

Part II A. #1

The United Arab Emirates functions under an open market economy, meaning that they have little no restrictions on imports of foreign goods. They are also a significant U.S. export market and an important regional hub for American companies doing business throughout the Middle East, Africa and South Asia. The United Arab Emirates is a leading commercial center serving the Middle East, Africa, and South Asia, with a significant portion of its import volume ultimately being re-exported to the other surrounding countries. The unemployment rate of the country has been decreasing over the past six years. There is not a widespread problem of unemployment, so there would be a plethora of income for the people of the UAE that could be spent on leisure activities and luxurious items. However, in order for the Sun Bum company to be moved to the UAE, a Commercial Agencies Committee would have to approve of our company being brought into the country. [This would not be a significant issue because with the high revenue our company will bring to the country, the committee would be ^{hesitant} unable to say no.] There is a ^{fringe} good amount of foreign direct investment in the United Arab Emirates. From 2010 to 2015, there was a jump from 5.5 billion dollars in foreign direct investment to around 126.4 billion dollars of foreign direct investment. ~~Our company would have no problem in receiving investments in the country.~~

What is Aug. Income?

→ Probably take out

FDI - Home?

#2

The United Arab Emirates is governed under a federation of monarchies. The seven different emirates that make up the country each have their own ruler, and these rulers make up the Federal Supreme Council. Each ruler is voted for by the people and serve terms for every five years. The council also elects a president and vice president who serve five year terms also. This council is in charge of foreign affairs, security and defence, nationality and immigration issues, education, public health, currency, postal, telephone and other communications services, air traffic control, licensing of aircraft, labour relations, banking, delimitation of territorial waters and extradition of criminals. Each emirate then has power over everything else. Although the governments do possess power to control trade and private business, they do not interfere heavily enough that it would reduce profits for a company. The country makes many attempts to diversify the economy in order to create jobs and allow for private businesses to prosper, showing how profitable it would be to move a company to the country.

Would phrase that they are supportive

Missing #3

#1

Part

The official language spoken is Arabic, but other languages such as English, Farci and Hindi are spoken as well. Around 76% of the population is Islamic, the rest are combination of Jewish, Christians, Buddhists, and Hindus. The majority of the population being Islamic does set many rules on how society should live. Eating pork and indulging in alcohol is prohibited, affecting marketing of those products toward the United Arab of Emirates. Relationships with family and friends are of utmost importance, as Eastern countries value interconnection with each other, making them different of Westernized countries such as the United States. People are supposed to remove their shoes before entering a house as a sign of respect. Communication between people in this area has rules as well. Pointing at someone is seen as offensive and men having women be the topic of discussion is deemed to be inappropriate. Customs of other religions are to be respected, much more than in Westernized countries. People are typically not

to show off their bodies in public, as work is valued more than looking good. Most of the body must be covered in public for both genders, even with extreme heat.

Although there are many societal rules that exist throughout the country, the city of Dubai is much more diversified with its demographic population, allowing for there to be less restriction on peoples ways of life. There is a large portion of the population from other countries and religions that approve of societies like that which exists in many American and European countries, which is why we are bringing the Sun Bum Company to this specific area of the country. This would allow for our product, which is mostly to be used for activities that involve leisure in the sunny climate, to be welcomed into the area. There are a few other emirates of the country that are the same societally as Dubai is, such as Abu Dhabi and Fujairah. The population of Dubai also makes up a large percent of the country, accounting for 45.4 percent of the total population of the UAB. We would be targeting the part of the country that best fits the demographic of who our product is meant for as well as the part of the country with the highest amount of people in it, maximizing our profits. The neighbors of the United Arab Emirates are Saudi Arabia to the west and south, Qatar to the north, and Oman to the west. The majority of land in the country is sandy and barren. The climate is typically hot and sunny the entire year, influencing our decision to market Sun Bum in this country. ~~There would be no limitations on when our product should be sold during the year, which would help to maximize our potential revenue.~~

Part #1
B #2

Analysis of Location?
Required Trade Documentation?

} Use Rubric
for Help.

Rubric Grading Scale for Each Section

Group: Shabheen - Marcus

IBP: UAE

<p>Section II, Part A</p> <p>A. Economic, political and legal analysis of the trading country</p> <p>Sources: CIA World Factbook: Economy The Global Economy Heritage Foundation Doing Business In: http://www.doingbusiness.org/ Export.gov http://export.gov/worldwide_us/index.asp</p>	<p>Examples of Economic Impactors:</p> <p>GDP Labor Force Human Development Public Debt Taxes & Other Revenue Exports Imports Industrial Production Growth Rate (For manufacturing businesses)</p> <p>GDP/Per Capita Labor Force by Occupation Population below poverty line Inflation Rate Exchange Rates Exports - Commodities Import - Commodities</p> <p>Agriculture Products Unemployment Rate Budget Debt- External Export - Partners Import - Partners Commercial Bank Primary Lending Rate</p>	<p>A Grade (Formal: 13.5 - 15 pts)</p> <ul style="list-style-type: none"> Type of Economic System Used in IBP Country is Stated An understanding of what that type of economic system means is displayed Advantages / disadvantages of operating in this type of economic system are given 	<p>B/C Grade (Formal: 10.5 - 13.49 pts)</p> <ul style="list-style-type: none"> Type of economic system is stated but not explained. Limited amount of advantages & Disadvantages given 	<p>D/F Point Grade (Formal: Below 10.5 pts)</p> <ul style="list-style-type: none"> Type of economic system is copied from internet with no understanding of what it means given No advantages / disadvantages of system provided
<p>Open</p> <p>Economic System</p>	<p>Multiple Economic Impactors are stated with supporting evidence as to why those impactors matter given. GDP/capita is included Comparisons to IBP Country & USA are given so that reader understands context better.</p>	<p>Only a couple Economic Impactors are provided Economic impactors provided are not explained in depth & limited evidence relating to why they are important to your IBP country is given</p>	<p>Minimal to no economic impactors are provided. Paper does not explain economic factors that affect a foreign company expanding to their IBP market Facts are given to fill space with no understanding of their impact</p>	
<p>- FDI Increase</p> <p>Level of Foreign Direct Investment</p> <p>Home or Abroad?</p>	<p>Level of FDI is given (Market Overview: Export.gov) Stock of FDI at home & abroad is stated & explained Comparison to the USA is given Reasons as to why your FDI Level are important are given/explained Economic Globalization</p>	<p>FDI - Home is stated Limited explanation is given as to what that level means Paper doesn't make comparisons between IBP country & other major markets</p>	<p>FDI is either unstated, inaccurate, or unexplained. Student displays minimal to no understanding of FDI concept.</p>	
<p>Total Grade</p>	<p>Rough Draft Turned in on Time</p> <p>Due Date: <u>October 25, 2016</u> Yes No Turned in late on: _____ /10 pts</p> <p><i>*Informal / Effort Grade. Any rough draft submitted with good intent will earn full credit. 2 points deducted for each day it is late.</i></p>			

Key Terms / Concepts from Textbook:

You are responsible for taking notes on the four economic systems stated (Market, Mixed, Planned, & Traditional)

Terms: Political Economy, Concept of Economic Integration, Customs Union, Common Market, FTA

know Free Trade Agreements: NAFTA (Pros/Cons), COMESA, CACM, ASEAN, CARICOM, CAFTA, FTAA (Pros / Cons)

Section II Part A

2. Describe the trading country's governmental structure and stability, how the government controls trade and private business

	A Grade (Formal: 18 – 20 pts)	B/C Grade (Formal: 14 – 17.9 pts)	D/F Point Grade (Formal: Below 14 pts)
<p>Sources: CIA World Factbook: Government The Global Economy (GE) http://www.theglobaleconomy.com/ The Heritage Foundation (HF) http://www.heritage.org/index/</p> <p><i>Federation of Monarchies</i></p> <p>Government Structure</p>	<p>Type of Government that controls country is stated & explained Example: The USA is a Federal Republic with a strong Democratic tradition.</p> <p>Political Pressure Groups & Leaders Who is the head of your IBP government Elections / Appointment Process is explained ✓</p> <p>Example: Presidents in the United States are elected to 4 year terms with a max of 8 years in which they can serve.</p> <p>An overview of the last 50 years is given. Any major changes to how that country operates (Russia switching from Communist to</p> <p>Level of corruption is documented / explained</p> <p>Level of Political Risk is given & a comparison to previous years; as well as, other countries is documented</p> <p>Level of Political Stability (GE)</p>	<p>Type of Government that controls country is stated but not explained Current political regime is not listed No background information into how your IBP country structures its political process is explained.</p> <p>Government stability is hinted at but not explained. Example would be stating that presidents are elected every 4 years in the USA but no timeframe for how long that system has existed is given. No examples or acknowledgement of recent history is provided</p> <p>Corruption stats are given but no supporting evidence or world rankings given to add clarity</p> <p>Level of Political risk is only stated</p>	<p>Type of political system is only listed, no detail</p> <p>No current or background information relating to the current type of government is given</p> <p>Government stability is not provided</p> <p>No examples of former political process or systems are given</p> <p>Level of Corruption is either not provided or incorrect</p> <p>No level of political risk is given</p> <p><i>5 year Terms</i></p>
<p>Government Stability</p>	<p>International organization participation (CIA)</p> <p>Political Globalization (GE)</p> <p>Level of government involvement relating to free trade is given (HF)</p> <p>Trade Balance (Export)</p>	<p>How active & supportive the government is in regards to free trade is stated but no evidence is provided to prove statement</p> <p>Level of globalization is not mentioned or explained ✓</p>	<p>No stats or evidence is given explaining how controlling the government is in regards to how that country conducts trade</p> <p>Paper displays a very limited or inconclusive portrayal of government when it comes to its stance on trade</p>
<p>Government control over trade</p>	<p>Level of Business Freedom (Taxes & Process to start a business)</p> <p>From reading this section the viewer has a clear understanding of how your IBP country views privatization of business.</p> <p>Research State Owned Enterprise for ideas. ✓ Ex: Are privately owned industries, companies, corporations encouraged or are they state owned.</p>	<p>Level of Business Freedom is not discussed</p> <p>A vague understanding of how government regulates private business is given with little understanding of how it impacts their product/company specifically</p>	<p>Paper only briefly discusses governments role in business</p> <p>Paper lacks statistical evidence & analysis</p> <p>No supportive evidence is given to prove how that government regulates private business.</p>
<p>Governments control over private business</p>			
<p>Total Grade</p>			
<p>Rough Draft Turned in on Time</p>	<p>Due Date: <u>October 25, 2016</u> Yes</p>	<p>No</p>	<p>Turned in late on: _____ /10 pts</p> <p><i>*informal / Effort Grade. Any rough draft submitted with good intent will earn full credit. 2 points deducted for each day it is late.</i></p>

- Key Concepts from book:** Be able to compare & contrast the four main types of political systems: Democracy, Republic One-Party States, & Theocracy.
- Be able to compare & contrast Statutory & Case Law. Understand the importance of Contract Law when conducting business overseas.
 - Political Systems, Political Risk, Political Economic Movement, Corruption & Which Countries have high/low levels of it, Sustainability, & Kyoto Protocol

Section II Part A			
3. Describe laws and/or governmental agencies that affect your business/product/service [i.e., labor laws, trade laws (U.S.A. and/or Canada and foreign)]			
Sources: http://www.heritage.org/index/ List of FTA's Asia: https://eric.adb.org/fta-country USA: https://ustr.gov/trade-agreements/free-trade-agreements Agencies: https://en.wikipedia.org/wiki/State-owned_enterprise	A Grade (Formal: 13.5 – 15 pts)	B/C Grade (Formal: 10.5 - 13.49)	D/F Point Grade (Formal: Below 10.5)
Laws &/or Govt. Agencies that Impact your product <i>Product Safety? business?</i> <i>Laws for?</i>	<ul style="list-style-type: none"> • Paper provides an overview of agencies that impact a company / product in their IBP Country. At least two agencies are referenced. Example: Federal Trade Commission in the USA 	<ul style="list-style-type: none"> • Paper provides a very limited scope of agencies that impact a product traveling overseas • Only agencies are mentioned with no real detail has to how they operate given. 	<ul style="list-style-type: none"> • No government agencies impacting your IBP country are stated • An overview of laws that limit or restrict businesses in your IBP country are not provided
Labor Laws	<ul style="list-style-type: none"> • Labor Freedom (Heritage & Global) • Regulatory Efficiency (Heritage) 	<ul style="list-style-type: none"> • Labor laws that impact the workforce are stated but not explained. A vague understanding of how that law impacts a business is provided. 	<ul style="list-style-type: none"> • Labor laws are listed but only minimally explained or not listed at all
Trade Laws	<ul style="list-style-type: none"> • Trade Freedom: Actual score, world ranking, & Comparison to the United States • Open Market Description (Heritage) • Free Trade Agreements (ABD) 	<ul style="list-style-type: none"> • Only trade agreements are listed. • Limited understanding of how trade laws impact imports & exports 	<ul style="list-style-type: none"> • No trade laws or agreements are referenced • Paper does not provide a basic understanding of how trade impacts your IBP Proposition
Total Grade			
Rough Draft Turned in on Time	Due Date: <u>October 25, 2016</u>	Yes	No
*Informal / Effort Grade. Any rough draft submitted with good intent will earn full credit. 2 points deducted for each day it is late.			
		Turned in late on: _____ / 10 pts	

x No Info Given

Key Terms from 4.1

- Compare & Contrast Developed Countries (First World), Newly Industrialized Countries (Second World), & Developing Countries (Third World)
- Income Distribution Terms & Concepts: Lorenz Curve, Line of Absolute Equality, Line of Absolute Inequality, & Education (2 things education suggests)
- Population Concepts: Population Pyramid, Social Class, & Class Mobility

Source(s): CIA World Factbook: People & Mobility Section

Section II Part B: Trade area and cultural analysis

1. Geographic and demographic information, important customs and traditions, other pertinent cultural information, competitive advantages and disadvantages of the proposed product and/or service

	A Grade (Formal: 13.5 – 15 pts)	B/C Grade (Formal: 10.5 - 13.49)	D/F Point Grade (Formal: Below 10.5)
Geographic Information	<ul style="list-style-type: none"> Climate, Terrain, Natural Resources, Natural Hazards that may affect your company, & environment. Information relating to transportation of goods: airport, rail port, & trucking stated & explained ✓ Population pyramid is broken down so that the most largely populated groups are identified & targeted (Gender/Age) Median Age Infant Mortality Rate Birth Rate Population growth rate Ethnic groups with corresponding %'s (race) Education Attainment (Education) Social Class with average median income % living below the poverty line ✓ 	<ul style="list-style-type: none"> Factors associated with geography are listed but their value is not explained Limited to No discussion of how transportation is impacted given Only the largest population groups are identified No method of distinction between gender groups Factors such as median age & birth rate are not provided Growth rate of population is stated as a statistic but its relevance is not explained Levels of income are either not provided or only hinted at Levels of education are not clear 	<ul style="list-style-type: none"> Geographical information is limited with factors that have no real value to your IBP country stated Limited discussion of population factors given. Example: Reader may see a picture of a population pyramid with no explanation of that pyramid given Factors such as income, age, & education levels are missing or given in estimates No breakdown of gender differentiated given
Demographic Information	<ul style="list-style-type: none"> Communication: Verbal & Nonverbal Gift Giving v. Bribery Fashion / Dress Manners, Attitudes, Values Meeting basics / Negotiation Norms Religion 	<ul style="list-style-type: none"> Some cultural traditions are given but not enough to provide an in-depth understanding of how that country functions. No customs / traditions are mentioned that related directly to the workplace Breakdown of religion is given but little to no explanation is given 	<ul style="list-style-type: none"> Very little reference to customs & traditions is provided The overall attitude & values of the country are either limited in scope or missing altogether Religion is only mentioned as a factor but not explained
Important Customs & Traditions	<ul style="list-style-type: none"> Geert Hofstede's Model High or Low Context Culture 	<ul style="list-style-type: none"> Hofstede's model is given in picture format with no explanation provided as to what it means 	<ul style="list-style-type: none"> Limited to no added information given relating to your IBP country's culture
Pertinent Cultural Information	<ul style="list-style-type: none"> Advantages &/or disadvantages your company will encounter are clearly stated. With supporting evidence given Examples of Advantages: American Made Brand, Lower Costs, Fulfills market need Examples of Disadvantages: Added costs, transportation delays, government influence, etc.. ✓ 	<ul style="list-style-type: none"> Advantages &/or disadvantages your company will encounter are clearly stated. Limited supportive evidence provided 	<ul style="list-style-type: none"> Competitive advantages & disadvantages are hinted at but not clearly stated as such. No evidence or statistical data is given explaining advantages that exist.
Competitive Advantages & Disadvantages			
Total Grade			

Rough Draft Turned in on Time Due Date: October 25, 2016 Yes No Turned in late on: _____ /10 pts

**Informal / Effort Grade. Any rough draft submitted with good intent will earn full credit. 2 points deducted for each day it is late.*

Section II Part B: Trade area and cultural analysis

2. Analysis of the potential location—importance and requirements of each trade document required by the U.S.A. and/or Canada and the country of choice (Export & Import Documentation (GE))

Helpful Sites: http://www.theglobaleconomy.com/ (Other Indicators Sections)	A Grade (Formal: 13.5 – 15 pts)	B/C Grade (Formal: 10.5 - 13.49)	D/F Point Grade (Formal: Below 10.5)
<p>Analysis of the Potential Location: http://www.doingbusiness.org/rankings</p> <p>Doing Business in IBP Name Example: Germany: Country Commercial Guide http://www.export.gov/cg/index.asp</p>	<ul style="list-style-type: none"> The selection of your IBP country is proven effective based on statements made in this section Examples of information that could be presented in this section include: <ul style="list-style-type: none"> Country is geographically in a good region for transportation (airport or seaport nearby), climate assists with need/production of product, there is an adequate level of capable employees available, etc. Trade between your IBP country and the United States is easy & encouraged Paperwork required for trade is minimal or easy to complete. 	<ul style="list-style-type: none"> The selection of your IBP country is proven effective Factors associated with the potential of your IBP Country's location are stated and explained but only 1 or 2 reasons are given to support. 	<ul style="list-style-type: none"> The selection of your IBP country seems viable but a clear rationale for how the actual location of your country is beneficial is not given. Supporting evidence of location selection is minimal to none.
<p>Required Trade Documentation between IBP Country & United States</p> <p>Common Trade Documents: http://www.export.gov/logistics/eg_main_018121.asp Bill of Lading (B/L), Airway Bill (AWB), Certificate of Origin, Certificate of Content, Letter of Credit (LC), & Insurance Policy Certificate</p> <p>American Free Trade Agreements: http://www.export.gov/FTA/index.asp</p>	<ul style="list-style-type: none"> Specific trade documents between your IBP country and the United States are referenced if applicable Whatever paperwork a company would need to transport items from the United States to your IBP country are given & explained. 	<ul style="list-style-type: none"> Only 1 or 2 examples of trade documents are given and purpose of such document is explained. Paper does a good job explaining the form needed, why it is needed, and how it is used; however, it only does that for 1 or 2 forms of documentation. 	<ul style="list-style-type: none"> No mention of trade documentation or a very generic attempt at trade documentation is presented. Example would be paper simply states a certificate of origin and bill of lading would be required.
Total Grade			
Rough Draft Turned in on Time	Due Date: <u>October 25, 2016</u> Yes No Turned in late on: _____ /10 pts *Informal / Effort Grade. Any rough draft submitted with good intent will earn full credit. 2 points deducted for each day it is late.		

Comments:

No info. given