
Book Review

International Business

Rakesh Mohan Joshi

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Amit Patel

Assistant Professor,
V. M. Patel Institute of
Management,
Ganpat University.
amitpatel.gnu@gmail.com

International experience is no longer luxuries. Without the comprehension of the global issues, one can't jig into the international business in the current time. The first print of *International Business* by Prof. Rakesh Mohan Joshi is written for the purpose of educating the practicing managers as well as future managers to meet the international challenges. Book provides *solid foundations* that are useful for explanation, prediction and control of international business activities.

Although many books have been written on the subject, this text is highly distinctive in terms of utilization of scholarly sources to provide theoretical explanation and empirical evidence to support actual practices of international business. A clear-cut explanation of key theoretical concepts and their managerial applications in a lucid manner are more germane to practicality, facilitates skill development for future managers and skill up-gradation for practicing managers. The examples, illustrations, flow diagrams and diagrams makes it interesting to read and easy to conceptualize and comprehend.

The book comprehensively covers the chapters which are very important to understand the international business and related issues in totality. It encompasses the important topics like globalisation and international business, theory of international trade, issues pertaining to balance of payment, World Trade Organisation and institutional framework for international business. The cultural, political and legal aspects of the business and international marketing theories and practices are explained very comprehensively. It further discusses the country evaluation and international business expansion, the modes of entry, foreign direct investment and multinational enterprise operations. It throws light on the concepts and issues of international monetary system, foreign exchange risk management, modes of payment in international trade as well as management of export finance and international trade procedures and documentations. Management of global operations and supply chain and human resources is also explained comprehensively. Finally, the book is concluded with explication on ethical issues in international business.

Chapters in the opening sections elucidate the conceptual framework of globalisation and historical perspective of the globalisation of the business and specially India's journey to globalisation. Factors influencing the globalisation, criticism of globalisation and strategies to globalisation forces for emerging markets are explicated. Trade theories and their implications, trade statistics and critical notes on the India's trade issues are cited explicitly.

Institutional frameworks for international business in general and in India particulars, World Trade Organisation, WTO Agreements, Ministerial conference and issues in developing countries are delineated meticulously. Economic integration and issue of preferential trading agreements and hence undermining multilateralism is explored. In addition, cultural, political and legal as well as policy framework and related measures are discussed thoroughly.

Desirous of international expansion requires careful market research to spot the business opportunities across the borders, evaluation of various countries and selecting most attractive. Country research and evaluation criteria and matrix of evaluation, different expansion modes and entry strategies, theory of Foreign Direct Investment (FDI), types of FDI, FDI in India and policy concerns, FDI statistics and Internationalization of the MNCs are explained precisely. Further, how FDI plays a role in economic development of the developing countries, positive and negative impact of FDI, India's major inbound and outbound FDI flows particularly and perspective on market imperfection theory is also elucidated explicitly. International marketing chapters elaborate the discussion on market identification, segmentations, targeting, entry mode decisions and international marketing mix decisions.

Perspective on international monetary system, currency fluctuations, rate determination and risk exposure and management of the currency risk are very crucial for the business organisation. Repatriation of foreign earned money in economic turmoil situations required great deal of understanding of the foreign exchange mechanism and currency risk management. Various currency risk management strategies, different modes of payment and management of international finance – pre and post shipment finance is discussed. Access to adequate finance is crucial for successful execution of the export transaction. Various instruments used for export financing are critically examined. Section also throws light on operational strategies and issues including global supply chain & international logistics. Management of the cultural diversity and expatriate and related issues are delineated briefly.

The book concludes with essential topic 'Ethics in Business', which has long been debated issue. Although several attempts have been made to stay clear of unscrupulous business practices, yet instances of malpractices like corruption, bribe, grey marketing etc continue to unfold. Chapter deals with the concept of ethics and explores the unethical practices such as *hawala*, money laundering, tax havens, unethical dumping, counterfeiting, bribe, grey marketing, smuggling, piracy etc. Chapter concluded with the brief delineation of corporate social responsibility and its international guidelines.

Overall, the book is good resource for those who would like to understand the concepts of international business and for those who are practicing international operations as relevant illustration, critical notes on practices, facts & figures and detailed collection of case-studies and statistics provide more clarity on the topic. The book provides a novice an interesting learning contents as well as critical practice exercise to put into effect what he has learned. Practitioners stand to benefit from a simple, comprehensive framework presented with 'to-do-exercise' to understand and learn the all around development and issues of international business as well to strategies to stay ahead in their international operations.