**International Business Transactions**

**Professor Mike Ramsey**

**Fall 2023**

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**Unit 3: International Investment**

*Unless otherwise indicated, assignments are from Folsom et al., International Business Transactions (13th ed.). Assignments preceded by “DS” are from the Documents Supplement (13th ed.).*

I. Introduction to International Investment

Introduction, text pp. 865-868

Problem 10.1 Parts A & B, text pp. 868-885

Problem 10.1 Part C (skim), text pp. 886-899

Consider in particular:

1. What issues should especially concern a U.S. business considering an international investment?
2. What law(s) are likely to govern the investment?
3. What corporate form (branch/subsidiary) should be used, and what are the implications of that choice?

II. Barriers to Investment

Problem 10.2, introduction, text pp. 899-901

Problem 10.2 Part A, text pp. 901-916

Problem 10.2 Part B (skim), text pp. 917-928

Required documents:

Foreign Investment and National Security Act of 2007 (FINSA), as amended by the Foreign Investment Risk Review Modernization Act of 2018 (FIRREA), DS pp. 1201-1215

WTO Agreement on Trade-Related Investment Measures (TRIMs), DS pp. 321-324

III. Project Financing

Problem 10.3, text pp. 981-1018

IV. Issues in Operating an International Investment

Currency controls: Problem 10.4, part A, text pp. 961-973

Transfer pricing: Problem 10.4, part B, text pp. 973-980

V. Investment and Human Rights

Problem 10.5, text pp. 980-1007

Required document:

Alien Tort Statute, 28 U.S.C. §1350, DS pp. 1161-1162

VI. Expropriation and Remedies

Problem 10.6, text pp. 1007-1035

Required document:

Foreign Sovereign Immunities Act, 28 U.S.C. §§1602 - 1605, DS pp.1217-1226

Focus on (1) the ability of the foreign investor to get legal remedies against the foreign government; and (2) transactional solutions for future deals.

VII. Bilateral Investment Treaties

Problem 10.7, text pp. 1035-1058