This course examines the contemporary political economy of Latin America from a business perspective. It focuses the domestic policies and global developments that affect the region.

The course is designed to contribute to the professional development of graduate students who are considering a career in business, government, or NGOs in Latin America. It is a requirement for MALAS students with a Business Environment specialization, and for the MBA and MSF concentrations in Latin American Business. At least one course in economics is a prerequisite. Previous coursework in Latin American studies and experience in the region is useful but not a requirement.

**Structure of the course:** The course will be built upon lectures, readings, and cases. Classes will feature either a lecture by the instructor; team presentations on the cases assigned to the class, or both.

**Course materials:**

The text for this course is:


The text will be supplemented by articles available in a course packet from Target Copy, and by readings placed on the course e-learning site.

**Cases:** There will be four cases for the course, all available in the course packet:


2) *Banco Ciudad (A): Who is the Owner? and (B) Transformation at Work*, HBS (2012).


Students new to the case method are encouraged to read Robert F. Bruner, *Note to the student: How to study and discuss cases*, University of Virginia Darden School Foundation (2001), available in the course packet.

After the first few lectures each class will feature a case presentation, discussion, and quiz. The cases will be presented by a team of volunteers. To provide an incentive for students to volunteer each member of a presenting team will get the full 5 points credit for class participation. Each member of the team will get the team grade for the case. Students other than those presenting the case will take a quiz on the case before the case presentation, and should be prepared to discuss the case in class.

The first case, on *Argentina and the Vulture Funds*, will have a different format from the others. Argentina defaulted on its sovereign debt in late 2001. Two debt deals followed in which bondholders were given the chance to exchange the defaulted bonds for new bonds on which the government promised to make interest and principal payments going forward, but were worth less in present value terms. The issue in the case is how much, as a matter of public policy, Argentina should compensate holders of defaulted bonds who did not agree to the debt deal. It will consist of a trial, with one team serving as the plaintiffs and the other as the defendants. Your instructor will be the judge whose only role is to preserve order. The rest of the class will be the jury. Those not in one of the teams participating in the trial will take a quiz just before the trial.

**Grading:** Grades will be determined by case presentations and quizzes on the cases (15%), class engagement (5%), a mid-term (35%), and a final exam (45%).

The final exam has provisionally been set for, December 9, 10:00A – 12:00P, in MAT 0018.

Requirements for class attendance, make-up exams, assignments, and other work in this course are consistent with university policies that can be found at: [https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx](https://catalog.ufl.edu/ugrad/current/regulations/info/attendance.aspx)

Arrangements can be made to make up assignments and exams missed because of illnesses, family emergencies, job interviews, or case competitions. Make-up exams for the mid-term and the final, however, will be offered to students on a single date only. Students may make up a missed case-related quiz *provided* he or she has made arrangements to do so prior to the absence. The quizzes will be posted to Canvas the day of the case presentation.

**Laptop policy:**
Laptop computers may be open during class, but must be closed during exams and quizzes. Students overly absorbed in their laptops during class risk losing points on the class participation portion of the grade.

**Office Hours:** 3:00 to 4:00PM on Wednesdays in my office, STZ 303E. I am in my office most days and can arrange to meet by appointment. I also respond to all e-mails, usually within 24 hours.

Students with disabilities will be accommodated. University policy is that such students must first register with the Dean of Students Office. The Dean of Students Office will provide documentation to the student who must then provide this documentation to the Instructor when requesting accommodation. [http://www.dso.ufl.edu/drc/](http://www.dso.ufl.edu/drc/)
Students are expected to provide feedback on the quality of instruction in this course by completing online evaluations at https://evaluations.ufl.edu. Evaluations are typically open during the last two or three weeks of the semester, but students will be given specific times when they are open. Summaries of these evaluations are available at https://evaluations.ufl.edu/results/.

Course Outline

Part I: The economic, geographic, and institutional and context

I. Overview and colonial legacy

Armendáriz and Larraín, Chapter 1.


II. Export-led growth, then import substitution.

Armendáriz and Larraín, Chapters 2-3.


III. Debt crisis and the lost decade

Armendáriz and Larraín, Chapter 4.

IV. Turning back to the market


V. Populism

Armendáriz and Larraín, Chapter 6.
Part II: The business and investment climate

VI. State-owned enterprises and privatization.


Case 2: Banco Ciudad (A): Who is the Owner? and (B) Transformation at Work, HBS (2012).

VII. Corporate governance and corruption


Case 3: Blood Bananas: Chiquita in Colombia, Thunderbird School of Global Management (2010).

VIII. Culture, institutions, and doing business


IX. Poverty, inequality, and the informal economy

Armendáriz and Larrain, Chapters 5 and 11.


Marty Anderson: Innovation on the Edge of Electricity (optional) [http://www.youtube.com/watch?v=JN5Lk9DE4V4](http://www.youtube.com/watch?v=JN5Lk9DE4V4)

X. China and Latin America


XI. Cuba: Moving toward a market economy

Julia E. Sweig and Michael Bustamante, “Cuba after Communism,” *Foreign Affairs* (July/August 2013).