

Country Risk Management

Professor: Anna DIMITROVA, PhD

Contact information:

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Department: LSO

Semester: 1 and 2

Course level: L3 Undergraduate

Domain: Business (Strategy)

Teaching language: English

Number of in-class hours: 36

Number of course sessions: 12

ECTS: 6

Course description and objectives

The objective of the Country Risk Management course is to explain how current and emerging economic, (geo)political, environmental, technological and societal risks affect the global business environment and how multinational companies adapt their strategies to these risks. The course is divided into three parts. The first part focuses on defining “country risk” and its main components studied through the analytical lenses of PESTEL (PEST) and STEP models, and some strategic business cases. The second part explores qualitative and quantitative methods of country risk analysis (CRA), as well as the role of country risk assessment companies in doing country risk analysis and rating. A special emphasis is also placed on country risk mitigation strategies. The third and final part provides an overview of country risks in selected countries and regions by identifying the risks and opportunities of doing business in Sub-Saharan Africa (SSA), the Middle East and North Africa (MENA) region, Latin America and Southeast Asia.

Prerequisites

Not compulsory, but it would be helpful to have notions related to International Business, Global Strategy and Strategic Management.

Learning outcomes

By the end of this course, students should be able to:

- 1) Identify and analyze various risks companies should consider and deal with when expanding their operations abroad (export, FDI, etc.) to a given foreign country
- 2) Conduct a country risk analysis of a target host country that a selected company would like to invest in by using qualitative and quantitative methods, including the creation of a country risk matrix
- 3) Identify appropriate risk management tools and strategies, which companies can put in place to hedge against country risk, especially when doing business in conflict-affected and high-risk zones

Assignments and grading

50% - Group project aimed to investigate the strategies of internationalization and country risk management deployed by a real company to deal with country risks in a foreign country. Detailed guidelines will be provided to students in a separate file. This is a group grade, which will be individually weighed by assigning a bonus point (+1) to students who have actively participated in the course.

50% - Individual final exam based on open (essay) questions related to concepts and topics discussed throughout the course.

The numerical grade distribution will dictate the final grade. The passing grade for a course is 10 out of 20.

Attendance

Attendance is mandatory. Students are expected to attend all classes, arrive on time, and stay for the entire session. Repeated absences or lateness may affect the final grade.

Class Participation

Active participation is encouraged, as it contributes to making classes more engaging and instructive. Students are expected to come prepared and contribute thoughtfully to discussions. When participation is part of the course assessment, it is evaluated based on the quality of contributions rather than their quantity.

Exam Policy

Students are not allowed to bring any materials into exams, except those explicitly authorized by the instructor. Unexcused absences from exams or failure to submit assigned cases will result in a grade of zero when calculating final averages. All exams must be submitted at the end of the examination period.

Communication and Grading

All questions or concerns regarding grading or course policies must follow the official procedures. No direct negotiation with instructors about grades or assessments is permitted.

Course structure

Session	Topic
1	Defining risk, risk management and country risk. Historical overview of country risk
2	The impact of political (expropriation, corruption) and geopolitical risks (populism, conflict and war, terrorism) on firm internationalization strategy
3	The impact of economic and financial risks (trade war, economic nationalism) on firm internationalization strategy
4	Global supply chain risks and disruptions
5	Cyber risks and business information security
6	The impact of social risks (boycott, reputational damage) and environmental risks on business cross-border operations
7	Qualitative (non-rating) methods and quantitative (rating) methods of country risk analysis. Country risk assessment companies. Country risk mitigation strategies and models.
8	Risks and opportunities of doing business in Sub-Saharan Africa (case studies)
9	Risks and opportunities of doing business in the Middle East and North Africa region (case studies)
10	Risks and opportunities of doing business in Latin America (case studies)
11	Risks and opportunities of doing business in Southeast Asia (case studies)
12	Final Exam

Bibliography

- Bouchet, M., Fishkin, Ch. & Goguel, A. (2018). *Managing Country Risk in an Age of Globalization: A Practical Guide to Overcoming Challenges in a Complex World*, Palgrave.
- Miklian, J., & Katsos, J. (2025). *Crisis: A Global Case Primer*. Bridgebuilders Books.
- The Global Risks Report (2025), The World Economic Forum.
- Top Risks (2025), The Eurasia Group.

Lecturer’s biography

Anna Dimitrova is a Professor of International Business at the Department of Strategy, Entrepreneurship and International Business at ESSCA School of Management in Paris. She has been teaching

undergraduate and postgraduate courses in Country Risk Management, International Business, International Trade, and Geopolitics and International Relations. Her teaching and research activities are on the intersection of geopolitics and international business and focus on country risk analysis and foreign direct investment (FDI), especially the impact of political risk on FDI in fragile and conflict-affected countries. She is the author of several books, book chapters and peer-reviewed articles that have been published in top-tier academic journals such as the Journal of World Business, International Business Review, Journal of International Management, Management Learning, Multinational Business Review, Management Decision, and others. She is an active member of several academic organizations, namely the Academy of International Business (AIB), the European Academy of International Business (EIBA) and CIFE (Centre International de Formation Européenne).

Moodle

This course is on Moodle: **Yes**

Academic integrity

Be aware of the rules in Université Paris Dauphine about plagiarism and cheating during exams. All work turned in for this course must be your own work, or that of your own group. Working as part of a group implies that you are an active participant and fully contribute to the output produced by that group.