International business critique essay

[Business]

The article chosen for this paper is Andrew Ross Sorkin's Study Says Private Equity Isn't Big Job Killer published in New York Times on January 25, 2008. Selection of the publication is beyond any ambiguity. The New York Times is a media company established in America. The company is best known world wide for publishing the news paper " The New York Times" which is its namesake. The New York Times is considered as one among the prominent media companies in the world. With a total of $3. 3 billion revenue in the year 2006, the company became the top media company not only in United States but also in the whole world.

The selection of this article is also logical because it presents a timely discussion of theories related to international business and that too on the parameters of global business perspectives. It is widely believed that to survive as a corporate sector in the long term it is extremely important to mould the organization into an international sector. Therefore, it's that much obvious to plan the strategies of the company in accordance to international trade sequences. It is important evaluate the marketing policies to survive in the international market and analyze the effectiveness of the prevailing marketing plan. It is quite true that the activation of the international strategy would collide with that of the plans implemented while operating in the local market.

After reading and analyzing the article it was evident that this piece of text would be used for the paper as it deals with a organizational theory that is extremely important in relation to the principles of international business more so in the parameters of today's global business perceptions. It is important to understand the positive aspects of private equity and that layoffs and not evident conclusion private equity involvement in sectors particularly in the context of international business of the global economy. (Sorkin, 2008)

Over the next 50 years, the BRICs economies including Brazil, Russia, India and China are probable to become a much larger force in the world economy. The rate of GDP growth, income per capita and currency movements in the BRICs economies together shows possibility of their growing larger than the G6 in US dollar terms in less than 40 years. By 2025 they could attain over half the size of the G6. Of the recent G6, only the US and Japan are among the six largest economies in US dollar terms in 2050.

The listing of the ten largest economies of the world may seem relatively dissimilar in 2050. The prevalent economies in the world (by GDP) may not continue to be the richest (by income per capita), thus making premeditated preferences for firms more intricate. The only thing growing faster than China is the publicity of China. In January, the gross domestic product (GDP) of People’s Republic of China’s surpassed that of Britain and France, thus making China the world’s fourth largest economy.

In December, it was publicized that China substituted the United States as the world’s biggest exporter oftechnologyproducts. Many economists forecast that the Chinese economy will reach to the second position as compared to the United States by 2020, and may possibly go beyond it by 2050. Western investors sleet China’s sound economic rudiments, such as considerably a high savings rate, vast labor pool, and strong work ethic and capability of glossing over its flaws. Among the Business people China is popular for being concurrently the world's greatest manufacturer and its big markets.

Private equity firms are hunting the Middle Kingdom for achievements. Chinese Internet companies are obtaining prices of dotcom age on the NASDAQ. Some of the world's foremost financial organizations, including Bank of America, Citibank, and HSBC, have invested billions on China's fiscal prospect by attaining minority risks in China's state managed banks, although many of them are precisely bankrupt. Even every large global automobile company has built or is preparing plans to build new amenities in China, in spite of a swamped market and plummeting profit margins.

Under such parameters the article Study Says Private Equity Isn't Big Job Killer presents a timely discussion of international business relation with a focus on the different arguments on the subject of private equity interventions and its relation with layoffs and job creations. It is very relevant because with economy fast becoming global it is evident that international huge players like China would be involved. Thus it is better to convince these counties to allow foreign private equity into business so that multinationals would be able to reap a good harvest out of these economies.

References:

Sorkin, Andrew Ross; (January 25, 2008); Study Says Private Equity Isn't Big Job Killer; New York Times; retrieved on 26. 01. 2008 from