INTRODUCTION TO BUSINESS AND TECHNOLOGY FOR SUSTAINABLE DEVELOPMENT

Office Number: F473

E-mail: rudasin@berkeley.edu

Telephone Number: 642-4733

Lecture Schedule: Thursdays; 2:00 pm to 4:00 pm

Appointments: Thursdays; 1:00 pm-1:45 pm; 4:15 pm-5:00 pm

Course Purpose

The purpose of this course is to introduce to students the role of and opportunity for, business and technology for sustainable development in the developing regions of Africa, Asia and Latin America.

Objectives

This course is designed to provide students with:

- an understanding of the key business and development challenges facing the developing regions in the 21st Century;
- an appreciation of the link between sustainable business and sustainable development;
- an analysis, from theory and practice, of the link between technological innovation, entrepreneurship and sustainable business in the developing world;
- a spectrum of sectoral opportunities for sustainable business in developing countries
- insights into the policy and reform environment that shape business and technology development in the developing regions;
- an introduction to aid, trade and foreign direct investment as tools for developing the capacity to do business for sustainable development;
- knowledge about best practices in public sector-private sector partnerships for sustainable development; and
- insights into leadership and managerial challenges in developing sustainable business in the developing world.
Expectations for Student Participation

Students will be expected to:

- attend all class sessions;
- complete all required readings before class;
- participate in class discussions;
- complete the five cases, a mid term exam and final paper;

Class evaluation will be based on the following weights:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class participation</td>
<td>20%</td>
</tr>
<tr>
<td>Case Presentation and discussion</td>
<td>25%</td>
</tr>
<tr>
<td>Midterm Exam</td>
<td>25%</td>
</tr>
<tr>
<td>Final Team Paper</td>
<td>30%</td>
</tr>
</tbody>
</table>

Any late assignments will be graded down by one full letter grade (e.g. A to B, B to C).

Cases

There will be five HBR cases discussed during the semester.

Each case will present a multi-dimensional problem that demands your critical analysis. At the end of each case your contribution will be rated on a 0 to 4* scale, where 0=no contribution; 1=satisfactory contribution; 2= very good contribution and 3=exemplary contribution. If you miss the case discussion, you will receive a 0 for the session.

Mid-term Exam

The mid-term exam will be 2 hrs in length and will cover the readings and lectures so far covered. It will be a short answer essay-type.

Paper

The purposes of the paper include:

- learning the challenges facing business and technology development in the developing world, especially the Least Developed Countries, most of which are in Africa;
- conducting literature research;
- fostering discussion and team work.
Students will work in teams of three, or four at maximum, and prepare a written paper and presentation on starting a new business or expanding an existing business into an LDC market of their choice.

Each team will:

- select a business, with technology component, that responds to the needs of society in the chosen LDC (Least Developed Country);
- specify how the technology and sustainable business model contribute to the achievement of the Millennium Development Goals;
- assess opportunities in the country;
- identify country law, policy and business practices;
- propose how to build strong relations with host countries and communities;
- comment on international obligations and standards/best practices for foreign investors;
- review local and international financing options;
- explain how to navigate the risks and uncertainty in the national/international environment;
- propose how best the investment proposal will be executed.

The paper should be tight, with references, and concise. It should not exceed 20 typewritten, double space, 12 pt, 1 inch margin.

A proposal for the paper should be submitted by November 1st and should state:

- list of team members
- an outline of the issues to be discussed

**Presentation**

Depending on the size of the class, the presentations will be no more than 30 minutes long using power point slides. Class discussions will be encouraged and comments addressed and incorporated in the final paper.

**Required Reading**

A course reader is required and is available free electronically.
Session 1:

January 18, 2007

Topic: Overview of course content, organization, and requirements

- Porter, Michael: Attitudes, Values, Beliefs, and the Microeconomics of Prosperity (pp 14-28 in Culture Matters, ed. Lawrence E. Harrison and Samuel Huntington

Session 2:

January 25, 2007

Topic: The Developing Regions: Profiles and Contexts

Readings:

- United Nations, The Millenium Development Goals
  -- Hernando de Soto; The Mystery of Capita: Why Capitalism Triumphs in the West and Fails Elsewhere; Basic Books, 2000, Ch 1, 7

Session 3:

February 1, 2007

Topic: Linking Sustainable Business to Sustainable Development

Readings:

- Prahalad, C.K., The Fortune at the Bottom of the Pyramid, Chapters 1, 2
- Sachs, Jeffrey, The End of Poverty, Chapter 3

HBR Case, November, 2006: China: To get Rich is Glorious by Richard Vietor and Julia Galef
Session 4:

February 8, 2007

Topic: **Tools Against Poverty**

**Readings:**

- Porter, Michael, C; *Competitive Advantage of Nations*, HBR, March-April, 1990
- Sachs, Jeffrey, D, *The End of Poverty*, The Penguin Press, Ch. 11, 12, 13

Session 5:

February 8, 2007

**HBR Case: Eliminate the Middle Man? March 2006**

Session 6:

February 15, 2007

Topic: **Beyond Obstacles: Opportunities for Doing Business in the Developing World I**

**Sources and Infrastructure of Innovation**

**Readings:**

- Friedman, Thomas, *The World is Flat*, Farrar, Straus and Giroux, NY, “Developing Countries and the Flat World”, Ch.9

Session 7

February 22, 2007

Topic: **Beyond Obstacles: Opportunities for Doing Business in the Developing World II:**

- Energy, infrastructure, agro-industry, manufacturing, and services
- Making Aid, Debt Relief, Foreign Direct Investment and Trade promote business
- The “Washington Consensus”
- Public-Private Partnerships

Readings:

- World Bank, *Africa Action Plan*, Executive Summary
- Stiglitz, Joseph, and Charlton, Andrew; *Fair Trade for All*, Oxford University Press, 2005, Ch. 2, 6, 8
- Bhagwati, Jagdish; *In Defence of Globalization*, Oxford University Press, 2004, Ch 5, 15, 16,17,18
- Stiglitz, Joseph; *Globalization and its Discontents*, W.W. Norton & Company, Ch.1 “The Promise of Global Institutions”

**Session 8:**

March 1, 2007

Topic: **Midterm Exam**

**Session 9:**

March 8, 2007

Topic: **The Multinational Company in the Developing World**

Readings:

- Prahalad C.K., *The End of Corporate Imperialism*, HBR, August 2003
- Khan Tarum.; Palepu, G, Krishna and Sinha, Jayant; *Strategies that Fit Emerging Markets*, HBR, June 2005
- Dawar, Niraj; and Frost, Tony; *Competing with Giants: Survival Strategies for Local Companies in Emerging Markets*, HBR, March , 1999
Session 10:
March 15, 2007

Topic: A Case of Aids, HBR, November 1991

Readings:
- United Nations: *Macro-Economics of Health in the Developing World*
- Tedlo, S, Richard, and Marram, Michele, S: *Aids is Your Business*, HBR, February 2003

Session 11:
March 22, 2007

Topic: The Global Talent Map and the “Brain Drain” Debate

Readings:

Session 12:
April 5, 2007

Topic: HBR Case and Commentary, July 1995: The Case of the Floundering Expatriate
Session 13

April 12, 2007

Topic: The Economics of Climate Change

Readings:

- Porter, E. Michael, and van der Linde, Claas; *Green and Competitive-Ending the Stalemate*, HBR Sept-Oct, 1995

Session 14:

April 19, 2006

Topic: Risk and Uncertainty in Developing Regions

Readings:

- Bremer, Ian; *Managing Risk in an Unstable World*, HBR June 2005

Session 15

April 26, 2007

Topic: Leadership and Managerial Challenges in Difficult Environments

Readings:


HBR Case Study, January 2007: *The Very Model of a Modern Senior Manager* by Mike Morrison
Session 16:

May 3, 2007

Topic: FINAL TEAM PAPER PRESENTATIONS