

**ATHENS UNIVERSITY OF ECONOMICS AND
BUSINESS**

**DEPARTMENT OF INTERNATIONAL &
EUROPEAN ECONOMIC STUDIES**

***MSc PROGRAM in INTERNATIONAL and
EUROPEAN ECONOMIC STUDIES***

COURSE: *International Business Economics (IBE)*

INSTRUCTORS:

Prof. Panos Hatzipanayotou (Part A)

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Office Hours: e-mail contact

MEETINGS: Thursdays 18:00-21: 9, 16, 23, 30 /10-2025
(P. Hatzipanayotou)

6, 13, 20, 27 /11-2025

(D. Christopoulos)

Location: 47 Evelpidon & 33
Lefkados Bldg., Rm 710

WHAT IS INTERNATIONAL BUSINESS ECONOMICS ALL ABOUT?

Business today is by all measures – international/global

No business or industry of any size is immune from the international economic environment: **Even small businesses** that operate in national markets are subject to competition from products coming into their countries from abroad.

Understanding the international economy is necessary for all engaged in business careers regardless of the size or the type of business or their career endeavor.

International Business Economics, or else Global Business, is usually defined as business activities involving trade, goods and services, and/or investment across national boundaries.

International Business Economics does **not necessarily** refer **only** to the activities of large, e.g., multinational, corporations, which are global / regional, in the geographical scope of their activities, e.g., **exports or imports of goods, support activities such as transport, credit, marketing and payments, legal, financial, banking and insurance services.** May also include activities relating to the **intangible assets** of the firm, e.g., trademarks, patents, and the licensing of brand names or product and manufacturing technology. **Dealing with these matters requires a working knowledge of the world's international trade and monetary systems.**

COURSE DESCRIPTION

The aim of the course: to provide with a thorough examination of the current global economic conditions and challenges, applying various methodological and analytical concepts to contemporary real-world situations regarding business in the global environment.

First Part: The Growth and Internationalization of the Entrepreneurial Firm

- why countries differ,
- which are and how are determined the global trade patterns,
- how contemporary strategies are used by firms to act in the global business environments,
- the strategies that firms adopt to compete effectively in the international business environment,
- How firms can perform in production, marketing, and innovation, to compete and succeed in the international business environment.

Second Part: World Financial Markets and International Business Economics

- an introductory level of theories of international finance flows,
- determination of interest and exchange rates in interconnected economies,
- the nature of financial crises.

COURSE WEBSITE (e-CLASS) Please consult the material uploaded to the e-CLASS site of the course for further course details

COURSE OBJECTIVE AND LEARNING OUTCOMES

A. Course Objective

The main objective of the Course is to *introduce and familiarize with the global economic environment pertinent to International Business Economics.*

The course covers theoretical aspects of the global economy as well as practical implications related to international business practices. In particular this course:

- Provides an understanding of the complexity of **cross-border business activity and practices.**
- Promotes the understanding of the **managerial perspective of aspects related to the global business environment**, which directly affect a business's foreign trade and investment
- Presents and analyses **practical factors** which impact the international business activities in differing political, legal and cultural environments
- Describes how the **foreign exchange market** operates
- Explains **movements in the value of the Euro and other currencies** in response to changes in the world economy and macroeconomic policies.
- Analyzes **international investment, banking, debt, and risk**

B. Learning Outcomes

At the end of this module students will be able to:

- Analyze the evolution of the global economy and of current topical debates surrounding ‘globalisation’. To interpret current events relating to globalization and international business activity.
- Understand the institutional, economic, political, cultural and technological environments that constitute today’s global business environment.
- Understand the basic economic theory underlying the importance of the transnational corporation, of international trade, and of competitiveness.
- Be familiar with the risks associated with the globalization of capital markets
- Appreciate the risks and benefits associated with the Eurocurrency market, the global bond market, and the global equity markets
- Use the theory and background knowledge learned to enhance the understanding, the significance and likely impacts of different business decisions
- Develop analytical and critical thinking and problem solving skills in order to create persuasive and comprehensive reports and policy analysis.

COURSE TEXTBOOKS, MATERIALS AND READINGS

- **Main Textbooks:**

1. C. W.L. Hill (2009) *International Business*. McGraw-Hill/Irwin
2. R.C. Feenstra and A.M. Taylor, (2014), *Essentials of International Economics*, Worth Publishers, N.Y.

- **Supplementary Textbook:**

1. Charles W. L. Hill and G. Tomas M. Hult, 2019, *Global Business Today*, 11th Edition, McGraw –Hill
2. Debra Johnson and Colin Turner, 2015, *European Business*, 3rd Edition, Rutledge Taylor and Francis Group
3. Mike Peng, 2017, *Global Business*, South-Western 4th Edition, CENGAGE Learning
4. Michael Geringer and Jeanne McNett and Donald Ball, 2019, *International Business*, 2nd Edition, McGraw –Hill.
5. Steven Brakman, Harry Garresten, Charles van Marrewijk, Arjen van Middeloostuijn, 2006, *Nations and Firms in the Global Economy: An Introduction to International Economics and Business*, Cambridge University Press.

- **Popular Supplementary Reading:** general business publications, e.g., *The Economist*, *The Harvard Business Review*, *The Financial Times*, *The Wall Street Journal*.

- **Internet Sites:**

<http://www.bloomberg.com>

<http://www.csis.org/gsi> for globalization think tank

<http://www.earthinstitute.columbia.edu/crosscutting/climate.html> for the Earth Institute

http://www.transparency.org/policy_research/surveys_indices/cpi/2005 for data on corruption.

<http://www.weforum.org/en/initiatives/gcp/Global%20Competitiveness%20Report/index.htm> for global competitiveness report and business competitiveness report

<http://www.doingbusiness.org/> for Doing Business Survey which provides cost estimates

COURSE ASSESSMENT

1. Research Project/Sort Paper (30% of final grade): A list of Research Projects are uploaded in the course's *e-class platform* (Research Tasks 2025-26). They will be allocated to **student(s), individually or to a pairs of 2, on a first-come-first-served basis.** The choice of pairs is yours, and you **must choose one** of the assigned Research Tasks and prepare a complete written Short Paper of 7-10 pages (Line and Paragraph Spacing 1.5, font Times New Roman 12). This assignment is evaluated on the basis of clarity of expression, logic in the order of presentation, accuracy of data and statements, use of data and other evidence in support of argument, overall depth and sophistication of analysis.

Deadlines for the project/short paper:

(i) **Research proposal**, between 100-150 words, to be submitted via e-mail to **both course instructors** (dchristop@aub.gr , hatzip@aub.gr) by the end of second week classes, i.e., **Sunday 19-10-2025.**

(ii) The **final draft** of the paper is due, **without exceptions**, on **Sunday 14-12-2025.** **Please return your final copy via e-mail to both Profs. D. Christopoulos and P. Hatzipanayotou in a pdf format.**

2. Class Participation- in class Case Studies/Quizzes(10% of final grade): At the end of each lecture (last 10-15 minutes) students will be asked to take a short-written quiz related to the in-class material. It is expected **a total of six (4) quizzes (2+2)** to be handed out throughout the course of lectures.

3. Final examination (60% of final grade): At the end of the term, there is a comprehensive final examination on all topics covered during the course's lectures. *Students must pass the final exam to succeed in the course.*

COURSE SCHEDULE AND CONTENT

Eight three-hour lectures. PART A: *Lectures 1 to 4* by Professor Panos Hatzipanayotou. **PART B:** *Lectures 5 to 8* by Professor Dimitris Christopoulos.

PART A: PANOS HATZIPANAYOTOU

LECTURE 1: Overview and Cross-Border Trade

- **Overview: Globalization, National Differences and Ethics in International Business**
- **International Trade Theory**
- **The Political Economy of International Trade**
- **CASE STUDY**

Reading Material: C. W.L. Hill (2009) *International Business, Chapters 1-6*.

LECTURE 2: Foreign Direct Investment, Strategy and Organization of International Business

- **Foreign Direct Investment (FDI)**
- **The Strategy of International Business**
- **The Organization of International Business**
- **CASE STUDY**

Reading Material: C. W.L. Hill (2009) *International Business, Chapters 7, 12 and 13*.

LECTURE3: International Business Functions (I)

- **Entry Strategy and Strategic Alliances**
- **Exporting, Importing and Counter-trade**
- **CASE STUDY**

Reading Material: C. W.L. Hill (2009) *International Business, Chapters 14-15*.

LECTURE 4: *International Business Functions (II)*

- **Global Production, Outsourcing and Logistics**
- **Global marketing and R&D**
- ***CASE STUDY***

Reading Material: C. W.L. Hill (2009) *International Business, Chapters 16-17*.

PART B: DIMITRIS CHRISTOPOULOS

LECTURE 5: The Global Capital Market

- **Growing and Internalizing the Entrepreneurial Firm
(Small and Medium Size enterprises, SMEs,
Innovation, Financing)**
- **Entering Foreign Markets**
- **Managing Global Competitive Dynamics**
- **CASE STUDY**

Reading Material:C. W.L. Hill (2009) *Global Business Today, Chapters 11-12.*

LECTURE 6: The Foreign Exchange Rate Market (I)

- **Exchange Rates Essentials**
- **The Market for Exchange
(The Spot Contract, Transaction Costs, Derivatives)**
- **Arbitrage and Exchange Rates**
- **CASE STUDY**

Reading Material:R.C. Fenestra and A.M. Taylor, (2014)
Essentials of International Economics, Chapter 10.

LECTURE 7: The Foreign Exchange Rate Market (II)

- **Arbitrage and Interest Rates**
- **Riskless Arbitrage**
- **Risky Arbitrage**
- **CASE STUDY**

Reading Material:R.C. Fenestra and A.M. Taylor, (2014)
Essentials of International Economics, Chapter 10.

LECTURE 8: *Exchange Rates and Pricing in the Long Run*

- **Purchasing Power Parity and Goods Market Equilibrium**
- **Money, Prices and Exchange Rates in the Long Run**
- **CASE STUDY**

Reading Material: R.C. Fenestra and A.M. Taylor, (2014)
Essentials of International Economics, Chapter 11.