AIM AND SCOPE

In this MA course is composed of a series of lectures and seminars. We address the basic issue: what is needed for economic success in countries where it is no longer the Communist past that defines the path of current development? What is the reason that there are more failures than successes? And how can countries at medium level of development cope with the challenge of global and European markets? What is the role of IMF, World Bank and the EU in shaping policies? How do privatization and corporate governance, financial sector reform and institution building contribute to development? Do country studies and regional perspectives corroborate theoretical insights? And what is needed for growth to sustain so that emerging economies could surpass the threshold of underdevelopment? Is there any commonality with the challenge faced by other countries of the same level of development, as Ireland, Turkey, Mexico or Chile?

Methodology

Lectures are meant to introduce the broad topic, the debates in the literature and major issues. Individual processing of the required readings is the way to complement introduction with analytical and factual evidence. Seminars are meant to be interactive, with one participant presenting the topic based on some of the recommended readings, which is followed by open discussion of related issues. In ideal cases there is no overlap between the three, but controversies over major/principal questions are encouraged. Minor points, such as of clarifications and details, should be discussed during office hours or before/after the class.

Required and recommended papers are generally non-technical economic texts addressed to the general reader. Formal economic background is though a positive advantage; however it is NOT a precondition for taking this class. The course aims at creating a broad analytical competence in the emerging economies that allow future IR specialists to take up responsibilities in the state administration, banking and business alike. Missing background information is best picked up
from the reference volumes listed below. These are available in the CEU Library/where all required and recommended readings are also available in the original/. Required and recommended books are available at CEU library.

REFERENCE VOLUMES


**GRADING**: 15 p.c interactive and regular participation in each class/leave on prior approval only/;

20 p.c. in-class presentation and follow-up debate/ at least one item of the **recommended** sources is required/;

20 p.c. midterm quiz, on 9th **February, 2015/Monday**/no lecture, closed book, facts and figures/;

25 p.c. book review/1.5 space, character size 12, max 10 pages, written on a book of a freely chosen topic within the boundaries of the course, to be approved by the lecturer; to be submitted in printout form by **20 March, 2015/Friday 18 hrs** at latest;
20 p.c. final closed book quiz, to be written on 1 April, 2015, Wednesday.

Grades are non-negotiable, but additional/voluntary taken assignments in the form of book reviews do improve the final score, to be communicated by 8 April, 2015, 19.00 hrs via Infosys/unless CEU level decides otherwise/.

COURSE OUTLINE AND READINGS

Emerging Economies and Transforming Economies: Overlaps and Differences /week of 12 January/


Policy and Institutional Choices: The Political Economy of Success /week of 19 January/

**Recommended:** TINTIN,C./2013/: The determinants of FDI inflows to the CEE countries: the role of institutions. *Communist and Post-Communist Studies*, vol.46.no.2., pp287-298.

PETERSKI,M./2013/: Monetary policy conduct of seven CEE countries on their road to Euro. *Comparative Economic Studies*, vol.55.no.1.pp1-41./also online./

MEDVE-BÁLINT,G./2014/: The role of the EU in shaping FDI flows in ECE. *Journal of Common Market Studies*, vol.52.no.1.pp35 – 51.

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**From Washington Consensus to Post-Washington Consensus: the Experience of Emerging Economies**

/week of 26 January/


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**Recommended:** BIRD, G.et al./2012/: is there a Beijing Consensus on macroeconomic policy? *World development*, vol.40.no.10.,pp1933-1943.

CONOLLY,R. – HANSON,Ph./2012/: Russia’s accession to the WTO.*Eurasian Geography and Economics*, vol.53.no.4.pp479-501.


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**Why Good Policies Deliver First Pain: the Transformational Recession**

/week of 2 February/


9 February, Monday: MIDTREM QIUZ/closed book, facts and figures/no class on Wednesday/

**Microeconomic Foundations of Lasting Efficiency: Privatization and Corporate Restructuring**

**Week of 16 February/**


**Recommended:** BLAGOEVIC, S. – DAMIJAN, J./2013/: The impact of corruption and ownership on the performance of firms in CEE. *Post-Communist Economies*, vol.25.no.2.pp133-158.


**Laying the Groundwork for Sustaining Growth: Solid Finances**

**Week of 23 February/**


EPSTEIN, R./2013/: CEE banks’ response to the ‘financial crisis’: do domestic banks perform better in crisis than their foreign-owned counterparts? *Europe-Asia Studies*, vol.65.no.3.pp 528-547.
**Recommended:** BANGAKE, Ch. – EGGOH, J./2011/: Further evidence on finance-growth causality: a panel data analysis. *Economic Systems*, vol.35.no.2.pp176-188..


**Testing Theories of Institutional Change: the Myth of Hungarian Gradualism / week of 2 March/**


CSABA, L./2011/: And the first shall be the last. *Hungarian Studies*, vol.25.no.2.pp 235-248.

**Russia: a New Emerging Economy in the Putin Era? /week of 9 March/**


**Growth in Emerging Economies: Mirage or Reality?**

/week of 16 March /


**Does Emerging Economies’ Experience Disprove Economic Theories?**

/week of 23 March/


STAEHR, K. /2013/: Austerity in the Baltic states during the global financial crisis. *Intereconomics*, vol.48.no.5./also online/.

**Summary Assessment and the Post-Transition Perspective**

/30 March, Monday/ lecture and seminar together/


**Recommended:** SCHWEIGER, Ch. /2014/: Poland, variable geometry and the enlarged European Union. *Europe-Asia Studies*, vol.66.no.3.pp394-420.


1 April, 2014, Wednesday: FINAL QUIZ/facts and figures

8 April, 2014, Wednesday: GRADES/unless administration decides otherwise

**NOTES:** Instead of the essay in this course you are required to produce a book review on a volume of your choice of about 10 pages/1.5 space/ as approved by the lecturer. This should cover one among the newest items of the literature, consisting of 7 pages of description and 3 pages of evaluation. Good reviews may be published.

The book review is meant to prepare you for your MA thesis and checks analytical ability, while quizzes check facts and figures. Each assignment must be written in full
conformity with CEU standards/double submissions are penalized, and so is plagiarism/.

All potential complaints, improvements, second reading, additional submission must be finally settled by **8 April, 2015 Wednesday, 18 hrs.**

**CONSULTATIONS:** preferably before and after class, and during office hours upon prior registration on the sign up sheet, and regularly via e-mail. In case of serious trouble limiting your ability to meet any of the above listed deadlines or deliver, please send me an e-mail *in advance*. Likewise if you are pressed to miss a class, this may happen only upon *prior* agreement. Missing deadlines automatically deduces 5 p.c. of your performance. Passing grade/C plus/ is according to IRES practices 70 per cent.

Budapest, 20 October, 2014

Prof. László Csaba/IRES Department

[www.csabal.com](http://www.csabal.com)