

Centre: Barcelona

Course: **International economy: emerging markets & global business**

Programme: Business, Design & Innovation

Semester: 2 (Spring)

ECTS credits: 6

Language of instruction: English

Instructor: Igor Razdorskii

Course Description

This course is designed to offer the student a multidisciplinary approach to the global economy as well as provide business, political, economic and socio-cultural insights to understand the world dynamics of today.

Thereby, the student will understand the linkages between politics and business at the global level. Particularly, the course will emphasize the different factors that are increasingly shaping the strategic decision of internationalizing and compete in the global market.

Course objectives:

- The political and economic drivers behind international business and the global business environment and its institutional architecture.
- The nature, strategy and organization of international businesses and their implications to economic, political and social progress.
- The growing trends shaping the global economic and business system (identity as a factor of consumption, middle class global growth, digital economy impact, the emerging economies as key drivers of growth...)

Prerequisites

None

Attendance policy

Attendance is mandatory for all classes. In case of an absence, this should be notified beforehand to the instructor. Unjustified absences will have a negative effect on the final grade. Seven unjustified absences during the course will result in a Fail grade.

Learning outcomes

On completion of the course, students should have a clear understanding of the main global economic and business dynamics of the world they live in and understand the interdependent relationships between politics, economy, development and international business.

Students will acquire the needed knowledge to analyse the international business environment and main business strategies as well as understand the relevance of the cultural context in which international businesses are developed.

This course will provide the necessary tools and skills to allow the students analyse the future scenarios of the global economy and to understand today's global economic and business dynamics.

Method of presentation

Students will be required to read articles, case studies or books and watch videos, as well as to participate in class activities.

Lectures and discussions: The lectures will introduce the various models that will be used during the course. Lecture sessions will be used as platforms to induce open discussion.

Class participation: The course is highly participative and students will be encouraged to take on different roles in class activities.

Oral presentations: Students are expected to present the results of their projects with visual support.

Required reading: Books on the required reading list will be the object of analysis and discussion in class and critically analysed in an essay form.

Required work and assessment

The final grade will be based on the work that students do throughout the course. This includes a class participation grade, written activities, a mid-term test and a final exam.

The breakdown is as follows:

- Active participation in class – **25%**. Students should be present at all classes in order to provide critical comments on the course materials and participate actively in the discussions. They are strongly encouraged to actively participate in class. This implies arriving in time, completing the readings before class, and taking part in class discussions.
- Written activities – **25%**. Students will be asked to write two group essays.
- Mid-term test – **25%**. The mid-term test will be based on required course reading and activities done in class.
- Final exam – **25%**. The final exam will be based on the materials used during the course, the readings and activities done in class.

Contents

This course is divided in FOUR blocks.

Block I is dedicated to define globalization, the factors involved and main tendencies in today's changing world. In this block the main international organizations and institutions that shape today's economic and financial international architecture will be analysed. Special emphasis will be given to the impact of the digital revolution in today's global economy as well as the potential scenarios of the post Covid-19 economic world.

Block II will analyse the most relevant factors that determine the economic development of a country as well as the economic regimes (human capital, rule of law, quality of institutions...). It will analyse the growing challenging relation between democracy and capitalism as well as the emergence of other economic realities such as state capitalism or surveillance economy.

Block III will describe and analyse the emerging markets as one of the main driving forces redefining the global economy balance. The most relevant emerging economic blocks will be analysed, as well as the international economic strategies of key emerging economies such as China, Turkey, the Gulf countries or South East Asia.

Block IV will deal with economy, business internationalization and culture. The main business entry strategies in new markets will be presented. The instruments and policies that the state can develop to promote the internationalization of its economy will be studied. Multiculturalism as one of the main trends in today business and economic relations will be analysed, especially in the framework of the diversity of the cultural reality of the emerging economies.

I. Globalization: tendencies and main organizations

- Components of globalization: trade, finance, labour, technology and innovation, ideas and data.
- Globalization redefined: Globalization vs. Regionalization.
- Global Value Chain in today's context: Re-shoring and Regional Value Chain
- Introduction to the main international (WB, IMF, OECD) and regional (EU, ASEAN, MERCOSUR, NAFTA) institutions shaping globalization.
- The Sustainable Development Goals (SDG) and their impact in business and the economy.
- Approach to the Revolution 4.0: a game changer. What does it mean and what global governance can be developed?
- Surveillance Capitalism: a new and polemic scenario.
- Impact of the Covid-19 crisis in global economy: new scenarios and tendencies. What's next?

II. Economic development: strategies and determining factors

- Key determinants of economic development
- The critical role of the state in emerging economies. State Capitalism
- The role of cities as critical economic players in today's world.
- Strategic alliances and public-private partnerships

- Different approaches to the relation between political regimes and economic development.
- What's gone wrong with democracy? The debate between democracy and capitalist economic development.

III. Emerging markets: the new balance of global economic power.

- What defines an emerging economy?
- Frontier markets: the last step of the economic system?
- Emerging economies: a new financial and economic architecture in the making.
- Innovation coming from *the south*. The case of Israel.
- The new wave of business *champions* from emerging economies.
- China's *One Belt, One Road Initiative*: a game changer beyond trade?
- Africa: the next big thing?
- The Muslim economic emergence: Turkey, the Gulf countries and South East Asia.

IV. Economy, business and culture.

- Internationalization business strategies.
- State strategies & instruments to promote its business internationalization.
- Lobbies and diasporas: their role in international business and economic policies.
- Corporate Diplomacy.
- *Identity* as a growing global factor impacting production and consume
- Multiculturalism as a comprehensive and transversal factor.
- Culture's impact in production and consumption. The role of cultural & religious diversity in marketing. The global case of Halal.

Required reading

Basic Bibliography

- Mazzucato, Mariana (2021), '*Mission Economy: A Moonshot Guide to Changing Capitalism*', Allen Lane-Penguin
- World Economic Forum, '*Challenges and Opportunities in the Post-COVID-19 World*', Insight Report, WEF May 2020
- Mckinsey Global Institute, (2019), '*Globalization in transition: the future of trade and value chain*'
- Mckinsey Global Institute, (2019), '*Digital globalization: the new era of global flows*'
- OECD, (2018), '*Business Insights on Emerging Markets 2018*'

- The Economist, (2013), 'What's gone wrong with democracy?' www.economist.com/news/essays/21596796-democracy-was-most-successful-political-idea-20th-century-why-has-it-run-trouble-and-what-can-be-do
- Casanova, Lourdes, Miroux Anne, (2017), 'Emerging market multinationals report. Emerging multinationals in a changing world', Cornell S.C. Johnson College of Business, Cornell University
- Piketty, Thomas, (2013), 'Capital in the Twenty-First Century', Harvard University Press
- Mazzucato, Mariana, (2013), 'The Entrepreneurial State: Debunking Public vs. Private Sector Myths', Anthem
- Rodrik, D. (2012) "The globalization paradox. Democracy and the future of the world economy". W. W. Norton and Company.
- Acemoglu, D. & Johnson, S. (2005) "Institutions as a fundamental cause of long-run growth", Handbook of Economic Growth, Vol. 1A, Elsevier
- Fukuyama, F. (2018) 'Identity: The Demand for Dignity and the Politics of Resentment', Farrar, Straus and Giroux.
- Janmohamed, Shelina (2016), 'Generation M: Young Muslims Changing the World', Ed. Tauris
- TED conference, Yanis Varoufakis: 'Capitalism will eat democracy unless we speak up (2015) www.ted.com/talks/yanis_varoufakis_capitalism_will_eat_democracy_unless_we_speak_up?language=es
- Ordeix-Rigo, Enric, Duarte, João (2009), 'From Public Diplomacy to Corporate Diplomacy: Increasing Corporation's Legitimacy and Influence' American Behavioral Scientist

Additional Bibliography

Complementary readings will be provided during the course.