



## University of International Business and Economics International Summer School

### ECON 358 Competitiveness in the International Economy

**Term:** May 29-June 29, 2017

**Instructor:** Peter Wylie

**Home Institution:** University of British Columbia, Canada

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**Class Hours:** Monday through Thursday, 120 minutes each day (2,400 minutes in total)

**Office Hours:** Monday and Wednesday 3.30-4.30 PM

**Teaching Assistant:** TBD

**Email:** TBD

**Total Contact Hours:** 64 contact hours (45 minutes each, 48 hours in total)

**Credit:** 4 units

#### Course Description

This course studies the economics of national competitiveness in the international economy. The vastness of the topic necessarily means that we will be somewhat selective in our treatment. The course will focus on the broad determinants of economic competitiveness, the interaction between economic factors and social institutions, and the competitiveness of the major national and regional economies within the world economy. No prerequisites.

#### Course Overview

The first part of the course will focus on how economists seek to define, measure, and rank the competitiveness of national economies in the world economy. This as you can imagine is a fairly speculative and controversial task. In the four subsequent parts of the course, we will look at the relative competitiveness of the major regional and national economies in the world, first looking at Europe and European economies including Russia, then the Americas North and South, then Asia and Asian economies including Japan, China, India etc., and finally Africa and the Middle East. We will consider what contrasting economic policies and social institutions are present in these economies to determine their relative economic competitiveness as defined in the first part of the course.

#### The overall learning objectives for the course are:

- ✧ To provide you with a basic knowledge of the economics of competitiveness in the modern world economy;
- ✧ To develop your ability to apply economic theory and economic ways of thinking to major issues of competitiveness in the world economy;
- ✧ To develop your ability to express yourself clearly and concisely both orally and in writing;
- ✧ To develop your ability to do independent research through locating and critically evaluating diverse sources of information.

#### Required Text

Klaus Schwab (ed.) The Global Competitiveness Report 2016-17. Geneva: World Economic Forum, 2016



### Recommended Text

Daniel Yergin and Joseph Stanislaw, The Commanding Heights: The Battle for the World Economy New York: Touchstone Books, 1998.

The PBS documentary TV series (2002) based on this book will be shown in class time throughout the course and is the subject of a required course component - see outline below.

### Course Hours

The course has 20 class sessions in total. Each class session is 120 minutes in length, for a total of 2400 minutes of in-class time. The course meets for 5 weeks, from Monday to Thursday, May 29-June 29, 2017.

### Attendance

Summer school is very intense and to be successful, students need to attend every class. Attendance will be recorded. Occasionally, due to illness or other unavoidable circumstances, a student may need to miss a class. Any unexcused absence may impact on the student's grade, and a student who has too many unexcused absences may fail the course. Moreover, UIBE policy is that a student who has missed more than one-third of the classes (6 class times) of a course will fail the course.

### Grading Policy

In this course, grading will be based on the following:

Class Attendance, Engagement and Participation	10%
Midterm Thursday June 15	30%
Written Assignment (see below)	30%
Final Exam Thursday June 29	30%
	100%

### Course Format, Participation and Requirements

The course is designed in a lecture-discussion format in which learning takes place through class discussion of assigned readings, so it is important that you keep up with the readings. Student preparation and participation is essential - you should plan to spend at least two hours reading outside of class for every hour in class. All students will be responsible for the basic readings on each topic – all from the required texts.

Each student must write the midterm exam. This will be two hours and contain short essay-type questions. The midterm exam will be in the regular class time on **Thursday June 15**. There will be no make-up exam. Each student must also write the final exam. This will be two hours in the regular class time on **Thursday June 29** and contain short essay-type questions.

For the written assignment each student must write a 3-page or so (approx. 750 word) personal review of the documentary TV series: **Daniel Yergin and Joseph Stanislaw, The Commanding Heights: The Battle for the World Economy 2002 PBS Series**. This documentary series will be shown in class time throughout the course - see outline below. The objective of the review is to consider the theme of the series in the context of the course and to develop your skills in summarizing arguments, evaluating evidence, and drawing your own conclusions. The review should identify what you believe to have been the most important points made in the series, identify the major sources of evidence used by the



commentator(s), and raise any questions that you have after watching the series. Reviews are due no later than in class on **Wednesday June 28**. The reviews will be graded on the basis of both the accuracy with which they present the arguments of the series and the clarity and style with which the review is presented and the series is evaluated.

### **Grading scale**

Assignments and examinations will be graded according to the following grade scale:

- A 90-100
- A- 85-89
- B+ 82-84
- B 78-81
- B- 75-77
- C+ 72-74
- C 68-71
- C- 64-67
- D 60-63
- F below 60

### **General Expectations**

#### **Students are expected to:**

- ✧ Attend all classes and be responsible for all material covered in class and otherwise assigned. Any unexcused absence may impact a student's grade. A student who has too many unexcused absences may fail the course
- ✧ Complete the day's required reading and assignments before class
- ✧ Review the previous day's notes before class; make notes about questions you have about the previous class or the day's reading
- ✧ Refrain from texting, phoning or engaging in computer activities unrelated to class during class
- ✧ Participate in class discussions and complete required written work on time

### **Course Schedules**

The planned schedule sketched out below may be modified to suit the interests or abilities of the enrolled students or to take advantage of special opportunities or events that may arise during the term.

#### **WEEK ONE (May 29 – June 1): What is Competitiveness and how can it be measured?**

Mon: Introduction to Course, Professor and Students

Tues: Definition of Competitiveness

Wed: Measurement of Competitiveness

Thurs: Video: Commanding Heights: Battle of Ideas 1

#### **WEEK TWO (June 5 – June 8): Competitiveness of Europe**

Mon: European Union, UK

Tues: Video: Commanding Heights: Battle of Ideas 2, France

Wed: Germany, Nordic Countries

Thurs: Video: Commanding Heights: Agony of Reform 1; Russia

#### **WEEK THREE (June 12 – June 15): Competitiveness of the Americas**



Mon: USA, Canada  
Tues: Commanding Heights: Agony of Reform 2; Mexico  
Wed: NAFTA, ABC, other  
Thurs: Midterm

**WEEK FOUR (June 19 – June 22): Competitiveness of Asia**

Mon: Video: Commanding Heights: New Rules of the Game 1; Japan, Korea  
Tues: China  
Wed: Commanding Heights: New Rules of the Game 2; India  
Thurs: Asian Tigers, other Asia

**WEEK FIVE (June 26 – June 29): Competitiveness of Africa and the Middle East**

Mon: Africa  
Tues: Middle East  
Wed: Review and Conclusions  
Thurs: Final Examination

**Academic Honesty**

Students are expected to maintain high standards of academic honesty. Specifically, unless otherwise directed by the professor, students may not consult other students, books, notes, electronic devices or any other source, on examinations. Failure to abide by this may result in a zero on the examination, or even failure in the course.

**Recommended Books for Further Reading**

Michael Porter, The Competitive Advantage of Nations New York: Free Press, 1998

D-S Cho and H-C Moon, From Adam Smith to Michael Porter: Evolution of Competitiveness Theory London: Imperial College Press, 2013

Peter A. Hall and David Soskice (eds.) Varieties of Capitalism: The Institutional Foundations of Comparative Advantage. Oxford: Oxford University Press, 2001

Thomas Piketty, Capital in the Twenty-First Century Cambridge, Mass: Belknap Press of Harvard University Press, 2014

Richard H. Vietor, Globalization and Growth: Case Studies in National Economic Strategies, 2<sup>nd</sup> Edition Thomson South-Western, 2005

Roger Martin, Canada: What it Is, What it Can Be Toronto: University of Toronto Press, 2013

Jeffrey Sachs, The Age of Sustainable Development New York: Columbia University Press, 2015\*

Jeffrey Sachs, The End of Poverty: How We Can Make it Happen in Our Lifetime. New York: Penguin Press, 2006\*

Martin Jacques, When China Rules the World: The End of the Western World and the Birth of a New World Order 2<sup>nd</sup> Ed. London: Penguin Books, 2012

Niall Ferguson, Empire: The Rise and Demise of the British World Order and the Lessons for Global Power. New York: Basic Books, 2002

Niall Ferguson, Colossus: The Rise and Fall of the American Empire. New York: Penguin Books, 2004

Niall Ferguson, The Ascent of Money: A Financial History of the World. New York: Basic Books, 2008

Thomas Friedman, The World is Flat: A Brief History of the Twenty-First Century. New York: Farrar, Straus and Giroux, 2005

William Easterly, The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics. Cambridge, Mass: MIT Press, 2001\*

William Easterly, The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good, New York: The Penguin Press, 2006\*

William Easterly, The Tyranny of Experts: Economists, Dictators and the Forgotten Rights of the Poor New York: Basic Books, 2013\*

David Warsh, Knowledge and the Wealth of Nations: A Story of Economic Discovery, New York: Norton & Co, 2006

Barry Eichengreen, Globalizing Capital: A History of the International Monetary System Princeton NJ: Princeton University Press, 1996

Angus Maddison, The World Economy: A Millennial Perspective Paris: Organization for Economic Cooperation and Development, 2001

Paul Collier, The Bottom Billion: Why the Poorest Countries are Failing and What Can Be Done About It Oxford: Oxford University Press, 2007

Paul Collier, Exodus: How Migration is Changing our World Oxford: Oxford University Press, 2013

Jared Diamond, Collapse: How Societies Choose to Succeed or Fail. New York: Viking Press, 2005

### **Other Background Reading**

Richard Nelson and Gavin Wright, The Rise and Fall of American Technological Leadership, *Journal of Economic Literature*, 30 December 1992,

Robert Allen, The Rise and Decline of the Soviet Economy, *Canadian Journal of Economics* Vol. 34, Nov. 2001, p. 859-881

Richard E. Ericson, The Classical Soviet-Type Economy: Nature of the System and Implications for Reform, *Journal of Economic Perspectives*, 5 Fall 1991, pp.11-27

Gary R. Saxonhouse, Structural Change and Japanese Economic History: Will the 21st Century be Different? *American Economic Review*, 88 May 1998, pp.408-411

### **Other Documentary TV Series relevant to the course include :**



Niall Ferguson, Empire: The Rise and Demise of the British World Order and the Lessons for Global Power. New York: Basic Books, 2002 BBC Series

Niall Ferguson, The War of the World: A New History of the 20<sup>th</sup> Century New York: Penguin Books, 2004 PBS Series

Niall Ferguson, The Ascent of Money: A Financial History of the World. New York: Basic Books, 2008 PBS Series

Jared Diamond, Collapse: How Societies Choose to Succeed or Fail. New York: Viking Press, 2005 National Geographic Series