# Firms, Competitiveness and Development

## Prof. Giovanni Marseguerra

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course, after having examined the development of the concept of firms in the main theoretical essays, aims at presenting the main elements characterizing the Italian and European production structure (small firms, family capitalism, the industrial districts) highlighting in particular the predominant role of small and medium enterprises and the (almost total) disappearance of large firms. Special attention is devoted to analyse innovation processes in small and medium enterprises. The issues of corporate financing and financial development both in Italy and in the rest of Europe are also examined. Finally, the main methodological aspects relating to the analysis of competitiveness both at firm and at systemic level are discussed, bearing in mind that competitiveness needs to be considered as a mean to reach the goal of human development.

At the end of the course, students will:

i. have acquired knowledge and understanding of the main parts of the programme;

ii. be able to place empirical facts and economic theories studied in the global economic-social context;

iii. be able to contextualise the parts of economic theory covered in the course within the methodological paradigm of institutions, society and economy;

iv. be able to apply the value paradigm consisting of subsidiarity, solidarity and development to the economic theory examined in class;

v. have developed good analytical and in-depth study skills that enable students to critically think about the dysfunctions of world economic systems and to be able to attend more advanced economic and social studies;

VI. be able to communicate acquired knowledge of economic theory clearly and with appropriate language.

***COURSE CONTENT***

*1. Introduction – The Church social doctrine and business (CSD).* The principles of the CSD and real economic systems. Work and business in the CSD. Common good and business. Subsidiarity and business. Solidarity and business. Development and business.

2. *Entrepreneurial opportunities and entrepreneurs*. Entrepreneurial opportunities: main characteristics. The main sources of entrepreneurial opportunities. Some examples. How to recognise an entrepreneurial opportunity.

3. *The firm: Organisation, resources and objectives*. What is a firm? Firm objectives. A look at various theories of the firm. Firm organisation and decision-taking processes. Firm structure and management. Human resources management. Firms, reputation and organisation.

4. *The different systems of the business economy.* Various types of capitalism: an overall look. Anglo-saxon model vs the Rhineland model. The Italian model. Different types of stakeholders. Interaction between stakeholders and firms. Corporate governance: main issues.

1. *The production system and the challenges of sustainability.* The integral ecology by Pope Francis. The big unsolved problems. Sustainable development and sustainability as a factor of competitiveness. Ideas for a new development model.
2. *The small firm.* The small firm: defining aspects *-* Advantages and disadvantages of small dimensions - The role of small businesses in Italy and in Europe. The growth paths of small firms. Growth as an option - Analysis of the motivations behind growth - Different growth processes: internal growth strategies and external growth strategies - The problems induced by growth*.*
3. *Family capitalism: economic profiles.* General introduction - Alternative definitions of family business - Relevance of family businesses - Types of family businesses - The relationship between family and business - The continuity of the family business - The succession process.
4. *The district system.* The main characteristics of the model - The model of the Italian industrial district - Characteristics of district enterprises - The relations between district enterprises.
5. *Business, human capital, innovation.* Product, process, organisational, service and market innovation. Innovation in the small business. The method of innovation.
6. *Competitiveness analysis*. The Italian production system and the fourth industrial revolution. Digital transformation and competitiveness. The issue of the small size firms. Production specialisation. The international competitiveness of Italy. The issue of employment effects. The new challenges.

***READING LIST***

1. Francesco,2015*,* *Laudato si’*, Libreria Editrice Vaticana, Città del Vaticano.
2. Francesco,2013, *Esortazione apostolica Evangelii Gaudium*, Libreria Editrice Vaticana, Città del Vaticano.
3. Benedetto XVI,2009, *Lettera Enciclica Caritas in Veritate*, Libreria Editrice Vaticana, Città del Vaticano.
4. A. Cortesi-F. Alberti-C. Salvato, 2004, *Le piccole imprese*, Carocci, Roma (cap. 1, 2, 3, 5, 6, 7, 8, 10).
5. G. Marseguerra 2008a, *Le reti di capitale sociale in Italia*, Atlantide, Anno IV, n.15/3, dicembre, pp. 47-50.
6. G. Marseguerra 2008b*, Responsabilità, continuità, sviluppo: i valori dell’impresa di famiglia,* in *“La verità è il destino per il quale siamo stati fatti”,* (a cura di) G. Vittadini, Mondadori Università, Milano, pp. 227-231.
7. G. Marseguerra2007, *Lo sviluppo della piccola impresa familiare: le sfide della sussidiarietà*, Atlantide, n.1-2007, marzo, pp. 74-79.
8. A. Quadrio Curzio –G. marseguerra,2012, *Bene comune e nuove forme di solidarietà*, in A. Quadrio Curzio - G. Marseguerra (a cura di), *Common Good, Family, Business – New forms of Solidarity,* Collana della Fondazione *Centesimus Annus*, pp. 29 – 39, Libreria Editrice Vaticana, Città del Vaticano.

***TEACHING METHOD***

Lectures with assignments and examples based on the Italian experience.

***ASSESSMENT METHOD AND CRITERIA***

Assessment consists of an oral exam on all the topics covered during the course and on the suggested reading list. The first part of the exam consists in the presentation of a course topic chosen by students and may also include an in-depth study of a topic agreed with the teacher. Then, students will be asked to answer two further questions on broad topics studied in class. Each of the three questions is worth 10 points and 70% of the points of each question is attributed on the basis of accuracy and completeness of answer, 30% based on logical reasoning skills, critical thinking skills regarding the theories studied and economics as an institution and on students’ ability to use appropriate economic language. Assessment will focus on students' ability to contextualise various economic issues covered in the course both within the methodological paradigm consisting of institutions, societies, and economics, and within the value-based paradigm consisting of subsidiarity, solidarity and development.

***NOTES AND PREREQUISITES***

No specific knowledge is required. It is assumed that students are interested and curious about the topics covered during the course.

Further information can be found on the lecturer's webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENG, or on the Faculty notice board.