



国际商务精选教材·英文影印版

INTERNATIONAL BUSINESS

国际商务

[第4版]

John J. Wild
Kenneth L. Wild 著
Jerry C.Y. Han



北京大学出版社
PEKING UNIVERSITY PRESS

F276.7
Y15

F276.7/Y15

2008.

国际商务精选教材·英文影印版

INTERNATIONAL BUSINESS

国际商务

[第4版]

John J. Wild
Kenneth L. Wild 著
Jerry C.Y. Han



北京大学出版社
PEKING UNIVERSITY PRESS

北京市版权局著作权合同登记图字:01—2008—2690 号

图书在版编目(CIP)数据

国际商务:第4版:英文/怀尔德等著. —影印本. —北京:北京大学出版社,2008.8

(国际商务精选教材·英文影印版)

ISBN 978-7-301-14176-2

I. 国… II. 怀… III. 国际贸易—教材—英文 IV. F74

中国版本图书馆 CIP 数据核字(2008)第 127693 号

Original edition, entitled INTERNATIONAL BUSINESS: THE CHALLENGES OF GLOBALIZATION 4th Edition, 978-0-13-174743-2 by JOHN J. WILD, KENNETH L. WILD, JERRY C. Y. HAN, published by Pearson Education, Inc., publishing as Prentice Hall. Copyright © 2008 Pearson Education, Inc.

All rights reserved. No part of this book may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording or by any information storage retrieval system, without permission from Pearson Education, Inc.

本书原版书名为《国际商务:全球化的挑战》(第4版),作者怀尔德、怀尔德、韩季瀛,书号 978-0-13-174743-2,由培生教育出版集团 2008 年出版。

版权所有,盗印必究。未经培生教育出版集团授权,不得以任何形式、任何途径,生产、传播和复制本书的任何部分。

China edition published by PEARSON EDUCATION ASIA LTD., and PEKING UNIVERSITY PRESS
Copyright © 2008.

This edition is manufactured in the People's Republic of China and is authorized for sale only in the People's Republic of China excluding Hong Kong, Macao SARs and Taiwan.

本书英文影印版由北京大学出版社和培生教育亚洲有限公司 2008 年出版发行。

此版本在中华人民共和国境内生产,被授权在中华人民共和国境内(不包括中国香港、澳门特别行政区及中国台湾地区)销售。

书 名: 国际商务(第4版)

著作责任者: John J. Wild Kenneth L. Wild Jerry C. Y. Han 著

责任编辑: 李 娟

标准书号: ISBN 978-7-301-14176-2/F·2014

出版发行: 北京大学出版社

地 址: 北京市海淀区成府路 205 号 100871

网 址: <http://www.pup.cn> 电子邮箱: em@pup.pku.edu.cn

电 话: 邮购部 62752015 发行部 62750672 编辑部 62752926 出版部 62754962

印 刷 者: 三河市欣欣印刷有限公司

经 销 者: 新华书店

850 毫米×1168 毫米 16 开本 29.75 印张 594 千字

2008 年 8 月第 1 版 2008 年 8 月第 1 次印刷

印 数: 0001—3000 册

定 价: 49.00 元

未经许可,不得以任何方式复制或抄袭本书之部分或全部内容。

版权所有,侵权必究

举报电话: 010-62752024 电子邮箱: fd@pup.pku.edu.cn

关于本书

适用对象

本教材适用于经济学、国际经济与贸易、国际商务等专业本科生的国际商务课程。

内容简介

本书包含了国际商务最新的理论和内容,并强调文化在国际商务中扮演的重要作用。本书的主题放在最前沿和中心的位置,以文化和全球化为基础,用直白和吸引人的方式解释了它们与商务之间的内在关联,并通过在线市场策略项目来帮助大家学习国际商务。

作者简介

约翰·J. 怀尔德(John J. Wild),麦迪逊威斯康星大学的资深教授,担任本科生和研究生的商务课程教学工作,曾获得多项教学优秀奖。他还经常在各所大学、国内和国际会议上发表演讲;是包括国际商务学会在内的多个国内和国际组织的会员,同时还是多家著名杂志的副主编或编委会成员。

肯尼思·L. 怀尔德(Kenneth L. Wild),曾任教于宾夕法尼亚州立大学,为本科生和研究生开设国际商务、营销和管理等课程。他是包括国际商务学会在内的多个国内和国际组织的成员,同时经常在澳大利亚、英国、科威特、葡萄牙和美国的主要大学和国内、国际会议上发表演讲。

韩季瀛(Jerry C. Y. Han),2002年9月26日逝世,曾是香港大学商学院的庞鼎元教授,曾同时在北京大学和中国人民大学等院校任教。韩教授因其对商务教学的奉献和创造力而广受赞誉。

本书特色

- 文化贯穿始终。每章都以具有浓厚文化特色的公司简介开始,书中还有大量有关商务活动中文化差异的生动案例。
- 通俗易懂。本书将复杂的内容用浅显的文字进行表述。
- 整体性突出。本书独特的组织框架描绘了一个动态、完整的系统,包括国内商务环境、国际商务环境、国际商务管理等全球化过程中相互影响的各个方面。
- 市场进入战略项目。本书的一个独特、互动的项目就是要求学生分析一个准备投入新产品的国家市场。
- 创新性教学。本书独立的教学模块包括企业家工具包、全球经理人公文包、全球性挑战、文化因素和商务启示。
- 自主学习工具。本书精选的课后练习材料包括讨论题、小组课题、在线学习、伦理问题和国际管理案例实践。

本版更新

- 最新完善的市场进入策略项目模拟演练出现在每章最后的小组讨论材料中,这些项目使得学生对其中所涉及的国家有一个更加全面的认识。
- 新增的文化因素专栏再次强调了本书的重点,即文化在国际商务中的中心作用,每一个专栏都介绍了文化与本章的某一重要话题之间的关系。
- 所有的小组讨论练习都被分成几类,包括辩论项目、研究项目、创意项目和市场进入策略项目。
- 所有的地图和图表都进行了更新,采用了可获得的最新数据。

教辅材料说明

本书的教辅材料有:教师手册、PPT、题库、DVD 的使用指导。教师请填写并反馈本书后面所附的《教学支持说明》,培生出版公司将免费提供相应教辅材料。

学生个人学习有如下网址可以使用:http://wps.prenhall.com/bp_wild_ib_4/。学生可以通过选择页面内的章节按钮进入每一章节,各章节包含学习目标、自我测验、学生用 PPT、市场进入策略项目等内容。

出版声明

本书是对国外原版教材的直接影印,由于各个国家政治、经济、文化背景的不同,对原作者所持观点,还请广大读者在阅读过程中加以分析和鉴别。

Preface

International Business, Fourth Edition by Wild, Wild, and Han Integrates Culture Early and Often

International business is all about you and me. This book presents the latest theories and concepts while highlighting the leading role culture plays in global commerce. This fourth edition of *International Business: The Challenges of Globalization* places culture and global topics front and center. It embraces culture and globalization as its foundation, and explains their interaction with business in a straightforward, engaging fashion. This book also integrates the latest technology by using an online market entry strategy project and downloadable podcasts to help students learn international business.

This book is our means of travel on an exciting virtual world tour through the study of international business. *International Business* delivers superior value to instructors and students because it is designed for today's student. This book motivates the reader with its concise vocabulary, thought-provoking examples, and vivid illustrations. It presents in a logical and structured manner how intricate dynamics are reshaping the global marketplace. Recent, real-world examples and interesting features bring the concepts of international business to life for students. This fourth edition once again delivers the most readable, current, and concise international business textbook on the market.

Hallmark Features of International Business

Culture Early and Often

Culture is presented in Chapter 2 and integrated within the text through culture-rich, chapter-opening company profiles and lively examples of cultural differences in business.

Highly Readable

Difficult material is presented in straightforward terms. For example, we explain absolute and comparative advantage in Chapter 5 by discussing whether Tiger Woods should install his own hot tub or let a professional installer perform the job!

Uniquely Integrative

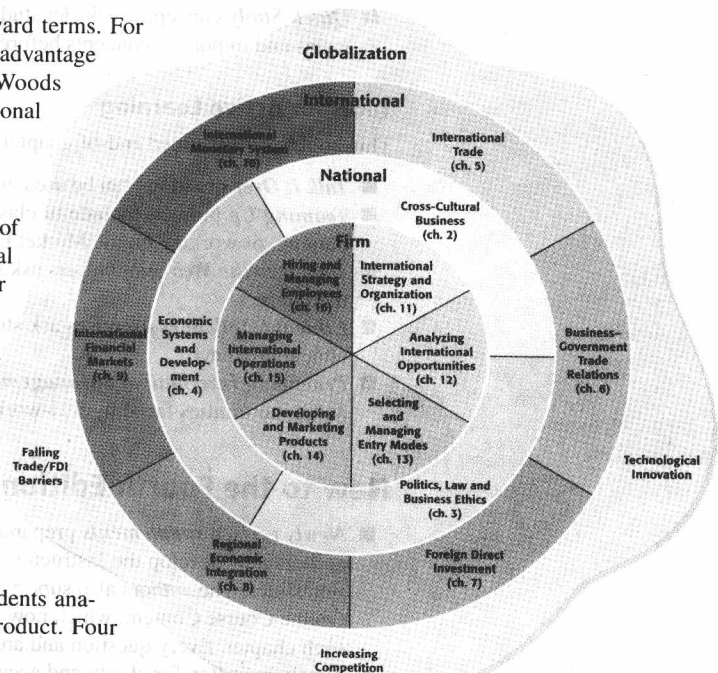
International business is not simply a collection of separate business functions and environmental forces. The model to the right (detailed in Chapter 1) is a unique organizing framework that helps students understand how elements of international business are related. It depicts a dynamic, integrated system that weaves together national business environments, the international business environment, and international business management—all interacting in an age of globalization.

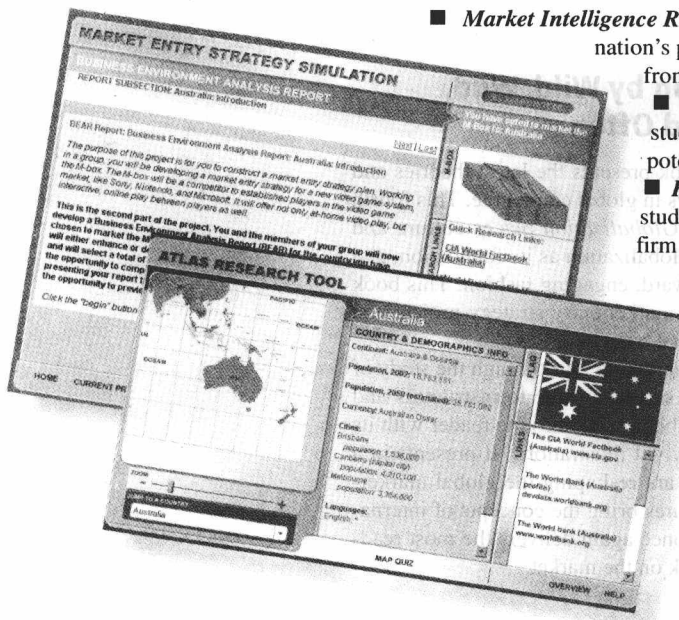
Market Entry Strategy Project

This book's unique, interactive project has students analyze a country in which to introduce a new product. Four activities build on one another:

FIGURE 1.8

The Global Business Environment





- **Market Intelligence Report (MIR)** asks students to gather market data on a nation's people, economy, government, and technological status from online sources over a 1–2 week period.

- **Business Environment Analysis Report (BEAR)** gives students the opportunity to analyze a selected country as a potential market over a 4–6 week period.

- **Report on Opportunities for Market Entry (ROME)** asks students to identify potential import and export prospects for a firm in a target market over a 6–8 week period.

- **Market Entry Strategy Assignment (MESA)** is a course-long, critical and creative thinking exercise for students to develop a market entry strategy for launching a new product in a selected country.

Innovative Pedagogy

This book's in-text pedagogy stands apart and includes:

- **Entrepreneur's Toolkit** in every chapter underscores the important role entrepreneurs and small businesses play in our global economy.
- **Global Manager's Briefcase** in every chapter expands on issues that pose special problems for today's manager.

- **Global Challenges** in each chapter of text Parts I and II presents topical, high-interest issues on the theme of globalization.
- **Culture Matters** in each chapter of text Parts I and II presents the relation between culture and a particularly important chapter topic.
- **Bottom Line for Business** closing sections in Chapters 1 through 10 explain how chapter topics affect business policies, strategies, and activities abroad.
- **Quick Study** concept checks let students verify they have learned the section's key terms and important concepts before moving on.

Tools for Active Learning

This book's well-planned end-of-chapter assignment materials include:

- **Talk It Over** questions can be used as in-class discussion or as homework assignments.
- **Teaming Up** projects include in-class debates, research and field interviews, role-playing, or working on the Market Entry Strategy Project (MESP).
- **Take It to the Web** assignments ask students to conduct brief research assignments on the Internet.
- **Ethical Challenges** exercises ask students to assume a specified role and consider an ethical dilemma.
- **Practicing International Management** cases ask students to analyze the challenges and opportunities faced by real-world companies.

New to the Fourth Edition

- **Newly revised supplements** prepared by the textbook authors themselves. The book's authors now develop the Instructor's Resource Manual and the PowerPoint presentation slides. The authors also supervised a complete overhaul of the Test Item File and Online Course Content, which now includes a new Web-based Learning Activity for each chapter. Every question and answer of the Internet Study Guide has been completely rewritten for clarity and accuracy under the authors' supervision.

- **Newly improved Market Entry Strategy Project (MESP)** is now easier to use and designed to better assist student learning. The simulation is now tied directly to the fourth edition with a new MESP project in the Teaming Up assignment material at the end of every chapter. The project lets students create a complete profile of the nation they're researching as part of their Market Entry Strategy Project.
- **New Culture Matters feature in each chapter of text Parts I and II.** This box feature reinforces the book's focus on the central role of culture in international business. Each Culture Matters presents the relation between culture and a particularly important chapter topic.
- **All Teaming Up exercises are now grouped into several categories**, including Debate Project, Research Project, Ideas Project, and the Market Entry Strategy Project.
- **Updates to ALL maps, tables, and figures** for which new data was available.

Key Changes to Specific Chapters

- **Chapter 1 Globalization** begins with a new opening vignette of Apple and its iPod that sets the tone for this book's new technology package. The chapter contains the latest evidence on the globalization debate wherever possible. Certain lengthy chapter sections have also been streamlined in this edition.
- **Chapter 2 Cross-Cultural Business** updates the discussion of globalization's influence on culture and how endangered languages are faring in this age of globalization. Also updated is how developing and emerging markets are overcoming the global digital divide.
- **Chapter 3 Politics, Law and Business Ethics** contains new material on how nations are trying to become business-friendly by implementing e-government, and the economic and human cost of civil strife in poor nations. Updates are provided on how economic and political turmoil in Latin America is undermining support for democracy there, and how terrorism is increasing the cost of international logistics.
- **Chapter 4 Economic Systems and Development** updates the recent experiences of the big emerging markets—China, India, and Russia—and updates North Korea's dabbling in market economics. The negative economic impacts of communicable diseases, and how investment in information technology benefits productivity and national economic development are also discussed.
- **Chapters 5, 6, and 7** present recent data on the volumes and patterns of international trade and investment flows, and discuss recent economic events where applicable. The poor progress of the Doha Round of trade negotiations within the framework of the World Trade Organization is also updated.
- **Chapter 8 Regional Economic Integration** updates the opportunities and challenges facing the European Union after its expansion to 27 nations today. New sections introduce the Central American Free Trade Agreement (CAFTA) and the African Union (AU). Meanwhile, all trade statistics for NAFTA have been updated, and coverage of the Transatlantic Economic Partnership (TEP) has been removed.
- **Chapter 9 International Financial Markets** updates coverage of the dollar's value on currency markets and describes how it alters companies' export, import, and production operations worldwide.
- **Chapter 10 International Monetary System** updates Argentina's efforts toward economic reform and attempts to restructure global institutions such as the IMF and World Bank.
- **Chapters 11 through 16** contain new or updated chapter-opening company profiles, updated case studies, a host of new exercise material, and recent in-text examples where appropriate. Every effort has been made to add more strategy than in previous editions and offer readers a more streamlined presentation.

Faculty Resources

Instructor's Resource Center

At www.prenhall.com/irc, instructors can access a variety of print, digital, and presentation resources available with this text in downloadable format. Registration is simple and gives you immediate access to new titles and new editions. As a registered faculty member, you can download resource files and receive immediate access and instructions for installing course management content on your campus server.

The following supplements are available to adopting instructors (for detailed descriptions please visit: www.prenhall.com/irc):

Printed Instructor's Manual—ISBN: 0-13-156154-5

Printed Test Item File—ISBN: 0-13-199789-0

PowerPoint Slides—Available at the IRC (online or on CD-ROM).

Custom Videos on DVD—ISBN: 0-13-223140-9

Student Resources

Companion Website

This book's Website (www.prenhall.com/wild) contains access to the Internet Study Guide and a student version of the PowerPoint presentation package.

Acknowledgments

We are grateful for the encouragement and suggestions provided by many instructors, professionals, and students in preparing this fourth edition of *International Business*. We especially thank the following colleagues who provided valuable feedback to improve this and previous editions:

Hadi S. Alhorr	<i>Drake University</i>
Madan Annavarjula	<i>Northern Illinois University</i>
Wendell Armstrong	<i>Central Virginia Community College</i>
Mernoush Banton	<i>Florida International University</i>
George Barnes	<i>University of Texas at Dallas</i>
Constance Bates	<i>Florida International University</i>
Marca Marie Bear	<i>University of Tampa</i>
Topé A. Bello	<i>East Carolina University</i>
Richard Brisebois	<i>Everglades University</i>
Martin Calkins	<i>Santa Clara University</i>
Kenichiro Chinen	<i>California State University at Sacramento</i>
Derrick Chong	<i>Royal Holloway, University of London, UK</i>
Randy Cray	<i>University of Wisconsin at Stevens Point</i>
Chris C. Demchak	<i>University of Arizona</i>
Robert Desman	<i>Kennesaw State University</i>
Teck Yong Eng	<i>King's College London, University of London, UK</i>
Robert Engle	<i>Quinnipiac University</i>
Herbert B. Epstein	<i>University of Texas at Tyler</i>
Blair Farr	<i>Jarvis Christian College</i>
Stanley Flax	<i>St. Thomas University</i>
Ronelle Genser	<i>Devry University</i>
Carolina Gomez	<i>University of Houston</i>
Jorge A. Gonzalez	<i>University of Wisconsin at Milwaukee</i>

Kenneth R. Gray	<i>Florida A&M University</i>
James Gunn	<i>Berkeley College</i>
James Halteman	<i>Wheaton College</i>
Alan Hamlin	<i>Southern Utah University</i>
Scott Hammond	<i>Utah Valley State College</i>
Charles Harvey	<i>University of the West of England, UK</i>
M. Anaam Hashmi	<i>Minnesota State University at Mankato</i>
Les Jankovich	<i>San Jose State University</i>
R. Sitki Karahan	<i>Montana State University</i>
Prahlad Kasturi	<i>Radford University</i>
Ki Hee Kim	<i>William Paterson University</i>
James S. Lawson Jr.	<i>Mississippi State University</i>
Ian Lee	<i>Carleton University</i>
Joseph W. Leonard	<i>Miami University (Ohio)</i>
Michael Littman	<i>Buffalo State College</i>
Carol Lopilato	<i>California State University at Dominguez Hills</i>
Donna Weaver McCloskey	<i>Widener University</i>
John L. Moore	<i>Oregon Institute of Technology</i>
Lynn Moretz	<i>Central Piedmont Community College</i>
Rod Oglesby	<i>Southwest Baptist University</i>
Susan Peterson	<i>Scottsdale Community College</i>
Janis Petronis	<i>Tarleton State University</i>
William Piper	<i>William Piedmont College</i>
Abe Qastin	<i>Lakeland College</i>
C. Richard Scott	<i>Metropolitan State College of Denver</i>
Coral R. Snodgrass	<i>Canisius College</i>
John Stanbury	<i>George Mason University</i>
William A. Stoever	<i>Seton Hall University</i>
Kenneth R. Tillery	<i>Middle Tennessee State University</i>
William Walker	<i>University of Houston</i>
Paula Weber	<i>St. Cloud State University</i>
James E. Welch	<i>Kentucky Wesleyan College</i>
Steve Werner	<i>University of Houston</i>
David C. Wyld	<i>Southeastern Louisiana University</i>

It takes a dedicated group of individuals to take a textbook from first draft to final manuscript. We would like to thank our partners at Pearson Prentice Hall for their tireless efforts in bringing the fourth edition of this book to fruition. Special thanks on this project go to Jeff Shelstad, vice president and editorial director; David Parker, executive editor; Ashley Santora, product development manager; Angela Pica, production editor; Eric Frank, director of marketing; Anne Howard, marketing manager; and Janet Slowik, art director.

A Final Word

We are fortunate to witness our profession's extraordinary devotion to teaching students of international business. We believe it is a rich, dynamic, and worthy subject. As instructors, a main challenge is to instill in our students a passion for international business. As

authors, our primary mission is to equip students with the passion, skills, and knowledge necessary to compete in the global marketplace. We trust you share this mission. It is our view that quality instructional materials, particularly this textbook, assist us in achieving that shared mission.

John J. Wild
Kenneth L. Wild
Jerry C.Y. Han

About the Authors

As a team, John Wild, Kenneth Wild, and Jerry Han provide a blend of skills uniquely suited to writing an international business textbook. They combine award-winning teaching and research with a global view of business gained through years of living and working in cultures around the world. Together, they make the topic of international business practical, accessible, and enjoyable.

John J. Wild John J. Wild is the Robert and Monica Beyer Distinguished Professor of Business at the University of Wisconsin at Madison. He previously held appointments at the University of Manchester in England and Michigan State University. He received his B.B.A., M.S., and Ph.D. from the University of Wisconsin at Madison.

Teaching business courses at both the undergraduate and graduate levels, Professor Wild has received several teaching honors, including the Mabel W. Chipman Excellence-in-Teaching Award, the Teaching Excellence Award from the 2003 graduation class, and the Beta Alpha Psi Excellence in Teaching Award. He is a prior recipient of national research fellowships from KPMG Peat Marwick and the Ernst and Young Foundation. Professor Wild is also a frequent speaker at universities and at national and international conferences.

The author of more than 50 publications, in addition to four best-selling textbooks, Professor Wild conducts research on a wide range of topics, including corporate governance, capital markets, and financial analysis and forecasting. He is an active member of several national and international organizations, including the Academy of International Business, and has served as Associate Editor or editorial board member for several prestigious journals.

Kenneth L. Wild Kenneth L. Wild is affiliated with the University of London, England. He previously taught at the Pennsylvania State University. He received his Ph.D. from the University of Manchester (UMIST) in England and his B.S. and M.S. degrees from the University of Wisconsin. Dr. Wild also undertook postgraduate work at École des Affaires Internationales in Marseilles, France.

Having taught students of international business, marketing, and management at both the undergraduate and graduate levels, Dr. Wild is a dedicated contributor to international business education. An active member of several national and international organizations, including the Academy of International Business, he has spoken at major universities and at national and international conferences in Austria, Britain, Kuwait, Portugal, and the United States.

Dr. Wild's research, on a range of international business topics including market entry modes, country risk, and international expansion strategies, have taken him to countries spanning the globe. Additionally, he serves as an Associate Editor of the Middle East Business Review.

Jerry C.Y. Han Jerry C.Y. Han, who passed away September 26, 2002, was Pong Ding Yuen Professor at the University of Hong Kong School of Business, where he was Director of the School's China Management Programs. He also held appointments at several Chinese Universities, including Beijing University and Renmin University. Professor Han previously held faculty appointments at the University of Buffalo, Hong Kong University of Science and Technology (HKUST), Michigan State University, and National Chung Hsing University. He received his Bachelors degree from National Chung Hsing University, Masters degree from National Chengchi University, and Ph.D. from the University of Buffalo.

Professor Han was a highly recognized teacher, known for his commitment and creativity in business education. He was a prior recipient of research fellowships from the government of Hong Kong, HKUST, Price Waterhouse, and National Chengchi University. Dr. Han was actively involved in several national and international organizations, including serving as President of the North American Chinese Association.

The author of more than 40 publications on various business topics, including international regulatory and disclosure issues, Professor Han served on the editorial boards of several prestigious journals. He also consulted with international companies and government agencies, as well as taught business courses for international companies across several industries.

简明目录

前言	xv
第 1 部分 全球商务环境	2
第 1 章 全球化	2
第 2 部分 国内商务环境	38
第 2 章 跨文化商务	38
第 3 章 政治、法律和商业伦理	73
第 4 章 经济体制和经济发展	105
第 3 部分 国际贸易与投资	130
第 5 章 国际贸易	130
第 6 章 企业与政府间的贸易关系	155
第 7 章 对外直接投资	181
第 8 章 区域经济一体化	205
第 4 部分 国际金融体系	232
第 9 章 国际金融市场	232
第 10 章 国际货币体系	260
第 5 部分 国际商务管理	288
第 11 章 国际战略与组织	288
第 12 章 国际机会分析	312
第 13 章 选择并管理进入模式	336
第 14 章 产品开发与营销	366
第 15 章 管理国际经营	390
第 16 章 雇用与管理员工	412
注释	433
资料来源	441
主题附表	445

Brief Contents

Preface xv

PART 1 Global Business Environment 2

Chapter 1 Globalization 2

PART 2 National Business Environments 38

Chapter 2 Cross-Cultural Business 38

Chapter 3 Politics, Law, and Business Ethics 73

Chapter 4 Economic Systems and Development 105

PART 3 International Trade and Investment 130

Chapter 5 International Trade 130

Chapter 6 Business–Government Trade Relations 155

Chapter 7 Foreign Direct Investment 181

Chapter 8 Regional Economic Integration 205

PART 4 The International Financial System 232

Chapter 9 International Financial Markets 232

Chapter 10 International Monetary System 260

PART 5 International Business Management 288

Chapter 11 International Strategy and Organization 288

Chapter 12 Analyzing International Opportunities 312

Chapter 13 Selecting and Managing Entry Modes 336

Chapter 14 Developing and Marketing Products 366

Chapter 15 Managing International Operations 390

Chapter 16 Hiring and Managing Employees 412

Notes 433

Sources 441

Credits 445

Contents

Preface xv

PART 1 Global Business Environment 2

Chapter 1 Globalization 2

Globalization 6

Globalization of Markets 6

Globalization of Production 8

■ GLOBAL MANAGER'S BRIEFCASE: Keys to International Success 8

Forces Driving Globalization 10

Falling Barriers to Trade and Investment 10

Technological Innovation 12

Measuring Globalization 13

Untangling the Globalization Debate 14

Today's Globalization in Context 15

The Current Globalization Backlash 15

■ GLOBAL CHALLENGES: Investing in Security Pays Dividends 16

Globalization's Impact on Jobs and Wages 18

Globalization's Impact on Labor and Environmental Regulation 21

Globalization and Income Inequality 22

Globalization and National Sovereignty 25

Globalization's Influence on Cultures 26

■ CULTURE MATTERS: Is Resistance Futile? 26

Key Players in International Business 27

Multinational Corporations 27

Entrepreneurs and Small Businesses 28

Why International Business Is Special 29

The Global Business Environment 29

■ ENTREPRENEUR'S TOOLKIT: Four Myths Keeping Small Businesses from Export Success 30

The Road Ahead for International Business 31

■ BOTTOM LINE FOR BUSINESS 32

Summary 34 • Talk It Over 35 • Teaming Up 35

Key Terms 36 • Take It to the Web 36 • Ethical Challenges 36

■ PRACTICING INTERNATIONAL MANAGEMENT CASE:

MTV: Going Global with a Local Beat 37

PART 2 National Business Environments 38

Chapter 2 Cross-Cultural Business 38

What Is Culture? 40

■ CULTURE MATTERS: Creating a Global Mindset 41

National Culture and Subcultures 41

Components of Culture 43

Aesthetics 43

■ **ENTREPRENEUR'S TOOLKIT: Localize Your Web Site** 44

Values and Attitudes 44

Manners and Customs 48

■ **GLOBAL MANAGER'S BRIEFCASE: A Globetrotter's Guide to Manners** 49

Social Structure 50

Religion 52

Personal Communication 55

■ **GLOBAL CHALLENGES: Speaking in Fewer Tongues** 56

Body Language 58

Education 59

Physical and Material Environments 60

Classifying Cultures 62

Kluckhohn–Strodtbeck Framework 62

Hofstede Framework 63

■ **BOTTOM LINE FOR BUSINESS** 66

Summary 67 • Talk It Over 68 • Teaming Up 68

Key Terms 69 • Take It to the Web 69 • Ethical Challenges 70

■ **PRACTICING INTERNATIONAL MANAGEMENT CASE:**

Modernization or Westernization? 71

Chapter 3 Politics, Law, and Business Ethics 73

Political Systems 75

Politics and Culture 75

Political Participation 75

Political Ideologies 76

■ **GLOBAL CHALLENGES: From Civil War to Civil Society** 79

Political Systems in Times of Change 80

Political Risk 80

Types of Political Risk 81

■ **GLOBAL MANAGER'S BRIEFCASE: Your Global Security Checklist** 82

Managing Political Risk 84

Legal Systems 87

Types of Legal Systems 87

■ **CULTURE MATTERS: Playing By the Rules** 89

Global Legal and Ethical Issues 89

Standardization 89

Intellectual Property 90

Product Safety and Liability 93

Taxation 93

Antitrust Regulations 94

■ **ENTREPRENEUR'S TOOLKIT: The Long Arm of the Law** 94

Ethics and Social Responsibility 95

Business and International Relations 97

The United Nations 97

■ **BOTTOM LINE FOR BUSINESS** 100

Summary 101 • Talk It Over 102 • Teaming Up 102

Key Terms 102 • Take It to the Web 103 • Ethical Challenges 103

■ **PRACTICING INTERNATIONAL MANAGEMENT CASE:**

Caveat Emptor—Who Ever Said Latin Was Dead? 104

Chapter 4 Economic Systems and Development 105

Economic Systems 107

Centrally Planned Economy 107

Mixed Economy	109
Market Economy	110
Development of Nations	113
National Production	114
■ CULTURE MATTERS: Foundations of Development	115
Purchasing Power Parity	117
Human Development	118
■ GLOBAL CHALLENGES: Public Health Goes Global	119
Classifying Countries	119
Economic Transition	120
Obstacles to Transition	121
Focus on Russia	122
■ ENTREPRENEUR'S TOOLKIT: The Rules of the Game	123
■ BOTTOM LINE FOR BUSINESS	124
Summary	126 • Talk It Over 127 • Teaming Up 127
Key Terms	128 • Take It to the Web 128 • Ethical Challenges 128
■ PRACTICING INTERNATIONAL MANAGEMENT CASE:	
Talkin' 'Bout a Revolution	129

PART 3 International Trade and Investment 130

Chapter 5 International Trade 130

Overview of International Trade	132
Benefits of International Trade	132
Volume of International Trade	133
International Trade Patterns	133
Trade Dependence and Independence	134
■ GLOBAL MANAGER'S BRIEFCASE: Building Good Relations in the Pacific Rim	135
Theories of International Trade	136
Mercantilism	136
Absolute Advantage	138
Comparative Advantage	140
Factor Proportions Theory	142
International Product Life Cycle	143
■ ENTREPRENEUR'S TOOLKIT: Five Common Fulfillment Mistakes	145
New Trade Theory	146
National Competitive Advantage	146
■ BOTTOM LINE FOR BUSINESS	150
Summary	151 • Talk It Over 152 • Teaming Up 152
Key Terms	152 • Take It to the Web 153 • Ethical Challenges 153
■ PRACTICING INTERNATIONAL MANAGEMENT CASE:	
First in Asia and the World	154

Chapter 6 Business-Government Trade Relations 155

Why Do Governments Intervene in Trade? 157

Political Motives	157
Economic Motives	159
Cultural Motives	161

Methods of Promoting Trade 162

Subsidies	162
-----------	-----