

Fulbright School of Public Policy and Management
MPP19, Academic Year 2017 - 2019
Spring Semester 2018

REGIONAL AND LOCAL DEVELOPMENT

Teaching Team

Instructor: Huynh The Du E-mail: du.huynh@fuv.edu.vn
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Tutor: Hoang Tu Uyen E-mail: hoangtuuyen@gmail.com

Class Meetings

Tuesday and Thursday: 10:15 – 11:45 am

Office hours

	Monday	Tuesday	Wednesday	Thursday	Friday
Huỳnh Thế Du	15:30-17:30		15:30-17:30		
Nguyễn Xuân Thành		15:30-17:30		15:30-17:30	
Hoàng Tú Uyên		17:00-18:30		17:00-18:30	

Course objectives and learning outcomes

This is a course on competitiveness and economic development, taking a bottom-up and microeconomic perspective.

The course helps students address the following question: How does a constituency (national government, sub-national government, region, cluster, industry association and others) build up its competitiveness to achieve the development goals?

Upon completion of the course, students will be able:

- Analyze and evaluate socio-economic situation and competitiveness of a region, city or province
- Conduct SWOT analysis on industries of a region, city or province
- Apply regional development models and principles into development strategy for a region, province and city in Vietnam
- Discuss, contribute, and provide critical thinking to regional development programs in Vietnam
- Communicate effectively with national/provincial policy makers on competitiveness strategy and policy to improve national/provincial competitiveness.

The course will make an extensive use of case studies, mostly drawn from the FETP/FSPPM and Harvard Business School's case libraries. Before each class, the students are encouraged to read

and prepare the case well in advance since a significant part of the course grade will be based on participation. The course also involves a team project in which the team assesses the competitiveness of and makes recommendations for a particular constituency.

Course description

The course is divided into three parts. In Part I, students will be introduced to the basic concepts and analytical framework of Microeconomics of Competitiveness. This part begins with a definition of competitiveness and a discussion of its determinants. These concepts will then be illustrated by the course's first case in which students apply the general analytical framework to understand national competitiveness.

In Part II students are introduced with an important analytical tool - the so-called "diamond model," and a key concept - the industrial cluster. The diamond model is a useful way to analyze the attributes of a constituency's competitive advantage. These attributes include factor conditions, demand conditions, related and supporting industries, and firm strategy, structure and rivalry. A cluster is defined by Porter as "a geographically proximate group of interconnected companies and associated institutions in a particular field, linked by commonalities and complementarities." The cluster concept represents a way of thinking about how to coordinate, build and upgrade the competitiveness of a national, regional, or local economy by increasing productivity and operational efficiency, stimulating and enabling innovations, and facilitating the formation of new businesses.

Part III will discuss economic strategy at different scopes (broad economic area, nation, and sub-nation) and for different types of economies at various levels of development (advance, developing, and transition). Competitive advantage resides in the value chain, and strategy is a concerted mean to prioritize, configure, and link activities in the value chain all together. By the end of this part, students will be aware that many things matter for competitiveness and progress must be made simultaneously on multiple fronts, from company sophistication to cluster development to business environment quality. However, because of the limited resource, progress cannot be made equally on every front, and therefore strategic decision must be made to tackle the weakest links that constrain productivity and capitalize on the strongest comparative advantages. This part also provides insights on different aspects of Vietnam's competitiveness at regional and provincial levels, based on case studies representing economic development of the three regions north, central and south.

Course Requirements

This course is highly practical and applied. During the time of this course, students need to take every opportunity, both inside and outside class, to apply the concepts and analytical framework of Microeconomics of Competitiveness into practice.

Students are recommended to attend classes regularly, complete all requirements, including the written assignments and group projects. This course puts a heavy weight on students'

participation and discussion during lectures and case studies. The students will be required to write and submit three reflection papers on case studies.

Group project is the course's keystone. This will be an opportunity for students to apply fundamental concepts and analytical framework to formulate a competitive strategy for a specific constituency. While implementing this project, groups have to report to the teaching team periodically about their topic, content, and progress of the project. At the same time, the teaching team will also invite speakers to come to discuss topics of Microeconomics of Competitiveness, especially those areas in which students need more information in the process of doing their projects.

To ensure this process is completed on time, below are the deadlines that the groups should follow:

- 12/3: Group registration and study site selection
- 13/3: Groups and sites announcement
- 19/3: Project outline submission
- 09/4: Detailed outline submission
- 19-20/4: Field Trips
- 14/5: The 1st draft submission
- 04/6: The final paper and powerpoint Submission

Assignment submission should meet the deadline of 8:20 AM for both papers and electronic files (Word/Excel). Please refer to the Students' Handbook for guidelines on plagiarism and other related issues.

Course Assessment

Each student will be evaluated based on the quality of their participation in case study discussion, their written report and presentation. Specifically, the grade is structured as follows:

- Class participation: 30%
- Case study memo: 20%
- Group project: 50%

References:

- Porter, Micheal E. (2008). *On Competition*, The Harvard Business Review Book Series, The Updated and Expanded Edition.
- Porter, Micheal E. (1998). *Comparative Advantage of Nations*, The Free Press, a Division of Simon & Schuster Inc., Second edition.

PART 1: MICROECONOMICS OF COMPETITIVENESS

WEEK 1

Lecture 01 Tuesday, 27/02

Nguyen Xuan Thanh

Topic Theoretical Framework: defining competitiveness and its determinants

- Reading**
1. *On competition*, chapter 6, p155-166
 2. *World Economic Forum, 2018. Global Competitiveness Report 2017-2018*

Case Study 01 Thursday, 01/03

Nguyen Xuan Thanh

Topic Strategy on Competitiveness

- Reading**
1. Finland and Nokia: Creating the world's most competitive economy, 9-702-427
 2. *On competition*, chapter 2

WEEK 2

Lecture 02 Tuesday, 06/03

Huynh The Du

Topic Theoretical Framework: Competitiveness, employment, income and revenue

- Reading** Huynh The Du, 2018. Provincial development goal

Case Study 02 Thursday, 08/03

Huynh The Du

Topic Tay Ninh's economy from employment, income and revenue perspective

- Reading** Case study: Tay Ninh (A)

WEEK 3

Case Study 03 Tuesday, 13/03 *Guest Lecture: Vu Thanh Tu Anh*

Topic Vietnam's Country Competitiveness analysis

- Reading**
1. *Vietnam: Sustaining the Growth of an Asian Tiger*, 9-713-480
 2. Central Institute of Economic Management and Lee Kwan Yew School of Public Policy (2010). *Vietnam Competitiveness Report 2010*, Hanoi.

Lecture 03 Thursday, 15/03

Nguyen Xuan Thanh

Topic Provincial Identification

Reading Phan Chan Duong, 2015. Provincial Identification

WEEK 4

Case Study 04 Tuesday, 20/03

Huynh The Du

Topic Analyzing Provincial Competitiveness

Reading Case Study: Competitiveness of Vinh Phuc

Lecture 04 Thursday, 22/03

Nguyen Xuan Thanh

Topic Diamond model

Reading *On competition, chapter 6, p166-195*

PART 2: LOCATION AND CLUSTER

WEEK 5

Lecture 05 Tuesday, 27/03

Nguyen Xuan Thanh

Topic Cluster and Cluster Development

Reading 1. *On competition, chapter 7*
2. Shahid Yusuf, *Growing Industrial Clusters in Asia*, Chapter 1

Case Study 05 Thursday, 29/03

Huynh The Du

Topic Cluster and Cluster Development in Advanced Economies

Reading Case Study: Porter and Bond, 2013. *California Wine Cluster*, 9-799-124

WEEK 6

Reading and group work (no class)

WEEK 7

Mid-term exam

WEEK 8

Case Study 06 Tuesday, 17/04

Nguyen Xuan Thanh

Topic Cluster and Cluster Development in Developing Economies

Reading Case Study: Ketelhohn and Porter, 2013. *Building a Cluster: Electronics and Information Technology in Costa Rica*, 9-703-422

Study Tour Thursday and Friday, 19-20/04

Topic Study tour for group project

WEEK 9

Lecture 06 Tuesday, 24/04 *Huynh The Du*

Topic Industrial and economic zones

Reading Huynh Thi Du et al, 2015. From economic zone to regional networking: Institutional Breakthrough.

Lecture 07 Thursday, 26/04 *Nguyen Xuan Thanh*

Topic Facilitating and collaborating Institutions

Reading 1. Case Study: Porter and Emmons, 2003. *Institutions for Collaboration: Overview*, 9-703-436
2. Case Study: Porter and Emmons, 2006. *Asociación Colombiana de Industrias Plásticas*, 9-703-437

PART 3: REGIONAL AND PROVINCIAL DEVELOPMENT STRATEGY

WEEK 9

Lecture 08 Thursday, 03/05 *Nguyen Xuan Thanh*

Topic Economic Development Strategy for nation, region and province

Reading *Comparative Advantage of Nations*, Chapter 1

WEEK 10

Case Study 07 Tuesday, 08/05 *Nguyen Xuan Thanh*

Topic Economic Development Strategy for nation

Reading CASE STUDY: Porter, Neo and Ketels, 2013. *Remaking Singapore*, 9-710-483

Case Study 08 Thursday, 10/05 *Nguyen Xuan Thanh*

Topic Economic Development Strategy for region

Reading CASE STUDY: Porter, 2009. *The State of Connecticut: Strategy for Economic Development*, 9-703-426

WEEK 13

Case Study 09 Tuesday, 15/05

Huynh The Du

Topic Economic Development in Remote Areas

Reading Case Study: Ha Giang

Case Study 10 Thursday, 17/05

Huynh The Du

Topic Economic Development in Coastal Areas

Reading Case Study: Binh Dinh

WEEK 14

Case Study 11 Thursday, 22/05

Huynh The Du

Topic Economic Development in a province next to major economic center

Reading Case Study: Tay Ninh (B)

Case Study 12 Tuesday, 24/05

Nguyen Xuan Thanh

Topic Investment Attraction

Reading

1. Case Study: *Alcácer & Herman, Intel: Strategic Decisions in Locating a New Assembly and Test Plant, 9-713-406*
2. FUV, 2018, Intel Products Vietnam: 10-year investment Impact Report 2006 – 2016

WEEK 15

Wednesday, 06/06, 13:30 – 17:30

Group project presentation
