

Proposal for a Certificate in Political Risk Analysis

Background

A growing area of focus for many corporations is political risk analysis or risk intelligence. This line of work focuses on the effect that country characteristics and events have on sovereign risk (ability of a country to repay its debts), company security, supply chains, and the safety of individuals working or traveling in a country. Understanding this risk is part of helping companies better manage their investments, assets, and activities in foreign countries based on threats that a company might face.

This industry is growing as companies, non-governmental organizations, non-profits, international organizations, and countries seek to understand the risks posed in specific countries and regions and what that means for them and their policies. Companies ranging from insurance and financial institutions like Principal Financial and Wells Fargo to companies like Target and Disney all have divisions devoted to political risk analysis or intelligence. The World Bank also has a unit that focuses on political risk as part of promoting investment into countries.

Rationale

A certificate in Political Risk Analysis will prepare our students to work in this highly interdisciplinary area, which requires a keen understanding of business practices and the political situation facing countries. This certificate will also provide a necessary credential to signal to companies that our students have the requisite training to work in this area.

The Political Risk Analysis certificate has been developed in conjunction with individuals working in this area and the Association of International Risk Intelligence Professionals. The curriculum has received feedback from those working in the industry so that it does provide the training that students need to be competitive in this area. In addition, these different companies and groups are willing to develop internship programs, career assistance, and networking opportunities for students pursuing the certificate.

Relationship to Existing Programs of Study

Currently, no major, minor or certificate provides the focused training of this certificate. Existing programs focus on one area of study that is part of this inter-disciplinary industry. For example, the Political Science and International Relations majors focus primarily on understanding the politics a country faces internally and externally but does not provide the needed training in business to link the study of politics to its effect on a company. Conversely, the different programs that focus on business (including inter-disciplinary certificates like the International Business Certificate) do not focus on understanding the political risks facing a country. Finally, the Risk Management and Insurance Certificate focuses on individual and company level risk and does not prepare students to understand risks that exist at the country level.

Outside of Iowa, most Political Risk Analysis programs are at the Masters level and are embedded in Universities that offer Masters of International Affairs degrees. There does not

appear to be any programs specifically targeted at undergraduate students. This gives Iowa an opportunity to be a leader in developing an undergraduate program for this specific industry.

This certificate would build on and link courses in existing departments to produce the skills that employers find important. These set of skills and courses are based on discussions with insurance companies, the Multilateral Investment Guarantee Agency in the World Bank, and a professional association for political risk analysis.

Certificate Description

The attached curriculum presents the courses students must complete to receive the certificate. The certificate draws on classes from Economics, Finance, Political Science, Statistics, and a few other departments. Letters from DEOs from each of the Departments are included at the end of the proposal. Based on discussions with professionals in this field, students must complete an experiential component to complete the certificate, which could be study abroad, a relevant internship, or an undergraduate research experience. This experiential component provides them with an experience outside the traditional classroom that demonstrates an ability to apply their knowledge in a real world setting, making them more competitive for jobs in this area.

Advising and Resources

The classes in this certificate are offered every year and often every semester. Associate Professor Brian Lai can serve as advisor for the certificate. No additional resources will be needed for this certificate. All the necessary classes already exist for this certificate. Companies and the professional association have volunteered to have representatives from their organizations come to campus to talk to students in the certificate about career opportunities as well as create internship opportunities for them.

Enrollment Projection

Given the number of different majors that may be interested in this major and the direct link to a career path, enrollment could likely follow other career oriented certificates like the Event Planning Certificate. In the first year, we expect enrollment to be 20-30 students with a long term growth to about 120-150 students after five years. The willingness of companies and the professional association to work with the certificate should be able to attract students.

Assessment

We will assess the certificate through a variety of ways. First, we will conduct an exit survey of all students graduating with the certificate. This survey will ask about their experiences with the classes in the certificate and their post graduation plans. The latter will give us an opportunity to see whether certificate holders are getting the careers that is one of the goals of this certificate. The former will allow us to assess student perceptions of the certificate program. Second, we will interview students who do internships and the internship coordinator of the organization to see how well the certificate is preparing students for working in the area of political risk analysis. This will allow us to more directly assess the certificate.

Start Date and Advertising

The anticipated start date is Fall 2017 for this certificate. We plan to disseminate information about the certificate in several ways. First, we will work with the academic advising center so they are aware of the new certificate. Second, we will work with professional advisors of the following majors: Business Analytics and Information Systems, Finance, Accounting, Management, Economics, Political Science, History, International Studies, Informatics, Ethics and Public Policy, Enterprise Leadership, Inter-departmental studies, Global Health, Geography, Environmental Policy and Planning and Sociology, to insure that they know about the new certificate and how it could be useful for their majors. Third, we will work with Admissions to promote this certificate to prospective students. Fourth, similar to the launch of the International Relations major, we will advertise the certificate at the start of the Fall 17 semester through posts in every residence hall floor, an ad in the Daily Iowan, and presentations to relevant living learning communities. Finally, we will work with the Honors Program to advertise this program as well.

Political Risk Analysis Certificate

Learning Goals

- 1) Students will be able to demonstrate knowledge of relevant economic and risk principles for a business
- 2) Students will be able to demonstrate knowledge of country and international system level factors that influence a business.
- 3) Students will be able to analyze country and international system level factors and apply that to how that impacts the risk for an organization.

Curriculum

The certificate in Political Risk Analysis is 24 semester hour program.

I. Core Courses (15 sh)

Economic and Finance Principles:

ECON 1100 Principles of Micro

ECON 1200 Principles of Macro

FIN:3400 Principles of Risk Management and Insurance

Quantitative Analysis:

STAT:1020 Elementary Statistics and Influence or STAT:1030 Statistics for Business or
STAT:3510 Biostatistics or STAT:2020 Probability and Statistics for Engineering and Physical
Sciences or POLI:3000 Understanding Political Research

Politics Foundation:

POLI:1500 Intro to IR or POLI:1400 Intro to Comparative

II. Elective Courses

Politics Elective**:**

Either take 2 from Country Risk and 1 from International Risk or 2 from International Risk and 1 from Country Risk

Country Risk

POLI:2415 Latin American Politics

POLI:2416 Revolutions and Political Violence

POLI:3403 Parties and Elections Around the World

POLI:3405 Authoritarian Politics

POLI:3408 Chinese Politics and Society

POLI:3410 Russian Foreign Policy

POLI:3413 Russian Politics

POLI:3418 Governance in the Middle East

POLI:3420 Southeast Asia: Democracy, Identity, and Development

POLI:3421 Southern Africa: Development and Governance

POLI:3450 Problems in Comparative Politics

POLI:3505 Civil Wars

International Risk

POLI:3401 European Union

POLI:3411 Democracy: Global Trends and Struggles

POLI:3419 War in the Muslim World

POLI:3422 Transnational Issues and the Horn of Africa

POLI:3423 The Middle East: Policy and Diplomacy

POLI:3501 International Organization and World Order

POLI:3502 Politics and the Multinational Enterprise

POLI:3503 Politics of Terrorism

POLI:3504 Globalization

POLI:3506 Consequences of War

POLI:3507 Women and Politics in Global Perspective

POLI:3509 International Courts: The Intersection of Law and Politics

POLI:3511 International Law

POLI:3512 International Conflict

POLI:3513 Politics of International Human Rights Law

POLI:3514 Regional Peace and Security

POLI:3516 The Politics of International Economics

POLI:3518 Water Wars: Conflict and Cooperation

POLI:3520 National Security Policy

POLI:3521 Twenty-first-Century Technology and Warfare

POLI:3522 Ending Wars and Keeping Peace

POLI:3523 Non-State Violent Actors

POLI:3550 Problems of International Politics

******Political Science and IR Majors have a different Politics Elective**

- 1) They are to select one course from either the Country or International Risk Electives
- 2) They are to choose two of three areas (two from A,B, or C) and then in each area, students choose one course:
 - A) BUS:3800 Business Writing or CNW:3640 Writing for Business and Industry
 - B) ENTR:1350 Foundation of Entrepreneurship or MGMT:2000 Introduction to Law
 - C) ECON 3345 Global Economics and Business or ECON 4110 International Economics or ECON 3800 Law and Economics

III. Experiential Learning requirement

Students are required to do one of the following:

Study Abroad (register for study abroad credit)

Research Class (IPRO, Hawkeye Poll, Undergraduate Research Tutorial, or other approved class)

Internship (register as at least 0 hour internship)