C566, Issues in International Business Management: Turkey
D496, Foreign Study in Business: Turkey
Summer I, May 18 – June 30, 2015
(Trip dates: June 12-21, 2015)

GENERAL INFORMATION

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Required Texts:
2. Doing Business in Turkey, 2011 (48 pages)
3. The Turkish Coffee House (posted on Canvas)
6. Selected articles from The Economist, The Wall Street Journal, The Financial Times, Business Week, and other business publications like Today’s Zaman, a Turkish magazine published in English, will be incorporated into the course. Students should get into the habit of reading the above business publications on a regular basis.

Recommended Reading
1. White, Jenny, Muslim Nationalism and the New Turks. (3-page review of which can be used for extra credit)
2. Crescent and Star: Turkey Between Two Worlds, by Stephen Kinzer
3. Turkey - Culture Smart!: The Essential Guide to Customs & Culture, by Charlotte McPherson
4. Tea Time in Turkey, by Scott Quigley
C566/D496 is a cross-listed graduate/undergraduate course, which provides students with the opportunity to travel to selected countries in order to gain an in depth and practical understanding of the macro and micro aspects of doing business in those countries. The broader goal of the course is to familiarize students with the environmental dynamics that arise when business activities transcend international borders. A variety of environmental dimensions—economic, financial, political, legal, and cultural - are examined, with a major focus on the impact these factors will have on the various types of international business functional operations such as marketing, manufacturing, human resources, accounting and finance. Successful completion of this course should allow students to understand and appreciate the diversity and complexity of the global environment today’s businesses have to grapple with.

The country chosen for summer 2013 is Turkey. Thus, in addition to the overall goal stated above, the course will explore aspects of international business management practices in Turkey. The course will consist of classroom sessions held in Kokomo during which students will be given an orientation consisting of a discussion of course syllabus and other resources, a lecture on Turkey given by a guest speaker from Turkey, and the logistics of the trip to Turkey. During those sessions students will chose a topic for their research paper, which will be the main assignment of the course. Then students will go on an eight-day trip to Turkey during which they will be provided opportunities to observe Turkish business practices. Students will also be able to interview Turkish/Expatriate managers of businesses in Turkey. This will allow students to gather primary data for the specific topic they chose for their research project.

**Course and trip Objectives:**

- Observe and interact with Turkish managers of business as they deal with some of the opportunities and problems facing global managers today.
- Learn to adapt to, and become more sensitive about, Turkish culture and peoples and doing business within Turkey.
- Appreciate the complexities and nuances of operating in the cultural, political, legal, ethical, economic and financial environments of Turkey
- Assess the political risks associated with doing business in Turkey
- Understand the principles of international trade and foreign direct investment and how they could be applied to doing business in Turkey
- Appreciate the components and complexities of the global financial system as evidenced in the Turkish banking system.
- Understand the complexities of marketing and the strategic management of multinational or global enterprises, and
- Write and present a country investment worthiness paper on a selected industry in Turkey
Assignments:

1. Read and study the required textbooks and come to classroom sessions ready to discuss different aspects of international business management topics.
2. Observe and analyze Turkish management practices in different industrial settings.
3. Interview and interact with Turkish/Expatriate managers of Turkish and foreign firms doing business in Turkey.
4. Write four, two-page reflection papers.

Graduate (C566) Assignment
(This is a team assignment)

At the beginning of the course, teams of four or five students each will be formed. Each team comprising graduate students will be required to write a research paper of up to 20-25 pages. The research paper will consist of two parts: in the first paper each team will research Turkey’s macro business environment: the cultural-social, political-legal, economic environments, government fiscal and monetary policies, and the foreign direct investment environment in Turkey. Each team will then select a specific industry in Turkey on which the research findings will be applied, and thus determining whether that selected industry is investment worthy. Teams will carry out a major part of the data collection for the research paper during the trip. (More details are given in the last two pages of the syllabus.) They will finalize the paper when they return and are required to submit their paper before the end of the semester.

Undergraduate (D496) Assignment
(This is an individual assignment)

Write a four-page, double-spaced, research paper on one of the following topics. The research paper should have at least four non-web based scholarly references (the first listed book above can be one of the references). You may include as many web-based reference works as you deem necessary. You should also include at least one topical interview with a Turkish person. Whichever topic you choose for your research paper, it is essential that you analyze the implications the topic has for doing business in Turkey. Here are the topics:

a. **Turkish Accession into the EU.** Turkey has been trying to become a member of the EU (EC, European Common Market, etc.) since the 1960’s. Only recently has the EU opened accession negotiations with Turkey and there is no guarantee that Turkey would be admitted as a full member of the EU any time soon. (Read: Hill, “Islamic Capitalism in Turkey,” p. 115.) In contrast, countries like Bulgaria, Romania, and Cyprus were a virtual shoe-in when they applied soon after the
collapse of communism in Eastern Europe. What does the EU have against Turkish membership and what implications that does the issue have for doing business in Turkey?

b. **The New Turkish Policy of Turning Back to the East.** Perhaps because of frustrations at the slow pace of EU accession, for the last five or so years, Turkey has started an extensive and highly successful campaign of engaging and doing business with the Middle East and the Muslim World. Assess this policy and its implications for doing business in Turkey.

c. **The Kurdish Problem: A Highly Controversial Issue.** The Kurds are the largest minority group in Turkey – 20 million strong according to some estimates. Extremist elements in the Kurdish community have been engaged in terrorist activities since the 1970’s. Until very recently the Turkish government had drastically curbed Kurdish. For the last few years, however, the Turkish government opened talks with the PKK, a Kurdish terrorist group fighting for independence. This is a very sensitive issue with most Turks. So if you choose this topic, you have to be extremely careful in how you word your interview questions. Try to assess both sides of the issue.

d. **The Armenian Problem: Another highly Controversial Issue.** Another way of wording this issue is: What exactly happened in 1915? The Armenian lobby in the USA makes sure that the issue is regularly brought up in the USA Congress. The Armenians say that Turkey had committed genocide against Armenians and some the European countries, France for example, agree with this claim. Turks, however, say it was an armed rebellion by the Armenians that the Turkish government had no choice but to suppressed; there was no genocide. Take your pick. This is another very sensitive topic and you have to be careful in how you approach it.

e. **Secularism and Religion in Turkey.** Turkey has been a militant secularist country since the 1920s when the modern Turkish Republic was founded by Kemal Ataturk after the Ottoman Empire had collapsed following the devastating defeat it suffered in the First World War. However, religion has made a big comeback since the current administration came to power about ten years ago. Analyze the fine balance between the secular and religious forces and the pertinent implications for doing business in Turkey.

f. **The Role of the Turkish Military.** Turkey has been a member of NATO since the 1950s and its military has been the most powerful institution in the country. Turkish military has appointed itself as the grantor of secularism in Turkey in order to safeguard Kemal Ataturk’s legacy. Over the years the Turkish Military carried out coups in order to deposed democratically elected governments. Somehow the current government has gotten the upper hand over the military,
locking up numerous generals. Explore this issue and its implications for doing business in Turkey.

Grade Scale

1. Research papers (G/U) 300/200
2. Four/three exams 500/375
3. Quizzes (10/8) 200/160
4. Attendance of events and post-event forums 200
5. Three, two-page reflection papers 75

A+ 100-97; B- 83-80; D 66-64;
A 96-94; C+ 79-77; D- 63-60;
A- 93-90; C 76-74; F below 59%
B+ 89-87; C- 73-70;
B 86-84; D+ 69-67;

Modules

To make course materials easier to study, they will be divided into four modules. For details check the Modules tab of Canvas. The first three modules will be equally required of the graduate and undergraduate students. The fourth module is for graduate students only. At the end of each module you will take an exam.

Module 1: Chapters 1 – 4
Module 2: Chapters 5 – 8
Module 3: Chapters 9 – 15
Module 4 (graduates only): Chapters 16 – 20

Tentative Course Schedule
(You will find more details under the Modules tab in Canvas)

Attendance of every face to face session and every event is mandatory and will be graded.

May 18 – June 8, 2015
All sessions online
**Tuesday, June 9, 2015, Kokomo**  
Trip orientation session – face to face – attendance mandatory

**Trip Schedule**

<table>
<thead>
<tr>
<th>June 12, 2015</th>
<th>Depart USA / Travel Day</th>
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<tbody>
<tr>
<td><strong>Friday</strong></td>
<td>Group departs from Chicago en route to Istanbul</td>
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<tr>
<th>June 13, 2015</th>
<th>Arrive Istanbul</th>
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<td><strong>Saturday</strong></td>
<td>Upon arrival, group is met by private coach and English speaking guide for transfer to hotel (bottled water provided on coach)</td>
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**Meals Included:** Per airline  
**Attire:** Casual  
- Check in hotel (rooms may not be available)  
- Dinner on own and evening free  
- **Overnight:** Istanbul (1) - [Titanic City Hotel](#)  
- Wi-Fi internet included in rooms

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<tr>
<th>June 14, 2015</th>
<th>Istanbul: City Overview &amp; Welcome Dinner</th>
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| **Sunday**    | Breakfast at hotel  
|               | Full day sightseeing with private coach and English speaking guide (bottled water provided on coach) |

**Meals Included:** Breakfast Lunch  
**Dinner**  
**Attire:** Casual

**Istanbul City Tour Description:** Visit the magnificent Blue Mosque, famous for its 260 windows and 6 minarets, which form a memorable skyline from the sea. The interior of this impressive structure contains more than 20,000 Iznik tiles; antique carpets donated by believers; and magnificent murals inscribed with verses from the Koran. Our day continues at the Spice Bazaar, one of the largest and most impressive in the city, followed by a visit to Istanbul's first and greatest mosque, the Hagia Sofia. Originally a Christian basilica erected in 360 AD, St. Sophia is a thousand years older than St. Peter’s in Rome. First a church, then a mosque and now a museum, it is considered to be the supreme masterpiece of Byzantine architecture. We can admire the extraordinary mosaics of the Virgin Mary and St. Michael the Archangel, which are painted in brilliant shades of blue, gold and red. Our morning concludes as we visit the Hippodrome, the city’s former stadium, which today features a Brazen Column, the Serpentine Column and an Egyptian Obelisk. (all applicable entrances included)  
- Lunch included during tour (one non-alcoholic drink per person included)  
- After tour, return transfer to hotel  
- Evening:
• Walk with English Speaking guide to Group Welcome Dinner
  • Group Welcome Dinner at local restaurant (two non-alcoholic drink per person included)
• **Overnight:** Istanbul (2) - [Titanic City Hotel](#)
  • Wi-Fi internet included in rooms

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**June 15, 2015**

**Monday**

**Istanbul: Business Visits**

• Breakfast at hotel
• Full day private coach and English speaking guide for business visits within city limit

**Meals Included:** Breakfast

**Attire:** Business

(bottled water provided on coach)

• **Business Visit:** Arranged by university
• Lunch on own, stop provided
• **Business Visit:** Arranged by university
• After visits, return transfer to hotel
• Dinner on own and evening free
• **Overnight:** Istanbul (3) - [Titanic City Hotel](#)
  • Wi-Fi internet included in rooms

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**June 16, 2015**

**Tuesday**

**Istanbul: Business Visits**

• Breakfast at hotel
• Full day private coach and English speaking guide for business visits outside city limits

**Meals Included:** Breakfast

**Attire:** Business

**limits to the European Free Trade Zone** (bottled water provided on coach)

• **Business Visit:** Arranged by university
• Lunch on own, stop provided
• **Business Visit:** Arranged by university
• After visits, return transfer to hotel
• Dinner on own and evening free
• **Overnight:** Istanbul (4) - [Titanic City Hotel](#)
  • Wi-Fi internet included in rooms

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**June 17, 2015**

**Wednesday**

**Istanbul: Business Visits**

• Breakfast at hotel
• Full day private coach and English speaking guide for business visits within city limit

**Meals Included:** Breakfast

**Attire:** Business

(bottled water provided on coach)

• **Business Visit:** Arranged by university
• Lunch on own, stop provided
• **Business Visit:** Arranged by university
• After visits, return transfer to hotel
• Dinner on own and evening free
- **Overnight**: Istanbul (5) - Titanic City Hotel
  - Wi-Fi internet included in rooms

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**June 18, 2015**  
*Thursday*

**Istanbul: Business Visits**
- Breakfast at hotel
- Full day private coach and English speaking guide for business visits within city limit

**Meals Included**: Breakfast

**Attire**: Business

(bottled water provided on coach)
- **Business Visit**: Arranged by university
- Lunch on own, stop provided
- **Business Visit**: Arranged by university
- After visits, return transfer to hotel
- Dinner on own and evening free
- **Overnight**: Istanbul (6) - Titanic City Hotel
  - Wi-Fi internet included in rooms

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**June 19, 2015**  
*Friday*

**Istanbul: Business Visits**
- Breakfast at hotel
- Full day private coach and English speaking guide for business visits within city limits

**Meals Included**: Breakfast

**Attire**: Business

(bottled water provided on coach)
- **Business Visit**: Arranged by university
- Lunch on own, stop provided
- **Business Visit**: Arranged by university
- After visits, return transfer to hotel
- Dinner on own and evening free
- **Overnight**: Istanbul (7) - Titanic City Hotel
  - Wi-Fi internet included in rooms

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**June 20, 2015**  
*Saturday*

**Istanbul: Free Day & Farewell Dinner**
- Breakfast at hotel
- Free day

**Meals Included**: Breakfast Dinner

**Attire**: Casual

- Lunch on own
- Evening:
  - Roundtrip transportation with English speaking assistant to Group Farewell Dinner
  - Group Farewell Dinner at the Orient Express (two non-alcoholic drink per person included)
- **Overnight**: Istanbul (8) - Titanic City Hotel
  - Wi-Fi internet included in rooms
**June 21, 2015**  
**Istanbul: Depart for USA**

*Sunday*

**Meals Included:** Breakfast  
Per airline

- Breakfast at hotel   
- Check out hotel and load bags on coach   
- Transfer via private coach and English speaking guide to airport (bottled water provided on coach)   
- Flights depart for USA

**June 22 – June 30, 2015**  
All sessions online

**June 30, 2015**  
*Graduate and Undergraduate Research Papers Due by 11:59pm*
Graduate Team Research Project

International Business Environment and Industry Analysis

The project (to be completed by teams of 4-5 students) is intended to develop your understanding of international political economy and its impact on business and industry. The International Business Environment project requires students to develop an environmental analysis of a national political economy of Turkey. Each team should assume it represents a US-based firm exploring international business opportunities for its global expansion. The project entails exploring economic and political risk, investment, export and import barriers etc., associated with doing business in Turkey.

The Project will consist of two parts:

Part 1

Part A: Country Business Environment Analysis

In order to conduct business in a foreign country, certain information is vital. Determine what this information is, analyze it and write a report on it. You should include the following in your report:


Also answer the following questions.

• Does your team think that Turkey is an attractive country for FDI?
• What key factors should companies doing business in Turkey monitor?
• Do you think that Turkey’s business environment will improve in the next 12 months? Why or why not?
• Do you think the country’s business environment will improve in the next 10 years? Why or why not?
• Do you think that the EU accession talks with Turkey will succeed? If yes, what implications would that have for doing business in Turkey? If no, ditto.

Part II: Industry Analysis

Research the following for your choice of industry in Turkey.
• Industry Background
• Government Regulations and Control
• Local Competitors
• Foreign Competitors
• Business Opportunities
• Potential Risks
• What entry strategy will you recommend for your industry? Why?

The final paper should integrate the two parts and should be between 20-25 double spaced pages, not counting appendices and references.