EC/PO/IR 330 EMERGING ECONOMIES: A GLOBAL PERSPECTIVE OF OPPORTUNITIES AND CHALLENGES IN ARGENTINA & CHILE
IES Abroad Multi-location Emerging Economies
Course taught in Buenos Aires & Santiago

DESCRIPTION:
The course provides a theoretical framework that enables the student to understand, evaluate and identify the different types and characteristics of emerging economies within the context of globalized markets. The course examines policy and international system considerations that affect the performance of the markets and, furthermore, it explores the social and environmental impact of economic developments in both countries juxtaposed with their sociopolitical, historical, and cultural contexts. The broad concepts and theories introduced in the course will be explored primarily through case studies involving Argentina and Chile.

However, the course also incorporates an overall approach that will examine a variety of economic development processes within Latin America. Using a student-centered and participatory approach, the course asks students to explore the different models or strategies adopted by the countries in focus. They will identify the strengths, weaknesses, and challenges of the studied economic policies and trends, as well as the results observed from those decisions.

CREDITS: 4 credits

CONTACT HOURS: 60 hours

LANGUAGE OF INSTRUCTION: English

PREREQUISITES: None

ADDITIONAL COST: None

METHOD OF PRESENTATION:
- Lectures
- Class discussions
- Research project

REQUIRED WORK AND FORM OF ASSESSMENT:
- Participation and Preparation - 5%
- Individual class presentations - 10%
- Midterm Evaluation (Argentina) - 25%
- Midterm Evaluation (Chile) - 25%
- Emerging Markets Practice - 35%

Participation and Preparation
Students are expected to participate actively and to prepare readings and assignments thoroughly before class.

Presentation
Every student will be required at least once to summarize and make a 10-minute presentation on one of the class readings. The presentation will be conducted at the beginning of the class. Depending on the number of students enrolled, two or more students may be required to present the same text together.

Midterm and Final Evaluations
The particular settings of this course make necessary two separate evaluations, one for each leg of the program. The first will be made up of a test of students’ mastery of the theoretical concepts as well as material related to Argentina in particular. The final exam will do the same primarily within the context of Chile but will require students on a select question to compare the primary national economies studied as well as to provide examples from other Latin American markets.
Emerging Markets Practice

Students will be required to develop a Latin American Financial Portfolio (Equities) using the Investopedia Stock Simulator (http://www.investopedia.com/simulator/). They will have to prepare and present 2 essays (one in Argentina and one in Chile) each with a minimum length of 6 and maximum 12 pages (without accounting bibliography and annex data) which will include a description of their investment strategy, and an analysis of the firms and the business macroeconomic environment. During the Chilean leg of the program, students will concentrate on the institutional variables that affect investment in Emerging Economies and reach a conclusion about the pertinence of investing in Latin American countries. The format and other formal details will be disclosed during the class sessions.

LEARNING OUTCOMES:
By the end of the course students will be able to:

- Describe in detail key differentiating factors that define an emerging economy in general and within key Latin American contexts.
- Analyze and discuss the effect of international variables in the development of these markets.
- Demonstrate understanding policy challenges faced by governments balancing economic development with sociopolitical, environmental, and other interests.
- Scrutinize the new and expanding roles of developing countries in the multilateral system.
- Clearly define the particularities of the Argentine, Chilean, and other select Latin American regional economic models.

ATTENDANCE POLICY:
Attendance and punctuality are mandatory for all IES Abroad classes, including course-related excursions. Any exams, tests, presentations, or other work missed due to student absences can only be rescheduled in cases of documented medical or family emergencies. If a student misses more than 1.5 classes (for courses taught once a week) or 2.5 classes (for courses taught twice a week) in any course, the final grade will be reduced by one-third of a letter grade (for example, A- to B+) for every additional unexcused absence. Six absences in any course will result in a failing grade.

Punctuality
Students who are late to class will receive a .5 absence. Arriving in class more than 15 minutes late will result in 1 absence.

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<td>• WTO, World Trade Report 2013 Factors shaping the future of world trade, pp 45-54</td>
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| Session 5 | **Buenos Aires**  
- The Evolution of Global Trade II | - WTO, World Trade Report 2013 Factors shaping the future of world trade, pp 55-89 |
| Session 6 | **Buenos Aires**  
- Economic Crisis. Argentina: Debt Crisis and 2001/2002 Crisis  
- (11to 13 hs): Trip to financial institutions and museums | - Ibrahim M. Rihan, The Great Recession, IMF Lessons from the Crisis in Argentina |
| Session 7 | **Buenos Aires**  
- Commodities and emerging markets I: challenges and opportunities. China, Argentina and Latin America | - The “China effect” on commodity prices and Latin American export earnings, Jenkins |
| Session 8 | **Buenos Aires**  
- Economic Integration  
| Session 9 | **Buenos Aires**  
- Financial Repression and Liberalization | - Manuel Pastor GOOD BYE FINANCIAL CRASH, HELLO FINANCIAL REPRESSION |
| Session 10 | **Buenos Aires**  
- Privatization | - Privatization Alberto Chong et al. Privatization in Latin America, Chapter I |
| Session 11 | **Buenos Aires**  
- Inflation: Argentina and Latin America | - BBVA, Inflation Persistence |
| Session 12 | **Buenos Aires**  
| Session 13 | **Buenos Aires**  
- Final session in Argentina  
- **Midterm examination**  
- First presentation of Emerging Markets portfolio | -  

*Global brilliance begins here.*  
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Africa | Asia Pacific | Europe | Latin America
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<td>• The Chilean outbound strategy of development</td>
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<td>Session 20</td>
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<td>• Regional integration processes II: Chile and its treaty consolidation efforts: P4, TPP, and Pacific Alliance</td>
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<td>• Asia Development Bank “Multilateralizing Asian regionalism: approaches to Unraveling the Asian noodle bowl”. Asian Economic Integration Monitor, March 2013, pp. 49-65.</td>
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<td>Session 21</td>
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<td>• Course-Related Trip: Winery TBA</td>
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<td>• A guide will be provided by the professor. Students will be required to turn in a short essay on the Chilean wine industry.</td>
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<td>Santiago&lt;br&gt; • Commodities and emerging markets II: The Chilean Coper Dependency&lt;br&gt; • Review of other industries</td>
<td>• Haber and Menaldo. “Natural Resources in Latin America: Neither Curse Nor Blessing”, Oxford Handbook of Latin American Political Economy, 2012.</td>
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<td>Session 23</td>
<td>Santiago&lt;br&gt; • Midterm Evaluation</td>
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<td>Session 24</td>
<td>Santiago&lt;br&gt; • Chile and Latin America: Towards fair trade</td>
<td>• Ann Le Mare. “The Impact of Fair Trade on Social and Economic Development: A Review of the Literature”, in Geography Compass, No.2, 2008</td>
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<td>Session 25</td>
<td>Santiago&lt;br&gt; • Social policy, difficulties and success in the redistribution of income on the emerging economies</td>
<td>• Contreras &amp; Gallegos. “Wage inequalities in Latin America: a decade of changes”, Cepal Review, No. 103, April 2011, pp. 27-44.</td>
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<td>Session 27</td>
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<td>• Students will also turn in their second Emerging Markets Portfolio paper</td>
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<td>Session 28</td>
<td>Santiago&lt;br&gt; • Course review, grading and final discussion of their Emerging Markets Practice</td>
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**REQUIRED READINGS:**
- Alberto Chong, Florencio López de-Silanes [editors]. Privatization in Latin America: myths and reality IADB https://publications.iadb.org/bitstream/handle/11319/348/9780821358825.pdf;jsessionid=C5A1550B0F837E1DC8289354A84BDD68?sequence=1
• DIRECON. Translation Available: Chile’s Commercial Negotiations Guide. Official publication by the Economic Relations Department of the Chilean Ministry of Foreign Affairs (DIRECON), Santiago 2000.
• Jenkins, Rhys The “China effect” on commodity prices and Latin American
• Hanson, Gordon H. “Why Isn’t Mexico Rich?” Gordon H. Hanson Journal of Economic Literature, Vol.48(4), 2010
• Ocampo, Jose Antonio. “Latin America’s Growth and Equity Frustrations during Structural Reforms”. Journal of Economic Perspectives 18(2) 2004

RECOMMENDED READINGS:
• Bank for International Settlements, Fiscal policy, public debt and monetary policy in emerging market economies. BIS Papers No. 67, October 2012.
• Cavalcanti, Tiago and Mohaddes, Kamiar and Raissi, Mehdi, “Commodity Price Volatility and the Sources of Growth” (January 17, 2012).
• Chile’s Commercial Negotiations Guide. Official publication by the Economic Relations Department of the Chilean Ministry of Foreign Affairs (DIRECON), Santiago 2000.
- WTO, World Trade Report 2013 Factors shaping the future of world trade