

# UNIVERSITY OF MARY WASHINGTON -- NEW COURSE PROPOSAL

Electronically submit this completed form with attachments in one file to the Chair of the College Curriculum Committee.

<b>COLLEGE (check one):</b>	<b>Arts and Sciences</b>	<input checked="" type="checkbox"/>	<b>Business</b>	<input type="checkbox"/>	<b>Education</b>	<input type="checkbox"/>
Proposal Submitted By: Donghyun Lee			Date Prepared: 1/8/2019			
Course Title: Economics of Multinational Corporations						
Department/discipline and course number*:			ECON 428			
Prerequisites:			ECON 201B and ECON 202B			

*\*This course number must be approved by the Office of the Registrar before the proposal is submitted.*

Number of credits:	3	Will this course meet for at least 700 contact minutes for each credit hour proposed? <b>If no, provide a credit hour justification.</b>	<b>YES</b>	<input checked="" type="checkbox"/>	<b>NO</b>	<input type="checkbox"/>
Will this be a <b>new, repeatable</b> "special topics" course? (Do you want students to be able to take this new course more than once if the topic changes?)			<b>NO</b>	<input checked="" type="checkbox"/>	<b>YES</b>	<input type="checkbox"/>

Date of first offering of this <b>new</b> course: <b>FALL SEMESTER, year</b>		Fall 2019	
Proposed frequency of offering of the course:		Once every academic year	
Proposed enrollment limit for the course:		20	
List the faculty who will likely teach the course:		Donghyun Lee	
Are ANY new resources required?		<b>NO</b>	<input checked="" type="checkbox"/> <b>YES</b>
Document in attached impact statement			

**\*\*The earliest the course may be offered is the fall semester of the academic year FOLLOWING the year in which the course proposal is approved.**

<b>This new course will be (check all that apply):</b>			
Required in the major	<input type="checkbox"/>	Required in the minor	<input type="checkbox"/>
Elective in the major	<input checked="" type="checkbox"/>	Elective in the minor	<input checked="" type="checkbox"/>
General Elective		<input checked="" type="checkbox"/>	
General Education**		<input type="checkbox"/>	

**\*\*AFTER the new course is approved, a separate proposal must be sent to the General Education Committee.**

<b>Catalog Description</b> (suggested length – less than 50 words):	
Introduction to topics on Foreign Direct Investment (FDI) and Multinational Corporation (MNC). Topics include major determinants of FDI and various economic effects of FDI by the MNCs.	

<b>COURSE HISTORY:</b>	Was this course taught previously as a topics or experimental course?	<b>YES</b>	<input checked="" type="checkbox"/>	<b>NO</b>	<input type="checkbox"/>
<b>Course Number and Title of Previous Course</b>		<b>Semester Offered</b>	<b>Enrollment</b>		
ECON 488W Multinational Corporations		Spring 2019	6		
ECON 488S Economics of Multinational Corporations		Fall 2017	11		
ECON 488S Economics of Multinational Corporations		Fall 2016	19		
<input checked="" type="checkbox"/>	<b>CHECK HERE</b> if the proposed course is to be <b>equated</b> with the earlier topics or experimental offerings. If equated, students who took the earlier "topics" course will only be able to take the new course as a repeat (C- grade or lower).				
<b>NOTE:</b> If the proposed course has not been previously offered as a topics or experimental course, <b>explain in the attached rationale statement</b> why the course should be adopted even though it has not been tried out.					

## REQUIRED ATTACHMENTS:

1. **Rationale Statement** – Why is this course needed? What purposes will it serve?
2. **Credit Hour Justification** (if required) – explain how this course will comply with the UMW Credit Hours Policy (D.5.3)
3. **Impact Statement** – Provide details about the Library, space, staffing, budget, and technology impacts created by adding this new course. Include supporting statements from the Library, IT Department, etc. **Any change that impacts another Department must have a written statement (such as an email) from the Chair(s) agreeing to the change.**
4. **Sample Syllabus**

Department Chair Approval\*: Margaret Ray

Date: 1/9/2019

CCC Chair Approval:



Date: 1/24/2019

**\*COB and COE proposals approved by the Associate Dean. BEFORE consideration by the UCC, the proposal must be approved the two levels noted above. Approval by the UCC and UFC are noted on the proposal "status history" at the UCC web site.**

**Rationale Statement** – Why is this course needed? What purposes will it serve?

Globalization has become an important topic in many disciplines due to its prevalence and increasing significance in recent years. International economics, which is a field in economics that studies micro- and macroeconomics at international scale has become important as well due to rise in globalization and integration of the economies around the world. This new course is an international economics course which focuses on Foreign Direct Investment (FDI) activity by the Multinational Corporations (MNCs). Topics on FDI and MNCs have become very popular and important in international economics in recent years because many economists in international economics literature believe that this FDI activity by the MNCs plays a significant role in globalization and integration of the economies around the world.

One of the main purposes of this course is to offer another course in international economics which has become an important field in economics in recent years. The economics department is also putting more emphasis on international economics. There's also growing demand in courses in international economics by departments that offer international affairs and international business majors. Therefore, in order to provide our students with the opportunity to study this expanding field and meet the growing demand for courses in international economics, I am proposing this new course so that we can strengthen this area of growing importance in our curriculum.

**Impact Statement** (Provide details about the Library, space, staffing, budget, and technology impacts created by adding this new course. Include supporting statements from the Library, IT Department, etc.)

I don't anticipate any altered impacts on the library, space, staffing, budget, and technology.

**University of Mary Washington**

**Department of Economics**

**ECON 488W**

**Economics of Multinational Corporations**

**Spring 2019**

**Professor: Don Lee**

Office: 1004 College Avenue (ECON House), Room 204

Office Hours: MWF 2-4pm, by appointment, open door policy

E-mail: [dlee6@umw.edu](mailto:dlee6@umw.edu)

Office Phone: 540-654-1486

Website: <https://canvas.umw.edu>

### **Course Description**

This course aims to provide you with a perspective on how economists think about and evaluate multinational corporations (MNCs). MNCs undertake foreign direct investment (FDI), thus much of this course involves thinking about FDI. We will start by asking what is an MNC and how to define FDI? Why do firms become MNCs? What are the major determinants of FDI? What kind of data exist on the activities of MNCs and where can we find them?

For most of the course, we will address empirical questions such as what are the many factors that attract or deter MNCs? What is the impact of MNCs on the countries that host them? How does the presence of MNCs affect employment, wages, productivity and technology? Does the nature of the host country matter? Readings will be drawn largely from published and unpublished empirical research papers by economists.

Students who complete this course will

- (1.) be able to define MNC and FDI;
- (2.) be able to understand why an MNC engage in FDI and the various motives behind it;
- (3.) be able to understand various determinants of FDI;
- (4.) be able to understand how FDI activity by the MNCs affect the host country;
- (5.) be able to demonstrate a basic understanding of news relating to the MNCs and FDI;

## **Prerequisites**

ECON 201 and 202.

## **Text**

There is no textbook for this class. Most readings will consist of scholarly articles.

## **Course requirements**

- Class participation (5%)
- Quizzes (30%)
- Article discussion (10%)
- Project presentation (20%)
- Project write-up (35%)

Attendance Policy: I do not 'take' attendance in any of my classes. However, students are expected to attend all classes and scheduled course events during the semester and are responsible for any work missed. Unexcused absences from exams or class assignments will result in a zero for that assignment. Obviously, excuses may be granted for the following reasons if proper documentation is provided: critical emergencies, athletic or organizational trips, or illness.

Class participation: Frequent class participation is expected in this class. Quality participation furthers the classroom discussion: asking questions, (politely) challenging others' arguments, and offering your own analysis and opinions are essential in this course. Do not be shy about saying something wrong. As you must have already found out during your time at UMW, often times there are no right or wrong answers to many academic questions. Needless to say, I expect everyone to act in a civil manner when participating in discussions.

Article discussion: The best way to practice reading and evaluating economic research is to discuss it. One way in which economists share their research with other economists is by presenting it and discussing it at conferences. Each student will be responsible for discussing three scholarly articles during the course. The presentation of the article you are discussing will follow a standard conference format. Discussing articles in this way can help you think about how research papers are organized and how to read them, what types of questions they attempt to answer, and how to evaluate them.

You will have 10 minutes to discuss the article. You should come to class prepared with a PowerPoint presentation for the discussion of the article.

Project: Pick a topic in FDI and Multinational Corporation and turn in the project write-up at the end of the semester. Your research paper should be either descriptive or empirical in nature. The latter, naturally, is more feasible if you have taken econometrics. If you decide to write a descriptive paper, you are still required to use some data. Much insight can be gained by clever comparisons. For example, by looking at the FDI-to-GDP ratio for different kinds of countries

(high, medium, low GDP; high, medium, low skilled-labor endowments), you can say much about what types of countries and what features tend to attract FDI.

Your paper should follow the same outline that you see in the papers we discuss and thus answer the same types of questions:

- What problem/question is being addressed?
- Why is this problem/question important? Is it of policy importance? Does it solve a puzzle in the discipline? Are new methodologies being used to derive solutions/answers? That is, how does this paper contribute to the economic literature?
- What is the central hypothesis? How is the hypothesis being tested?
- What data are being used to address the problem/question? Describe them.
- What are the paper's main results?
- What conclusions may be derived? What are the main policy implications?

Select an interesting topic appropriate for this assignment (not too small or not too grandiose), and with *data available*.

In order to facilitate the writing process, two intermediate steps are required. You must strictly adhere to the timeline. First, submit an approximately two to three-page proposal of the topic. The proposal should motivate and outline the topic and describe your approach. It also must include a preliminary set of data sources. There will be scheduled time to talk to me about your paper idea well before submitting your proposal. I will review the proposal, assign a grade and make suggestions. No two students may select the same topic, so some coordination will be required.

Second, present your work-in-progress project to the class. The purpose of this is that I and your classmates can give you feedback, which will improve its quality. Note that the project must be substantially complete at this point.

(No exceptions—plan ahead.).

The following schedule applies:

Feb. 15: Quiz 1

Mar. 1: Individual meetings to discuss proposal (No class).

Mar. 15: Project proposal due

Mar. 29: Quiz 2

Week 14 and 15: Project presentation

Apr. 30: Final paper due

May 1: Quiz 3

### **Miscellaneous**

Grade appeals: If you believe that your exam, homework, or other assignments were misgraded, you must submit a written appeal no later than one week after the relevant grade was posted in Canvas. The appeal must be made in writing and sent via email.

E-mail policy: I will periodically send you email during the semester; therefore, you should routinely check your UMW email account (i.e., at least the day before each class). At the same time, I have quickly discovered that e-mail is an inefficient method to dealing with student questions about course material. If you have questions about the material, you can ask them during class, after class, during my office hours, or at some other arranged time.

Electronic device policy: **Please turn off all electronic devices during class.** Also, unauthorized recording of the class (other than using paper and pencil or pen) is prohibited. Failure to comply with either policy may result in dismissal from the course.

Your picture on Canvas: Please note that it is a requirement for this course that you upload a picture to your Canvas profile. This will help me memorize your name faster.

Academic Integrity: I strongly encourage you to work with fellow students since tremendous benefits can be obtained by working with others. At the same time, all work submitted to me must be your own. Plagiarism, fabrication, cheating, and facilitating the academic dishonesty of others are serious offenses. Any instance of academic dishonesty in this course will result in a grade of F for the course.

Disruptive Behavior: Behaviors that are disruptive to teaching and learning will not be tolerated. These include, but are not limited to, talking in class, reading materials unrelated to the course, cell phone and pager use, coming to class late or leaving early. Behaviors that create a hostile, offensive or intimidating environment based on gender, gender identity, race, national or ethnic origin, color, religion, age, disability, marital status or sexual orientation will be referred to the Judicial Affairs.

Accommodations for Students with Disabilities: If you receive services through the Office of Disability Resources and require accommodations for this class, make an appointment with me as soon as possible to discuss your approved accommodation needs. Bring your accommodation letter with you to the appointment. Any information you share with me will be treated confidentially unless you give me permission to do otherwise. If you have not made contact with the Office of Disability Resources and have reasonable accommodation needs (note-taking assistance, extended time for tests, etc.) you will need to register with the Office of Disability Resources (401 Lee Hall). The office will require appropriate documentation of disability.

Policy on Recording Class: In this class, students **may not make audio or video recordings** of any course activity unless the student has an approved accommodation from the Office of Disability Resources permitting the recording class meetings. In such cases, the accommodation letter must be presented to the instructor in advance of any recording being done and all students in the course will be notified whenever recording will be taking place. Students who are permitted to record classes are not permitted to redistribute audio or video recordings of statements or comments from the course to individuals who are not students in the course without the express permission of the faculty member and of any students who are recorded. Distribution without permission is a violation of educational privacy law. This policy is consistent with UMW's Policy on Recording Class and Distribution of Course Materials.

Title IX Statement: University of Mary Washington faculty are committed to supporting students and upholding the University's *Policy on Sexual and Gender Based Harassment and Other Forms of Interpersonal Violence*. Under Title IX and this Policy, discrimination based upon sex or gender is prohibited. If you experience an incident of sex or gender based discrimination, we encourage you to report it. ***While you may talk to me, understand that as a "Responsible Employee" of the University, I MUST report to UMW's Title IX Coordinator what you share.***

If you wish to speak to someone confidentially, please contact the below confidential resources. They can connect you with support services and help you explore your options. You may also seek assistance from UMW's Title IX Coordinator. Please visit <http://diversity.umw.edu/title-ix/> to view UMW's *Policy on Sexual and Gender Based Harassment and Other Forms of Interpersonal Violence* and to find further information on support and resources.

The Honor Code: All students are required to comply with all the provisions of the Honor Code.

### **Tentative Course Outline of Topics**

- I.** Basic facts on the world economy, multinational corporations, and foreign investment
- II.** Basic (review) of comparative advantage and trade between countries
- III.** Factors that affect firm choice to locate production abroad and ways in which firms organize global production networks
- IV.** Effects of multinational corporations on host and parent countries
- V.** Other issues related to FDI such as environment and growth.