

COURSE INFORMATION

Course title:	The Integrated Global Economy		
Course code:	BA580B	Credits:	1.5
Session:	2021W, P7	Classroom:	HA 133
Section(s):	001/002	Class times:	(001) Tue/Thu 09:00-12:00 (002) Tue/Thu 13:00-16:00
Course duration:	Mar 8-Mar 24, 2022	Pre-requisites:	n/a
Division:	SBE	Co-requisites:	n/a
Program:	Full-time MBA		

INSTRUCTOR INFORMATION

Co-Instructor:	Dr. Werner Antweiler	Office location:	HA275 / Zoom room
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Co-Instructor:	Dr. Darren Dahl	Office location:	N/A
Phone:	604-218-7354	Office hours:	by appointment
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COURSE DESCRIPTION

The world economy is becoming increasingly interdependent as value chains extend across countries and continents, and the volume of international trade and foreign direct investment has grown faster than world economic output. The effects of globalization are complex and have created both opportunities and challenges for businesses. For example, globalization has opened new markets for businesses and has created unprecedented wealth. However, climate change and environmental concerns, as well as political and societal changes brought on by globalization, require businesses to adapt and better manage risk.

This course is designed to explore the role of businesses in the global context. The major themes covered in this course include international markets, societal trends, sustainability, international politics & institutions, and new technologies & innovation—broadly, the five factors of STEEP Analysis. How can businesses become more resilient when global value chains become increasingly extended and interdependent? How can businesses respond to climate change and related policies? Which disruptive technologies will change the economic landscape in the next decades? Which emerging political and societal trends will influence the integrated global economy?

Placed at the end of the MBA program, this course is intended to be a capstone experience that integrates knowledge from across the entire program and prepares students for the uncertainties and risks of the global economy—always expecting the unexpected, and responding to new

challenges with analytic rigour based in sound economic reasoning. To aid in this process, students will be introduced to scenario writing techniques as part of a team project.

COURSE FORMAT

In-class time will be spent on lectures, guest-speakers, a variety of activities, and discussion. Students will do readings outside of classroom time. There will also be a group-based project to be completed outside of class time.

LEARNING OBJECTIVES

At the end of the course, students will be able to:

- *Learn how to apply STEEP (Societal, Technological, Economic, Environmental, Political) Analysis to business scenarios;*
- *Identify the types of risks inherent in the integrated global economy and apply mitigating strategies through resilience measures;*
- *Appreciate long-term trends in all STEEP areas and how they can be embraced to ensure the long-term viability of international businesses;*
- *Learn scenario writing techniques.*

ASSESSMENTS

Summary

Component	Weight	Type	Deadline*
Scenario Writing Team Project	50%	Teamwork	March 31
Assignment #1 – Innovation Systems	10%	Individual	March 13
Assignment #2 – Sustainability and Environment	10%	Individual	March 20
Assignment #3 – Reflection	10%	Individual	March 27
Participation	20%	Individual	—
Total	100%		

* Deadlines are 23:00 of that day. Assignments #1 and #2 supported and marked by W.A.; assignment #3 supported and marked by D.D.; Scenario Writing Team Project supported and marked by W.A. for teams 1-11 and D.D for teams 12-22. See Canvas for team assignments.

Details of Assessments

Participation

It is important to attend all sessions and fully engage in classroom discussions of the pertinent topics. Please keep your class notes up-to-date. In order to prepare for discussions in class, students must read the assigned articles and cases.

Assignments

There are three individual assignments due, one in each week of the course, by the end of each week (due on Sunday at end of week, no later than 5pm). For the first two assignments, students will be assigned a topic (or be given a variety of topics to choose from) to discuss in a written report, typically an issue that is under active discussion in the media at the time. The first assignment covers innovation and technology, and the second assignment will cover environment and sustainability. The objective of the report is to apply your knowledge to analyze the implications of the issue at hand for businesses, the effect it has on the future prospects positively or negatively. Reports will be graded on five rubrics:

- Ability to draw on business intelligence (data and sources)
- Ability to apply economic/social concepts and reasoning (rigour)
- Exploring all relevant dimensions of the problem/trend (scope)
- Describing suitable strategic responses of businesses (creativity)
- Efficacy of communication & writing (style)

The third assignment is a reflection assignment where you will be asked to discuss your thoughts and reactions to the myriad of guest speakers that we will have in this course. In this reflection you could discuss what you found interesting (and why), what you agree or disagree with, what inspired you, and/or what continued learning you plan to do. You can reflect on just one of the speakers, some of them, or all of them. These are just examples on how to tackle the reflection – the approach taken is up to you.

Each assignment should be about 2-3 pages long (maximum 1,500 words), not including any tables, figures, or bibliographic citations (as applicable). It should be concise and well-structured.

Scenario Writing Team Project

A self-directed team project is part of this course. Students are asked to form teams of five students in order to research, prepare, write, and evaluate a business scenario report.

Strategic foresight is a necessary skill in managing businesses in the international environment. “Scenario analysis” describes a strategic planning method to develop action plans for contingencies in future yet-unknown states of the world. This method has been adapted from military intelligence and often involves simulations of hypothetical states of the world. Strategic foresight is gained by combining information from the five STEEP domains (social, technological, economic, environmental, and political) and understanding how interactions among them can generate different outcomes. The value of scenario analysis lies in going beyond mere extrapolation of current trends and instead focus on disruptive events and contingencies. As is the case in the military, businesses need to be well prepared for eventualities.

In economic analysis, scenario planning often is useful because there is a large range of plausible outcomes and key variables (interest rates, exchange rates) are continuous. By focusing on

extreme cases (“best case”, “worst case”) and an intermediate benchmark case, businesses can envision different outcomes as discrete states, and in particular safeguard against worst-case outcomes. A particularly useful part of scenario planning is “stress testing” using adverse or worst-case scenarios. For businesses, scenario planning focuses on key elements of strategic management, such as competitive advantage, value chain integration, core competence, and strategic partnerships. At its best, scenario planning can help re-envision a business in a changing landscape with a paradigm shift—for example, oil majors transitioning away from fossil fuels and morphing into broad energy companies.

The core element of every scenario plan is the assumed future state of the world. It should be a distinguishable alternative state of the world and a clear departure from “business as usual”. Student teams will be tasked with finding their own topic from among the STEEP themes. To provide some examples:

- A major technological breakthrough in battery technology (high energy density)
- The 2024 elections in the United States return an anti-trade populist to the White House
- A war breaks out across the Taiwan Strait
- A tsunami destroys critical shipping infrastructure in Asia
- A category 5 hurricane destroys most refineries along the Gulf of Mexico
- The international financial network (SWIFT) is hacked and incapacitated
- Power systems are disrupted by a geomagnetic storm (“Carrington Event”)
- GPS navigation is incapacitated by space debris (“Kessler Syndrome”)
- Artificial organs can be grown in labs reliably and cheaply
- Green hydrogen replaces natural gas and oil as energy carrier

The scenario analysis should not exceed 12 pages of text and may contain additional appendix material such as charts, figures, tables, and references. Given the space constraint, you will have to be very selective in what you include. Demonstrate that you can apply theory taught in class and that you can conduct thorough factual research (document your sources in a reference section at the end of the paper). When using information from websites, make sure that you identify the credibility and timeliness of the source.

The instructors will grade the written scenario analysis on three criteria: (a) quality and depth of research; (b) comprehensiveness and breadth of coverage; and (c) effectiveness of communication and consistency of arguments.

LEARNING MATERIALS

Recommended books and articles about scenario writing

- Rafael Ramirez and Angela Wilkinson: “Strategic Reframing: The Oxford Scenario Planning Approach”, Oxford University Press, 2018.
- Woody Wade: “Scenario Planning: A field guide to the future”, Wiley, 2012.

- The Economist: “[Why it’s worth reading crazy-sounding scenarios about the future](#)”, July 6, 2019.

Articles and Books: (readings are indicated as [R] required or [O] optional)

- The Economist magazine has a collection of “What if?” articles, which inspired the thinking behind this course. Some recent (2021) additions are: [O]
 - o [What if smartphones became personal health assistants?](#)
 - o [What if everyone’s nutrition was personalized?](#)
 - o [What if biohackers injected themselves with mRNA?](#)
 - o [What if a deadly heatwave hit India?](#)
 - o All of “The World If” articles [HERE](#)
- Sustainability & Environment
 - o Böhringer et al.: *Potential impacts and challenges of border carbon adjustments*. Nature Climate Change, January 2022. [R]
 - o Hannah Beech: [Can a Tiny Territory in the South Pacific Power Tesla’s Ambition?](#) New York Times, December 31, 2021. [R]
 - o UNCTAD: [Climate Change, Green Recovery, and Trade](#). 2021. [O]
 - o Carolyn Deere Birkbeck: [Greening International Trade](#). [O]
- International Trade & Politics
 - o Harold James: *Globalization’s Coming Golden Age*; and Gordon Hanson: *Can Trade Work for Workers?* (Foreign Affairs, July 2021) [R]
 - o A rush to farm organically has plunged Sri Lanka’s economy into crisis (The Economist Oct. 2021); For Canada, organic food is an expensive status symbol. For Sri Lanka, it’s a catastrophe (Globe and Mail, Feb. 2022); Can vegans stomach the unpalatable truth about quinoa? (Guardian, Jan. 2013). [R]
 - o *The new order of trade*, The Economist, October 9, 2021. [O]
- Technology & Innovation
 - o The Innovator’s Dilemma (Christensen) [O]
 - o The Lean Start-up (Ries) [O]
 - o How Innovation Works (Ridley) [O]
- Society
 - o Together we Rise: How Social Movements Succeed, *Journal of Consumer Psychology* (Nardini et al., 2021) [O]
 - o How Change Happens: Why Some Social Movements Succeed While Others Don’t (Crutchfield) [O]
 - o How Social Movements (sometimes) Matter (Meyer) [O]
 - o Social Media and Social Movements: The Transformation of Communication Patterns (Coban (ed.)) [O]

A set of articles and cases that will be directly utilized in class will be made available as a course package through Canvas. The link for the required cases is here:

<https://www.iveypublishing.ca/s/ivey-coursepack/a1R5c0000F2HwQEAV/ba-580b001002-wt2-the-integrated-global-economy>

Course-specific Policies and Resources

Missed or late assignments, and regrading of assessments

Late submissions will not be accepted and will receive a grade of zero.

Academic Concessions

If extenuating circumstances arise, please contact the RHL Graduate School program office as early as reasonably possible, and submit an [Academic Concession Request & Declaration Form](https://webforms.sauder.ubc.ca/academic-concession-rhlee) <https://webforms.sauder.ubc.ca/academic-concession-rhlee>. If an academic concession is granted during the course, the student will be provided options by RHL, or by the instructor in consultation with RHL, per [UBC's policy on Academic Concession](#).

POLICIES APPLICABLE TO COURSES IN THE ROBERT H. LEE GRADUATE SCHOOL

Attendance

Excepting extenuating circumstances, students are expected to attend 100% of their scheduled class hours. Absent students limit their own academic potential, and that of their classmates, and cause unnecessary disruption to the learning environment. Students missing more than 20% of the total scheduled class hours for a course (including classes held during the add/drop period) without having received an academic concession will be withdrawn from that course.

Withdrawals, depending on timing, could result in a “W” or an “F” standing on the transcript.

COVID-19 Policies for Attendance & Academic Concessions:

If a student feels unwell, they should stay home and send a courtesy email to each impacted instructor and cc their program manager. The student should also submit an [Academic Concession Request & Declaration Form](#).

If a student suspects possible COVID-19 infection, they should use the BC Ministry of Health's [self-assessment tool](#), to help determine whether further assessment or testing for COVID-19 is recommended.

If a student is required to self-isolate (e.g., while waiting for test results), they should follow the steps above (stay home, email instructor(s) and program manager, submit an [Academic Concession Request & Declaration Form](#), and follow BC Health Guidance.

Students who are required to quarantine, should get in touch with their Program Manager to discuss the possibility of academic concessions for each impacted course. The Program Manager will work closely with your instructors to explore options for you to make up the missed learning.

COVID-19 Safety in the Classroom:

Masks: Masks are **required** for all indoor classes, as per the BC Public Health Officer orders. For our in-person meetings in this class, it is important that all of us feel as comfortable as possible engaging in class activities while sharing an indoor space. For the purposes of this order, the term “masks” refers to medical and non-medical masks that cover our noses and

mouths. Masks are a primary tool to make it harder for COVID-19 to find a new host. You will need to wear a medical or non-medical mask for the duration of our class meetings, for your own protection, and the safety and comfort of everyone else in the class. You may be asked to remove your mask briefly for an ID check for an exam, but otherwise, your mask should cover your nose and mouth. Please do not eat in class. If you need to drink water/coffee/tea/etc, please keep your mask on between sips. Students who need special accommodation are asked to discuss this with the program office.

Seating in class: To reduce the risk of COVID-19 transmission, please sit in a consistent area of the classroom each day. This will minimize your contacts and will still allow for the pedagogical methods planned for this class to help your learning.

Visit the following website for the most recent updates regarding COVID-19 protocol on campus: <https://students.ubc.ca/campus-life/returning-to-campus>

Punctuality

Students are expected to arrive for classes and activities on time and fully prepared to engage. Late arrivals may be refused entry at the discretion of the instructor or activity lead. Students arriving later than halfway through a scheduled class will be treated as absent for that class.

Electronic Devices

Devices such as laptops, tablets, and cell phones are not permitted to be used in class unless directed by the instructor for in-class activities. Students who do not follow the School's policy in this regard may be required to leave the room for the remainder of the class, so that they do not distract others. Research shows that students' use of laptops in class has negative implications for the learning environment, including reducing their own grades and the grades of those sitting around them.

Citation Style

Please use the American Psychological Association (APA) reference style to cite your sources.

Details of the above policies and other RHL Policies are available at:
<http://www.calendar.ubc.ca/vancouver/index.cfm?tree=12,199,506,1625>

UNIVERSITY POLICIES AND RESOURCES

UBC provides resources to support student learning and to maintain healthy lifestyles but recognizes that sometimes crises arise and so there are additional resources to access including those for survivors of sexual violence. UBC values respect for the person and ideas of all members of the academic community. Harassment and discrimination are not tolerated nor is suppression of academic freedom. UBC provides appropriate accommodation for students with disabilities and for religious observances. UBC values academic honesty and students are expected to acknowledge the ideas generated by others and to uphold the highest academic

standards in all of their actions. Details of the policies and how to access support are available on the UBC Senate website at <https://senate.ubc.ca/policies-resources-support-student-success>.

Respect for Equity, Diversity, and Inclusion

The UBC Sauder School of Business strives to promote an intellectual community that is enhanced by diversity along various dimensions including status as a First Nation, Metis, Inuit, or Indigenous person, race, ethnicity, gender identity, sexual orientation, religion, political beliefs, social class, and/or disability. It is critical that students from diverse backgrounds and perspectives be valued in and well-served by their courses. Furthermore, the diversity that students bring to the classroom should be viewed as a resource, benefit, and source of strength for your learning experience. It is expected that all students and members of our community conduct themselves with empathy and respect for others.

Academic Integrity

The academic enterprise is founded on honesty, civility, and integrity. As members of this enterprise, all students are expected to know, understand, and follow the codes of conduct regarding academic integrity. At the most basic level, this means submitting only original work done by you and acknowledging all sources of information or ideas and attributing them to others as required. This also means you should not cheat, copy, or mislead others about what is your work. Violations of academic integrity (i.e., misconduct) lead to the breakdown of the academic enterprise, and therefore serious consequences arise and harsh sanctions are imposed. For example, incidences of plagiarism or cheating may result in a mark of zero on the assignment or exam and more serious consequences may apply if the matter is referred to the President's Advisory Committee on Student Discipline. Careful records are kept in order to monitor and prevent recurrences.

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All materials of this course (course handouts, lecture slides, assessments, course readings, etc.) are the intellectual property of the instructor or licensed to be used in this course by the copyright owner. Redistribution of these materials by any means without permission of the copyright holder(s) constitutes a breach of copyright and may lead to academic discipline and could be subject to legal action. Any lecture recordings are for the sole use of the instructor and students enrolled in the class. In no case may the lecture recording or part of the recording be used by students for any other purpose, either personal or commercial. Further, audio or video recording of classes are not permitted without the prior consent of the instructor. Students may not share class Zoom links or invite others who are not registered to view sessions.

ACKNOWLEDGEMENT

UBC's Point Grey Campus is located on the traditional, ancestral, and unceded territory of the x^wməθk^wəyəm (Musqueam) people, who for millennia have passed on their culture, history, and traditions from one generation to the next on this site.

COURSE SCHEDULE (subject to change with class consultation)

Class	Themes and Topics	Instructors
Tuesday, Mar. 8	<p>Theme: Introduction and Scenario Analysis</p> <p>1.1: Welcome to the integrated global economy; Introduction to scenario writing techniques</p> <p>1.2: Guest speaker(s) (Honourable George Chow, Minister of State of Trade, British Columbia) or Tara Scheurwater, Director, Global Affairs Canada)</p> <p>1.3: Practicing scenario writing (HBR case)</p> <p>Required Reading: A) P.F. Chang's (HBR Case 2021)</p>	DD&WA
Thursday, Mar. 10	<p>Theme: Technology & Ethics</p> <p>2.1: Technologies and markets of the future</p> <p>2.2: Artificial intelligence in cars</p> <p>2.3: Responsible mining (case discussion)</p> <p>Required Readings: For 2.2, Hansson et al. (Philosophy & Technology, 2021); for 2.3, item #1 from the Newspaper Articles</p>	WA
Tuesday, Mar. 15	<p>Theme: Innovation</p> <p>3.1: Wicked problems</p> <p>3.2: Innovation systems</p> <p>3.3: Guest speaker(s) (Howe Gu, Microsoft or TBA)</p> <p>Required Reading: A) Strategy as a Wicked Problem (HBR 2008)</p>	DD
Thursday, Mar. 17	<p>Theme: International Trade & Politics</p> <p>4.1: The future of globalization</p> <p>4.2: Trade wars & country risk</p> <p>4.3: Global repercussions (case discussion)</p> <p>Required Readings: For 4.1+4.2: <i>Globalization's Coming Golden Age</i> (Foreign Affairs 2021) and <i>Can</i></p>	WA

	<i>Trade Work for Workers?</i> (Foreign Affairs 2021); for 4.3, items #2, #3, #4 from the Newspaper Articles	
Tuesday, Mar. 22	<p>Sustainability</p> <p>5.1: The international green consumer and the emerging global market for electric vehicles</p> <p>5.2: Carbon policies & international trade</p> <p>5.3: Guest speaker (Sheldon Fernandes, Brightspot Climate)</p> <p>Required Readings: For 5.2 Böhringer et al. (Nature Climate Change, 2022)</p> <p>Note: Section 002 will have sequence 5.3,5.1,5.2</p>	WA
Thursday, Mar. 24	<p>Theme: Society</p> <p>6.1: History of social movements</p> <p>6.2: Social movements and business</p> <p>Required Reading:</p> <p>A) Sandra Brown Goes Digital: The Promise and Perils of Social Movements in a Healthcare Company (HBR Case 2018)</p>	DD