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# Economics of Global Competitiveness and Sustainability

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## Course aims and intended learning outcomes

Territorial/national competitiveness and sustainability are becoming crucial drivers for firms' performance. Most of the firm level decisions are for different reasons related to the territorial context where the firm is located. The objective of the course is to identify the most important elements in decisions made by firms in establishing a presence in Europe and internationally. The course opens with a review of readings about country risk and territorial competitiveness and proposes a series of practical tools for analysing national frameworks. The main points of reference are the instruments proposed by European and international organisations and by the principal agencies for rating the points of destination for direct foreign investment in the business environment of an economic system. Moreover, a specific attention is paid to the sustainability issue. Starting from the approach followed in the Agenda 2030 that identified the Sustainable development goals, the relationships between the strategies of the firms and the sustainability goals will be widely studied along with the methods of evaluation of the performance of firms and industrial clusters in terms of sustainability.

## Learning outcomes

- Capacity to identify the elements that cause an increase in country risk, including from an empirical profile.
- Capacity to compare differing territorial performance on the basis of competitiveness rankings.
- Capacity to identify main sustainability issues in the perspective of Agenda 2030 - SDGs
- Capacity to define the business environment of a given territory, and to define the framework for localisation choices.
- Capacity to respond to the demand of firms regarding the advantages of locating in other territories.

## Course content

1. Country risk: concept and measures.
2. Territorial competitiveness and ease of doing business: concepts and measures.
3. Sustainability and SDGs: concepts and measures.
4. Factors making territories attractive and the key players in the territorial framework.
5. Constructing a model to promote a site selection process taking care of risk, competitiveness and sustainability.



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## Reading list

A preliminary reading list is indicated below:

### Point 1

- P. MANASSE- N. ROUBINI, "Rules of Thumb" for Sovereign Debt Crises, IMF working paper, WP/05/42.
- The State of Public Finances Cross-Country Fiscal Monitor: November 2009, IMF Staff Position Note, November 3, 2009, SPN/09/25.

### Point 2

- J. STIGLITZ-A. SEN-J.P. FITOUSSI, Report by the Commission on the Measurement of Economic Performance and Social Progress, 2009.
- P. KRUGMAN, Competitiveness- A Dangerous Obsession, Foreign Affairs, March/April 1994 (volume 73, number 2).
- S. LALL, Competitiveness indices and developing countries, an economic evaluation of Global Competitiveness Report, World Development, Vol. 29, N.9, pp. 1501-1525, 2001.
- The Global Competitiveness Report 2009-2010, World Economic Forum.
- IMD World Competitiveness Yearbook, 2009, IMD.
- International Country Risk Guide, PRS Group.
- Index of Economic Freedom 2010, The Heritage Foundation.
- Corruption Perceptions Index, 2009, Transparency International.

### Point 3

- The sustainable development goals report 2018, United Nations
- Rapporto ASVIS, 2019
- Rapporto SDGs 2018, ISTAT, Italia, 2018
- Points 4 and 5
- SANSOUCY, Marketing territoriale: marketing ed attrazione di investimenti, Piacenza, 2006.

Additional materials will be provided.

## Teaching method

Lectures and practical exercises carried out with the guidance of the professor. Lectures will be flanked by meetings with the professor for the purpose of preparing individual project work. The course also contemplates seminars involving professionals for the purpose of evaluating the international location opportunities available to firms.

## Assessment method and criteria

The evaluation process is based on the following steps:

1. Assessment about the evaluation of country risk (applied calculation of the empirical tree for a country)(points 2.5)
2. Assessment about the evaluation of territorial competitiveness of a country (based on the World Economic Forum (points 2.5)



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3. Assessment about the evaluation of sustainability of a country (based on UN report), (points 2.5)
4. Written exam: two questions points 12,5 out of four
5. Project work (homework): business environment evaluation or site selection process applied (points 10)

### Notes and prerequisites

Information on office hours available on the teacher's personal page at <http://docenti.unicatt.it/>.