COURSE SYLLABUS
George Mason University-Schar School of Policy and Government

Country Risk Analysis—ITRN 759-B01
Course Credits: 3
Summer 2019-Session B
Days/Time: Monday/Wednesday 7:20-10:00PM
Room: FH 479
Campus: Arlington

Instructor: Jeffrey H. Joseph
Office Hours: On Request
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Course Description and Purpose:

The risks inherent in doing international business in countries around the world have arguably never been greater. While in recent years emerging economies have embraced business-friendly policies and the threat of nationalization by governments has receded in most places, a host of new risks has emerged. These include regulatory risk, corruption, and threats against key corporate personnel, assets, and networks by criminal organizations and transnational terrorists. Global companies also must plan for the possibility of supply chain disruptions caused by natural disasters, infectious diseases, cyber attacks, and geopolitical conflict.

This course will consider the nature of the contemporary risks facing firms operating in the global marketplace, how these risks compare to those that have confronted companies in the recent past, and what strategies can be implemented by international companies—particularly those with complex supply chains—to minimize their vulnerabilities in this new era of heightened uncertainty and risk.

Course Materials


Current WSJ, FT articles; Selected country risk/political risk publications.
Course Learning Objectives

This course is designed to introduce students to the different kind of country risks (i.e., political, legal, financial, operational, etc.) that multinational companies face operating both in developing countries and long established countries undergoing political turmoil. Through lectures, readings, case studies, and class projects the course will analyze the different tools and strategies companies use to identify, measure, and manage risks.

The concepts, skills, and analytical tools taught in this course will enhance students’ abilities to identify opportunities and risks in the global marketplace and formulate successful international strategies. Knowledge in the subject can broaden possible employment opportunities for students. While private sector insurance companies and large consulting firms have been traditionally involved in country risk assessment, smaller financial firms, ratings services, energy firms, and large banks now attempt to navigate this space. Also, many International/Governmental Organizations like the World Bank, OECD and OPIC, and the US State Department regularly look for employment candidates with in-depth knowledge of these issues.

Teaching and Learning Methods—Class Participation

Students should be prepared to discuss reading assignments in each class. During the course you will be picked to summarize or critique an assigned article or case. Failure to contribute in such cases will lead to a loss of participation points.

Assignment Details

Students will be asked to perform baseline research and monitor events with reference to class topics in a country assigned to them. In the first class students will be organized into small teams for a semester-long project covering the UK, Brazil, Turkey, China, Russia, India, Mexico, Germany and South Korea. Depending on the number of students in the class these exercises might be conducted by small teams of 3 or 4 students. Students will be asked specific questions each week on events in their designated countries and that discussion will encourage participation by the rest of the class.

At the end of the semester, each student/team will make a presentation to the class on their findings/assessment of current country risk.

A research paper will also be required – again focusing on each student’s country of coverage. Each student/team should pick three current events with political risk of significance to their chosen country’s financial market, or to possible corporate or government entity clients. Each student/team should then analyze these events, their relevance and implications, for the type of client chosen and forecast plausible outcomes.
Grading and Performance

Attendance and Class Participation  25%
Country Analysis  25%
Group Project/Presentation  25%
Final Exam  25%

Class Schedule/Course Topics (Subject to Revision Based on Global Events over next several months/Readings similarly will be updated/revised/supplemented)

Class 1- June 3, 2019
Introduction to Country Risk Analysis/Dealing With Uncertainty
       Readings: “The Fat Tail,” Bremer & Keats, Chapters 1 & 2;

Class 2-June 5, 2019
Country Risk Methodologies/Risk Indicators & Early Warning Systems
       Readings: Tukoz, Chapters 10, 11 & 12.

Class 3-June 10, 2019
Geopolitics, Political Risks, Major Trends & Capital Markets
       Readings: Bremer, & Keats Chapters 3 & 4;
       “Strongmen and Straw Men: Authoritarian Regimes and the Initiation of
       International Conflict”, American Political Science Review (2012); other
       readings on issues such as Global Refugees & Accelerating Digital Economy.

Class 4-June 12, 2019
Political Risk in Developed Markets
       Readings: “What does a Brexit delay mean for politics, business, citizens and
       the EU?” The Guardian, April 11, 2019; “Warning of legal limbo for 3M EU
       citizens living in UK after Brexit”, The Guardian, March 25, 2019; Jensen, N.
       “Political Risk, Democratic Institutions and Foreign Direct Investment” The
       Capitalism and the Euro Crisis.” West European Politics. Vol. 37, No. 6
       (2014): 1223-1243; other readings.

Class 5-June 17, 2019
Political Risk in Emerging and Frontier Markets
       Readings: “Guide to Emerging Markets,” Parts 1 & 2, Manktelow,
       “The Fat Tail,” Bremer & Keats, Chapters 4 & 5; “Breakout Nations: In Pursuit
       of the Next Economic Miracles,” 2012, Chapters 1, 13 & 14;
       “Entrepreneurship in Post Conflict Zones” Council on Foreign Relations
       Working Paper, May 2012; “Investing in N Korea can have a catch”, The
       Gazette, March 23, 2019; other readings.
Class 6 - June 19, 2019
Financial Systems, Economic Growth and Country Risk Analysis

Class 7 - June 24, 2019
Fiscal & Monetary Policy and Country Risk Analysis
Subtopics: Balance of Payments, Sovereign Debt

Class 8 - June 26, 2019
Cryptocurrencies/Risks to Capital Markets

Class 9 - July 1, 2019
Cybersecurity Risks/Challenges

JULY 3, 2019—NO CLASS

Class 10-July 8, 2019
Populism and Terrorism Converge to Compound Global Risks.

Class 11-July 10, 2019
Will The Global Technology Race Launch A New Cold War?

Class 12-July 15, 2019
Team Presentations

Class 13-July 17, 2019
Team Presentations

Class 14-July 22, 2019
Team Presentations

Exam Period: July 25-27, 2019