

# **Geopolitics and Geo-economics: the Wider Atlantic Economy (WAE)**

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## **Introduction**

The changes in Geopolitics and Geo-economics are every time more frequent and more rapid in their dynamics. Latin America is the area where these changes have affected most the economics of the area. From the third democratic wave study by Huntington in 1999 till the works of Acemoglu in 2012 there is an extensive bibliography that analyses these changes.

This course is centred in Trade, one of the fields from where we can observe the dramatic changes of economic flows of commodities, goods and services: the irruption of China, the increasing intensity of the commerce with Africa Sub-Saharan countries, etc. Emerging economics such as Mexico, Brazil, South Africa and Angola started to be present in the international trade. Other phenomena like the relationships between South Atlantic area and India Ocean are worthwhile to study.

All these new changes may produce a profound metamorphosis in the Atlantic Ocean creating an economic integrated area among the North and South countries of the Atlantic given rise to which we call the Wider Atlantic Economy (WAE). The course has the objective to analyse the main new geopolitical and geo-economics phenomena that have appeared in the past decades and their implications for the international order.

## **Objective**

This course has two main objectives: to teach techniques of trade analysis and learn about geopolitics and geo-economics of International Trade. The students will learn about international statistic sources and maritime transport.

## **List of topics**

The students will choose to write an essay of 15-30 pages about one of the topics listed below:

**Part I: Geographical analysis of WAE: May 15-16**  
**Prof. Alejandro V. Lorca**

Goals: Broad description of the international trade flows in the wider South Atlantic Economic Space and the analysis of the nature of national economies.

Lectures and useful resources:

- Country Economic Reports of the Economic Intelligent Unit (The Economist)
- Webs with government economic reports
- Webs of international organisations: World Bank, IMF, etc.

**Topics:**

1. Geographical analysis of International Trade of Mexico
2. Geographical analysis of International Trade of Colombia
3. Geographical analysis of International Trade of Venezuela
4. Geographical analysis of International Trade of Chile, Peru and Ecuador
5. Geographical analysis of International Trade of Argentina, Paraguay and Uruguay
6. Geographical analysis of International Trade South-Africa
7. Geographical analysis of International Trade of Angola and Nigeria

**Part II: Routes, energy and debt: June 19-20**  
**Prof. Félix F. Muñoz**

Goals: Which are the main maritime routes of trade? What type of commodities transit through these routes? The analysis of flows of capital: What is the origin and destiny is vital to understand the economic dynamics of WEA and this is the topic that will be studied in the third part of the course.

Lectures and useful resources:

- Internet is the principal source of data. Data are supplied by specialized international organisations of maritime transport, harbours associations, etc.

**Topics:**

8. Maritime Routes of Atlantic in the International Trade Flows of Latin-America
9. Maritime Routes of Pacific in the International Trade of Latin-America
10. Flows of energy in the Pacific and Atlantic
11. Latin-American Maritime Flows of Food staff in the Pacific-Atlantic
12. Comparative Balance of Payment of Mexico, Brazil, Colombia and Chile
13. Comparative Foreign Debt of Mexico, Brazil, Colombia and Chile

**Part III: External financial flows to WAE: June 26-27.**  
**Prof. María-Isabel Encinar**

Goals: The flows of capital, their origin and economic sectors are vital to understand WAE economic dynamics. Importance and intensity of Foreign Direct Investment is crucial for the economic growth of the economies and the creation of jobs. The analysis of these flows in the 3-A corridor (Latin America-Africa-Asia) is necessary to understand the economic system that is emerging in the South Atlantic Economic Space.

Lectures and useful resources:

Again it is the Web the main source of information. Changes in the area are occurring so fast in the international economic system that it is necessary to detect them as soon as possible. To navigate in the Web is needed to get this knowledge.

### **Topics:**

14. Analysis of the FDI in the Latin-American countries: Origin and sectors of destination
15. External flows in the Network: North American (USA-Canada)
16. External flows in the Network: Latin-American
17. External flows in the Network: UE and Africa
18. External flows in the Network: India
19. External flows in the Network: China
20. External flows in the Network: Japan and Australia

Other important objectives of the course are:

- To learn which are the international data sources
- To learn to analyse the data
- To learn to work with empirical data in order to back the arguments with facts. Frequently we can read that “inflation is big (adjective)”. A professional report must qualify this by saying, for example, “the inflation is 4% (empirical data)”. Professional reports do not utilise adjectives, but data.

## **Methodology**

The methodology of analysis of these essays has to follow the same patterns that allow for comparisons between the results of the different essays. Thus, students should choose the same (or at least comparable) (a) time period, (b) statistical sources, (c) kind of charts, tables, etc., and (d) equivalent units. The bibliography facilitated in the course will allow the students to do this analysis.

- For geographical analysis we mean the country destination of export and country origin of imports. That data shown in a table, technically is call a table of double entrance. If one desegregate the total flow in different products -like: food, energy, etc.- one obtains good information about the patterns of flows and commercial tendency of the countries and areas under analysis.
- If this procedure is repeated for three years –for example 1990, 2000 and 2011 (or the last data available), the analysis provides information about the trends of those patterns.
- Most of the trade routes are maritime. If one construct a double table entrance - network matrix, where the points/nodes are harbours of origin and destination, with the checkpoints of the routes, it is possible to identify the security aspects of trade. And again the study of three points of time, will provide the trends. Students should be able to disaggregate the routes: Atlantic, Pacific, Indic, Mediterranean and Sea of China.
- Crossing all this information will allow to do a deeper study of trade patterns in WAE.

## **Modus Operandi**

Students will write one of the listed essays. The grade will be based: on the final essay/research paper, the assays of the presentation/exposition of the essay in the classroom, the participation and comments in the classroom. If the final papers have good standards, they will be edited to be published. In that case, every student will retain the authorship of his/her work.

## Course Requirements

- **Attendance:** Class attendance is compulsory.
- **Readings/Information:**
  - Suggested readings (or sources of information) should help the student to follow the classes and go through the thematic topics.
  - These resources are ordered by importance in each session in order to help the student to go through every issue.
  - The student is invited to get in contact with the professor for a free - downloadable copy of the lecture if it is not available in the web link.
- **Essays:**
  - A list of 20 specific topics is suggested to the students along the 12 sessions contained in the program.
  - Every student can choose freely one of them. The student is invited to contact with the correspondent professor in order to obtain further details about this topic: fundamental readings, sources of information.
  - The students had to prepare a first draft of their work to be presented during the classes (in a 15 min Power Point presentation).
  - The final version (15-30 pages) should be finished and sent to the professor by the end of the next month after the end of the course (28<sup>th</sup> July).
- **Course assessment** will be based on the quality of the final essay/research paper, the presentation in class and the participation of the student in the debates of the other classmates.

## Main references

- Acemoglu, Daron and James A. Robinson. *Why Nations Fail: Origins of Power, Poverty and Prosperity*. Crown Business. March 2012.
- Brzezinski, Zbigniew. *The grand Chessboard*. Basic Book, 1997.
- Frieden, Jeffrey A.; Lake, David A. & Broz, J. Lawrence. *International Political Economy: Perspectives on Global Power and Wealth* (Fifth Edition). W.W. Norton & Company, 2009.
- Hausmann, Ricardo, Hidalgo, César A., Bustos, Sebastian, Coscia, Michele, Chung, Sarah, Jimenez, Juan, Simoes, Alexander, Yildirim, Muhammed A. *The Atlas of Economic Complexity*. 2011.
- Huntington, Samuel. *The Third Wave*. Democratization in the 20 century, 1991.
- Kaplan, Robert D. *The Revenge of Geography*. Random House, 2012.
- Dicken, Peter. *Global Shift: Reshaping the Global Economic Map in the 21st Century*. Sage Publications, 2003.
- Wackermann, Gabriel. *Géopolitique de l'espace mondial: Dynamiques et enjeux*. Ellipses, 1997.
- Gilpin, Robert. *Global Political Economy*. Princeton U.P., 2001.
- Hald, David & Anthony G. McGrew. *Global transformations: Politics, Economics and Culture*. John Wiley & Sons, 2003.

Basic manuals on trade (for reference):

- Feenstra, Robert C. and Alan M. Taylor. *International Trade*. W. H. Freeman and Company, 2008.
- Krugman, Paul, Maurice Obstfeld, Marc Melitz. *International Economics. Theory and Policy*. (9th Edition) Prentice Hall, 2012.

## Specific Databases for each area

### Latin America:

[Anuario estadístico de América Latina y el Caribe \(CEPAL Comisión Económica para América Latina y el Caribe\)](#) (free Access)

[BID Banco Interamericano de Desarrollo](#) (free Access)

[Estudio económico de América Latina y el Caribe \(CEPAL Comisión Económica para América Latina y el Caribe\)](#) (free Access)

[RELACIONES DE AMÉRICA LATINA CON CHINA Y ASIA-PACÍFICO](#) (CEPAL)(free Access)

### Africa:

[Africa Development Indicators \(World Bank\)](#) (free Access)

[African Development Bank](#) (free Access)

[African Statistical Yearbook \(United Nations Economic Commission for Africa\)](#) (free Access)

### Asia:

[Asia and the Pacific Trade and Investment Report \(ESCAP Economic and Social Commission for Asia and the Pacific\)](#) (free Access)

[Asian Development Bank](#) (free Access)

[Statistical Yearbook for Asia and the Pacific \(ESCAP Economic and Social Commission for Asia and the Pacific\)](#) (free Access)

### China / India:

[Country Profile China \(EIU Economist Intelligence Unit\)](#) (UAM)

[Country Profile India \(EIU Economist Intelligence Unit\)](#) (UAM)

[Country Report China \(EIU Economist Intelligence Unit\)](#) (UAM)

[Country Report India \(EIU Economist Intelligence Unit\)](#) (UAM)

[China Guía país / Informe económico y comercial \(Secretaría de Estado de Comercio\)](#) (free Access)

[India Guía país / Informe económico y comercial \(Secretaría de Estado de Comercio\)](#) (free Access)

[Iberglobal](#) (free Access)

[Main Economic Indicators \(OECD i-Library\)](#) (UAM)

[OECD Economic Surveys China \(OECD i-Library\)](#) (UAM)

[OECD Economic Surveys India \(OECD i-Library\)](#) (UAM)

## World general databases

[Country Profile \(EIU Economist Intelligence Unit\)](#) (UAM)

[Country Report \(EIU Economist Intelligence Unit\)](#) (UAM)

[Euromonitor Passport](#) (UAM)

[International Statistical Yearbook \(DSI Data Service & Information\)](#) (UAM)

[Human Development Report \(UNDP United Nations Development Programme\)](#) (free Access)

[Monthly Bulletin of Statistics \(United Nations\)](#) (free Access)

[World Development Indicators \(World Bank\)](#) (free Access)

[World Development Report \(World Bank\)](#) (free Access)

[World Economic Outlook \(IMF International Monetary Fund\)](#) (free Access)

## World specific databases

### **Agriculture:**

[FAOSTAT \(FAO Food and Agriculture Organization of the United Nations\)](#) (free Access)

### **Banking:**

[Bankscope \(Bureau van Dijk\)](#) (UAM)

### **Trade:**

[Eurostat \(Statistical Office of the European Union\)](#) (free Access)

[UNCTAD United Nations Conference on Trade and Development](#) (free Access)

[UN COMTRADE \(United Nations Commodity Trade Statistics Database\)](#) (free Access)

[WTO World Trade Organization](#) (free Access)

### **Firms:**

[Orbis \(Bureau van Dijk\)](#) (free Access)

### **Energy:**

[BP British Petroleum](#) (free Access)

[IEA International Energy Agency \(OCDE\)](#) (UAM)

[EIA U.S. Energy Information Administration](#) (free Access)

### **Defense:**

[SIPRI Stockholm International Peace Research Institute](#) (free Access)

### **Investments:**

[World Investment Report \(UNCTAD United Nations Conference on Trade and Development\)](#) (free Access)

### **Population:**

[Demographic Yearbook \(United Nations\)](#) (free Access)

### **Commodities:**

[Commodities \(UNCTAD United Nations Conference on Trade and Development\)](#) (free Access)

### **International relations:**

[SIPRI Stockholm International Peace Research Institute](#) (free Access)

### **Labour:**

[ILO International Labour Organization](#) (free Access)

## **URL maritime routes**

<http://www.worldshipping.org/about-the-industry/global-trade/top-50-world-container-ports>

<http://www.aapa-ports.org/Industry/content.cfm?ItemNumber=900>

[http://www.geohive.com/charts/ec\\_ports.aspx](http://www.geohive.com/charts/ec_ports.aspx)

<http://ipezone.blogspot.com.es/2012/02/ranking-worlds-largest-container-port.html>

<http://www.maesk.com/>

<http://www.puertos.es/>

<http://www.zal.es/web/home/index.php?OQ%3D%3D>

<http://unctadstat.unctad.org/ReportFolders/reportFolders.aspx>

<http://www.cbp.gov/xp/cgov/trade/>

[http://www.cybex.in/International-Trade-Resources/Indian\\_Port\\_List.aspx](http://www.cybex.in/International-Trade-Resources/Indian_Port_List.aspx)