

Note: This is a draft syllabus and subject to change

Branding the Nation:
Country risks vs. country marketing
(GIM Argentina and Brazil 2019)

Winter 2019

Thursday, 6:30 – 9:30 PM

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Course Description and Objectives

In an increasingly globalized world, the importance of managing country reputations and international image has risen exponentially for world leaders. More than ever, governments take pains to control messaging toward diverse stakeholder groups including potential investors and tourists, the global press, bondholders, multinationals and international watchdog NGOs, to say nothing of domestic elites and national populations. This course will explore the sometimes tangled dynamic between governments and the private sector (particularly within emerging markets), with an eye towards better understanding the geopolitical and macroeconomic risks facing entrepreneurs and investors. A deeper understanding of the most salient country risks and of how local governments market around them -- what do they share? what do they spin? what do they hide? (and why?) -- will prepare students embarking on a career in international business or entrepreneurship, marketing, tourism, consulting or investment, to better discern the risks and rewards, and to better straddle the chasm between how countries present themselves and how they function in practice.

Despite being a diverse region, rich in resources and human capital, many Latin American countries routinely rank near the bottom of the World Bank's Annual Ease of Doing Business Index. Better understanding the region will require us to challenge many of the contextual assumptions of business education in the United States, which has tended to focus on best practices for markets that are relatively free, where corruption is comparatively minimal, infrastructure extant, and direct government interventions are rare. Given very different national realities prevalent in an emerging markets context, the same challenges that countries must convince potential investors to face. Indeed, for Latin American countries, given history proclivities towards drastic political swings from left to right and back, these challenges are of particular salience.

The classroom experience in Branding the Nation will include lectures, case studies and interactive exercises, as well as drawing upon the unique perspectives and applied experiences of world class guest speakers from across the globe. The first two class sessions will usually not have guest speakers, but most or all of the latter sessions will. In past years this course's guest lecturers and plenary speakers have included former and sitting heads of state, ministers, diplomats, celebrated authors and journalists, as well as founders and C-suite officers of marquee national and multinational companies. While Latin America be a key area of focus for this course, a broad array of international examples from Europe, Asia and Africa will be discussed in class and included in readings for comparative and illustrative purposes and within thematic context.

This class offers Kellogg students unique access and networking opportunities to the highest levels of business and government in Latin America opportunity to strengthen their own global networks in the LatAm region (and elsewhere).

The travel portion of the course will immerse students into two very different national arenas:

- 1) Argentina, following instability and prolonged decline throughout the 20th (and early 21st) centuries, is currently under market-friendly management and struggling to actively

overcome its checkered reputation as a politically unstable serial defaulter to recapture growth through investment.

- 2) Brazil, the largest and most diversified Latin American economy, has long been held back from reaching its potential by volatile politics, rampant corruption and inefficiency. Having recently come under new leadership, following its most divisive election in history, will be actively attempting to restore the faith of investors, tourists, and international allies alike.

Attendance Policy:

Due to the nature of the GIM program, attendance for all GIM classes is mandatory as is participation in the two-week field trip. Attendance on the first day of class is also mandatory. If a student misses more than one class throughout the term, one letter grade will be deducted from his or her final grade. Individual exceptions may be made in cases of extreme circumstances, subject to professorial approval.

Readings:

There is no textbook to purchase for this course. Readings on the syllabus will be provided. Please note that some readings may be added or subtracted during the course itself as a consequence of class discussion, breaking current events, or by guest speaker request. A weekly email will communicate any changes to class participants by the Monday before class.

Note on Participation:

This course utilizes the case method and practical examples of real situations will be discussed each week. For students to benefit from the course, they must prepare thoroughly for, and actively participate in, each class. Class participation and contribution represent an important part of the grade and each student should aim to make at least one substantive contribution for each class. This class participation grade will likewise reflect the timeliness of email responses and class polls, and punctuality in assignment meetings, class sessions and for meetings with faculty or advisors.

Another 10% of overall grades will be predicated on participation during the travel portion of the class, including plenary meetings and engagement in other activities as assessed by the in-country advisor. In order to achieve a high grade, students are expected not only to attend all plenary meetings but also to actively engage during those meetings as well as all other learning opportunities in the host country.

Role of the In-Country Advisor

Throughout your GIM trip, you will be accompanied by an in-country advisor, Christine Post. The in-country advisor is the faculty member's representative while in-country. Among other logistical roles during the trip, she will be assessing each student's level of participation during the plenary meetings and will be assigning 10% of the students' overall grade.

Kellogg Honor Code

The students of the Kellogg School of Management regard honesty and integrity as qualities essential to the practice and profession of management. The purpose of the Kellogg Honor Code is to promote these qualities so that each student can fully develop his or her individual potential. Upon admission, each student makes an agreement with his or her fellow students to abide by the Kellogg Honor Code. Students who violate the Kellogg Honor Code violate this agreement and must accept the sanction(s) imposed by the Kellogg community.

The Kellogg Honor Code is administered by students and is based on the concept of self-government. The efficacy of such a student-administered honor code is dependent upon a high degree of dedication to the ideals of honesty, integrity and equal opportunity reflected by the code. The Kellogg Honor Code requires that each student act with integrity in all Kellogg activities and that each student hold his or her peers to the same standard. In agreeing to abide by the code, the Kellogg students also agree to report suspected violations. By not tolerating lapses in honesty and integrity, the Kellogg community affirms the importance of these values.

Course Materials

Required reading materials:

GIM Branding the Nation Course Pack.

Course Schedule and Assignments

(Note: readings, speakers and class order are tentative and subject to change)

Week 1	1/10/19
Topics:	Thematic overview: Nation branding
Assignments:	<p><i>Individual Assignment: Complete GIM Nation Branding pre-class survey prior to 5PM the afternoon before class session</i></p> <p><u>Readings:</u> Foreign Affairs: The Rise of the Brand State, Peter van Ham, September 1, 2001 CFR Report: Nation Branding Explained The Atlantic, Daniel Lansberg-Rodríguez, The Key Thing Missing from Narcos, 11/9/2015 Case Study I: COUNTERFEITING THE NATION? Skopje 2014 and the Politics of Nation Branding in Macedonia Case Study II: Spain - a success story of Country Branding</p>

	Christian Science Monitor: Rebranding 'Hotel Rwanda' into tourist destination , January 27, 2012
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Week 2	1/17/2019
<i>Topics:</i>	LatAm history in context, Regional Macroeconomics, Political and Economic Cycles, Brazil, Argentina and LatAm's rough neighborhood; the role and makeup of private sectors in emerging markets; local vs. international comparative advantage
<i>Assignments:</i>	<p><u>Readings:</u></p> <p>The Economist: Guide to Emerging Markets pp. TBD</p> <p>Robert Kaplan - The Revenge of Geography pp. 29-30, 91-95</p> <p>Michael Reid, Brazil: The Troubled Rise of a Global Power, 2014, Chapter 1</p> <p>"La United Fruit", Pablo Neruda (available in English, Spanish)</p> <p>Richard Graham, Independence in Latin America: Contrasts and Comparisons, Third edition, 2013, Chapters 1-2</p> <p>PDM: 2014 FIFA World Cup and 2016 Olympic Games: Brazil's Strategy 'to Win Hearts and Minds' Through Sports and Football</p> <p>2015 Report: World Bank Ease of Doing Business Index</p>

Session 3	1/24
<i>Topics:</i>	Tourism and hospitality; sports diplomacy, protecting and exporting The National Brand; "National Champions"
<i>Assignments:</i>	<p><u>Readings:</u></p> <p>LAN: When One Business, Model Isn't Enough, Harvard Business Review, January 2012</p> <p>PDM: 2014 FIFA World Cup and 2016 Olympic Games: Brazil's Strategy 'to Win Hearts and Minds' Through Sports and Football</p> <p>Visitors Wanted Now, Christian Caryl, Newsweek, October 3, 2007</p> <p>Tyler Cowen, Some Countries Remain Resistant to American Cultural Exports, NYT, February 22, 2007</p>

	<p>Juan Valdez Goes After Starbucks With New Cafes in Florida, Bloomberg News, July 21, 2014</p> <p>South Korean Cultural diplomacy and Efforts to Promote the RoK's Brand Image in the United States: Stanford Journal of East Asian Affairs, 2011, 124-134</p> <p>India wants to turn 25 million in the diaspora into Global Ambassadors, Washington Post, February 18, 2015</p> <p><u>Case Study:</u> Incredible India: Evolution of Brand India (HBS)</p>
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No Class	1/31/19
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Session 4	2/7/19
<i>Topics:</i>	Political instability, inequality, corruption (and other national niceties), cultural perceptions, IPG session: global and international networking strategy
<i>Guest Speaker</i>	Johanna Hausmann
<i>Assignments:</i>	<p><i>All project teams schedule to meet with faculty to discuss IPG project proposals</i></p> <p><u>Readings:</u></p> <p>Rebecca Mead: Dressing for Lula, The New Yorker, March 17, 2003</p> <p>Familiarize yourself with Transparency International's Corruptions Perception index come prepared to discuss in class</p> <p>1977 Foreign Corrupt Practices Act (amended 2014)</p> <p>Perceptions of Political Corruption in Latin America, Damarys Canache and Michael E. Allison, Latin American Politics and Society, Vol. 47, No. 3 (Autumn, 2005), pp. 91-111</p> <p>Forgotten Continent: The Battle for Latin America's Soul, Michael Reid, Chapter 9 (all), also 113-119</p> <p>Ruchir Sharma, The Rise and Fall of Nations, Chapter 3, pp 95-131</p> <p>The Economist: Guide to Emerging Markets pp. 120-124, 200-209</p>

Session 5	2/14/19
<i>Topics:</i>	Ease of Doing Business; lying with statistics; local business and investor

	cultures, investor incentives, and public-private partnerships
<i>Guest Speaker:</i>	Guillermo Zuñiga
<i>Assignments:</i>	<p><u>Readings:</u></p> <p>Megacities Infrastructure Survey, International Development Bank Study</p> <p>Wall Street Journal, Mexico Strains to Lure World's Oil Giants – February 29, 2015</p> <p>World Bank Report, The Impact of Intel in Costa Rica</p> <p>Intel Outside, The Economist, April 19, 2014</p> <p>World Economic Forum: Insight Report, The Travel & Tourism Competitiveness Report 2017 – students should read entries for Brazil and Argentina as well as pages 1-33. Chapters 1.2, 1.3, 1.4, and 2.1 should be divided among individual group members and discussed by the group prior to class time.</p>

Session 6	2/21/19
<i>Topics:</i>	Propaganda foreign and domestic; traditional and alternative media; transnational currencies and regional political clubs
<i>Guest speaker</i>	Christian Caryl (tentative)
<i>Assignments:</i>	<p><u>Readings:</u></p> <p>Legatum Institute Propaganda Report 2015</p> <p>Christian Caryl, Strange Rebels, Chapter 18, Playing Bridge pp. 246-260</p> <p>Peter Pomeranzen, Nothing Is True and Everything Is Possible: The Surreal Heart of the New Russia (excerpt)</p> <p><i>Individual Propaganda Assignment due.</i></p>

No Class	2/28/19
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Session 7	3/7/19
<i>Topics:</i>	Risks & Rewards: capital and equity markets, sovereign and country risks
<i>Guest Speaker</i>	Jay Newman
<i>Assignments:</i>	<p><i>Project proposal and research review due by start of class.</i></p> <p>Argentina's Rational Default, Dan Rosenheck, the New Yorker, August 2014</p> <p>Reversal of Fortune, Patrick Keene, New Yorker, January 2012</p>

	<p>Bretton Woods report: ICSID and Latin America, December 2013</p> <p>National Bureau of Economic Research Report: Country Histories on Debt Default and Financial Crises</p> <p><u>Case study:</u> The Barber of Buenos Aires: Argentina's Debt Renegotiation (HBS)</p>
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Session 8	3/14/19
<i>Topics:</i>	Promoting innovation, entrepreneurship and human capital development; dollar and gunboat diplomacy
<i>Guest Speaker</i>	<i>Susan Jacobson, Federico Hoyos (tentative)</i>
<i>Assignments:</i>	<p><i>In-country IPG plan due by start of class.</i></p> <p><u>Readings:</u></p> <p>Samba in the valley, Belo Horizonte, The Economist, April 20, 2013</p> <p>The Lure of Chilecon Valley, The Economist, October 13, 2012</p> <p>Innovation and Productivity: Evidence from Six Latin American Countries, Gustavo Crespi, Pluvia Zuñiga, InterAmerican Development Bank Report, 2012</p> <p>Nicolas Shea, Startup Chile: The Story of Chile's Startup Revolution</p>

In-Country Field Research - March 20th- March 28th

	Su, March 17	M, March 18	T, March 19	W, March 20	R, March 21	F, March 22	Sa, March 23
Country/City			(Everyone arrives late in the evening)	Buenos Aires	Buenos Aires	Buenos Aires	Buenos Aires
	Su, March 24	M, March 25	T, March 26	W, March 27	R, March 28	F, March 29	Sa, March 31
Country/City	Buenos Aires/Brasilia Flight should be in the late afternoon/early evening	Brasilia	Brasilia/Sao Paolo (flight should be in late afternoon/early evening)	Sao Paolo	Sao Paolo	Students are free to continue travel or return to Chicago	

Week 9	Tentative date 4/10/19, 6:30-9:30 PM
<i>Topics:</i>	Debrief of In-Country Experience; IPG presentations
<i>Speaker:</i>	
<i>Assignments:</i>	Final project presentations; written report, and IPG database google sheet information due at 9 AM

In-Country Academics

Students are reminded that GIM is first and foremost an academic program. 10% of your overall grade will be based on your participation in the plenary meetings and engagement in other activities as assessed by the in-country advisor. In order to achieve a high grade, students are expected to not only attend all plenary meetings, but to be actively engaged during the meetings and other learning opportunities in country.

Grading and assessment

Research Project	45%
Background Report, in-Country Research Plan	10%
In-class final presentation	20%
Final written report	15%
Assignments	20%

Propaganda assignment	10%
Map assignments	10%
Participation	35%
In-Class Participation (attendance, discussion, engagement)	20%
In-Country Participation (plenary meetings; determined by GIM advisor)	10%
Pre-Class Branding Survey	5%

Map Assignments

Most weeks, each student group will be given a printout of an un-keyed colored map and challenged to discern what it is that the map is showing. The goal will be to challenge students on both their internet research skills, global knowledge and creativity. Unsuccessful guesses will receive partial credit, provided they are well thought out and explained, and bonus points will be awarded successfully discerning the map's meaning while adjusting for difficulty -- the fewer the groups who guess correctly, the greater the prize.

Propaganda Assignment

In week four, students will be expected to scour the internet to find the most interesting headline from one of the international propaganda outfits we will be discussing in class. Students will be expected to send in their selection by 5PM in the afternoon the Wednesday prior to class. Failure to do so, or else tardy submission, will be docked a grade.

GIM Research Project

The core of the GIM class is an independent research project. Groups of 4 to 6 students will select an international business, economic or management issue to study in depth. The students begin secondary research after week 2, incorporating perspectives from the class readings and speakers, and spend considerable time in-country speaking with resident experts, gathering local data, and testing their hypotheses and recommendations in the field.

Students must conduct interviews for their projects in two of our three locations in Brazil and Argentina.

Research Topics

Student teams typically develop their own research project, though they refine their topics with the help and advice of their faculty member. Good GIM projects are generally built around interesting, clear, and relatively narrow research questions. Weak GIM projects have often been lengthy and unfocused industry descriptions, e.g., "An Overview of the Brazilian Beverage Industry," or "Challenges and Opportunities in Japanese Real Estate."

Project Report Structure

Results of the research must be presented in a report of maximum 10 pages in length (discounting exhibits). Students, in consultation with their professor, may choose from the following report formats:

- A targeted reputation management plan presented to the government of a country of your choice.
- A simulated boardroom pitch for a company looking to enter the market in a country or industry of your choice.
- A simulated boardroom pitch to a company looking to market a foreign product of your choice in one of the countries that we visit.

Project Deliverables

- **Research Project Proposal** – Each project group will submit a 2-page description of their proposed research topic, including:
 - A description of the specific and focused research queries to be addressed
 - Description of the topic's importance, timeliness, economic, or social significance
 - Identification of possible in-country visits with companies, governmental agencies, NGOs, etc.
- **Background Research Review** – Before departing for the in-country portion of the class, each project team must submit a 1-2 page overview of secondary information relevant to its research topic for use in the final project. This review may serve as a first draft of the background section of the final project report.
- **In-Country Plan** – This is a detailed matrix of five or more investigative research meetings arranged in country. The best plans will include day/time/location of meeting; name/description of organization; name/title/bio of interviewee; agenda and interview guide for each meeting.
- **In-Class Presentation** – During the final class, each project group will make a presentation in class summarizing their research findings. The purpose of this deliverable is to allow faculty members and students to learn about and provide feedback on the project groups' final findings. Presentations will be assessed and graded by peers on a series of specific rubrics, and this peer assessment will be taken into account for grading purposes.
- **Written Report** – The final report, maximum 10 pages, before exhibits and appendices, should be prepared according to one of the formats discussed above. In addition to turning in their papers to their professors, students should submit an electronic copy to the Global Programs Office on the agreed upon date.
- **IPG Database Google Sheet** – Maintained by the Global Programs' Office, the IPG Database Google Sheet serves as a repository for IPG contact information shared amongst GIM students. About a week before final reports are due, the GPO will be sending out a link to the sheet for each IPG group to fill out with information about their contacts. Please note that the requirement for filling out the google sheet is due at the same time as the written report.