

Volume No. 3 July 2019

EMERGING MARKETS INSTITUTE

Encouraging dialogue, building bridges

THE ANNUAL EMI REPORT
2018-2019

EMERGING
MARKETS
INSTITUTE



Cornell
SC Johnson College of Business

Message from the Director



The Emerging Markets Institute further advanced its goals during the academic year 2018–2019 in:

Advancing **Education** across the Cornell Tech and Ithaca MBA programs:

- Thirty-seven MBA students from 16 countries graduated with an Emerging Markets Concentration, which we celebrated on May 24th. VIP speaker Rustom Desai, MBA '95 and Director Commercial of Precision Glass Solution, orning Inc, congratulated them and their families and gave them advice on their future careers. Dean Mark Nelson and Associate MBA Dean Vishal Gaur.
- With the support of the Cunningham Fund, EMI financially supported students in 13 international treks to China, Colombia, Israel, Africa and Brazil.
- Thanks to the generosity of Roberto Cañizares, BS '71, MBA '74, EMI hosted four students from the Universidad de los andes in Colombia as summer research interns: Mariana Pereira, Carlos Delgado, Julián Díaz and Jorge Forero. Their contribution in the EMI research and digital media is gratefully acknowledged.
- Heloisa Menezes, former President of SEBRAE was Visiting Scholar at EMI.

Deepening the **Knowledge** on Emerging MarketsKnowledge, EMI report:

- The EMI Report Emerging Markets Reshaping Globalization co-authored by Anne Miroux and Lourdes Casanova was published in Nov 2018. The report, part of a series, examines the growing presence of emerging market multinationals, Chinese mainly, on the global stage and compares their performance with other firms from advanced economies, moving beyond cost leadership to focus on branding and product differentiation.
- The hosting of the second Global Markets, Enterprises and Development Research Day on April 20th, 2018 in partnership with Professors Sanjun Li and Panle Warwick, Directors of CICER with special guests Deputy Dean Andrew Karolyi, Professors Kaushik Basu and Xiaobo Zhang from Beijing University.
- The publication of report in collaboration with ICEX (Spanish Government Export promotion agency) for the Iberoamerican summit on investments from Latin America.
- The ongoing collaboration within the Emerging Multinationals Research Network (EMRN) with Anne Miroux EMI Faculty Fellow, and Profs. Veneta Andonova and Juana Garcia from Universidad de los Andes in Colombia, Prof. Anabella Dávila from EGADE in Tec de Monterrey in Mexico, Prof. Moacir Oliveira Junior Director of FEA and Associate Prof. Fernanda Ribeiro from FEA at University of São Paulo in Brazil, and Prof. Diego Finchelstein, from Universidad de San Andrés in Argentina.

Outreach to the Cornell Community and beyond

- Annual EMI conference on November 9th 2018 at Cornell Tech in Roosevelt Island in New York City in partnership with OECD, companies and alumni.
- Second Cornell Corning Emerging Markets Case competition on Emerging Markets where students from all over the world presented solutions to business challenges in Emerging Markets. Congratulations to the winners teams from the University of Maryland, Georgetown and Columbia. Grateful to the generous support of Corning and Johnson alumni and EMI Advisory Council member Rustom Desai.
- The 'Opportunities and Challenges for the new Government of Brazil' event was held on March 9th, 2018 in in partnership with the association of Brazilian students BRASA, Columbia University and New York University supported by the Brazilian company Cosan, Cornell Institute of Public Affairs, International Programs – CALs at Cornell University, Latin American Studies Program at the Mario Einaudi Center at Cornell University and
- EMI also collaborated with the Johnson African Business Society (JABS) in a number of events and continues to collaborate with the other international clubs at Johnson.
- T-Time, video live series where experts and students discuss and propose solutions to economic and business issues in Emerging Markets.

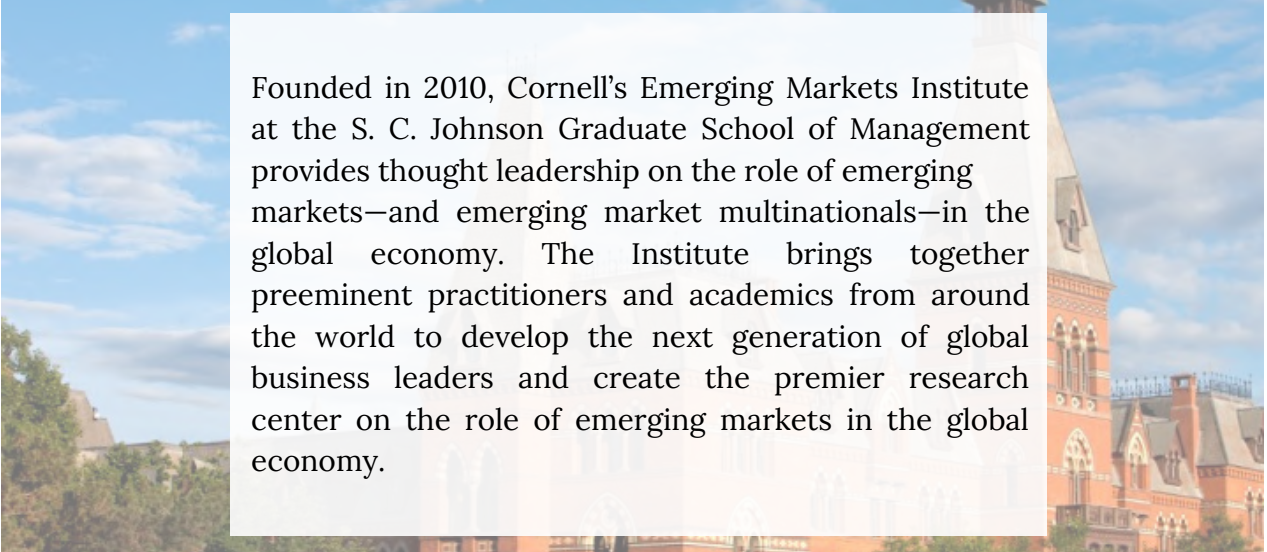
It gives me a sense of gratitude to look back on the past academic year. EMI is stronger than ever due to our continually expanding community, whose time, resources, and talent help us to achieve our goals. Faculty fellow Anne Miroux and co-author of the EMI report played a key role in expanding EMI research. The progress of EMI's activities was supported by the encouragement of Dean of Academic Affairs and founding Director of EMI Andrew Karolyi, former Dean of Academic Affairs Chris Barrett, Arnab Basu Director of Graduate Studies at Dyson, Sofia Kalantzi, Lecturer at Johnson and Randy Allen, Lecturer at Johnson, and by the research team led by Eudes Lopes, PhD student at Cornell and Jennifer Wholey, as well as Abdellah Bouhamidi. The EMI Fellows leadership team comprising Christian Laftchiev, MBA '19 and Lou Cascetti, MBA '19, co-Presidents of the Conference Committee, Amarildo Gjondrekaj and María Luisa Garduño, Cornell Tech MBA '19; Gaurav Trivedi MBA '19 all made valuable contributions to another academic year full of activities and projects. Special thanks are due to Babatunde Ayanfodun who was an effective program coordinator, and Vineetha Pachava who kept us on track in various projects with the help of Marina Bronkmann.

The academic year could not have ended better: Gail, BS '71 and Roberto Cañizares BS '71, MBA '74 announced a generous gift for the endowment of the Gail and Roberto Cañizares Directorship of the Emerging Markets Institute. I am honored to serve as the first Gail and Roberto Cañizares Director. The EMI team is very grateful to Rob and Gail's support which will enable EMI to continue its educational mission while encouraging dialogue and building bridges with Emerging Markets.

Thanks to Alumni, Advisory Council, Executive Committee members, EMI fellows and the EMI team for your continuous support and for enabling the excellence of EMI. We look forward to many more important accomplishments this coming academic year!

Lourdes Casanova

Gail and Roberto Cañizares Director, Emerging Markets Institute



Founded in 2010, Cornell's Emerging Markets Institute at the S. C. Johnson Graduate School of Management provides thought leadership on the role of emerging markets—and emerging market multinationals—in the global economy. The Institute brings together preeminent practitioners and academics from around the world to develop the next generation of global business leaders and create the premier research center on the role of emerging markets in the global economy.

Mission



The Emerging Markets Institute (EMI) brings together prominent researchers, practitioners and students with an interest in the role of emerging markets in the global economy. The EMI aims to be a platform for thought leadership that both creates new insights and prepare students and business leaders for success in emerging markets. Particular themes of interest are emerging multinationals, innovation from emerging markets and corporate governance in a changing global context.

Vision



EMI will become the thought research leader and educational magnet where businesses with operations in emerging markets hire MBAs to lead their organizations because of recognized expertise on issues related to emerging multinationals, innovation and corporate social responsibility in emerging markets.

EMI Team: Faculty



Lourdes Casanova
Director and Senior
Lecturer of Management



Andrew Karolyi
Associate Dean



Anne Miroux
Faculty Fellow



Arnab Basu
Faculty Fellow



Chris Barret
Faculty Fellow



Eswar Prasad
Faculty Fellow



Sofia Kalantzi
Faculty Fellow

EMI Administration



Babatunde Ayanfodun
Institute Coordinator



Vineetha Pachava
Research Assistant



Marina Brockmann
EMI Volunteer

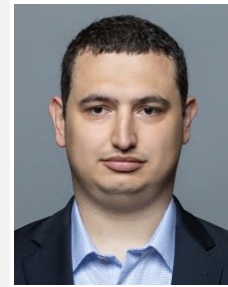
EMI Team: Presidents EMI fellows and 2018 EMI Conference



Christian Ivanov Laftchiev
Two-year MBA '19



Gozde Akgumus
Two-year MBA '20



Amarildo Gjondrekaj
Cornell Tech MBA'19



Lou Cascetti
Two-year MBA '19



Gaurav Trivedi
Two-year MBA '19

Emerging Markets Research Team



Eudes Prado Lopes
Research Fellow



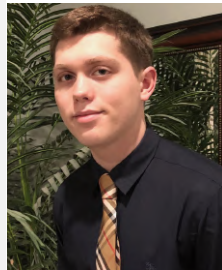
Fayrouz Hares
Two-year MBA '18



Michael Pocress
Research Assistant



Abdellah Bouhamidi
Research Assistant



John Ninia
Research Fellow



Jennifer Wholey
Research Assistant

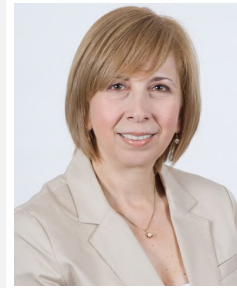
Emerging Markets Research Network



Juana Garcia
Associate Professor from
Universidad de los Andes



Venedeta Andonova
Associate Professor from
Universidad de los Andes



Anabella Davila
Associate Professor from
Tecnologico de Monterrey



Moacir Oliveira Junior
Associate Professor from
University of São Paulo



Fernanda Ribeiro
Associate Professor from
University Center of FEI



Diego Finchelstein
Associate Professor from
University of San Andrés

Summer Interns 2019



Julian Andres Diaz Acosta
Intern 2019



Jorge Andres Forero Fajardo
Intern 2019



Mariana Rodriguez Diaz
Intern 2019



Carlos Alonso Delgado Lopez
Intern 2019

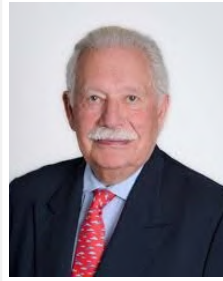
Advisory Board



Georges Ugeux
Chairman & CEO,
Galileo Global Advisors



Roberto Cañizares, BS '71, MBA '74
Ex-President,
MSA International



Henry P. Renard '54,
MBA '55



Timothy Heyman
President, Franklin Templeton
Asset Management Mexico



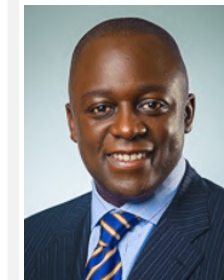
Rustom Desai, MBA '95
Director Commercial,
Corning Inc.



Sandiip Bhammer, MBA '04
Portfolio Manager,
South-Asia Investment Fund,
SPC at DA Capital



Robert W. Staley '57 BME '58
MBA '59



Paul Kavuma, MBA '93
Chief Executive Officer,
Catalyst Principal Partners



Cristina Manzano
Director, Esglobal



Nell Cady-Kruse, BS '84, MBA '85
Board of Directors and Chair,
Board Enterprise Risk Committee
for Barclays Bank Delaware



Felipe Garza Medina, MBA '80
President PTA Business,
Alpek (Alfa Group)



Sam Sotoodeh, MBA '87
President at Acquisition
Group



Xiaojun Huang
Executive Vice President,
Bank of China, USA

EMI Fellows Graduation Ceremony



The EMI Graduation Ceremony Celebration was held on May 24. The celebration gives the EMI staff an opportunity to thank the students for their hard work and dedication to the knowledge at and growth of EMI as well as provides a moment for students to take in their Johnson and EMI journey and memories and mark their next milestone to graduation at Cornell University.

The 2018-2019 Fellows had 14 countries represented (China, Brazil, Colombia, India, Indonesia, Lebanon, Mexico, Peru, Nigeria, Russia, South Korea, Thailand, US and VietNam).

Rustom Desai was the keynote speaker at the event . Dean Mark Nelson

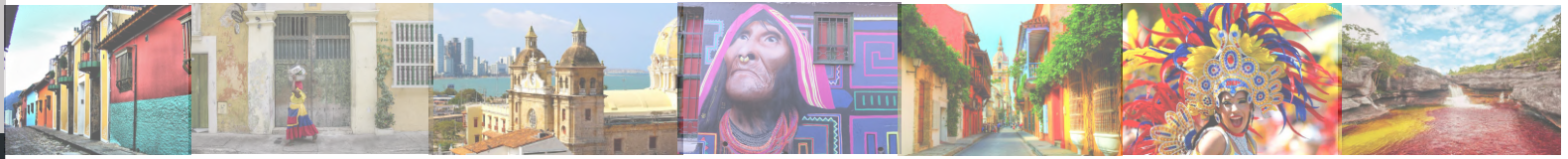
Leaders in Emerging Markets

In the Fall of 2018 Lourdes Casanova taught for the third time the course "**Leaders in Emerging Markets: In Search of Global Opportunities**", which provided EMI Fellows and MBA students the opportunity to learn about Emerging markets and interact with speakers. The guest speakers highlighted some of the challenges and opportunities of doing business in Emerging Markets.

This course was attended by 110 students, including CornellTech students in NYC by *videostreaming*. The guest speakers included:

- **Nicolas Bernardi**, Founder and Managing Director of Quality Center Senegal.
- **Lydia Kemunto Bosire**, 15 years of experience in international development and politics.
- **Jose Vidal Alcala-Burgos**, Senior Data Scientist Kueski, Mexico.
- **Ken Gurrola**, Chairman and CEO of Eastridge Capita
- **Paul Biru Paksha**, teaches at the State University of New York (SUNY) at Cortland since 2007. He served as chief economist of Bangladesh Bank (Central Bank) over 2015-2016 when he acted as the lead author of monetary policy.
- **Patrick Chen**, CEO of JD Capital USA
- **Mathias Lilja**, Vice President - Customer Account Management. Mastercard





Study Trips

With the support of the Cunningham Fund, EMI financially supported students in 13 international treks to Brazil, China, Colombia, Israel and South Africa-Kenya.



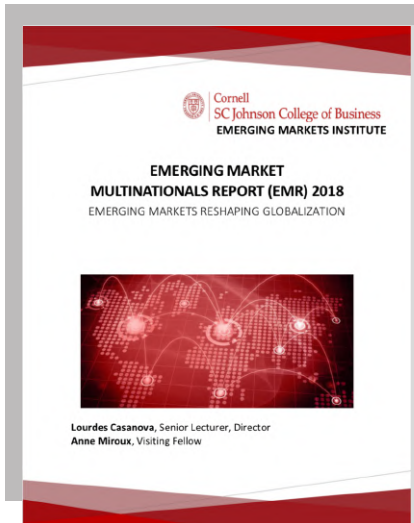
The trek in partnership with the Universidad de los Andes in Bogotá was not only a journey of discovery to immerse themselves in the economy of Colombia but also a pro-bono consulting exercise to realize consulting projects for 9 small and medium size companies in collaboration with the Inter-American development Bank.

On April 2019, EMI organized the annual Colombia Trek, where 30 Johnson MBA students along with Lourdes Casanova visited Colombia during Spring break.



Students visited Juan Valdez Coffee, Grupo Aval, Universidad de los Andes, Daniel, el tiempo newspaper, monte Felipe, among others. They also had the opportunity to visit some beautiful places such as Zipaquirá Salt Cathedral, Islas del Rosario, Cartagena and the walled city.

Emerging Markets Multinationals Report



The Emerging Market Multinationals Report (EMR) series is a comprehensive exploration on the rise of Emerging Market Multinationals (eMNCs) and its broader implications. The EMR 2018, “Emerging Markets Reshaping Globalization”, co-authored by Lourdes Casanova and Anne Miroux is the third edition in the series. View the companion videos for the EMR, overview one and overview two .

https://www.johnson.cornell.edu/Portals/32/EMI%20Docu/EMR/EMR2018_V3_FIN-11Jan.pdf

Chapters in Books

- Wang, Danqing, Fei Du and Christopher Marquis. 2018. “Defending Mao’s Dream: How Politicians’ Ideological Imprinting Affect Firms’ Political Appointment in China.” *Academy of Management Journal*. Forthcoming. (Read a summary in Chinese).
- Marquis, Christopher and Kunyuan Qiao. 2018. “Waking from Mao’s Dream: Communist Ideological Imprinting and the Internationalization of Entrepreneurial Ventures in China.” *Administrative Science Quarterly*. Forthcoming. (Read a summary in the LSE Business Review and on Organizational Musings in English and Chinese).
- Marquis, Christopher and Yanhua Bird. 2018. “The Paradox of Responsive Authoritarianism: Civil Society, Local Governments and Environmental Penalties in China.” *Organization Science*. Forthcoming. (Read a summary in the LSE Business Review and in Cornell Enterprise; Finalist for 2019 IACMR-RRBM Award for Responsible Research in Management)
- Liang, Hao, Christopher Marquis, Luc Renneboog, and Sunny Li Sun. 2018. “Future-Time Framing: The Effect of Language on Corporate Future Orientation.” (Read summary in Chinese and an interview about a prior version in HBS Working knowledge). *Organization Science*. Forthcoming.

EMI Fellows Articles



Is sustainability a major concern for U.S. companies, or is China moving to the fore? By John Ninia '22 (CALS)



Chinese companies recognize value in Israeli startups By Siqi Shi, Johnson Cornell Tech MBA '19



A journey: Private investment in infrastructure in emerging markets By Simon Kim, MPS-RE '17 (Baker) and EMI contributor



Colombia's next decade: Challenges and opportunities By Camilo Arbelaez, Two-Year MBA '19



Growing consumer power in China: A glimpse of the global future? By Mae Tan and Oluseyi Sonaiya, Johnson Cornell Tech MBA students



American student reflects on China, globalization, and digital transformation By Spenser Rose, MBA student at Wenzhou University and EMI contributor



Emerging markets champion: CEMEX, a Mexican global company By Abdellah Bouhamidi, One-Year MBA '19 and EMI researcher



Leaders in Emerging Markets: Exploring Mexico's future in finance and technology By Catherine Wei '19 (Dyson); Frances Ling, MPS '19 (Johnson); and Lois Liu, MBA exchange student



Will Tencent, parent of WeChat, make its way to U.S. markets? By Gil Rabinowitch, MBA '19

EMI Templeton Collaboration



**FRANKLIN TEMPLETON
INVESTMENTS**



On October 2015, EMI signed an agreement with Franklin Templeton Servicios de Asesoría México to publish Templeton's reports. We are very grateful to Timothy Heyman, President of Franklin Templeton Asset Management Mexico, who made this agreement possible. Latest reports include:

- Dissonance: markets vs. economy
- AMLO: popularity vs. reality
- First two months: under the volcano
- AMLO: populism vs. pragmatism
- USMCA: late cycle or end of cycle?

Blog: Cornell on Emerging Markets

The blog provides an interactive platform for the stakeholders of the Emerging Markets Institute community. Its purpose is to facilitate collective reflection and debate on the most pressing issues on Emerging Markets and their broader entanglements in the shifting global landscape of the day. The platform promotes a diversity of perspectives and the sharing of in depth analysis and opinions on topical issues. Do not hesitate to share your thoughts and opinions on the blog. Some of the blog entries are:

- **The challenges and opportunities in innovation for the new Brazilian government**
by Heloisa Menezes

The State's Role in Emerging Economy Outward Investments: A comparison between Brazil, China and Korea by Lourdes Casanova, Senior Lecturer and Director

- Anne Miroux, Visiting Faculty.
- **Gender Equality Is Smart Development Economics** by Otaviano Canuto
- **Zen Business: an East-Asian-Based Systemic Model on Holistic Management and Sustainability for a Fast-Changing World** by Josep M. Coll

The annual EMI conference 2018: Emerging Markets reshaping globalization.



The Emerging Markets Institute (EMI) conference has been the institute's flagship event to showcase our research and to pool together leading academics, students, and business leaders. Over the past eight years, we have forged organizational partnerships and gleaned timely insights from speakers about the ongoing dynamism of the emerging markets landscape. Under the theme Emerging Markets Reshaping Globalization, this year's conference will explore the diverse challenges impacting globalization and emerging markets' potential as the new champions of free markets and open competition.



Save the Date for the
2019 Emerging
Markets Institute
Conference
The Emerging Markets
Institute will continue
this discussion at its
2019 conference,
scheduled to be held
on Friday, November 8,
2019.

EMI Conference Link :
<http://bit.ly/CORNELLEMI2019>

In their opening remarks, Andrew Karolyi, deputy dean and college dean for academic affairs at the Cornell SC Johnson College of Business, and Mark Nelson, Anne and Elmer Linseth Dean of the Samuel Curtis Johnson Graduate School of Management, reflected on the salience of this thesis as it becomes increasingly clear that emerging markets are among the most significant protagonists of the resistance against inward-looking trends the world over. Both Karolyi and Nelson stressed how vital a forum such as this one is at such a pivotal juncture in history.



The conference focused on market and region-specific discussions. Three of these included full panels focused Brazil, Mexico, and India; one included a special address about Africa; and the last was a one-on-one interview focused on China.

Research Day



CICER & EMI co-hosted a workshop on Friday, April 19, 2019 on Ithaca campus. This workshop served as a platform for researchers, faculty and PhD students who were interested in sharing knowledge, presenting their research and ideas, and getting feedback from their peers.

The Cornell Institute for China Economic Research (CICER) brings together scholars from Cornell and elsewhere to conduct cutting-edge economic research and understand the most important socio-economic issues in China and their global impact. The Emerging Markets Institute (EMI) provides thought leadership on the role of emerging markets - and emerging market multinationals - in the global economy.

There will be 8 presentations (25 mins each) and a keynote speech by Xiaobo Zhang (Professor at Beijing University and Senior Research Fellow at IFPRI) and Professor Kaushik Basu and Deputy Dean Andrew Karolyi.

More Events



US/Spain Chamber of comments in NY, September 2018



BALAS (Business Association of Latin American studies) conference at the ESAN Graduate School of Business, in Lima, Peru.



BRASA with Lourdes Casanova and #Cornellemi, Columbia University in the City of New York, and New York University students organized a great event: Opportunities and Challenges for the new Government of Brazil.



Lourdes Casanova and Anne Miroux presenting the Emerging Markets Report 2018 at Spratt Business School, Carleton University (Official)



Anne Miroux, CornellEMI Faculty Fellow, at the University of Dubai Research Seminar speaking on Emerging Markets Reshaping Globalization



Lourdes Casanova's presentations at Facultat de Econòmiques, Universitat de Barcelona and IESE Business School



Visit to Wenzhou University.



Presentation at Zhejiang university, Hangzhou



Presentation at the OECD Paris

T-Time Series



T-Time discussing technology and innovation as it relates to the Emerging Markets

'T-Time' is a Facebook live series that brings together EMI fellows, faculty, political and business leaders from emerging markets and beyond to discuss how the current political landscape is affecting the economies and the private sector of emerging markets. We interviewed many outstanding guest this year. Including:

- **T-Time Live Operation Car Wash-** Biggest Corruption Scandal in Latin America. Joining the Cornell Emerging Markets Institute (CornellEMI) and Lourdes Casanova, are Sergio Bruno Fernandes, public prosecutor in Brazil, Fouad Debs and Kelly Pedro, LLM candidate at Cornell Law School.
- **T-time with Biru Paksha Paul.** Overview of growth opportunities in Bangladesh
- **T-Time Live: The Emerging Multinationals Report** What is an emerging market and what are their significance in the global economy?
- **T-Time Live with Blanca Treviño, president of Softtek**
- **T-Time Live: Innovation in the Emerging Markets** discussing Global Innovation with Bruno Lanvin, Executive Director of Global Indices at INSEAD Knowledge

- The interviews can be watch



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T Time

ENCOURAGING DIALOGUE,
BUILDING NORTH-SOUTH BRIDGES

EMI TEAM

EMI team keeps growing, this year we welcomed Visiting Scholars, Research Assistants and Volunteers. We are grateful for their hard work and the contribution to the success of the Emerging Markets Institute.

This year we had: Visiting Scholar *Cristina Castro*, Research Assistants *Eudes Prado Lopes*, *Fayrouz Hares*, *Michael Pocress*, *Abdellah Bouhamidi*, *John Ninia*, *Jennifer Wholey*, *Vineetha Pachava*, and Volunteers *Marina Brockmann*

Last summer we welcomed the interns and research assistants who worked with the EMI team in different projects. *Julian Andres Diaz Acosta*, *Jorge Andres Forero Fajardo*, *Mariana Rodriguez Diaz* and *Carlos Alonso Delgado Lopez* from Universidad de los Andes in Colombia, with funding from Rob Cañizares, were working in the report on Emerging Multinationals.



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Designed by: Marina Brockmann , Mariana Rodríguez and
Mumuksha Khicha
Cover page picture taken by Rob Cañizares