eat, to the jobs they have and the clothes they wear. In 2013, some $19 trillion of goods, and $5 trillion of services were sold across borders. More than $5 trillion in foreign exchange transactions are made every day.

**Lecture Note:** To extend this discussion, consider {<http://www.bloomberg.com/news/articles/2014-01-16/at-davos-the-state-of-globalization-in-2014>} and {<http://www.bloomberg.com/news/articles/2014-01-16/davos-defenders-of-globalization-fight-to-show-2014-is-not-1914>}.

**Teaching Tip:** The trend towards globalization has not gone unnoticed at many premier universities around the world. An organization called the Network of International Business Schools {<http://www.nibsnet.org/>} provides a forum for schools with international business programs to discuss their curriculums. Consider visiting this web site, and providing your students some examples of how colleges and universities are integrating the realities of globalization into their business curriculums.

**Lecture Note:** The U.S. Census Bureau offers an extensive website that maintains, among other things, monthly statistics on trade between the United States and its trading partners. The website is {<http://www.census.gov/foreign-trade/top/>}.

B) The rapidly emerging global economy raises a multitude of issues for businesses, including all sorts of new opportunities for business to expand their revenues, drive down their costs, and boost their profits. It also gives rise to challenges and threats, such as how best to expand into a foreign market, whether and how to customize product offerings, marketing policies, human resources practices, business strategies in order to deal with national differences in culture, and how best to deal with the threat posed by efficient foreign competitors entering the home marketplace.

C) Globalization is also unleashing new anxieties for people who, until recently, had felt fairly secure in their jobs. Thanks to advances in technology, lower transportation costs, and an increase in skilled workers in low cost nations such as India, and China, services that had been performed locally can be exported.

**Lecture Note:** Having a global mindset is becoming an important variable in the hiring selection process at some companies. To learn more, go to {<http://www.bloomberg.com/news/articles/2014-10-01/international-experience-will-help-you-get-a-job-at-goldman-sachs>}.

D) The accounting services industry is just one of many that have been transformed as a result of globalization. Today, many accountants in India who are trained in the U.S. accounting code perform work for U.S. accounting firms. These accountants access individual tax returns stored on computers in the United States, perform routine calculations, and save their work. A U.S. counterpart then inspects their work, and bills the U.S. client for services.

**What** **Is** **Globalization**?

A) **Globalization** refers to the shift towards a more integrated and interdependent world economy.

**Video Note:** To explore globalization from the perspective of Apple's products in India, consider *Apple eyes India's Smartphone Market* in the International Business Library at [http://bit.ly/MHEIBVideo](https://na01.safelinks.protection.outlook.com/?url=http%3A%2F%2Fbit.ly%2FMHEIBVideo&data=01%7C01%7Canke.weekes%40mheducation.com%7Ca25dc9eb643246ce47ad08d41a1dec6d%7Cf919b1efc0c347358fca0928ec39d8d5%7C1&sdata=PGTbnKJeqo4tban6vepacEyP5nezpxGm42CaB%2B3aOG8%3D&reserved=0)*.* Click “Ctrl+F” on your keyboard to search for the video title.

Additionally, our McGraw-Hill Education International Business Video Library at [http://bit.ly/MHEIBVideo](https://na01.safelinks.protection.outlook.com/?url=http%3A%2F%2Fbit.ly%2FMHEIBVideo&data=01%7C01%7Canke.weekes%40mheducation.com%7Ca25dc9eb643246ce47ad08d41a1dec6d%7Cf919b1efc0c347358fca0928ec39d8d5%7C1&sdata=PGTbnKJeqo4tban6vepacEyP5nezpxGm42CaB%2B3aOG8%3D&reserved=0) provides on ongoing stream of updated video suggestions correlated by key concept and major topic. Every new clip posted is supported by teaching notes, discussion questions.

Please feel free to leave comments in the library that you feel might be helpful to your colleagues.

**THE GLOBALIZATION OF MARKETS**

B) The **globalization of markets** refers to the merging of historically distinct and separate national markets into one huge global marketplace in which the tastes and preferences of consumers in different nations are beginning to converge upon some global norm. The global acceptance of Coca-Cola, Citigroup credit cards, IKEA furniture, and McDonald's hamburgers are all examples. These firms not only benefit from the globalization of markets, they also, by offering the same basic products worldwide, facilitate the trend. Yet there are still significant differences between markets that frequently require that marketing strategies, product features, and operating practices be customized for a country. In fact, most global markets are for industrial goods and materials that serve a universal need around the world like microprocessors, rather than for consumer products. In many industries, there is no such thing as a “German market” or an “American market,” there is only a global market.

**Video Note:** To explore the role of globalization and global markets, consider *Globalization and Assessing Global Markets* in the International Business Library at [http://bit.ly/MHEIBVideo](https://na01.safelinks.protection.outlook.com/?url=http%3A%2F%2Fbit.ly%2FMHEIBVideo&data=01%7C01%7Canke.weekes%40mheducation.com%7Ca25dc9eb643246ce47ad08d41a1dec6d%7Cf919b1efc0c347358fca0928ec39d8d5%7C1&sdata=PGTbnKJeqo4tban6vepacEyP5nezpxGm42CaB%2B3aOG8%3D&reserved=0)*.* Click “Ctrl+F” on your keyboard to search for the video title.

**THE** **GLOBALIZATION** **OF** **PRODUCTION**

C) The **globalization of production** refers to the sourcing of goods and services from locations around the globe to take advantage of national differences in the cost and quality of **factors of production** (such as land, labor, capital, and energy), thereby allowing them to compete more effectively against their rivals. Building Boeing’s 777 for example, involves eight Japanese suppliers, and a supplier from Singapore. Boeing outsources 65 percent of its 787 aircraft to foreign companies.

**Did You Know Video Clip:**

The video clip asks: “Did you know that your iPhone was assembled in China? It’s not what you might think.”

**Discussion** **Questions:**

Question 1: Why do labor costs made up such a small percentage of the cost to produce an iPhone?

Answer 1: Because most of the costs to make one iPhone are in COGS (cost of goods sold), which are about $290 of the $650 price. About $200 is in materials, and the rest is spent on transportation, warranty, costs, and manufacturing including labor. Labor costs are between $13 and $25 per phone.

Question 2: Why is it more difficult for Apple to find engineers in the U.S. than in China?

Answer 2: Demand for engineering skills in the U.S. remains greater than in China. Although many new engineering graduates come from developing and emerging countries, the U.S. is in second place, producing 238,000 engineers a year. Russia is in first place, producing 454,000 engineers, and Iran is in third place with 233,700. This is from reports of[the World Economic Forum](http://reports.weforum.org/human-capital-report-2015/) Human Capital Report and excludes China and India for lack of data.

Question 3: Where are the iPhone’s components produced and purchased?

Answer 3: In many countries, but a surprising number are made by U.S. companies such as Texas Instruments, Fairchild, Corning, Cirrus Logic. But most of these companies have significant manufacturing around the world. The fingerprint sensor was imagined in Florida, but manufactured in Asia by Taiwanese giant TMSC. The M7 motion co-processor was the brainchild of NXP, a Dutch company that has fabrication facilities in Taiwan, Thailand, Malaysia, Singapore and the Philippines. U.S. companies in the Apple supply chain are beefing up their U.S. production facilities and many of the components that go into the iPhone are actually made stateside and shipped to China for assembly.

Learn more about how the iPhone is made:

<https://financesonline.com/how-iphone-is-made/>

management FOCUS: Boeing’s Global Production System

**Summary**

The feature explores U.S. aircraft manufacturer Boeing’s approach to the production of its Dreamliner 787 airplane. Boeing’s strategy was unlike any of its previous strategies. Instead of producing much of the aircraft itself, Boeing, noting that 80 percent of its customers were foreign airlines, decided to outsource some 65 percent of the value of the Dreamliner to suppliers located around the world. This strategy introduced a number of challenges for Boeing, and production of the 787 was delayed by four years.

**Discussion Questions:**

Please see Critical Thinking and Discussion Question 7 (page 20) for discussion of this feature.

**Teaching Tip:** To learn more about Boeing go to {<http://www.boeing.com/>}.

**The Emergence of Global Institutions**

A) Over the last half century, a number of global institutions have been created to help manage, regulate, and police the global marketplace, as well as to promote the establishment of multinational treaties to govern the global business system. The **World Trade Organization (WTO)**, like its predecessor the **General Agreement on Tariffs and Trade (GATT),** is responsible for policing the world trading system and making sure that nations adhere to the rules established in WTO treaties. As of 2016, the 162 nations that account for about 98 percent of world trade were all members of the WTO. The **International Monetary Fund (IMF)** maintains order in the international monetary system while the **World Bank** promotes economic development. The **United Nations (UN)** maintains international peace and security, develops friendly relations among nations, cooperates in solving international problems, promotes respect for human rights, and is a center for harmonizing the actions of nations.

**Drivers** **of** **Globalization**

A) Two macro factors seem to underlie the trend toward greater globalization. First, the decline in barriers to the free flow of goods, services, and capital that has occurred since the end of World War II; and second, technological change. Dramatic technological change in recent decades has brought about advances in communication, information processing, and transportation.

**DECLINING TRADE AND INVESTMENT BARRIERS**

B) **International trade** occurs when a firm exports goods or services to consumers in another country. **Foreign direct investment (FDI)** occurs when a firm invests resources in business activities outside its home country. After WWII, the industrialized countries of the West started a process of removing barriers to the free flow of goods, services, and capital between nations. Under GATT, nations negotiated even further decreases in tariffs and made significant progress on a number of non-tariff issues (e.g. intellectual property, trade in services). With the establishment of the WTO, a mechanism now exists for dispute resolution and the enforcement of trade laws.

**Teaching Tip:** A comprehensive overview of GATT is available at

{<http://www.ciesin.org/TG/PI/TRADE/gatt.html>}.

**Teaching Tip:** The World Trade Organization maintains an excellent web site at {<http://www.wto.org/>}. This site provides information about recent trade disputes, "hot" areas of international trade, and the status of current talks.

**Teaching Tip:** To extend this discussion and to explore the relevance for the Trans-Pacific Partnership within the context of the current global economy go to {<http://www.bloomberg.com/news/articles/2015-10-08/a-mega-trade-deal>}. In addition, the complexities of implementing the trade agreement within and between countries can be found at {<http://www.reuters.com/article/us-trade-tpp-idUSKCN0VD08S>}.

C) This removal of barriers to trade has taken place in conjunction with increased **international trade**, world output, and foreign direct investment. World Trade Organization data shows that the volume of world merchandise trade has grown consistently faster than the rate of the world economy since 1950. In 2014, the volume of world merchandise trade was 5.3 times larger than it was in 1990. International trade in services has also grown significantly since the 1980s, and now accounts for about 20 percent of the value of all world trade.

D) The growth of **foreign direct investment** is a direct result of nations liberalizing their regulations to allow foreign firms to invest in facilities and acquire local companies. With their investments, these foreign firms often also bring expertise and global connections that allow local operations to have a much broader reach than would have been possible for a purely domestic company. In 2013, FDI flows were about $1.5 trillion, below the peak of $2 trillion in 2007, but showing a strong upward trend.

**THE ROLE OF TECHNOLOGICAL CHANGE**

E) While the lowering of trade barriers made globalization of markets and production a theoretical possibility, technological change made it a tangible reality.

**Microprocessors and Telecommunications**

F) Since the end of World War II, there have been major advances in communications and information processing.

G) **Moore’s Law** predicts the power of microprocessor technology doubles and its cost of production falls in half every 18 months. As this happens, the cost of global communication plummets, lowering the cost of coordinating and controlling a global organization.

**The Internet**

H) The Internet, which has experienced explosive growth worldwide, promises to continue to develop as the information backbone of tomorrow's global economy. The Internet effectively allows its 3.3 billion users in 2015 to find each other. For business, it can be a goldmine. In the United States, online retail sales in 2015 were about $340 billion and global e-commerce sales surpassed $1 trillion in 2012.

**Transportation Technology**

I) In addition to these developments, several major innovations in transportation technology have occurred since World War II. In economic terms, the most important are probably development of commercial jet aircraft and super freighters and the introduction of containerization, which greatly simplifies transshipment from one mode of transport to another.

**Implications for the Globalization of Production**

J) Due to technological innovations, the real costs of information processing and communication have fallen dramatically in the past two decades. These developments make it possible for a firm to create and then manage a globally dispersed production system, further facilitating the globalization of production. A worldwide communications network has become essential for many international businesses.

**Implications for the Globalization of Markets**

K) As a consequence of these trends, a manager in today's firm operates in an environment that offers more opportunities, but is also more complex and competitive than that faced a generation ago. While there has been some convergence of consumer tastes and preferences between markets (a global culture), firms must still address differences between countries.

**The Changing Demographics of the Global Economy**

A) As late as the 1960s, four facts described the demographics of the economy. The first was the U.S. dominance in the world economy and the world trade picture. The second was U.S. dominance in world foreign direct investment. The third fact was the dominance of large, multinational U.S. firms on the international business scene. The fourth was that roughly half of the globe - the centrally planned economies of the Communist world - was off limits to Western international business.

**THE CHANGING WORLD OUTPUT AND THE CHANGING WORLD TRADE PICTURE**

B) In the early 1960s, the U.S. was still by far the world's dominant industrial power. In 1960, for example, the U.S. accounted for 38.3 percent of world manufacturing output. By 2014, the United States accounted for only 22.4 percent. This decline in the U.S. position was not an absolute decline, rather, it was a relative decline, reflecting the faster economic growth of several other economies, most notably those in Asia.

**Video Note:** To explore globalization from the perspective of India's growing standing in the world economy, consider *India’s Business Ties with the UK* in the International Business Library at [http://bit.ly/MHEIBVideo](https://na01.safelinks.protection.outlook.com/?url=http%3A%2F%2Fbit.ly%2FMHEIBVideo&data=01%7C01%7Canke.weekes%40mheducation.com%7Ca25dc9eb643246ce47ad08d41a1dec6d%7Cf919b1efc0c347358fca0928ec39d8d5%7C1&sdata=PGTbnKJeqo4tban6vepacEyP5nezpxGm42CaB%2B3aOG8%3D&reserved=0)*.* Click “Ctrl+F” on your keyboard to search for the video title and access to teaching notes and discussion questions for this video.

C) If we look into the future, most forecasts now predict a rapid rise in the share of world output accounted for by developing nations such as China, Russia, India, Indonesia, Thailand, Mexico, Brazil, and South Korea, and a commensurate decline in the share enjoyed by rich industrialized countries such as Great Britain, Germany, Japan, and the United States. For international companies, these trends suggest that future economic opportunities may be greater in developing nations, and that new competitors are like to emerge from these countries.

countryFOCUS: India’s Software Sector

**Summary**

This feature explores the growth of India’s software industry. Starting from nothing just twenty-five years ago, Infosys Technologies now generates revenues of $8.25 billion, and exports of almost $100 billion. India’s growth in the software sector is based on its abundant supply of engineers, low labor costs, India’s fluency in English, and time differences between India and the U.S. As Indian firms have done more business with large U.S. firms, U.S. firms have begun investing in their own Indian operations.

**Discussion** **Questions**

1. What factors have contributed to the growth of India’s software industry?

Discussion Points: Four key factors have contributed to the growth of India’s software industry. First is the huge number of engineers in India. Some 400,000 engineers graduate from Indian universities every year. A second factor is India’s low wage structure. Indian engineers make about 12 percent of what an American colleague might make. Third, coordination between Western firms and Indian firms is facilitated by the large number of English-speaking Indians. Finally, because of the differences in time zones, Indian firms operate while American firms are closed.

2. How has India’s software industry changed in recent years? What are the implications of these changes for American companies like IBM and Microsoft?

Discussion Points: There has been a gradual shift in the Indian software industry in recent years. Initially, Indian firms focused on the low end of the industry to supply basic software development and testing services to Western firms. Today however, many companies have moved into higher end services to compete for large software development projects, business outsourcing contracts, and information technology consulting services. This new competitive threat is forcing American firms like IBM and EDS to rethink their global strategies. Some Western companies are now investing in India with the goal of capturing some of the cost advantages Indian companies like Infosys Technologies enjoy.

**Lecture Note:** India’s smartphone industry is growing rapidly and Google is just one company that is looking to capitalize on this growth. To learn more, go to {<http://www.businessweek.com/articles/2014-10-21/googles-big-plans-for-low-cost-android-one-phones-in-india>}.

**THE CHANGING FOREIGN DIRECT INVESTMENT PICTURE**

E) As shown in Figure 1.2 in the textbook, the share of total foreign direct investment stock since the 1980s for developed economies such as the United States and the United Kingdom has declined. Meanwhile, the same statistic indicates a considerable increase in developing economies.

F) As shown in Figure 1.3, this trend is mirrored in FDI. However, fluctuations appear in the total amount of foreign direct investment inflows due to economic factors. This is most noticeable for the 2001-2005 and 2009-2014 periods. The first drastic reduction (2001-2005) did not show recovery until 2006. Meanwhile, the decrease from 2007 has yet to fully recover.

**THE CHANGING NATURE OF THE MULTINATIONAL ENTERPRISE**

G) A **multinational enterprise** is any business that has productive activities in two or more countries.

**Non-U.S. Multinationals**

H) In the 1960s, large U.S. multinationals dominated the global business environment, accounting for about two-thirds of all foreign direct investment. By 2012, a different picture had emerged (as indicated in Figure 1.4). The globalization of the world economy has resulted in a relative decline in the dominance of U.S. firms in the global marketplace. While most of the world’s largest multinationals were from developed countries, firms from developing economies had also begun to play a major role in the global economy. Looking to the future, we can reasonably expect the growth of new multinational enterprises (any business that has productive activities in two or more countries) from the world's developing nations.

management FOCUS: The Dalian Wanda Group

**Summary**

This feature examines the expansion of the Dalian Wanda Group from its beginning in 1988. Originating in China, the company is well-known within the country as an important real estate developer. In 2012, Dalian Wanda expanded by purchasing the cinema chain AMC Entertainment Holdings in the United States. This expansion continued in 2015 with the acquisition of an Australian cinema operator, as well. In all, the company operates over 500 cinemas. With properties in Los Angeles, Chicago, Spain, and London, Dalian Wanda's goal is to have assets of $200 billion, revenues of $100 billion, and net profits of $10 billion by 2020.

**Discussion** **Questions**

1. How has Dalian Wanda Group established itself in its home market of China? In other words, what is the company best known for?

Discussion Points: The company has had much success with five-star hotels as it is the largest owner of this hotel category. In addition, with activities in the film, sports, tourism, and children's entertainment industries, Dalian Wanda Group is well-positioned within China to expand internationally based on the experiences developed thus far.

2. Why has Dalian Wanda Group expanded internationally at such a fast rate? How do the acquisitions made fit into the company's strategy overall?

Discussion Points: Dalian Wanda Group has identified that it aims to have assets of $200 billion, revenues of $100 billion, and net profits of $10 billion by 2020. One approach to accomplish this is to expand internationally based on the skills the company has developed thus far. Since its core competencies include real estate development focusing on the film industry, in particular, Dalian Wanda Group saw the opportunity to negotiate better distribution terms with movie studios after its purchase of cinemas in the United States and Australia. As a result of these and other expansions, the actions discussed assist the company to reach its goals for assets, revenues, and net profits.

**Teaching Tip:** To learn more about Wanda Group go to {<http://www.wanda-group.com/>}.

**Lecture Note:** Wanda Group is continuing its expansion and reach into the U.S. market. To learn more and extend the discussion of this feature, go to {<http://www.bloomberg.com/news/articles/2016-01-12/china-s-richest-man-to-buy-godzilla-producer-for-3-5-billion>}.

**The Rise of Mini-Multinationals**

I) Another trend in international business has been the growth of medium-sized and small multinationals. These businesses are referred to as mini-multinationals.

**THE CHANGING WORLD ORDER**

J) The collapse of communism in Eastern Europe presented a host of export and investment opportunities for Western businesses. However, because there is still unrest and totalitarian tendencies in many states, companies must be cautious.

K) The economic development of China presents huge opportunities and risks, in spite of its continued Communist control. In addition, firms must be aware of the threat posed by China’s emerging multinationals.

L) For North American firms, the growth and market reforms in Mexico and Latin America also present tremendous new opportunities both as markets and sources of materials and production. However, given the history of economic mismanagement in Latin America, the favorable trends may not continue.

**THE GLOBAL ECONOMY OF THE 21ST CENTURY**

M) The path to full economic liberalization and open markets is not without obstruction. Economic crises in Latin America, South East Asia, and Russia all caused difficulties in 1997 and 1998. While firms must be prepared to take advantage of an ever more integrated global economy, they must also prepare for political and economic disruptions that may throw their plans into disarray. The 2008-2009 financial crisis that began in the United States, for example, quickly spread to much of the rest of the world.

**The Globalization Debate**

A) Is the shift toward a more integrated and interdependent global economy a good thing? While many economists, politicians and business leaders seem to think so, globalization is not without its critics. Globalization stimulates economic growth, raises the incomes of consumers, and helps to create jobs in all countries that choose to participate in the global economy. Yet, there is a rising tide of opposition to globalization.

# **ANTI-GLOBALIZATION PROTESTS**

B) Since 1999, when protesters against globalization targeted the WTO meeting in Seattle, anti-globalization protesters have turned up at almost every major meeting of a global institution. Protesters fear that globalization is forever changing the world in a negative way. However, despite their protests, most citizens seem to welcome the higher living standards that progress brings.

**GLOBALIZATION, JOBS, AND INCOMES**

C) In developed countries, labor leaders lament the loss of good paying jobs to low wage countries. However, supporters of globalization argue that free trade will result in countries specializing in the production of those goods and services that they can produce most efficiently, while importing goods and services that they cannot produce as efficiently. Free trade advocates suggest that despite some job dislocation, the whole economy is better off with free trade. They make a similar argument to support the outsourcing of services like call centers to low-wage countries. However, given that the wage gap between developed and developing countries is closing, the migration of unskilled jobs to low-cost nations may only be a temporary phenomenon.

**Teaching Tip:** For resources related to exporting, the export assistance center at {<http://www.export.gov/>} can provide insight into this process.

**Video Note:** Video clips related to importing and exporting are available at {<http://www.census.gov/foreign-trade/aes/exporttraining/videos/index.html>}. A variety of topics are available to consider.

country FOCUS: Protesting Globalization in France

**Summary**

This feature describes the anti-globalization protests going on in France. The protests, led by activist Jose Bove, started when the U.S. retaliated against EU bans on beef imports by imposing a 100% tariff on some EU products. Bove and his associates targeted McDonald’s, and also California winemaker Mondavi as symbols of their opposition to American investments. Still, despite the protests, foreign investment in France is at record highs, and ironically, so are French investments abroad.

**Discussion Questions**

1. Consider the trade war that initiated the protests led by Bove. The EU instituted restrictions on the import of hormone treated beef because it was feared that the product might lead to health problems. The WTO stated that the restrictions were prohibited under WTO agreements and ordered the EU to lift the restrictions or face retaliatory measures. In your opinion, did the WTO act appropriately? Should a government be permitted to make decisions as to what products are or are not available to consumers? Should the WTO? What do you think would have happened if the WTO had ruled in favor of the EU?

Discussion Points: Many students will probably argue that the European Union’s restrictions against hormone treated beef were nothing more than thinly veiled protectionism. Accordingly, students will probably feel that the World Trade Organization was justified in its ruling. Some students however, may suggest that the European Union was looking out for its citizens when it instituted the bans, and that therefore the World Trade Organization was overstepping its bounds.

2. Why was McDonald’s chosen as the target for anti-globalization protests? How can companies like McDonald’s protect themselves from the actions of protesters like Bove?

Discussion Points: Students will probably recognize that as an icon of the United States, McDonald’s is a symbol of America and as such was a natural target for protesters. The fact that its menu is based on beef was probably a bonus. Many students will note that companies that are actively involved in local communities are less likely to attract negative feelings than those that are not. Students might recommend that companies like McDonald’s work to integrate themselves with the host country through charitable programs, social activities, and so on.

**Teaching Tip:** To learn more about ongoing WTO disputes, go the WTO’s homepage: {<http://www.wto.org/>}.

**Video Note:** Protesting against globalization is not uncommon. The video found at {<http://www.pbs.org/newshour/bb/environment-jan-june07-globalization_03-23/>} and titled *Environmental Activist Questions the Goals of Globalization* explores the discussion around the negative effects of globalization.

**GLOBALIZATION, LABOR POLICIES, AND THE ENVIRONMENT**

D) A second source of concern is that free trade encourages firms from advanced nations to move manufacturing facilities offshore to less developed countries that lack adequate regulations to protect labor and the environment from abuse by the unscrupulous. Supporters of free trade and greater globalization express serious doubts about this scenario. They point out that tougher environmental regulation and stricter labor standards go hand in hand with economic progress. In general, as countries get richer, they enact tougher environmental and labor regulations.

E) Lower labor costs are only one of the reasons why a firm may seek to expand in developing countries. These countries may also have lower standards on environmental controls and workplace safety. Nevertheless, since investment typically leads to higher living standards, there is often pressure to increase safety regulations to international levels. This is indicated in Figure 1.5 which indicates that pollution levels decrease after per capital income levels reach $8,000. No country wants to be known for its poor record on health and human safety. Thus supporters of globalization argue that foreign investment often helps a country to raise its standards.

**GLOBALIZATION AND NATIONAL SOVEREIGNTY**

F) Another concern voiced by critics of globalization is that in today's increasingly interdependent global economy, economic power is shifting away from national governments and toward supranational organizations such as the World Trade Organization (WTO), the European Union (EU), and the United Nations. As perceived by critics, the problem is that unelected bureaucrats are now sometimes able to impose policies on the democratically elected governments of nation-states, thereby undermining the sovereignty of those states.

G) With the development of the WTO and other multilateral organizations such as the EU and NAFTA, countries and localities necessarily cede some authority over their actions. Supporters of these organizations claim that if the organizations fail to serve the collective interests of member states, the states will withdraw their support and the organizations will collapse.

**GLOBALIZATION AND THE WORLD’S POOR**

H) Critics of globalization argue that over the last century, the gap between rich and poor has gotten wider, and the benefits of globalization have not been shared equally. However, supporters of free trade suggest that the actions of governments have limited economic improvement in many countries. In addition, debt may also be limiting growth in some countries. Today, there are various efforts underway to encourage debt relief programs.

**Managing in The Global Marketplace**

A) An **international business** is any firm that engages in international trade or investment.

B) As their organizations increasingly engage in cross-border trade and investment, managers need to recognize that the task of managing an international business differs from that of managing a purely domestic business in many ways. Countries differ in their cultures, political systems, economic systems, legal systems, and levels of economic development.

C) These differences require that business people vary their practices country by country, recognizing what changes are required to operate effectively. It is necessary to strike a balance between adaptation and maintaining global consistency, however.

D) As a result of making local adaptations, the complexity of international business is clearly greater than that of a purely domestic firm. Firms need to decide which countries to enter, what mode of entry to use, and which countries to avoid. Rules and regulations also differ, as do currencies and languages.

E) Managing an international business is different from managing a purely domestic business for at least four reasons: 1) countries differ, 2) the range of problems and manager faces is greater and more complex, 3) an international business must find ways to work within the limits imposed by governmental intervention and the global trading system, and 4) international transactions require converting funds and are susceptible to exchange rate changes.

Critical Thinking and Discussion Questions

1. Describe the shifts in the world economy over the last 30 years. What are the implications of these shifts for international businesses based in Great Britain? North America? Hong Kong?

Answer: The world economy has shifted dramatically over the past 30 years. As late as the 1960s, four trends described the demographics of the global economy. The first was U.S. dominance in the world economy and world trade. The second was U.S. dominance in the world foreign direct investment picture. Related to this, the third fact was the dominance of large, multinational U.S. firms in the international business scene. The fourth was that roughly fifty percent of the world - the centrally planned economies of the Communist world - was off-limits to Western international businesses. All of these demographic facts have changed. Although the U.S. remains the world's dominant economic power, its share of world output and world exports have declined significantly since the 1960s. This trend does not reflect trouble in the U.S. economy, but rather reflects the growing industrialization of developing countries such as China, India, Indonesia, and South Korea. This trend is also reflected in the world foreign direct investment picture. As depicted in Figure 1.2 in the textbook, the share of world output (or the stock of foreign direct investment) generated by developing countries has been on a steady increase since the 1960s, while the share of world output generated by rich industrial countries has been on a steady decline. Shifts in the world economy can also be seen through the shifting power of multinational enterprises. Since the 1960s, there have been two notable trends in the demographics of the multinational enterprise. The first has been the rise of non-U.S. multinationals, particularly Japanese multinationals. The second has been the emergence of a growing number of small and medium-sized multinationals, called mini-multinationals. The fall of Communism in Eastern Europe and the republics of the former Soviet Union have brought about the final shift in the world economy. Many of the former Communist nations of Europe and Asia seem to share a commitment to democratic politics and free market economies. Similar developments are being observed in Latin America. If these trends continue, the opportunities for international business may be enormous. The implications of these shifts are similar for North America and Britain. The United States and Britain once had the luxury of being the dominant players in the world arena, with little substantive competition from the developing nations of the world. That has changed. Today, U.S. and British manufacturers must compete with competitors from across the world to win orders. The changing demographics of the world economy favor a city like Hong Kong. Hong Kong (which is now under Chinese rule) is well located with easy access to markets in Japan, South Korea, Indonesia, and other Asian markets. Hong Kong has a vibrant labor force that can compete on par with the industrialized nations of the world. The decline in the influence of the United States and Britain on the global economy provides opportunities for companies in Hong Kong to aggressively pursue export markets.

2. "The study of international business is fine if you are going to work in a large multinational enterprise, but it has no relevance for individuals who are going to work in smaller firms." Evaluate this statement.

Answer: People who believe in this view, and the firms that they work for, may find that they do not achieve their full potential (at best) and may ultimately fail because of their myopia. As barriers to trade decrease and state of the art technological developments take place throughout the world, new opportunities and threats exist on a worldwide basis. The rise of the mini-multinationals suggests there are global opportunities even for small firms. But staying attuned to international markets is not only important from the perspective of seeking profitable opportunities for small firms; it can also be critical for long-term competitive survival. Firms from other countries may be developing products that, if sold internationally, could wipe out small domestic competitors. Scanning international markets for the best suppliers is also important for small firms, for if a domestic competitor is able to tap into a superior supplier from a foreign country, it may be able to seriously erode another firm's competitive position before the small firm understands the source of its competitor's competitive advantage and can take appropriate counter actions.

3. How have changes in technology contributed to the globalization of markets and production? Would the globalization of production and markets have been possible without these technological changes?

Answer: Changes in technology have significantly contributed to the globalization of markets and of production. Improvements in transportation technology have paved the way for companies like Coca-Cola, Levi Strauss, Sony and McDonalds to make their products available worldwide. Similarly, improvements in communications technology have had a major impact. The ability to negotiate across continents has been facilitated by improved communications technology, and the rapidly decreasing cost of communications has lowered the expense of coordinating and controlling a global corporation. Finally, the impact of information technology has been far reaching. Companies can now gain worldwide exposure simply by setting up a homepage on the Internet. This technology was not available just a few short years ago. The globalization of production and markets may have been possible without improvements in technology, but the pace of globalization would have been much slower. The falling cost of technology has made it affordable for many developing nations, which has been instrumental in helping these nations improve their share of world output and world exports. The inclusion of these nations, such as China, India, Thailand, and South Korea, has been instrumental in the globalization of markets and production. In addition, improvements in global transportation and communication have made it relatively easy for business executives from different countries to converse with one another. If these forms of technology, including air travel, fax capability, email, and overnight delivery of packages were not available, it would be much more difficult for businesses to conduct international trade.

4. "Ultimately, the study of international business is no different from the study of domestic business. Thus, there is no point in having a separate course on international business." Evaluate this statement.

Answer: This statement reflects a poor understanding of the unique challenges involved in international business. Managing an international business is different from managing a purely domestic business for at least four reasons. These are: (1) countries are different; (2) the range of problems confronted by a manager in an international business is wider and the problems themselves more complex than those confronted by a manager in a domestic business; (3) an international business must find ways to work within the limits imposed by government intervention in the international trade and investment system; and (4) international transactions involve converting money into different currencies. As a result of these differences, there are ample reasons for studying international business as a specific field of study or discipline.

5. How does the Internet affect international business activity and the globalization of the world economy?

Answer: The Internet has changed the way companies do business. This technology makes it easier for individuals and companies in different countries to conduct business with one another, and has lowered the cost of communications. These developments will undoubtedly hasten the already rapid pace of globalization, and act as an equalizer between large (resource rich) and small (resource poor) firms. For instance, it does not cost any more for a small software firm to gain visibility via the Internet than it does for a large software company like Microsoft. As a result, the Internet helps small companies reach the size of audience that was previously only within the reach of large, resource rich firms.

6. If current trends continue, China may be the world's largest economy by 2030. Discuss the possible implications of such a development for (a) the world trading system, (b) the world monetary system, (c) the business strategy of today's European and U.S.-based global corporations, and (d) global commodity prices.

Answer: The world trading system would clearly be affected by such a development. Currently China enjoys a somewhat privileged status within the World Trade Organization as a “developing” country. Such a rise to eminence, however, would clearly force it to become a full and equal member, with all the rights and responsibilities. China would also be in a position to actively influence the terms of trade between many countries. On the monetary front, one would expect that China would have to have fully convertible and trading currency, and that ultimately it could become one of the “benchmark” currencies of the world. From the perspective of Western global firms, China would represent both a huge market, and potentially the home base of some very capable competitors. Finally, commodity prices would probably fall.

7. Reread the Management Focus on Boeing and answer the following questions:

a) What are the benefits to Boeing of outsourcing manufacturing of components of the Boeing 787 to firms based in other countries?

b) What are the potential costs and risks to Boeing outsourcing?

c) In addition to foreign subcontractors and Boeing, who else benefits from Boeing's decision to outsource component part manufacturing assembly to other nations? Who are the potential losers?

d) If Boeing's management decided to keep all production in America, what do you think the effect would be on the company, its employees, and the communities that depend on it?

e) On balance, do you think that the kind of outsourcing undertaken by Boeing is a good thing or a bad thing for the American economy? Explain your reasoning.

Answer:

a) Boeing has traditionally outsourced some of the production of its aircraft, but it took outsourcing to a new level with the Dreamliner 787, outsourcing 65 percent of its value to suppliers located around the world. This strategy allowed each company including Boeing to focus on what it does best, allowing for greater efficiency and lower costs. Some students may also suggest that by using suppliers located in customer countries, Boeing could introduce a “local” element to the Dreamliner and gain goodwill with its customers.

b) With its new strategy, Boeing also encountered many problems, including challenges in coordinating its globally dispersed production chain. Production was frequently delayed and the aircraft was ready for sale much later than Boeing had anticipated. Some students may note that while Boeing was able to benefit from the expertise of its suppliers, by outsourcing, the company also lost the ability to increase its own knowledge and skills.

c) Workers in the countries to which the outsourcing takes place benefit. In specific, these workers may receive competitive wages for the skills they provide to the companies developing and manufacturing the products in-country. Knowledgeable workers within Boeing would not have the opportunity to use their skills and ― in some cases ― could lose their jobs as a result.

d) Based on the design of the Boeing 787, there are some core competencies that Boeing must develop to manufacture the product. In the short term, it would be difficult for Boeing to experience that learning curve, but if the company is able to work through these problems, it may have more knowledge and capabilities to apply in different projects in the future. As a result, employee skills would be applied and potentially widened. By keeping these employees working, the communities that depend on the company and its employees would enjoy a certain level of success. However, for Boeing in particular, the financial investment to make for all production within the company could be a daunting proposition and may have an impact on profitability, as well.

e) There will be some students who will state that this action is good for the American economy as it allows an American company to focus on its core strengths. In addition, this line of thought could be supported by the notion that, as a result of this focus on core strengths, the economy would become more competitive. However, other students will state that this approach is bad for the American economy due to the loss of jobs and commerce within the United States. Those holding this view will cite the danger of increased unemployment or the lack of jobs fitting the specific skills of the employees who may no longer be needed in the aerospace industry in the United States.

Medical Tourism and the Globalization of Health Care

closing case

**Summary**

This case examines the globalization of health care via a trend termed "medical tourism." Routine, yet highly expensive, services such as an MRI scan can be delivered more economically by outsourcing to a country such as India. In addition, specific medical procedures not covered by public or private insurance policies can be performed at a reduced cost internationally. As is the case in India, a network of highly-qualified and certified hospitals can tend to these specific medical needs. Additionally, Chinese individuals have begun searching for high quality medical solutions in the United States rather than rely on home remedies.

QUESTION 1: What are the benefits to American providers of outsourcing certain well-defined tasks such as interpreting an MRI scan to foreign providers based in countries such as India? What are the costs?

ANSWER 1: The benefits to American providers include, in the case of outsourcing the reading of MRI scans to India, the convenience of having the results available to the doctor soon after they are sent. One downside could be related to the extent of medical certification in India. As noted in the case, there are international accreditation standards to which state-of-the-art hospitals adhere. Ensuring that this is the case among their lower-cost providers is important in the delivery of health care.

QUESTION 2: Who are the primary beneficiaries of the growth of medical tourism? Who might lose from this trend?

ANSWER 2: As noted in the case, patients such as Howard Staab and Robert Beeney are beneficiaries of medical tourism's growth. By reducing the financial outlay for procedures that would have cost considerably more in the United States, many health care consumers are able to reduce their anticipated medical expenses, a critical factor as health care costs increase and some consumers near retirement. In another situation, middle-class Chinese rely on medical tourism to increase the quality of health care to which they have access. In fact, this willingness to pay for medical care abroad impacts not only countries such as India, but the United States as well. In terms of losing out on this trend, individuals who cannot afford to have specific procedures performed, even at a reduced price abroad, run the risk of not benefiting. Additionally, students may identify hospitals as losing some patients as a result of this trend.

QUESTION 3: What are the practical limits to outsourcing health care provision to other countries?

ANSWER 3: In some cases of medical care, such as the government-sponsored insurance program in the United States called Medicare, procedures performed internationally are not covered. Similar provisions exist in many private health care plans in the United States, as well.

QUESTION 4: On balance, do you think that the kind of outsourcing undertaken by American health care providers is a good thing or a bad thing for the American economy? Explain your reasoning.

ANSWER 4: Student answers will vary. Some students will support the trend of outsourcing as it is a way to fill demand at a relatively low cost. These students will point out that health care costs are continuing to increase and any attempt to reduce these costs provide a benefit to the industry, regardless of whether the medical provider is public, private, non-profit, or for-profit. Other students will not support the trend for at least two reasons. First, the outsourcing of jobs to an international location could be a sensitive issue for some. Second, these students could indicate that there is a risk of lower quality results if proper measures are not put in place.

**Teaching Tip:** Students can explore Apollo Hospitals' operations at the company's website at {<http://www.apollohospitals.com/>}.

**Teaching Tip:** Students can explore the University of California, San Francisco Medical Center's operations at the following website {<http://www.ucsfhealth.org/>}.

**Teaching Tip:** Students can examine and critique the discussion provided at {<http://www.forbes.com/sites/russalanprince/2016/05/02/the-coming-boom-in-health-tourism/#1b5f67793024>} and {<http://www.forbes.com/sites/russalanprince/2016/06/20/the-evolving-world-of-money-is-no-object-medical-tourism/#3d8f8cbc1e3a>}.

**Lecture Note:** To extend this discussion, consider {<http://www.forbes.com/sites/reenitadas/2014/08/19/medical-tourism-gets-a-facelift-and-perhaps-a-pacemaker/#3f4c3fbda185>}.

**Continuous** **Case** **Concept**

This feature allows you to integrate the material presented in each chapter of the text using a single industry, the auto industry. For each chapter, ideas will be presented on how to link the chapter contents to the current situation in the auto industry. This discussion can take place at the beginning of a new unit, at the end, or it could be threaded through the chapter material. In some cases, you may want to use the feature more than once. By using the continuous case concept, students will have the opportunity to understand how the elements presented throughout the text apply to an evolving, real situation.

* Sketch out a diagram of the auto industry showing the major players such as Ford, Chrysler, Toyota, Nissan, BMW, Mercedes, Tata, and Hyundai. Look at recent changes in corporate structure. For example, Italian automaker Fiat recently took control of Chrysler.
* Next, identify the location of each company’s headquarters, where production takes place, which markets are important to each firm, which companies are key rivals, and so on. For example, China and the United States are both strong markets for most automakers right now, but sales in Latin America and Europe are slumping. One problem affecting automakers is the recall of airbags made by Japanese supplier Takata. Takata supplied its airbags to much of the industry including Toyota, Nissan, Honda, General Motors. Students will probably be able to provide most of the information relatively easily. The goal here is to take a few minutes to establish the global nature of the industry.
* Finally, reflect on the factors that made the industry a global one, and consider what is likely to happen to the industry in the next three years, five years, and ten years. Students may note for example, that although the U.S. market is getting stronger, emerging markets have become more important. Similarly, students may predict that automakers will continue to look for ways to streamline production. Ford, for example believes that auto buyers are becoming more similar in their buying habits and so has recently implemented a new strategy, One Ford, which will allow it to sell just a few models in every market. The company hopes that by streamlining all phases of product development, production, and marketing it will be able to capture a larger share of the market and bigger profits.

**Video Note:** To explore an article that relates to short- and long-term industry and consumer factors automotive companies must consider in this discussion, consider *Volkwagen Comes Clean on Emissions Cheating* in the International Business Library at [http://bit.ly/MHEIBVideo](https://na01.safelinks.protection.outlook.com/?url=http%3A%2F%2Fbit.ly%2FMHEIBVideo&data=01%7C01%7Canke.weekes%40mheducation.com%7Ca25dc9eb643246ce47ad08d41a1dec6d%7Cf919b1efc0c347358fca0928ec39d8d5%7C1&sdata=PGTbnKJeqo4tban6vepacEyP5nezpxGm42CaB%2B3aOG8%3D&reserved=0)*.* Click “Ctrl+F” on your keyboard to search for the video title and access to teaching notes and discussion questions for this video.

global**EDGE** Exercises

The resources for each exercise can be easily located by using the search box at the top of the globalEDGE website at <http://globalEDGE.msu.edu>

**Exercise 1**

Search phrase: *trade forecasts* or *HSBC Global Connections*

Resource Name: HSBC Global Connections

Website: [https://globalconnections.hsbc.com/us/en](https://globalconnections.hsbc.com/us/en%20)

globalEDGE Category: [Globalization](http://globaledge.msu.edu/globalresources/resourcesbytag/globalization)

Additional Info:

Once on the *HSBC Global Connections* website, the *Trade Forecast Tool* can be found under the Tools & Data section of the site. It’s an interactive chart, where you can see the trade routes that are forecasted to exhibit the largest annual growth over the next several years.

**Exercise 2**

Search phrase:  *FDI Confidence Index*

Resource Name: A.T. Kearney: Foreign Direct Investment Confidence Index

Website: [http://globaledge.msu.edu/global-resources/rankings](http://globaledge.msu.edu/global-resources/rankings%20)

globalEDGE Category: [Rankings](http://globaledge.msu.edu/global-resources/rankings), [Country Level](http://globaledge.msu.edu/global-resources/country-level)

Additional Info:   
This ranking study, published regularly since 1998 surveys over 300 hundred executives from multinationals with more than $500 million revenues from 28 countries. The Index is calculated as a weighted average of the number of high, medium, and low responses to questions about the likelihood of direct investment in a market over the next three years. Index values are based on non-source-country responses (so, for example, the rating for India does not include responses from Indian multinationals).

**Additional** **Readings** **and** **Sources** **of** **Information**

Brexit Won't Stop Globalization

<http://www.bloomberg.com/news/articles/2016-07-14/brexit-won-t-stop-globalization>

China Imports Pharmaceutical Professionals

<http://www.bloomberg.com/news/articles/2010-09-15/china-imports-pharmaceutical-professionals>

China Inc. Goes on a Buying Spree for Global Health Assets

<http://www.bloomberg.com/news/articles/2016-07-05/china-inc-goes-on-a-buying-spree-for-global-health-care-assets>

Call It Chimerica: The U.S. and China Grow Ever Closer

<http://www.bloomberg.com/news/articles/2012-10-11/call-it-chimerica-the-u-dot-s-dot-and-china-grow-ever-closer>

Chinese Startup Wants to Predict Your Health With a Digital DNA Avatar

<http://www.bloomberg.com/news/articles/2016-06-29/disease-predicting-avatars-fuel-billion-dollar-chinese-startup>

Why Factory Jobs Are Shrinking Everywhere

<http://www.bloomberg.com/news/articles/2014-04-28/why-factory-jobs-are-shrinking-everywhere>

The F-35’s Global Supply Chain

<http://www.bloomberg.com/news/articles/2011-09-01/the-f-35-s-global-supply-chain>

Wanda Scraps $5.6 Billion Reorganization of Entertainment Assets

<http://www.bloomberg.com/news/articles/2016-08-01/wanda-scraps-5-6-billion-reorganization-of-entertainment-assets>

The Must Read Globalization: World’s Vicious Cycle

<http://www.bloomberg.com/news/videos/b/18b0c4d3-f5ad-486c-9f5c-387269e00fef>

Why Anti-Globalization Drives Inflation

<http://www.bloomberg.com/news/videos/2016-07-12/why-anti-globalization-drives-inflation>

IMF Key Issues: Globalization

<http://www.imf.org/external/np/exr/key/global.htm>

India 1, China 0

<http://www.bloomberg.com/gadfly/articles/2016-07-28/india-1-china-0>

Why Globalization is Going into Reverse

<http://www.bloomberg.com/news/articles/2013-11-25/why-globalization-is-going-into-reverse>

Uber Said to Plan Boosting Southeast Asia, India Resources

<http://www.bloomberg.com/news/articles/2016-08-02/uber-said-to-plan-boosting-resources-for-southeast-asia-india>

Rushing to Finish a Global Free-Trade Deal

<http://www.bloomberg.com/news/articles/2012-05-31/rushing-to-finish-a-global-free-trade-deal>

Foreign Makers Tune into China’s TV Market

<http://www.bloomberg.com/news/articles/2010-08-12/foreign-makers-tune-in-to-chinas-tv-market>