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Course Description:
An eight-day international experience in the Czech Republic and Hungary to obtain experience in the culture, business practices, and business environment of two transition economy countries that are poised to enter the European Union.

Course Objectives:
1. To obtain exposure to business operations in two countries which are viewed as transition economies.

2. To develop an understanding of the strategic issues faced by Czech and Hungarian business organizations in dealing with the European Union now and in the future.

3. To understand the financial, information technology, human resource, and marketing and supply chain similarities and differences in an international environment.

4. To apply the lessons learned to your own organizations.

Course Instructional Material:
The primary information sources for this course are the Economist and globalEDGE. A subscription to the Economist (paper and electronic) is provided. To access the Economist’s website you need to register. This is done by logging on to the website and following the “access” instructions. You will need to enter your Economist identification number; it is located on your mailing label. The Economist is arguably the most literate popular business and economic magazine published today. The globalEDGE website was created and is maintained by MSU’s Center for Business Education and Research (CIBER). According to the number of “hits” it is the most popular website for international business and economic information in the world. Both websites provide information on a country basis; look for the country “button” to hit.

http://www.economist.com
http://globaledge.msu.edu

Current general information is available in these three English language newspapers. A Slovakian newspaper is also included because we are scheduled to have lunch in Bratislava along with a brief city
tour. The Hungarian paper is not a “pure” Hungarian newspaper because it contains articles from news sources around the world that pertain to Hungary, especially Budapest. The relevant websites are:

http://www.praguepost.cz
http://www.slovakspectator.sk
http://www.hungarytimes.com

Selected Czech Republic and Hungarian economic and business information websites are given below. Of particular interest are two books on the CERGE website. To find these, go to the website and hit publications and then books. Look for Czech Republic 2003/2004 – Entering the EU and Tale of the Czech Transition: Understanding the Challenges Ahead. Both are about 100 pages but the introductions are short and informative.

http://www.prague-tribune.cz/
http://www.cerge-ei.cz
http://www.bbj.hu/

Websites containing culture and travel information for Prague and Budapest are provided below. Budapest Week is particularly helpful for your “cultural” Saturday. The Lonely Planet website provides a short history of the Czech Republic and Hungary. A concise history is also on the globalEDGE website (see above). The State Government website gives up-to-date-information on travel safety and so forth as well as information on travel regulations. You need to select the country that you want.

http://travel.state.gov/travel/
http://travel.nytimes.com
http://www.lonelyplanet.com/destinations/
http://www.prague.cz
http://www.bratislava.sk/
http://www.budapestinfo.hu/en/
http://www.budapestweek.com/

The truly culturally dedicated student might want to read The Good Soldier Svejk (and His Fortunes in the World War) by Jaroslav Hasek. This book is a classic Czech character study that examines the universal human condition. The cartoon illustrations by Josef Lada are excellent. English translations are available in libraries and a google web search finds numerous copies ranging anywhere from $2.50 to $1,250.00 for a collector’s copy.

Student Performance Criteria:

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<tr>
<th>Assignment</th>
<th>Due Date</th>
<th>Percentage of Grade</th>
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<tbody>
<tr>
<td>Seminar Participation (Individual)</td>
<td>May 20 and August 1 – 5</td>
<td>30</td>
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<tr>
<td>Professional Comportment (Individual)</td>
<td>May 20 – August 7</td>
<td>10</td>
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<tr>
<td>Business Analysis – I (Team)</td>
<td>July 11</td>
<td>20</td>
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<tr>
<td>Business Analysis – II (Team)</td>
<td>July 18</td>
<td>20</td>
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<tr>
<td>Application Paper (Individual)</td>
<td>August 12</td>
<td>20</td>
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The two Business Analysis assignments should be e-mailed to Professor Booth. The Application Paper assignment, however, should be e-mailed to Professors Booth and Young. Both e-mail addresses are given above. All written assignments should be easily identifiable and prepared in a professional manner. Text material should be double spaced and on one side of the paper. Use 1-inch margins. Footnotes should be located on the bottom of the page where cited, and references should be placed at the end of the report. The font should be 10 – 12 pitch. Late assignments will incur a grade penalty.

MSU’s Policy on Academic Honesty is strictly adhered to. So that you do not inadvertently plagiarize, make sure that you clearly indicate the sources of your information, even if it is a website. Common knowledge need not be footnoted, but when in doubt cite.

Seminar Participation:

You are expected to fully participate in all formal class activities. This includes asking questions of the lecturers giving presentations in Prague and Budapest as well as the Czech and Hungarian organizations we visit.

Professional Comportment:

You are expected to act in a professional manner befitting a representative of MSU and your company. This includes becoming familiar with the cities and countries to be visited prior to July 30. globalEDGE is a great place to start. Also you should investigate the cultural and travel websites provided above. In addition, you are expected to make meaningful and substantial contributions to your team assignments. Failure to do so may not only negatively affect your professional comportment grade but also your team assignment grade. Finally, professional dress (coat and tie and so forth for men and the equivalent for women) is required unless otherwise specified.

Business Analysis:

We will visit six companies (three in the Czech Republic and three in Hungary), each company representing a different industry. The class will be divided into six teams with each team consisting of four to five students. Each team is required to prepare two separate reports. Each report should be submitted to Professor Booth via an e-mail attachment and will be available shortly thereafter at [http://www.msu.edu/~booth/PIM874.html](http://www.msu.edu/~booth/PIM874.html). The purpose of these reports is to prepare you, your team and the other class members to interact effectively with the key management of the companies visited. Thus, all students are required to be familiar with the material contained in all of the reports prior to departure.

I. The first report focuses on the current economic situation and the short- and long-term economic outlooks for the Czech Republic or Hungary. Three teams will be assigned to each country. The analysis should discuss the assigned country as well as the European Union and the country’s relationship to it. The report should be 5 – 10 pages long (not including relevant tables and figures).

II. The second report addresses the industries of the companies that we will visit. One team will be assigned to each company-industry, which will be located in the country that the team examined in their first report. The report should address the following items: (1) the industry’s place in the world economy (especially the European Union) and the region, (2) its competitive environment, (3) and its short- and long-run outlook. The report should be 5 – 10 pages long (not including relevant tables and figures).
For Business Analysis I and II, the websites provided in the Course Material section, especially those for the Economist and globalEDGE, are good places to start your research. However, you are encouraged to go well beyond these sources, although it is not necessary to visit “for pay” sites.

The team country-industry-company assignments are:

- Team 1: Czech Republic – TBA – TBA
- Team 2: Czech Republic – TBA – TBA
- Team 3: Czech Republic – TBA – TBA
- Team 4: Hungary – TBA – TBA
- Team 5: Hungary – TBA – TBA
- Team 6: Hungary – TBA – TBA

The particular company may change, depending on the availability of key management during our country visit. The composition of the teams as well as the industry/company assigned to each team will be provided in a separate handout on or before May 20, 2005.

**Application Paper:**

The application paper (3 – 5 pages) gives you the opportunity to identify three important “lessons” learned from the lectures, company visits, cultural experiences and your research. The paper should discuss the ways in which you can creatively apply these lessons to your company. Concrete possibilities are strongly preferred to abstract ones.

**Travel Schedule and Itinerary (July 30, Saturday – August 7, Sunday):**

We arrive in Prague on Sunday and will stay through Tuesday night. Wednesday is a travel day and we will have lunch in Bratislava. We check into our hotel in Budapest on Wednesday night and will stay there until our departure on Sunday. Monday through Friday will be devoted to a educational mixture of lectures and company experiences. A detailed travel schedule and itinerary will be provided in a separate handout on or before May 20, 2005.

**Brief Biographies of Your Instructors:**

**G. Geoffrey Booth** received his Ph.D. from the University of Michigan. He occupies the Frederick S. Addy Distinguished Chair in Finance at Michigan State University and currently serves as the Department of Finance’s chairperson. Prior to his current position he was on the faculties of Louisiana State University, Syracuse University, and the University of Rhode Island and has taught at the University of Hamburg (Germany) and the University of Vaasa (Finland). In addition to co-authoring several monographs he has published over 140 articles in academic and professional journals and books. Professor Booth’s research focuses on investments and financial markets, with sub-specialties in market microstructure and time series financial econometrics. Booth serves on the editorial boards of several international finance journals and currently is the co-editor of The Journal of Multinational Financial Management. Moreover, he has been the president of the Eastern Finance Association and the Multinational Finance Society.
Allan E. Young received his Ph.D from Columbia University and currently is a Professor of Finance at Syracuse University and Distinguished Visiting Scholar in Finance at Curtin University (Australia). He has also held positions at the University of Hamburg (Germany), Lincoln University (New Zealand) and Budapest University (Hungary). Young has authored or co-authored nine books and monographs, over 90 articles and chapters in academic and professional journals and books, and an given over 150 lectures outside the university setting for business and professional groups on each of the world’s continents. Young’s current research interests include developmental finance, micro lending, valuation, privatization, emerging and developing financial markets, entrepreneurship. He has served on numerous journal editorial boards and currently is the Editor-in-Chief of The Journal of Entrepreneurial Finance and Business Ventures. In addition, Young has recently consulted with the United Nations, the U. S. Agency for International Development and the governments of a number of developing countries.

Syllabus Version: April 19, 2005