

LGST 899
Conducting Business in Emerging Economies: Colombia
Bogota and Medellín
May 21 to May 25, 2018

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Module Overview: Colombia offers a special experience for business students. Colombia's economy has boomed over the last decade: Colombia now has the fourth largest economy in Latin America and is growing faster than almost any other country in the world. Even though commodities continue to dominate Colombia's economy, Colombia has a fast growing tech industry, and creativity can be found around every corner. We will, for example, visit a flower farm; the Colombian floraculture industry has developed innovative means of rapidly moving flowers from farms to markets in North America and Europe.

Colombia has also been extraordinarily effective in rebuilding its reputation. As recently as a decade ago, Colombia was considered dangerous and effectively off limits. Colombia has diligently and purposefully changed that image to one of a friendly and business-welcoming country. The "Medellín Miracle" has transformed not just the reality but also the image of the city of Medellín to premiere tourist destination and thriving business center. We will visit this interesting city.

This is also a unique moment in time to dive deeply into this already interesting business culture. Colombia has finally brokered a conclusion to a fifty-year long civil war. This conflict affected the business environment in almost every way. Businesses had to cope with violence instigated not just by the parties to the conflict but also by narcotic cartels that played to both sides. Business also had to overcome the reputational difficulties created by the war and by the activities of those cartels. Peace promises to yield substantial dividends for business, but the many ways in which it will do so have yet to be revealed.

In Colombia, we will have the opportunity to witness this extraordinary transformation at this unique period in time. We will hear from and interact with persons active in the business culture and persons leading the creation of the business culture. We will visit businesses that demonstrate adaptability in what was once a difficult climate and is now a rapidly changing and supportive climate. We will hear the observations of persons who study in deep ways the business culture of Colombia. We will do all of this against the background of understanding the changes that occur in emerging economies in general.

Emerging economies are polities that are changing along three vectors: institutions, considerations of appropriateness, and trust. All polities change; emerging economies are those that are changing in particular directions and that are changing relatively more rapidly. Institutions are the infrastructure on which business relationships are formed: emerging economies are changing in ways that allows for greater access to institutions. Appropriateness refers to attitudes and mindsets; attitudes and mindsets in emerging economies are changing in ways that encompass the creation of a broader range of business relationships. People do not use

institutions or form relationships without trust; in emerging economies levels of trust are growing. Colombia vividly illustrates change along each of these three vectors.

Module Objective: Participants in this module will experience the vibrancy of Colombia, and will explore more deeply an aspect of change and how that relates to the conduct of business in this emerging economy.

Grading: This course will be graded in the usual curved letter grade or pass/fail basis. The grade will be based on the following:

participation and attendance: 25%

reflection papers: 20%

course paper: 55%

Participation and Attendance: While in Colombia we will be visiting with leading figures in business, civil society, and government. We will also visit sites, which may include, for example, floriculture farms and coffee plantations. Students are expected to be on time for and to attend all presentations and visits. At these events, students represent not just themselves but also The Wharton School and the University of Pennsylvania.

Reflection Papers: Students will write two reflection papers, each one page in length. The first is due one week before departure for Colombia, and asks students to reflect on the readings and the preparation session. The second is due three days after the sessions in Colombia and asks students to reflect on their experience in Colombia.

Course Paper: A course paper is the final product of this class. Course papers may be completed individually or in groups of two or three students. The minimum/maximum length for an individual paper is 1200/1600 words, for a group of two is 1800/2200 words, and for three is 2400/2800 words. Papers are due by 5:00 pm EST on June 4, 2018. The objective of the paper is to use the reading and the information obtained in Colombia to demonstrate change in one or more of the vectors in which emerging economies are changing and to discuss how that would affect the conduct of a business of the students' choice.

Preparation Prior to Departure for Colombia: Students in this module are expected to participate in two sessions prior to departure and to read assignments. Participation in sessions may be virtual or by recording.

Sessions: Prior to departure for Bogota, there will be two one hour long sessions in Philadelphia. One session will focus on logistics and expectations while in Colombia, one session will be a discussion of Colombia.

Reading Assignments: There are three reading assignments, as explained below, as well as resources that may be of use in completing the course paper.

(1) In general, emerging economies experience rapid and substantial change. News services, therefore, are a very useful source of current information. Please regularly scan one or more of the following in the months before the sessions in Colombia.

Colombia Reports at colombiareports.com

Today Colombia at todaycolombia.com/

The Colombia section of the *Miami Herald* at www.miamiherald.com/news/nation-world/world/americas/colombia/

(2) Please read the following short paper, which is available on Canvas:

Three Vectors of Change in Emerging Economies

(3) Please read one of the following books. The first is a collection of writings from Colombia, many translated into English for the first time; the second is a highly regarded, concise history of Colombia over the last two centuries, from the positive perspective of Colombia's unique culture rather than presenting Colombia as a failed state; the third focuses on the transformation of the city of Medellín from narco center to thriving tourist and business center.

The Colombia Reader: History, Culture, Politics (The Latin America Readers), edited by Ann Farnsworth-Alvear, Marco Palacios & Ana María Gómez López (Duke University Press, 2017)

Colombia: A Concise Contemporary History 2nd Edition, by Michael J. LaRosa & Germán R. Mejía (Rowman & Littlefield, 2017)

Social Urbanism and the Politics of Violence: The Medellín Miracle, edited by Kate Maclean (Palgrave, 2015)

(4) Further resources will be made available through Canvas.

Sessions While in Colombia: A detailed schedule of sessions in Colombia will be made available closer to the time of departure. Please understand that, given the quality of and demands upon the people with whom we will be visiting, even a final schedule is subject to change.