

BS2222 – EMERGING AND TRANSITIONAL ECONOMIES

Module Number: BS2222

Module Title: Emerging and Transitional Economies

Number of Aston Credits: 20

Total Number of ECTS Credits: 10
(European Credit Transfer)

1. Staff Member Responsible for the Module:

Mr Kirit Vaidya

Economics & Strategy Group
South Wing, Room 1012, Extension 3263

Email: k.g.vaidya@aston.ac.uk

Availability: Please make appointments through WASS or contact Group Administrator, Lynne Woolley, SW907B, Extension 3038

Other Staff Contributing to the Module:

Dr Agelos Delis

Economics & Strategy Group

New lecturer joining in September 2011. Contact details and availability to be advised.

2. Prerequisite(s) for the Module:

BS1102 Economic Environment of
Business or
BS1163 Introduction to
Microeconomics and
BS1164 Introduction to
Macroeconomics

3. Module Learning Outcomes:

The fundamental objective of this module is to assess the economic development and prospects in the major emerging and transitional economies. The focus is on Asia (including the more recently emergent economies of China and India) and the transition of the former Soviet Union and Eastern Europe from central planning to market based economies.

More specifically, the aims of this module are:

- (a) to develop understanding of emerging and transitional economies and the related economic and industrial development theories;

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- (b) to understand the economic performance, prospects and problems of these economies, and
- (c) through the study of these economies, to develop the skills of making country-specific economic appraisals.

Upon successful completion of the module students will be able to:

- (a) Understand the emerging and transitional economies and the role of indigenous and foreign business and government policy in their development and performance.
- (b) Demonstrate the skills to carry out appraisals of enterprises and countries in transition learnt through the study of the economies and the case-study material.
- (c) Appreciate the roles of competition, ownership, policies, institutions and learning in economic and industrial development in these economies.

4. Module Content:

Content	Lecturer
Week 1 Introduction:	
Overview of the module; content and assessment procedure (No tutorial)	KV
Weeks 2-3 Competitive strategies and advantages of businesses in East Asian emerging economies: <ul style="list-style-type: none">• Labour costs, accommodating policies, international sub-contracting and developing technological capabilities and competitiveness.• Main approaches to understanding the East Asian Miracle:<ul style="list-style-type: none">○ industrial development strategies;○ neo-liberalism vs structural institutionalism.	KV
Weeks 4-5 Development issues in East Asia	KV
Explaining the East Asian Miracle: neo-liberalism; structural institutionalism; flying geese; greater China, and dependency. Inward foreign direct investment and collaborative ventures - seeking cost advantage, specialised skills and market access. The East Asian Crisis of 1997 - causes, consequences and lessons.	

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Weeks 6-7 China as an emerging economy	KV
Industrial policy, manufacturing sector growth and capability development – following an East Asian model?	
Weeks 7-8 India's economic reforms and prospects for business	KV
Appraisal of performance in improving international competitiveness and attracting inward FDI Contrasting developments in the auto and software sectors	
Week 10 Emerging economies in Latin America	KV
Brazil: Policies, industrial development strategies and economic performance	
Week 11 Review of TP 1 material	KV
Weeks 12 / 13 Examination on TP 1 Material	KV
Week 14 - 16 Transition in the Russian Federation	AD
<ul style="list-style-type: none">• 10 years of depression and uneven development• Barriers to FDI, institutional development, investment and the dependence on natural resources – rebound and growth?• Where now for the Russian economy?	AD
Week 17-19 Transition in Ukraine	AD
<ul style="list-style-type: none">• 1998-2007 Inflation stabilisation and the beginnings of economic growth• Barriers to F.D.I<ul style="list-style-type: none">○ Institutional barriers○ Corruption• Rise of Oligarchs• Orange Revolution and beyond	
Week 20 Transition in the Baltic States	AD
<ul style="list-style-type: none">• Financial fragility and technological change S• Search for highly stable macroeconomic policy and FDI-led restructuring, generating lower-end production, construction, and consumption booms?• Boom and Bust in the Baltics<ul style="list-style-type: none">○ Weak national innovation system (expressed, e.g., in small numbers of patents, and low levels of business R&D spending)○ Nordic vs. Baltic Models○ The large amounts of private borrowing in the Baltic	

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economies via foreign banks operating in these countries

Week 21 Transition in Poland

AD

- Success stories of transition (high rates of GDP growth without significant increase in income inequality; early stabilisation program, the strength of market-oriented reforms, generous social programs)
- Poland transition experience
- What Poland did right?
- Cross-country comparison on inequality and growth in transition

Week 23 Review of TP 2 material

AD

Week 26 onwards TP2 Examination

AD

5. International Dimensions:

The entire module is international in nature. It compares economic, political and social contexts, economic policies and business strategies in a number of emerging and transitional economies.

6. Corporate Connections:

Where possible, examples used are from a company context. In TP 1, students work in syndicate groups on a company of their choice from an emerging economy. Vaidya's research has also included longitudinal case studies of Chinese companies and their international collaborations from which examples are drawn.

7. Links to research

The research interests of Vaidya, who teaches the Emerging economies part of the module, include technology transfer and capability development of latecomer companies with special reference to China and more recently India. Some of Vaidya's published work is included in the readings. Delis's (teaching the transition economies part of the module) research interests include FDI and economic development.

8. Learning and Teaching Rationale and Methods:

The growth and development of emerging and transition economies is bringing about major changes in the global economy. Their development and growth and the strategies of emerging and transition economy businesses have implications for the mature economies and businesses in them. The aim of this module is to develop students' understanding of these emerging trends and related concepts and theories. Lectures provide an introduction to and critical appraisal of the trends and models and theories which enhance their understanding.

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Given the nature of the module, it is not possible to rely on textbooks to complement the material introduced in the lectures. Students are recommended journal articles, reports of international organisations such as the World Bank and the International Monetary Fund and other web-based materials to deepen their understanding of material introduced in lectures. In addition, in tutorials students will work in syndicate groups on journal articles and case studies of emerging and transition economy companies and will make group presentations which will form part of the assessment.

Composition of learning hours

Lectures	22
Tutorials	20
Work related to tutorials (including group work for assessed presentation)	62
Reading	62
Revision	30
Assessment (examination component)	4
Total	200

Contact and directed learning

- Lectures
- Tutorial work
- Presentations on tutorial work
- Examination

Indirect learning

- Work related to tutorial assignments and presentations (individually and in syndicate groups)
- Exam revision
- Reading

9. Ethical Approval:

This module does not require any primary research and no ethical approval will be necessary.

10. Assessment and Feedback Rationale and Methods:

The assessment is via two group presentations in tutorials (15% each) two 2 hour examinations (35% each). Material taught in TP 1 will be examined during TP 1 (group presentations in tutorial sessions towards the end of TP 1) and the January examination period. Material taught in TP 2 will be examined the during TP 2 (group presentations in tutorial sessions towards the end of TP 2) and the May / June examination period.

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Students are encouraged to utilise lecturers' and tutors' office hours to obtain more detailed feedback and advice.