

RISK IN INTERNATIONAL DEVELOPMENT

Master in International Development MID SEP-2024 S-1

Area Sustainable Development

Number of sessions: 15

Term: Term 2

Category: regular

Language: English

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Balder Hageraats is a senior partner at ReSeT, a think tank on international relations and development. Originally an economist, his international relations trajectory began as a researcher and project evaluator in the development sector before making the switch to foreign policy analysis and consultancy. He has published extensively within his fields of specialisation. He has been an adjunct professor at IE University since 2016.

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SUBJECT DESCRIPTION

"Risk in International Development" is about how the future and associated risk is dealt with by international actors and, in particular, those in the development sector. Developing a good understanding of risk analysis will improve the effectiveness and timeliness of strategies and the response to uncertainty. Well-developed risk management approaches are therefore fundamental tools for those working in such a complex environment as public administration, foreign policy and international cooperation.

This course provides an overview and analysis of core concepts such as the nature of risk versus uncertainty, as well as practical application: understanding the types of risk that are relevant to the development sector, methods to systematically analyse and manage risk, and extensive analysis of case studies.

LEARNING OBJECTIVES

This course will strengthen students' ability to tackle complex risk assessment and management processes both at the project and at the organisational level. At the end of the course, students will be able to:

1. Understand the nature of risk and uncertainty and the impacts both have international policy and development cooperation
2. Assess risk (and opportunity) in a systematic way
3. Understand the human biases towards risk and the reasons why people and the organisations they manage fail to manage risk
4. Define and implement risk management strategies and implement processes to define and reduce uncertainties
5. Develop and implement tools to deal with future challenges facing both organisations as well as projects

TEACHING METHODOLOGY

IE University teaching method is defined by its collaborative, active, and applied nature. Students actively participate in the whole process to build their knowledge and sharpen their skills. The professor's main role is to lead and guide students to achieve the learning objectives of the course.

This course is divided into two modules. The first is foundational, identifying and analysing the bigger picture and broad underlying dynamics of uncertainty, risk and risk management. This will have an emphasis on participative lectures. The second module is focused on practical sectors and case studies of both project risk (management) as well as organisational risk (management). This will have a larger component of student-led dynamics through the presentation of their deliverables and subsequent group conversations. Additionally, the second module will introduce specific risk analysis and management techniques in the form of practical application.

Student deliverables and subsequent grading are organised as follows:

1. The students will work in groups on a case study, selected by the students themselves from a provided list. These will be critically assessed by peers during class presentations and submitted afterwards.
2. Additionally, two individual deliverables will be submitted during the course: one (short) analytical paper and one individual case study.
3. Course participation will be highly valued and can take the form of either active engagement in class conversations or suggestions/questions/observations communicated through email.

This syllabus contains reading materials per session as well additional readings at the end of this document. Further literature and other information will be provided on blackboard as the course progresses.

Learning Activity	Weighting
Lectures	30.0 %
Discussions	20.0 %
Group work	20.0 %
Individual studying	30.0 %
TOTAL	100.0 %

AI POLICY

In today's world, generative artificial intelligence (GenAI) is changing how we work, study and, in general, how we get things done. However, in the context of this course, the use of GenAI is not permitted for final deliverables, unless it is otherwise stated by the instructor.

If a student is found to have used AI-generated content for any form of assessment, it will be considered academic misconduct, and the student might fail the respective assignment or the course.

PROGRAM

MODULE 1: FOUNDATIONS AND CONCEPTS

SESSION 1 (LIVE IN-PERSON)

Sustainability Topics:

- Governance

INTRODUCTION: BASIC IDEAS (WHY DO WE CARE ABOUT RISK?) AND "HOUSEKEEPING"

In this session we will:

1. introduce the course's foundational concepts, ideas and objectives.
2. explore class processes, expectations and deliverables.
3. clarify any remaining "housekeeping" doubts.

Article: How to take the right risks in international development. Susan Dodsworth and Nic Cheeseman. April 2018. (Devpolicy Blog)

Article: From risk policies to uncertainty policies. The new perception and management of security. Àngel Castiñeira Fernández. May 2022 (ESADE)

Book Chapters: Against the Gods: Introduction. Bernstein 1999. John Wiley & Sons. CED

SESSIONS 2 - 3 (LIVE IN-PERSON)

Sustainability Topics:

- Governance

BROAD QUESTIONS, ANALYSIS OF CONCEPTS AND FOUNDATIONS

In this session we will:

1. analyse the broad foundations underpinning risk analysis and management in general.
2. define and unravel key concepts such as the interplay between "risk" and "uncertainty".
3. study the specific nature of risk in international relations and, in particular, the development sector.
4. explore the differences between "project risk" and "organisational risk".

Book Chapters: Quantifying uncertainty. Spiegelhalter. 2021. CED

Multimedia Material: Some foresight about the future of foresight. Podcast 2021 (ABC Listen)

Book Chapters: Tectonic politics : global political risk in an age of transformation. Gould-Davis. 2019. Brookings Institution Press.

SESSIONS 4 - 5 (LIVE IN-PERSON)

Sustainability Topics:

- Governance

BROAD QUESTIONS, ANALYSIS OF CONCEPTS AND FOUNDATIONS

In this session we will:

1. analyse the broad foundations underpinning risk analysis and management in general.
2. define and unravel key concepts such as the interplay between "risk" and "uncertainty".
3. study the specific nature of risk in international relations and, in particular, the development sector.
4. explore the differences between "project risk" and "organisational risk".

Article: Disentangling Risk and Uncertainty: When Risk-Taking Measures Are Not About Risk. De Groot & Thurik. 2018. (Frontiers in Psychology)

Article: A Better Crystal Ball. Coblic & Tetlock. 2018 (CED)

SESSION 6 (LIVE IN-PERSON)

Sustainability Topics:

- Governance

HUMAN PSYCHOLOGY AND ORGANISATIONAL CULTURE (AND RISK)

In this session we will:

1. analyse the interaction between psychology, uncertainty and risk.
2. analyse the impact of organisational (and sectorial) culture on risk.

Other / Complementary Documentation: Global Risks Report 2024 (WEF)

Article: Strategic Foresight Primer. Wilkinson. 2017 (European Politic Strategy Center)

SESSIONS 7 - 8 (LIVE IN-PERSON)

Sustainability Topics:

- Governance

MAPPING DIFFERENT TYPES OF RISK

In this session we will:

1. detail and map the various types of risk.
2. list the differences between sectors (in terms of risk and risk management).
3. introduce and organise the second module of the course.

Article: Risk Management in Practice: A Multiple Case Study Analysis in Italian Municipalities. January 2023. Monia Castellini and Vincenzo Riso. (2023). (Journal of Risk and Financial Management)

Other / Complementary Documentation: ERM Tool: Internal factors Guide. Alihodzic & Asplund 2018. International Idea.

Other / Complementary Documentation: ERM Tool: External factors Guide. Alihodzic & Uribe Burcher. 2018. International Idea

Working Paper: Risk Management in Elections. 2016. (Policy Papers)

MODULE 2: PRACTICAL APPLICATION AND CASE STUDIES

SESSION 9 (LIVE IN-PERSON)

Sustainability Topics:

- Governance

RISK MANAGEMENT AND SPECIFIC TOOLS

During this session we will:

1. analyse the nature and application of "risk management".
2. identify tools and best-practices when it comes to the management of risk (and opportunity).
3. study specific examples of risk management (or lack thereof).

Other / Complementary Documentation: Integrated Risk and Uncertainty Assessment of Climate Change Response Policies. Kunreuther & Gupta. 2014. The Intergovernmental Panel on Climate Change (UN)

Other / Complementary Documentation: Assessing Global Progress in the Governance of Critical Risks. OECD. 2018.

SESSIONS 10 - 11 (LIVE IN-PERSON)

Sustainability Topics:

- Governance

GLOBAL RISK AND RELATED CASES

In this session we will:

1. analyse the the nature of global risk.
2. study the practice of global risk management.
3. explore related cases.

Working Paper: World Bank Group Strategy for Fragility, Conflict, and Violence 2020–2025 (WB Group)

Book Chapters: Forecasting Civil War and Political Violence. Bara. 2020

Other / Complementary Documentation: Managing Risks in Fragile and Transitional Contexts. OECD. 2012

SESSIONS 12 - 13 (LIVE IN-PERSON)

Sustainability Topics:

- Governance

POLITICAL RISK AND ORGANISED VIOLENCE

In this session we will:

1. analyse the nature of political risk.
2. study the practice of political risk management.
3. analyse the relationship between organised violence and (organisational as well as project) risk (management).
4. explore related cases.

Article: Can early intervention prevent humanitarian disasters? The Economist. June 2020. (CED)

Other / Complementary Documentation: Understanding Disaster Risk. UNDRR

Other / Complementary Documentation: What is the Sendai Framework for Disaster Risk Reduction? UNDRR

SESSIONS 14 - 15 (LIVE IN-PERSON)

Sustainability Topics:

- Governance

COURSE SUMMATION AND FINAL THOUGHTS

In this session we will:

1. finish up any pending syllabus items and case studies.
2. summarise the main course takeaways.
3. review (in general terms) course deliverables.
4. discuss the relevance and application of risk management to student's future endeavours.

EVALUATION CRITERIA

criteria	percentage	Learning Objectives	Comments
Group Case Study	30 %		Presentation and submission of case study
Peer Review of Case Study	15 %		Critical assessment of (other group's) case study.
Individual deliverables	40 %		1. Critical analysis of concept or practice within risk management; 2. Individual case study (written)
Class Participation	15 %		Participation in sessions and/or engagement through email (questions, comments, etc.)

FAILING GRADE AND REASSESSMENT

When students receive a Fail in a course, they have the opportunity to present themselves for reassessment in order to earn the necessary credits toward graduation.

The reassessment of students should be scheduled between 5 and 10 working days after the review session takes place.

Grades for the reassessment are limited to a Low Pass and Fail.

Both, the initial Fail as well as the grade of the reassessment remain on the transcript. For the purpose of calculating the GPA however, only the grade of the reassessment is to be considered. Students receiving a failing grade in the reassessment of a course will not be able to continue in the program.

BEHAVIOR RULES

Please, check the University's Code of Conduct [here](#). The Program Director may provide further indications.

ATTENDANCE POLICY

Please, check the University's Attendance Policy [here](#). The Program Director may provide further indications.

ETHICAL POLICY

Please, check the University's Ethics Code [here](#). The Program Director may provide further indications.

