

## **BALL STATE UNIVERSITY, Fall 2011**

### **Economic and Political Problems of Emerging Nations**

#### **INSTRUCTORS**

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#### **PREREQUISITES:**

Not specified.

#### **CATALOG DESCRIPTION OF THE COURSE:**

The course will provide an overview and insight into the major characteristics of transition economy on the example of former socialist countries, stressing the example of the Czech Republic. The course will refer to the economic, social and political environment before and after transition. Also, the course will include case studies of success during transition in the Czech Republic. The last part of the course will focus on the economic geography where students will learn about influences of location and cultures on the factors of economic development. Students are required to read the assigned readings for the class.

#### **COURSE OBJECTIVES**

Upon completion of the course, students should be able to:

- Understand concepts of planned economy and transition economy.
- Understand key differences in above mentioned systems and recognize the major incentive mechanisms in each of them.
- Understand role of incentives and basics of asymmetric information modeling.
- Identify basic problems and issues of transition, students should be able to argument what were the challenges of the transition period in the Eastern Europe.
- Rationalize about potentials of Eastern Europe and factors of development from transition.

## **ASSIGNMENTS AND EXAMS**

### **Midterm and Final Exams**

Exams will be composed of multiple choice and open ended questions, referring to material covered in class and in reading assignments.

### **Term Paper**

Students are expected to write a paper where they should show an understanding of a subject in the area of transition economics. In *week 7* students should submit a preliminary outline of the term paper. Students are free to choose the topic of their paper; the only condition is that the topic is related to the issue of transition economy. The paper should be min 6 pages long (double spaced, 12 font). Here are some examples that can guide students in choosing the term paper topic:

- Select a country (or industry within a country) and describe process of transition;
- Select an industry (or a part of the economic system) in the Czech Republic and describe its functioning in planned economy, transition and market economy conditions.
- Comparison of transitions processes between countries – advantages and disadvantages.
- Students are encouraged to provide original and insightful view of the transition period, for example: - Market size and market positioning of the small bakeries in the Czech Republic during communism, transition and market economy; Freedom of sport contracts of soccer players in communism, transition and nowadays in Czech Republic; How has the purchasing power of Czech families changing over decades?, etc.

### **Presentations**

Students are expected to make a 20 min presentation. Students can do presentations in groups of 3 – 4 students. Topics for the presentation can be various: reflections to the class trips to Skoda or Czech National Bank; presentation of the town, area, country that students visited during the semester; current stage of the term paper work, etc. The grade will depend on the students' ability to recognize characteristics of the economic and social system they are describing.

(50% of the grade is from the evaluations from the rest of the class and 50% from the teacher).

Presentations will be held during the semester; students should announce one class beforehand that they will like to make a presentation during the following class.

### **Class trips**

\*Updates for the class trips will be provided. The organization of the trips is still under go, and it can change during the semester. (dates and time of visits)

Škoda – Plzen – Visit to factory and its management. Škoda factory is one of the success stories of the transition economy in the Czech Republic.

Czech National Bank – Prague – Visit to the exhibition of history of monetary policy in the Czech Republic.

**Grade composition:**

Midterm – 20%

Final – 30%

Term Paper – 30%

Presentation - 15%

Class participation/attendance – 5%

Your grade will be determined as follows:

<b>Percent</b>	<b>Grade</b>
<b>90-100%</b>	<b>A</b>
<b>86-89%</b>	<b>B+</b>
<b>80-85%</b>	<b>B</b>
<b>76-79%</b>	<b>C+</b>
<b>70-75%</b>	<b>C</b>
<b>66-69%</b>	<b>D+</b>
<b>60-65%</b>	<b>D</b>
<b>0-59%</b>	<b>F</b>

\*there will be no handing-in of homework assignments: reading papers to prepare for the class discussion is essentially important for understanding and following lectures.

**CLASS DAYS & HOURS:**

**Class lectures will be held on Tuesdays & Thursdays from for the period of September 3<sup>rd</sup> to December 4<sup>th</sup> in the HUB, Prague, Czech Republic.**