

**(PALAS 333) International Business in the Southern Cone**

Dr. Martín Furlong  
Program in Argentine and Latin American Studies  
Universidad de Belgrano  
Course Syllabus 2015

---

**Course Information**

MW: 4 to 5.30pm  
Contact hours 60  
Instruction in English

**Contact Information**

[martin.furlong@ub.edu.ar](mailto:martin.furlong@ub.edu.ar)

**Course Description**

Our goal is to raise critical questions about the opportunities and challenges that companies and entrepreneurs encounter when doing business with countries from the Southern Cone such as Argentina, Brazil, Chile, Paraguay and Uruguay. We begin by introducing the general context in which international business takes place in the region. Once we have looked at the big picture, we focus on the controllable and uncontrollable forces in the Southern Cone business environment. Our approach is based on a guided, well-informed discussion that will help students build understanding on the advantages and disadvantages of doing business in the region. Throughout the course students are expected to develop basic interdisciplinary skills for business decision-making. By the end of the course, students gain valuable insight on the opportunities that Argentina, Brazil, Chile, Paraguay and Uruguay offer and are ready to conduct research and access first hand information about Southern markets.

**Course Requirements**

Each student will be expected to make a significant contribution to the classroom dialogue. Students need a minimum of 75% of attendance to be in good standing for the International Business Project. Sliding the ID card is the only way to track record of attendance.

In addition to participation, students will have to conduct an International Business Project, doing research on a specific topic. By the end of the semester, students will present to the class the outcome of this research, and write a 4-page Analytic Advice Memorandum. The requirements also include two short comprehensive tests.

**Grading Policy**

Participation and class assignments: 15%  
1<sup>st</sup> Test – Section I: 25%

2<sup>nd</sup> Test – Section II: 25%

International Business Project – Analytic Advice Memorandum: 25%

International Business Project – Presentation: 10%

For a better understanding of the comparable table for grading: check your orientation kit handbook.

### **Required Textbooks and Materials**

Martín Furlong, ed. Course Reader

---

## **Academic Calendar**

### **SECTION I**

#### **INTRODUCTION TO THE FIELD OF INTERNATIONAL BUSINESS IN THE SOUTHERN CONE**

#### **Week 1**

##### **1.1. Monday (March 9)**

Introduction to course, review of syllabus, first day activities – groups, intros and the globalization debate in the Southern Cone of Latin America.

##### **1.2. Wednesday (March 11)**

What is International Business? Review of environmental forces affecting business in the Southern Cone.

#### **Week 2**

##### **2.1. Monday (March 16)**

International Trade in the Southern Cone. Volume of Trade. Direction of Trade. Major Trading Partners.

##### **2.2. Wednesday (March 18)**

International Investment in the Southern Cone. Volume of FDI. Direction of FDI. Major FDI Partners. Why do firms enter the Southern Cone market?

#### **Week 3**

##### **3.1. Monday (March 23) - NATIONAL HOLIDAY / NO CLASS**

##### **3.2. Wednesday (March 25)**

International Institutions relevant to international business in the Southern Cone. Global-level institutions. World Trade Organization.

**Week 4****4.1. Monday (March 30)**

International Institutions relevant to international business in the Southern Cone. Regional-level institutions. Mercosur and Unasur. Chile and FTAs.

**4.2. Wednesday (April 1)****FIRST TEST****SECTION II****BUSINESS ENVIRONMENT IN THE SOUTHERN CONE****Week 5****5.1. Monday (April 6)**

The importance of culture for doing business with the Southern Cone. Study of sociocultural components.

**5.2. Wednesday (April 8)**

Understanding national cultures. Examples and explanations. Argentina. Brazil. Chile. Paraguay. Uruguay.

**Week 6****6.1. Monday (April 13)**

Socioeconomic dimensions of the Southern Cone. Analysis of their relevance for international business. Total population. Age distribution. Birthrates. Population density and distribution.

**6.2. Wednesday (April 15)**

Economic dimensions of the Southern Cone. Analysis of their relevance for international business. GNI and GNI/Capita. The challenge of income distribution. Private consumption. Labor costs.

**Week 7****7.1. Monday (April 20)**

Political environment in the Southern Cone. The role of government in business.

**7.2. Wednesday (April 22)**

Political environment in the Southern Cone. Country risk assessment (CRA).

**Week 8****8.1. Monday (April 27)**

Law & Business in the Southern Cone. The relationship between rule of law and business.

**8.2. Wednesday (April 29)**

Law & Business in the Southern Cone. Starting a business in the Southern Cone. Procedures. Time. Cost. Paid-in minimum capital.

### **Week 9**

#### **9.1. Monday (May 4)**

Law & Business in the Southern Cone. Some specific national legal forces. The case of Argentina.

#### **9.2. Wednesday (May 6)**

Labor conditions and trends in the Southern Cone. Examples and explanations. Argentina. Brazil. Chile. Paraguay. Uruguay.

### **Week 10**

#### **10.1. Monday (May 11)**

Review of Section II.

#### **10.2. Wednesday (May 13)**

## **SECOND TEST.**

## **SECTION III**

### **COMPETITIVE INTELLIGENCE AND ORGANIZATIONS IN THE SOUTHERN CONE**

### **Week 11**

#### **11.1. Monday (May 18)**

Competitive strategy in the Southern Cone. Drafting a strategic planning process. Identification of sources for competitive information.

#### **11.2. Wednesday (May 20)**

Assessing and analyzing markets. Market screening. Country screening and segment screening.

### **Week 12**

#### **12.1. Monday (May 25) - NATIONAL HOLIDAY / NO CLASS**

#### **12.2. Wednesday (May 27)**

Assessing and analyzing markets. Argentina. Brazil.  
Assessing and analyzing markets. Chile. Paraguay. Uruguay.

### **Week 13**

#### **13.1. Monday (June 1)**

Entry modes. Entering the Southern Cone market.

#### **13.2. Wednesday (June 3)**

International marketing. The Southern Cone business environment and the marketing mix.

***ANALYTIC ADVICE MEMORANDUM DUE DATE***

**Week 14**

**14.1. Monday (June 8)**

The ARCOR Case.

**14.2. Wednesday (June 10)**

Thinking of a career related to Latin America and the Southern Cone. Discussion.

**Week 15**

**15.1. Monday (June 15)**

Analytic Advice Memorandum. Presentations.

**15.2. Wednesday (June 17)**

Analytic Advice Memorandum. Presentations.

**Final Grade Sheet and signature of Hoja de Situación: attendance is mandatory**

## **Selected Bibliography:**

Ball Donald, Geringer Michael, Minor Michael, McNett Jeanne, "International Business: The Challenge of Global Competition", McGraw-Hill Irwin, 2013.

Boston Consulting Group. "The 2010 BCG Multilatinas – A Fresh Look at Latin America and How a New Breed of Competitors are Reshaping the Business Landscape", 2010.

Center for Emergin Market Enterprises, "Mobilizing with Nike in Brazil. Key Strategies to Tackle Unforeseen Regulatory Challenges", The Fletcher School, 2012.

Dreher, Axel: "Does Globalization Affect Growth? Evidence from a New Index of Globalization", Applied Economics 38, 10, 2006.

Updated in:

Dreher, Axel, Noel Gaston and Pim Martens, "Measuring Globalisation – Gauging its Consequences" (New York: Springer), 2008.

Economic Commission for Latin America and the Caribbean (United Nations). "Foreign Direct Investment in Latin America and the Caribbean", 2014.

Economist Intelligence Unit. "Latin America, Regional Overview", 2014.

Furlong M., Flores R. "Argentina and Brazil 2015. Towards a more attractive and safer environment for investments", Centro Brasileiro de Relações Internacionais (CEBRI), Consejo Argentino para las Relaciones Internacionales (CARI) and Fundación Konrad Adenauer, 2007.

Haar J., Price J., Editors. "Can Latin America Compete? Confronting the Challenges of Globalization, 1st Edition", Palgrave Macmillan, 2008.

Inter-American Development Bank. "Report Mercosur", 2014.

International Finance Corporation. "Doing Business 2013 Latin America, Making a Difference for Entrepreneurs", 2014.

International Labor Organization. "Global Employment Trends 2014 - Latin America", 2014.

Morrison T., Conway W. "Kiss, Bow, or Shake Hands: Latin America", Adams Media, 2006.