Columbia Business School
Global Immersion: Economic Growth in the United Arab Emirates
Spring 2016

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Office Hours: By Appointment

General Course Information

This course addresses the main macroeconomic trends, opportunities, and risks faced by businesses and policymakers in the United Arab Emirates. Some of the questions that we examine include: What have been the main sources of growth for the UAE prior to and after the financial crisis? How has the UAE economy responded to changing financial conditions since the crisis? What are the initiatives the government has taken to diversify the economy and to promote growth? To what extent does the prospect for future growth depend on the organization of the labor market? Is the UAE’s unique political structure a strength or a source of risk for the country’s growth?

These topics will be addressed in class during a half term in New York prior to a one week visit to the UAE, where students will meet with business executives and government officials while working on team projects. Upon return from the travel portion of the class, students will have a wrap up class at Columbia Business School. The 2015-16 Global Immersion program fee is TBA and provides students with double occupancy lodging, ground transportation and some meals. It does not cover roundtrip international airfare. Students should plan to arrive in the UAE on TBA and leave on TBA. Attendance both in New York and in-country and regular participation are a crucial part of the learning experience and as such attendance is mandatory. Students who miss the day of class may be removed from the course and will not have their program fee refunded to them. No program fee refunds will be given after the add/drop period has closed.

Teaching Assistant

TBA

Course Requirements and Grading

Lectures
There will be 7 one and a half-hour classes on Tuesdays from 9-10:30 in Warren 416. Classes will include discussion of business and policy issues in the UAE, student presentations, and guest speakers.

Group Presentations
Every student is responsible for being part of a group presentation. Every presentation will be 20 minutes and will be followed by 10 minutes of question and answer. Each student must sign up on CANVAS for a presentation group associated with the topic of their preference. Every group will consist of 6 students and the **deadline to sign up for a group is midnight on TBA**. The topics to be discussed are: (1) capital markets, domestic investment, and real estate; (2) labor markets and immigration; (3) the energy market; (4) trade and tourism; and (5) political institutions and fiscal management.

It is not necessary for everyone in the group to present, but everyone in the group must take part in the preparation of the presentation. Here is what the presentation must include in order to receive full credit:

- An overview of the macroeconomic issue and how important it is for the overall economy.
- A discussion of the trends revolving around this issue and a discussion of the domestic and international factors behind this trend.
- A discussion of the role of government policy and foreign investors in shaping this trend.
- An assessment of the main challenges faced by the country regarding this issue.
- A set of questions which the group will investigate further during the term and during the trip in preparation for the final group written assignment.

The presentations should involve Powerpoint slides which must be emailed to me **before 8 AM on the day of class**.

In the post-trip session, each group will spend a few minutes discussing what they have learned regarding their assigned topic during the trip.

**Group Written Assignment**

The written assignment regards the same topic as the group presentation and is performed with the same presentation group. It must be a maximum of 2000 words excluding exhibits. In this exercise, students will act like outside consultants providing advice to policymakers in the UAE regarding the particular macroeconomic issue to which they have been assigned. About half of the paper should be devoted to laying out the issue (as it was in the group presentations) and the other half should be devoted to a concrete policy proposal. All sources need to be properly cited. The written assignment is **due on TBA**.

**Grading**

- **Participation**: 40%
- **Group Presentations**: 30%
- **Group Written Assignment**: 30%

**Course Outline**

**Session 1: Introduction**
Introduction to the course and to the economy of the UAE.

**Guest Speaker: TBA**

**Session 2: Capital markets**

Focus on the macroeconomic situation from the perspective of a foreign investor. What is the investment environment like in the UAE? Where are the good growth opportunities? Where are the opportunities fading? What are the main macroeconomic and political risks?

**Guest Speaker: TBA**

**Group Presentation:** Capital markets, domestic investment, and real estate

**Session 3: Labor Markets**

Explore the country and the economy from the perspective of the UAE’s residents. What is the composition of the work force? How is it impacted by immigration? What have been the trends in labor market regulation and where is policy headed?

**Guest Speaker: TBA**

**Group Presentation:** Labor markets and immigration

**Session 4: Energy Market**

How dependent is the overall economy on oil and how has this dependence evolved over time? What are the main challenges the country faces in managing and allocating oil revenues? What is the country’s relationship to other oil producers and foreign-owned oil companies? How is it evolving?

**Guest Speaker: TBA**

**Group Presentation:** Energy market

**Session 5: Trade and Tourism**

What are the domestic and international forces behind the importance of trade and tourism for the region? What initiatives is the government pursuing in promoting these developments further? What challenges lie ahead?

**Guest Speaker: TBA**

**Group Presentation:** Trade and tourism

**Session 6: Political Institutions and Fiscal Management, Pre-departure**
How did the UAE develop its unique political structure? Is the UAE’s political structure a strength or a source of risk for the country’s growth?

Review of the agenda for the visits, the companies the students will be meeting with and why they’re important, and how they relate to the topics discussed.

**Guest Speaker: TBA**

**Group Presentation:** Political institutions and fiscal management

**Session 7: Post-Trip Session (TBA)**

Evaluations, final student group presentations, any other final thoughts