I- The Global Immersion Program

Global Immersion Program classes bridge classroom lessons and business practices in another country. These three credit classes meet for half a term in New York prior to a one week visit to the country of focus where students will meet with business executives and government officials while working on team projects. Upon return from the travel portion of the class, students will have at least one wrap up meeting at Columbia Business School. The 2016-2017 Global Immersion Program fee for all classes is $1800 and provides students with double occupancy lodging, ground transportation and some meals. It does not cover roundtrip international airfare. Attendance both in New York and in-country and regular participation are a crucial part of the learning experience and as such attendance is mandatory. Students who miss the first class meeting may be removed from the course, and will not have their program fee refunded to them. No program fee refunds will be given after the add/drop period has closed.

II- An Overview of the Course

North Africa is a region which groups the countries of Mauritania, Morocco, Tunisia, Algeria, Libya and Egypt, is a region ripe for business opportunities. The region represents a market of more than 170 million people with an average annual GDP growth of 4-5% over the past decade. Because of its free trade agreement with Europe and several countries in Africa and the Middle East, the region can potentially become a gateway to a market of more than 500 million people. The North African region is going through profound changes following the initial upheaval of the Arab Spring. But there are many questions that await. Will these countries transition to democracy? Will they be able to create a business environment that is attractive to investors? If so, what investment opportunities exist in the region? What are the risks involved and the future challenges? And, how best to enter such a market? The course will explore these questions and other issues related to doing business in North Africa.

The course consists of six classes (of 90 minutes each) at Columbia to introduce this complex region. A week-long trip to Tunis will include visits to companies and government and non-government institutions. Students will undertake projects that could focus on analyzing business opportunities in the region as a whole, a particular country or industry, or could simply study the strategy of a local firm, or develop an entry strategy for a multinational firm.
The class meets regularly during the A-term on each Monday from 2:15-3:45pm with a pre-departure class on Thursday, December 8 from 12:30-2:00pm in room 140 Uris Hall and with one meeting during the spring semester (February 3rd, 2017) where students will present their final projects. Travel will take place to Tunis from Sunday, January 15 through Saturday, January 21, 2017.

The purpose of this Global Immersion course is to assess the business opportunities in North Africa and through your research towards the final project gain in-depth knowledge and become an “expert” in a business aspect in this region that particularly interests you. Through our New York classes and in the company visits in Tunis, we will learn the macro, social, political, and cultural environment of the region as well as get exposure to a broad spectrum of industries (including banking, private equity, energy, retailing, Tourism, etc.) as well as government institutions. The final project and your own research will allow you to zoom in and dig deeper in some particular issues and businesses. There will be some free time for research and field work during the country visit portion of the course in Tunis.

III- Course Materials
A variety of readings and articles from the scholarly literature and the popular press will be used in this course. All the web-links are listed in the syllabus. All other material will be posted on Canvas.

IV- Course Requirements and Assignments

A. Attendance & Class Participation (30%)
Attendance is mandatory. Failure to adhere to the attendance policy of the Global Immersion Program could result in failure of the course. You are also expected to actively participate in classes and in-country meetings. This means that you have done the readings and cases assigned for class and that you constructively contribute to the class discussions and company visits.

B. Case write-ups (20%)
For each assigned case, you are required to respond to a Qualtrics survey that addresses the case discussion questions. There are two cases (i) AfricInvest’s Stake in Nouvelair: Pricing Risk in a Turbulent Market case and (ii) Moulin d’Or.

C. Group Project Presentation (20%)
The group project (5 students per group) should be a study of an industry or a specific company that is a target of a growth opportunity. Other topics for the project will be allowed, but require prior approval by the professor. Each group needs to plan for a half-hour meeting with the project sponsor/professor in the period of September 12-26 to discuss the project. A one-page project description is due on September 19 in class. On December 8, each group is required to give a 7-min presentation (+3min for Q&A).

D. Final Project Write-up (30%)
Upon return from the trip, each group will deliver a paper (max. 20 pages, double spaced, excluding exhibits) on February 3rd, 2017. The group will also give a 10-min informal
presentation to the rest of the class emphasizing the *additional* learnings about their projects from the country visit.

**COURSE OUTLINE (TENTATIVE)**

**Class 1: September 12**

**Introduction to the course and Tunisia**

**Case:** AfricInvest’s Stake in Nouvelair: Pricing Risk in a Turbulent Market

AfricInvest faced a critical decision in 2006. Having invested in Nouvelair, in 2000 to capitalize on Tunisia’s booming tourism industry, AfricInvest suddenly found its investment in jeopardy due to a series of increasingly aggressive overtures by Belhassen Trabelsi, the founder of a competing airline, Karthago, and a prominent businessman with close ties to Tunisia’s ruling Ben Ali family. Trabelsi had proposed a merger of the two airlines in a 1-for-1 stock swap deal that assigned equal value to both companies. The problem was that Karthago was effectively bankrupt, while Nouvelair had been profitable almost from its inception. Nouvelair was under increasing pressure from Trabelsi to sign off on the deal. Was there a way for AfricInvest to safeguard its investment and protect Nouvelair’s other stakeholders all while placating Trabelsi?

**Discussion Questions: (Preliminary)**

1. How do you “value” Nouvelair and Karthago airlines in early 2006? Is the Karthago 1-for-1 stock swap offer reasonable?
2. Is it possible to fend off Karthago/Trabelsi’s merger offer?
   a. Suppose it is possible. As AfricInvest, what would you advise Nouvelair to do?
   b. Suppose Trabelsi couldn’t be deterred,
      i. How should AfricInvest advise Nouvelair to minimize the damage from the merger?
      ii. What should AfricInvest do with its investment in Nouvelair? Should it exit its investment and preserve its gains to date? Or should it maintain or grow its investment?

All students need to address the discussion questions by responding to this Qualtrics survey before class on September 12:

https://columbia.az1.qualtrics.com/SE/?SID=SV_bdNzcw6TAa6yM4J

**Read:** Tunisia (a comprehensive overview): [https://en.wikipedia.org/wiki/Tunisia](https://en.wikipedia.org/wiki/Tunisia)

Optional:

**Class 2: September 19**

**Tunisia: An Arab Anomaly**

Guest Speaker: Safwan Masri, Executive Vice President for Global Centers and Global Development; Director, Columbia Global Centers | Amman
Read: TBD

Due: Group Project Description

Class 3: September 26

The Economy and Business Environment in Tunisia and North Africa
Guest Speaker: Bowman Cutter, Board Chair, Tunisian American Enterprise Fund


Optional read: Tunisia’s Celebrated Labor Union Is Holding the Country Back

Class 4: October 3rd

Investing in North Africa
Guest speaker: Paul Tierney, Partner, Development Capital Partners, LLC

Read: Private Equity in Africa:
https://www.dropbox.com/s/g14lzldire591lx/PE%20in%20Africa.pdf?dl=0

Class 5: October 10

Case: Moulin d’Or

Case, discussion questions, and Qualtrics survey will be available later during the course.

Class 6: December 8 (12:30-2:00PM, Room 140 Uris Hall)

Project Presentations (7 min duration)
Due: Student project presentations in ppt

IN-COUNTRY PORTION OF THE COURSE

January 15-21, 2017: Tunis

(Schedule TBD)

FINAL CLASS
Class 7: Friday February 3
Final Project Presentations (9AM-12Noon, room TBD) and submission of final project paper.

DATA SOURCES

There are several different sources of data that are useful for this course. Notable among these are the following, all of which are available for free through Columbia University (go to the Columbia University homepage, and then to the libraries; you can then search for each of the following data sources).

- Euromonitor Global Market Database (Click here)
- Economist Intelligence Unit (EIU) Country Data (Click here)
- IMF e-Library (Click here)
- World Bank e-library (Click here)

Data from the following sources can be directly accessed over the web without the need to go through Columbia University.

- UN Data (Click here)
- World Bank Databank (Click here)
- Penn World Tables (Click here)
- Gapminder (Click here)

Library Resources

Business Source Complete (index to English language journal articles, forecasts, etc)
http://www.columbia.edu/cgi-bin/cul/resolve?clio4784657

Economist Intelligence Unit -- Country Reports
http://www.columbia.edu/cgi-bin/cul/resolve?ARE1578

ISI Emerging Markets
http://www.columbia.edu/cgi-bin/cul/resolve?ALP2674

Global Market Information Database
https://library.columbia.edu/content/librarywebsecure/eresources/databases/global_market_info.html

Other Internet Resources:

Doing Business (IMF & The World Bank) for measuring business regulation
http://www.doingbusiness.org/data
World Trade Organization: 

African Development Bank Group publications:

(1) ADB Group on "North Africa"
http://www.africaneconomicoutlook.org/en/countries/

(2) African Statistical Yearbook 2016

(3) Selected Statistics on African Countries

(4) African Economic Outlook (ADB Group and OECD Development Centre)
http://www.africaneconomicoutlook.org/en/


The Economic Research Forum (Cairo, Egypt)
http://www.erf.org.eg/cms.php?id=publications_landing_page

ELDIS Country Profiles (Institute of Development Studies, U. of Sussex, UK)
http://www.eldis.org/go/country-profiles

FAO Document Repository

Institut de Recherche sur le Maghreb
http://www.irmcmaghreb.org/

International Trade Centre on "Arab States":
http://www.intracen.org/region/arab-states/

MED-IT Salon International des Technologies de l'Information http://www.med-it.com/

UNDP -- Human Development Reports

Doing Business in North Africa Fall 2016