



Program: MPGI
Course: BRIC and the International Economy
Professor: Antonio Carlos Manfredini da C. Oliveira
Term: 1st semester 2016

PRELIMINARY SUBJECT TO CHANGES

BRIC and the International Economy addresses concepts of international economics and strategy focused on the BRIC countries. Emerging markets are described not only as potentially high growth ones, but also in terms of incomplete information and related institutional voids. Specific managerial issues in emerging economics are discussed. Issues of planetary scope related to globalization are assessed. Companion topics focus on relevant global issues, paying specific attention to BRIC impact on them.

Course Schedule (dd.mm)

Session	Date	Topic
1.	11.02 16:00hs	Introduction to the course On trade and its effects (1): competitive advantage Required readings Economic gains from trade: comparative advantage Economic gains from trade: strategic trade Note on fundamental parity conditions Opening the floodgates Suggested readings
2.	11.02 17:40	On trade and its effects (2): global dynamics Required readings Krugman, P. A country is not a company Krugman Does Third World growth hurt.... Exports to Mars Suggested readings FDI International Institutions
3.	25.02 16:00hs	Emerging economies Required readings Market failures Responding to market failures Spotting institutional voids in emerging markets Bribery The supply side



		<p>Suggested readings Country analysis Local institutions and global strategies The State</p> <p>Groups for case studies and essay should be informed; term essay theme should be defined (send the information to my email (antonio.manfredini@fgv.br, first come, first served) before session; please have a hard copy of it in class. (see Important Note on Assessment Criteria)</p>
4.	25.02 17:40hs	<p>BRIC Required readings</p> <p>Dreaming with BRICs Eichengreen Escaping the middle income trap BRIC-a-brac BRIC Origins On BRICS and mortar When giants slow down</p> <p>Suggested readings Chaudhary et al Big BRICs, weak foundations: elementary education</p>
5.	04.03 16:00hs	<p>Brazil</p> <p>Required readings</p> <p>Case study: Brazil's enigma: sustaining long term growth Brazil's presidential election</p> <p>Suggested readings Brazil at the wheel</p>
6.	04.03 17:40hs	<p>Russia Case study : Competitive advantage of Russia</p> <p>Required readings The promise and peril of Russia's resurgent state Eurasian or Soviet Union? Ukraine</p> <p>Suggested readings Russia and its neighbours Long life of Homo Sovieticus Gazprom A Gasprom B</p>
7.	11.03 16:00hs	<p>India</p> <p>Required readings: India 2014: the challenge of governance</p>



		<p>India's firms foreign purchases Himalayan rivalry Caste in India</p> <p>Suggested readings Kotwal et al Economic liberalization and Indian economic growth East India Company India's billionaires Staeecraft in Cina and India</p>
8.	11.03 17:40hs	<p>Companion topic: Middle classes in BRIC and world urbanization</p> <p>New global middle class in emerging markets Banarjee Duflo What is middle class about middle class around the world Africa emerging Smooth operator Urban World Boomtown slum: upward mobile in Africa</p> <p>Suggested readings Anand Segal What do we know about global income inequality Easterly Middle class consensus and economic development</p>
9.	18.03 16:00hs	<p>China</p> <p>Required readings China: "To get rich is glorious" How China sees the World Remembering the Boxer uprising Party goes on Chinese takeovers Bo Xi Lai China and US End of cheap in China Pax Sinica The nomenklatura State-owned enterprises in China</p> <p>Suggested readings</p> <p>China in Africa Xu The fundamental institutions of China's reform and development China Building capitalism with Chinese characteristics China's productivity gain China's soft power China and its region The Guangdong model Status competition and housing prices China in Africa: Sam Pa Myopia on kids</p>



10.	18.03 17:40hs	Companion topic: Resources and energy: BRIC and the global markets Required readings The new green revolution Booming Mongolia Sun wind and Coal The fuel of the future Digital disruption on the farm Suggested: Reverse the resource curse Coal in the rich world
11	25.03 16:00	Management in emerging economies Required readings Managing risk in an unstable world Profitable growth The China wave Brand new Tata and UK From dodo to phoenix Suggested readings Strategies that fit emerging markets Emerging giants: building world class companies in developing countries
12	25.03 17:40	Companion topic: BRIC demography Required readings Demography, growth and inequality Demography, technology and all other things considered Incredible shrinking country Demography in China Suggested reading: Lee How population aging affects the macroeconomy Think again Global aging Kruger Virtuous in old age Farewell to youth
13	01.04 16:00 hs	Globalization and its challenges Required readings: Fischer, S. Globalization and its challenges More or less unequal Why globalization is in trouble? Krugman's conundrum The poor like globalization The poor like globalization (2) Catching up Signs of life



		Revisiting Ricardo Suggested readings Kuznets Growth and inequality WEO Globalization and inequality Krugman Trade and wages reconsidered Term Paper due
14	01.04 17:40 hs	Companion topic: Innovation from emerging countries Mapping the market for medical travel Nano home A US\$ 300 idea Strategic innovation at the base of the pyramid The rise of the frugal innovator Suggested readings: Gordon Is the US economic growth over?
15	08.04 16:00 hs	Companion topic: Environment (with special attention to water and food) Emissions suspicious REDD A world without water Playing games with the planet Boundary conditions Tropical forests New green wave Suggested readings Water in a changing world
16	08.04 17:40 hs	International financial system and capital markets Required readings: Horns of a trilemma Banking in emerging markets Thy would be giants Currency wars China: to float or not to float Suggsted readings Obstfeld et al. Financial stability, the trilemma and international reserves Jeanne International reserves in emerging market coutries: too much of a good thing Sovereign wealth funds: politics or profits? Emeging market equity in two decades: a changing landscape Lane Schmuher International financial integration of China and India
17	15.04	Final Exam

Sources on general economic data sources on countries

www.worldbank.org
www.iimf.org
www.wto.org



Assessment

- 25% Group presentation (class presentation on Companion Topic) + power point slides should be available on paper and electronic format
- 35% Term essay (groups of 5 students; **exceptions only forced by arithmetic constraints, given the number of students enrolled in the course** and explicitly agreed in advance between involved students and instructor)
- 40% final exam (individual, closed books)

Theme for the term essay should involve one of the BRICs. Proposals should be submitted prior to the second session. If acceptable, the themes will be allocated to the groups on a chronological basis. No two groups may work on the same theme.

IMPORTANT INFORMATION: For each day beyond the deadline for definition of group composition and/or essay theme and/or companion topics five percentage points will be subtracted from presentation and companion topic final marks.

Required readings (available from the reading package or from the course site on Blackboard)

BCG The new global challengers 2009

Economist China's trading surplus

Economist New global system

Economist New Titans

Economist, The A special report on Russia Enigma Variations November 2008

Fischer, Stanley Globalization and its challenges Ely Lecture American Economic Association Jan 3 2003

Fischer More or less unequal

Guedes, P and Nilson Oliveira Democratization of consumption Braudel Papers 2006

Harvard Business School Note sources of comparative advantage 9-387-024

Harvard Business School The economic gains from trade: comparative advantage 9-796-183

Harvard Business School The economic gains from trade: theories of strategic trade

Harvard Business School Spotting institutional voids in emerging markets 9-106-014



Harvard Business School Market failures

Harvard Business School Responding to market failures

Harvard Business School Spotting institutional voids in emerging markets 9-106-014

Harvard Business School Brazil under Lula: off the yellow BRIC road 9-707-031

Harvard Business School Russia: the end of a time of troubles? 9-701-076

Harvard Business School Russia: the end of a time of troubles? Supplement 9-703-053

Harvard Business School India on the move 9-703-050

Khanna T. and Krishna Palepu Why focused strategies may be wrong for emerging markets
Harvard Business Review July-August 1997

Khanna T. et al Strategies that fit emerging markets Harvard Business Review June 2005

Krugman, Paul A country is not a company. Harvard Business Review Jan-feb 1996 p. 3-11

Krugman, Paul does third world growth hurt first world prosperity Harvard Business Review
July-August 1994 p. 113-121

O'Neill et al Dreaming with BRICS The path to 2050 Goldman Sachs Global Economics Paper
99

O'Neill et al How solid are the BRICs? Goldman Sachs Global Economics Paper no. 134

Shleifer, Andrei and Daniel Treisman A normal country: Russia after communism Journal of
economic perspectives 19(11) Winter 2005 p. 151-174

Stanford Graduate School of Business The competitive advantage of India IB-58

Stanford Graduate School of Business The competitive advantage of China IB-57

University of Hong Kong Asia Case Research Centre China and its neighbours in 2005
HKU430

Yale Global Online The poor like globalization

Yale Global Online The poorlike globalization (2)