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Germán Torres
Georgia State University

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Germán Torres
Georgia State University

THE NEW “EXPORT CULTURE” IN LATIN AMERICA

ABSTRACT

The challenges posed by the global economy have caused a significant shift in economic and business culture in most Latin American countries on a number of fronts: greater emphasis on export-oriented industries; greater government help and incentives for small business creation; and a sustained drive toward major business efficiency and competitiveness, including greater emphasis on the acquisition of foreign language skills as a way to foster exports. This article will review such developments and identify the challenges and opportunities they present for Language for Business programs in the US.

In his one-act drama “El censo,” Mexican playwright Emilio Carballido (1962) presents a situation typical of most small, family-owned businesses in Latin American countries. As one of the characters explains, the enterprise is a small sewing shop whose market is exclusively local: neighborhood women who like the quality of the goods manufactured. Also typical of the time is the shop owners’ distrust of the role of the state regarding the control and regulation of small businesses, thus the characters’ attempt to impede a government official from carrying out his duties. That was then. In today’s economic climate small firms such as the one featured in Carballido’s piece—particularly in an industry such as clothing—would be exploring ways to enter the export market. And the government, far from over-taxing and obstructing the growth possibilities of the small firms, would offer a wide range of assistance to help them achieve their international objectives. Such trends announce a significant shift in economic and commercial culture on two main fronts: on the one hand, they represent a definitive break with the earlier policies of import-substitution, i.e., producing mainly for the domestic market. On the other, they place small and medium-sized firms—*pequeñas y medianas empresas* or Pymes, as they are known in today’s literature—at the forefront of the new economic policies in most countries in the region. The present study will review the rationale behind such changes, identify key features of the new policies, and conclude by reviewing some of the challenges and opportunities they present for our programs in language and international business.

SMALL BUSINESS IN HISPANIC CULTURE

Disregard—even disdain—for small-scale business ventures has long been a trait in Hispanic culture, quite possibly a legacy of Spain’s general attitude toward commercial activity. In Spain itself, such prejudices go back to the Reconquista, a period when the national ideal was embodied by the Christian soldier in the struggle for reunification against the Moorish invaders. According to Angus Mackay, “[. . .] merchants and artisans [. . .] often found that economic wealth and status was not paralleled by any participation in the local power structure” (52). Commercial activity was relegated to a secondary status. Even during the brief Spanish Renaissance the so-called “ideal caballeresco” looks contemptuously on most commercial enterprises. Spanish critic José Antonio Maraval, for example, observes that by the end of the XVth century it is generally accepted that large-scale commerce enhances the merchant’s honor and social standing (46).¹ No such privileged status, however, is afforded to smaller ventures. The result—perhaps unintended—was a culture that discouraged and neglected entrepreneurship, and misunderstood the economic potential of small business. Spain’s American colonies inherit such traits from the metropolis, particularly the deference of industrial and commercial ventures to the preeminence of landed gentry, which explains, according to S. M. Lipset, the long-term survival of pre-industrial attitudes and values throughout the continent (9).

IMPORT SUBSTITUTION

The policy of import substitution was a development strategy used throughout the developing world in the 1950s, 1960s, and 1970s. Its principal objective was to protect infant national industries from foreign competition by erecting high tariffs against imports, and directing industrial production toward the internal market. The consequences were not encouraging. Import substitution, according to international trade economist Jagdish Bhagwati, resulted in the proliferation of “public enterprises [. . .] that turned out to be white elephants making gargantuan losses” (57). Growth was undermined by the inefficiency of such industries and the heavy debts incurred in order to keep

¹ In *Carlos V y sus banqueros: la vida económica en Castilla (1516–1556)*, historian Ramón Carande describes the negative attitude toward commerce among the Spanish aristocracy. According to Carande, the economic impact of their disdain for commerce was such that the Church and the Crown were compelled to issue a number of public statements declaring that nobility and productive work were not incompatible (161).

them afloat. According to Bhagwati, import-substitution economies were unable to capture benefits usually associated with international trade, such as specialization in areas with a comparative advantage; economies of scale due to larger markets; higher efficiency and lower prices to consumers, and the macroeconomic stability needed to control inflation (63). Martin Wolf, economics correspondent for the *Financial Times* of London and former World Bank economist, adds two additional benefits that developing nations forego through inward production: productivity growth through higher competition, and technology transfers (81). Import substitution, therefore, has severely limited the ability of developing and emergent economies to acquire the skills necessary to compete adequately in the global market.

THE GROWING IMPORTANCE OF THE FOREIGN SECTOR

In Latin America the major shift toward foreign trade started in the late 1980s and early 1990s, as a component of policies that sought greater economic liberalization, in particular the proliferation of regional free trade agreements (FTAs) such as NAFTA (North American Free Trade Agreement), CAFTA (Central American Free Trade Agreement), MERCOSUR, and Pacto Andino. Today, in spite of a series of setbacks for the movement toward more open economies—the election in Venezuela and Bolivia of governments openly hostile to free market economies, and a general trend toward more protectionist policies—emphasis on the need to develop the foreign sector remains an essential component of most countries’ strategic economic policy. In fact, Latin America’s current economic recovery is in great part the result of world demand for the continent’s products. According to a recent lead article in *Latin Trade*, international sales increased 14.7% in Mexico, 29.5% in Colombia and 40% in Venezuela (“Money Train”). Thus, most countries show sizable trade surpluses for 2006, ranging from Brazil’s US \$45.5 billion to Colombia’s US \$1.4 billion (“Emerging Market” 98). And although a significant part of the export bonanza is driven by high world demand for commodities such as oil, copper, and cement, nontraditional industries and value-added products are also finding their way into the international markets.²

² Even small scale, low-tech industries such as traditional arts and crafts benefit from greater access and participation in foreign markets. In Nicaragua, a group of artisans joined efforts, under the guidance of a section of the Ministerio de Fomento, Industria y Comercio, to sell hammocks, purses, shoes, and other hand-made items in Mexico. The venture has already secured a contract with Wal-Mart for 2,000 purses, with the possibility of expanding it to 20,000 items a month. (“Oportunidades”).

Colombia's nontraditional exports grew by 29% in 2004, and the country expects to export US \$10.5 billion in value-added products for the following year (Plata). In Peru, the new trade pact with the US has fueled the surge in exports of new crops such as asparagus, paprika, and sugar cane for production of gasohol ("Free traders" 36). In some nations the manufacturing sector has also seen an upsurge in foreign sales. Embraer, Brazil's aircraft manufacturer, boosted jet sales by 47% in 2004 in comparison with the previous year ("Money Train"). *Latin Trade's* conclusion regarding the current boom is right on target: "For Latin America's export economies, it doesn't get any better than this" ("Money Train").

THE NEW EXPORT CULTURE

The turn toward the global economy is a significant cultural shift insofar as it calls for a behavioral change on the part of the business sector, away from the comfort zone of the home market and manageable risks. The new "culture" implies a new set of behaviors and priorities, as pointed out by Argentine businessman Enrique Snider in an article directed to potential exporters: "La exportación es una cultura. Debe crearse, fomentarse y desarrollarse esa cultura entre todos y cada uno de los que van a participar, desde el más humilde obrero hasta el dueño o directivo de la firma exportadora. Esta cultura implica generar, fomentar, mantener y aun acrecentar una corriente de trabajo seria, constante, dirigida a desarrollar productos 'comprables' en el exterior. Significa dedicarse primordialmente a la calidad, al cumplimiento de cada compromiso, a pensar y actuar en función de los compradores potenciales o reales" ("Exporting is a culture. As a culture, it must be created, encouraged, and developed among all those who will be participating, from the humblest worker to the company's owner or manager. Such a culture demands a serious and constant working plan, geared to develop products that can be sold abroad. It means to devote yourself to quality, to the fulfillment of obligations, to think and act in terms of real or potential buyers"). From Venezuela, Emma Castellanos issues a similar call, urging businesses "[a que] adquieran una cultura exportadora y se animen a buscar esos mercados satisfaciéndolos con productos venezolanos" ("[to] develop an export culture and look for those markets eager to buy Venezuelan goods"). In Colombia, Proexport, an official agency, declares as one of its objectives "convertir al país en una nación con mentalidad exportadora" ("To turn the country into a nation with an export mentality") (BusinessCol.com). Under the new paradigm, "business as usual" is not acceptable, since the entry into the export market requires

greater attention to market research, competition, product development and quality, and consumer concerns.

The greater economic role of outward trade is evident on a number of fronts. A common thread throughout the region is active governmental support both for international business activity and for the drive to improve competitiveness as a way to consolidate standing in national and international markets. A brief review of the Web pages of foreign trade ministries and similar institutions underscores the importance currently accorded to the export sector. Such official sites not only state their institutional mission and different dependencies, but also include links to a number of programs and organizations specifically geared to promote and facilitate exports, as well as general information of value to companies entering foreign markets. The page of the Ministerio de Comercio y Turismo de Colombia, for instance, has links on required documentation, legal issues, economic studies, trade relations with other countries, productivity and competitiveness, and entrepreneurial incentives. The ministerio also calls for the establishment of a “Mesa de Cultura Exportadora,” or an Export Culture Panel, a multi-institutional board responsible for the exchange of ideas and information regarding international business (“Plan de acción”). México’s Secretaría de Economía also provides general information—export and import permits, documentation, new laws and regulations—as well as more specialized information regarding tariffs and maquila-type industry. In Chile, Direcon (Dirección General de Relaciones Económicas) offers information mainly pertaining to the country’s free trade agreements and other economic treaties. Most official sites visited stress the role of innovation and technology as a way to achieve the efficiency needed to compete on the international market.

In addition to the foreign trade ministries, exports are also encouraged and promoted through a number of governmental institutions. In Colombia, Proexport is the official entity in charge of promoting exports, as well as of diversifying the range of products available for the international market. Other institutions are in charge of providing fiduciary services for the foreign sector—Fiducoldex—and of facilitating lines of credit to export companies—Bancoldex. In Latin America, Chile is one of the countries with the most experience in foreign trade, and for close to thirty years Prochile has promoted Chilean exports through a wide range of strategies, including market research for business owners, participation in international trade fairs, and commercial representatives in fifty-six countries. Like similar institutions in several other nations, Prochile has programs specially tailored to address

the needs of small and medium enterprises, a valuable medium to enter the international market and, as will be discussed later, a key actor in the new export culture.

COUNTRY BRAND

The concept of “Marca País” or country brand is another strategy designed to increase a country’s visibility and recognition at the international level. The objective is to position a country like a company would position its products in the consumer’s mind. For nations such as Guatemala, Nicaragua, El Salvador, and Colombia—areas affected by civil war or other types of social tensions—the campaign to establish a country brand is necessary in order to counteract the negative image of the country, a factor that could have a decisive impact on international investors as well as on the ability to enter the export market.³ In Colombia the project is a joint collaboration between the government, the universities, and the private sector, under the guidance of David Lightle, an image consultant who devised similar campaigns for several Asian nations (“Nace marca país”). The strategy has already been adopted by a number of industries. An example: Flowers destined for the European market are stamped with Marca Colombia’s logo. According to Andrés Loboguerrero, owner of Tropical & Exotic Flowers, it is a way to foster exports, tourism, and foreign investment, as well as to guarantee the quality of the products (“Marca Colombia”).

Another component of the positioning of the country is the trend toward product differentiation, particularly the “Denominación de origen” or the denomination of origin that protects a region’s particular methods in the

³ Spain’s multifaceted project geared to change the country’s poor international perception could serve as a model for Latin America. According to Fernando Cortiñas, professor at the Instituto de Empresa de Madrid, in spite of Spain’s economic strength and global projection, until recently it still lagged behind “other developed countries in terms of ‘image’ [and was a] ‘synonym of low quality.’” As a result, a number of cultural (Instituto Cervantes), commercial (Asociación de Marcas Renombradas Españolas), and governmental institutions (Instituto Español de Comercio Exterior) were assigned the task of creating a positive image for the country and its products—the “Marca España.” Although the project is relatively new—it was launched in 2002—it has already yielded positive results. According to Cortiñas, “Spain ranked no. 11 in Anholt’s ‘Nation Brand Index’ [for] Q4 2005,” just below the US and ahead of Holland, Norway, and Denmark (“Made in Spain?”).

elaboration of a product. The best-known example is the case of tequila, a category reserved exclusively for the beverage from the Tequila region of Mexico. Similar exclusive rights are sought by coffee producers in Colombia and Costa Rica. Additional steps toward differentiation in order to increase consumer awareness are in the area of tourism: Costa Rica’s use of its natural parks to attract eco-tourism and Guatemala’s push toward cultural tourism as a way to showcase its archeological treasures. Each one of the cases mentioned above is an attempt to create a positive image that is easily recognized by the potential consumer, and associated with the particular country.

PYMES ENTER THE INTERNATIONAL STAGE

As stated earlier, small and medium-sized enterprises are key players in the region’s new export strategy. In spite of their potential, the Pymes—the Spanish acronym for *Pequeñas y Medianas Empresas*—have long been a neglected sector of the economy. These small, family-owned businesses have historically suffered from a series of constraints that impeded their growth and financial success: the inability to break beyond the local market, inadequate management, low or non-existent profit margins, and lack of access to technology and credit. The unavailability of credit has been particularly crippling for the creation of new businesses. Not only are interest rates significantly higher than what is expected in advanced economies, particularly that of the US, but, according to Peruvian economist Hernando de Soto, a great number of small business owners in Latin America do not hold a legal title to their assets. “Extralegal asset owners,” indicates de Soto “are thus denied access to the credit that would allow them to expand their operations—an essential step toward starting or growing a business in advanced countries” (84). Ironically, as a number of studies indicate, in some countries Pymes account for over 90% of privately owned businesses, providing over 60% of jobs and roughly 25% of GNP (Cárdenas). And as stated by Patricia Cárdenas, President of Colombia’s Asobancaria, the Pymes are called upon to play a pivotal role in the economic recovery. Furthermore, Cárdenas identifies two features that will enable small companies to play a decisive role in the international market: fixed costs flexibility, particularly labor costs, and their recent propensity to enter the export market. The strength of Pymes—and therefore their ability to compete successfully in the international market—varies from country to country. A study by David Puyana dramatically titled “La problemática de las PYMES en Colombia: internacionalizarse o morir” (“The choice for PYMES in Colombia: Internationalize operations or die”) underscores the difficulties

the country's small businesses encounter at the international level. As a result, they account for a mere 14% of total dollar exports.⁴

On a similar note are the concerns for Central American small firms' ability to compete internationally. A study carried out by the Universidad Nueva San Salvador states that 64% of owners of small and middle-sized businesses are unaware of the opportunities offered by CAFTA, the free trade agreement recently signed with the US, and therefore are unable to make full use of its opportunities (López Manzanares). More encouraging prospects come from Chile, where studies carried out by Prochile and other institutions point toward greater Pyme participation in the export sector; of particular interest is the competitiveness of a growing number of small enterprises ("Pymes exportadoras").

Concerns like the ones stated earlier have not dampened the interest in the exporting capabilities of small businesses. To the contrary, even though the support network for small business is still limited by a number of factors—both financial and cultural in nature—the prevailing policy is to facilitate their formation and support their drive toward internationalization. As indicated earlier, official institutions offer a number of services designed specifically for Pymes. Mexico's Secretaría de Economía has a section on Pymes, which provides information on financing, procedures, legal affairs, and training. The Web site also includes links for new businesses, and divides the small companies into three categories—industry, commerce, and service—thus being able to address more directly their particular needs. Prochile offers a schedule of business fairs and other trade missions abroad, as well as test to evaluate a company's readiness to enter the export market. Colombia's Mincomex publishes "Guía de Exportación" or an Export Guide that states in detail the different steps necessary to sell abroad, as well as a list of "Reasons to Export" geared to motivate undecided companies. A more ambitious program is provided by a series of "macrorruedas" or export workshops sponsored by Proexport, where potential exporters have access to market studies, a list of potential customers for their products, and also receive additional logistical and negotiations training. In the last two years, over 55% of the companies

⁴ David Puyana's central point—Pymes must enter the international market in order to be successful—is corroborated by a study carried out by Funes (Fundación para el Desarrollo Sostenible). Successful Pymes, according to Funes, tend to be relatively young and export approximately 48% of their production ("La visión para negociar"). Diversification of markets is another factor in a small company's long-term commercial viability.

that have participated are Pymes ("Ruedan").⁵ International institutions have also taken interest in the Pymes efforts to enter the foreign sector. The Banco Interamericano de Desarrollo (BID) recently issued a US \$100 million grant to improve the exporting capabilities of Mexican small businesses ("BID prueba"); similar efforts were also undertaken by BID in Nicaragua ("Oportunidades"). A bilateral effort by the Corporación Andina de Fomento and the Consejo Superior de Cámaras de España seeks to promote small and medium-sized firms in Colombia, with particular emphasis on those entering the international market ("Exploran posibilidad").

RELATED DEVELOPMENTS

The new export culture has several other characteristics, two of which will be discussed below. As a result of the greater role played by small and medium-sized firms, there is a growing interest in entrepreneurship, a concept, until recently, practically devoid of economic meaning.⁶ Throughout his book

⁵ The drive to internationalize the economy has resulted in close collaboration between government and institutions of higher education. A joint venture between Proexport and Zeiky, a unit of the Universidad Sergio Arboleda in Bogotá, offers a series of business workshops with the intended goal of "fomentar la cultura exportadora" ("fostering an export culture"). The workshops address a wide range of topics, from the strictly practical [Forms of payment for export goods] to the more academic [Pymes in the global context] ("V ciclo"). Similar ventures exist with other educational institutions, such as Universidad de Los Andes and Externado de Colombia.

⁶ A contrast in definitions illustrates the use of the term in different cultural contexts. In French and English, the term is generally used as a noun, with an immediate economic or commercial dimension. *Webster's Seventh New Collegiate Dictionary* (1972) defines "entrepreneur" as "one who organizes, manages, and assumes the risk of a business or enterprise" (277). Similarly, the *Dictionnaire Alphabétique & Analogique de la Langue Française* (1969), commonly known as *Le petit Robert*, stresses the business angle: "Toute personne qui dirige une entreprise pour son propre compte et qui met en œuvre les divers facteurs de production [. . .] en vue de vendre des produits ou des services" (591) ("Whoever manages an enterprise for his own benefit, and who organizes the different factors of production with the intention of selling goods or services"). In Spanish, on the other hand, the term appears as an adjective, thus stressing a more general use. *Aristos* defines "emprendedor" as "resuelto, decidido, denodado" (231) ("resolute, decided, intrepid"). Even in more recent editions, a direct commercial connotation is absent. The *Diccionario de la Lengua española* also categorizes "emprendedor" as an adjective: "Que emprende con resolución acciones dificultosas o azarosas" (813) ("That carries out with resolve difficult or arduous tasks").

The Mystery of Capital, Hernando de Soto documents the resilience of the entrepreneurial spirit in Latin America, explaining its limited success by the institutional barriers placed on the creation of new businesses. In today's business climate, however, the denomination of "emprendedor" has captured the imagination of potential business owners: a recent Google search yielded 2,840,000 entries for the term, offering a vast range of links and related services. A Chilean site, *Fundación Emprendedores*, is quick to point out the social value of individual entrepreneurial skills: "La Fundación ha orientado su accionar a promover la Capacidad Emprendedora, principalmente entre los jóvenes de escasos recursos [. . .] para habilitarlos como empresarios, convirtiéndolos así en ejemplos para su comunidad local" ("Historia") ("The Foundation's objective is to promote entrepreneurial skills, mainly among low-income youth, in order to prepare them for the business world, while turning them into role models for their community"). The Foundation provides seed capital and managerial advice to the participants with the best business project. Most sites visited provide a forum—a chat—for the exchange of ideas, as well as information on a number of business issues. It is also possible to run across pages with more pecuniary interests, such as a Spanish site that offers to help you create your own business in 24 hours. Buyer beware! Free enterprise is not devoid of risk.

The other feature that should be mentioned is the growing interest in learning a foreign language—mostly English—as a way to increase competitiveness at the international level. In Colombia, a project named "Bogotá-Cundinamarca bilingües en 10 años" combines the efforts of government, educational institutions, professional organizations, and the private sector in order to increase foreign language acquisition, with the stated objective of improving the area's competitiveness and creating an export culture (*ASOCOPI*). The project even sets a goal of US \$10,000,000 in exports by 2010. Chile, where the command of English is considered a strategic tool for the internationalization of the economy, recently signed an agreement with the Comisión Fulbright de Chile to expand the teaching of the language. According to Yasna Provoste, Minister of Education, such a move "es un desafío que busca ampliar las oportunidades y por cierto ayudar de forma significativa al desarrollo de nuestro país" ("Potencian el Inglés") ("It is a challenge that seeks to expand opportunities and that helps significantly our country's development"). Furthermore, a working knowledge of English is considered a necessary condition to enter the export market ("Test del exportador"). In Mexico, the proximity to the US and the degree of economic interdependence between both nations makes learning English a must for

business. It is not uncommon for Mexican companies to offer classes to their employees, in spite of the fact that the language is taught from elementary to higher education (“Teach English”).

THE NEW EXPORT CULTURE AND OUR INTERNATIONAL PROGRAMS

The implications of these far-reaching changes in business culture for our programs in language and international business are not clear yet, although it is evident that the new trends pose both challenges and opportunities. At the institutional and programmatic levels, there are some interesting opportunities. The new emphasis on business skills and efficiency should attract a greater number of Latin American students to our MBA, MIB, and IT programs, since American universities still command a degree of prestige far superior to most institutions in Latin America and Europe. On a more practical note, many small firms entering the international sector seek to improve their technical, managerial, and marketing know-how. The need for such skills creates opportunities for US private firms and educational institutions. The US-Latin American Trade Program (USLAT), a project created by Georgia State University’s Robinson Institute of International Business, serves as a consultancy for Latin American firms seeking to export to the US, and American firms going in the opposite direction. The project—with links in Mexico, Colombia, Ecuador, Argentina, and Brazil—will also provide a valuable network of contacts and opportunities to students in GSU’s MIB program.

At the classroom level several questions arise. In discussions on business culture, for example, should we still hold on to traditional notions of Hispanic business practices, at the time when a growing number of Latin firms are adopting the American business model and striving for greater efficiency and competitiveness, and when the importance of profitability has been finally recognized? Should we still accept the stereotypical image of the Hispanic businessperson as laid-back and conservative? Similarly, our language objectives could also be subject to some curricular review: how should our language for business programs react to the growing interest for English in Latin America? C. Coria-Sánchez touches on the issue indirectly, relying on independent research to stress the value of acquiring Spanish-language skills, particularly for doing business in Mexico (56). What type of skills should be emphasized and what methods should we use in the classroom are matters still open for discussion.

The content of Spanish for International Business courses should also include information on these latest trends, relying as much as possible on authentic and current materials—newspaper and magazine articles and

editorials, newscasts, videos, etc.—to foster discussion of the pertinent issues. The different components of the “export culture”—the greater number of FTAs, the needs and opportunities for Pymes, the efforts to establish a country brand, etc.—should be incorporated in the form of class presentations and term papers, thus allowing students to acquire meaningful knowledge and information that will prepare them for additional business courses, as well as for their professional performance in the global marketplace.

A number of issues discussed in this article have proved to be excellent topics for presentations and term papers in my own Spanish for International Business courses. The free-trade agreements—a controversial topic in today’s climate of concern over job losses and unfair competition—provide the opportunity to explore the multiple angles that frame the current debate. Students could present an overview of the agreements—history, objectives, difficulties in the implementation, etc. A more ambitious project would be to structure it as a debate between two students or groups of students, each one presenting arguments in favor or against the treaties. The new trend toward specialization and differentiation has also allowed for well-informed presentations. Favorites among students are topics such as eco-tourism and cultural tourism in Central America, particularly since it is common for students to have visited the countries where these industries are surfacing—Guatemala and Costa Rica, for example; a study of the benefits of establishing a country brand also falls under the category of differentiation. Equally popular are other environmentally friendly ventures as well as issues of economic justice, such as the shift toward organic coffee and the “fair trade” practices implemented by some companies, mainly in agriculture and clothing. Among the new export industries in Latin America, Colombia’s garment sector has interested a number of students. Recently, my class heard an excellent presentation on the product line and marketing strategy of Silvia Tcherassi, Colombia’s internationally known high fashion designer. Prior to the presentation, few students were aware of the quality of fashion products originating in Latin America.

In the area of Pymes, an interesting presentation made a comparison between the programs available in some Latin American countries and those offered by agencies like the Small Business Administration (SBA) here in the US. Another enterprising presenter carried out a survey of small business owners via e-mail. Although not everyone replied, the student got sufficient responses to get an idea of the main issues facing small businesses in Costa Rica. The project also allowed her to communicate in Spanish in

a non-classroom setting. Finally, local Hispanic businesses display some of the characteristics outlined in this paper—predominance of small companies, strong entrepreneurial drive—thus making them an ideal subject for academic assignments. On-site visits and interviews with owners and managers provide students with authentic communication experiences, as well as with a valuable opportunity to establish contacts with the community. [As an aside, it is worth mentioning that Carballido’s drama, introduced at the beginning of this study, is a most valuable way to discuss the situation of small businesses in Latin America, and to contrast the neglect of the past with the somewhat better prospects of the present.]

A word of caution: as in any other classroom assignment, the instructor has to play an active role. The topic of choice must be discussed with the instructor so as to make sure that it meets the objectives of the course. Additionally, clear guidelines must be established in order to maintain the academic quality and integrity of the project, thus avoiding a simple cut-and-paste of materials gathered from Internet sites. Equally important is for instructors to be up to date on the developments outlined in this study, so that they can advise students how to proceed with the assignment, and also to be able to judge the scholarly quality of the final product and assign a grade.

CONCLUSION

The significant changes in Latin American culture outlined in the preceding pages are the result of both domestic and external factors, mainly the realization, on the part of public and private institutions, that the current trends in international business are a permanent feature of the global economy. Although the world may not be as flat as the title of Thomas Friedman’s current best-seller suggests, it is indeed a more level field where competitiveness, efficiency, innovation, risk-taking, and entrepreneurial drive are the factors that will determine the success—or failure—of nations, firms, and individuals. In Latin America, in spite of recent attempts to hide behind protectionist measures, many sectors have understood the challenges, and are preparing themselves for the tasks ahead. Governments have understood the importance of exports as an engine of growth, and have also recognized the proper role of small businesses in the creation of jobs and innovation. The private sector, on the other hand, understands the double edge inherent in the international market: greater opportunity, but also greater risks and competition. The complacency and isolation of yore is no longer affordable. In the US, government, business, and education leaders should also be aware of the new

export culture among our southern neighbors, since some of the tools of the American business model have been assimilated by the competition in their quest for a greater share of the American market. Our students should be well aware of these developments and of the circumstances they will encounter during their time on the international stage.

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