

Monsanto and the National University of Córdoba (A): The Price of a Bad Reputation

The University Perspective

Arturo Fitz Herbert Yago de la Cierva

Marcelo Conrero's first months as dean of the Faculty of Agricultural Sciences (FAS) of the National University of Córdoba (UNC) in Argentina hadn't gone as expected. After working in university management for several years, on July 4, 2014 he had become the youngest dean in the history of UNC. ⁱ

The financial situation of the FAS wasn't rosy. In fact, one of the first steps Conrero took was to lower his salary. But while this measure sent a clear signal, it was clearly insufficient to overcome the difficulties the faculty was facing. The new dean needed to come up with creative measures to increase revenue.

One was the signing of agreements with companies in the agricultural sector, the main export industry of the province of Córdoba, which is located in the center of the country (see **Exhibit 1**). He worked hard on this initiative during his first months in the position and succeeded in getting 13 local companies interested in collaborating with the FAS.

To mark the signing of these agreemensits, Conrero held a ceremony, attended by over 400 people. on August 8, during celebrations to mark Agronomist's Day.

Just a month later, the outlook would change completely. One of the companies with which a training agreement had been signed was the multinational chemical company Monsanto, which since 2012 had been involved in a conflict with environmental groups opposed to the construction of a seed plant in the city of Malvinas Argentinas, 20 kilometers from the city of Córdoba.

This case was prepared by Arturo Fitz Herbert, professor at the Austral University, Argentina, under the supervision of Professor Yago de la Cierva. February 2023.

The structure of this case is as follows: the problem is described from two different perspectives, the university (part A) and the business (part B); the resolution (part C) is communal. It is designed to divide the class into two groups with different perspectives, in order to enrich group discussion.

IESE cases are designed to promote class discussion rather than to illustrate effective or ineffective management of a given situation.

Copyright \odot 2023 IESE. This translation copyright \odot 2023 IESE. To order copies contact IESE Publishing via www.iesepublishing.com. Alternatively, write to publishing@iese.edu or call +34 932 536 558.

No part of this publication may be reproduced, stored in a retrieval system, used in a spreadsheet, or transmitted in any form or by any means - electronic, mechanical, photocopying, recording, or otherwise - without the permission of IESE.

Last edited: 3/3/23



Opposition to the agreement soon emerged. On August 22, a group of activists stormed into a meeting of the faculty's Governing Council to call for the cancellation of the agreement. The controversy was covered in the local press and environmental media.

On September 2, the situation became even more complicated. At a public meeting of the UNC High Council attended by some 200 environmentalists, Rector Francisco Tamarit submitted to a vote a proposed Council statement that called into question the agreement for "legitimizing the company's goal of locating its plant in Malvinas Argentinas" and generating confusion by contradicting "the position taken by this university in previous opinions." Most importantly, the statement urged the FAS to rescind the agreement. The High Council approved the statement by a vote of 28 to six.

Conrero was faced with a dilemma: Should he accept the rector's request to cancel the agreement or stand firm and defend the decision made by the FAS Governing Council?

The Oldest University in Argentina

Founded in 1613 by the Jesuits as a *colegio máximo* and nationalized in 1856, UNC is the oldest university in the country and one of the oldest in the Americas (two decades older than Harvard). In fact, Córdoba is nicknamed *La Docta* ("the Learned") for having been home to Argentina's only university for over two centuries.

Today, UNC is a public, free and secular university located in the city of Córdoba, the country's second-largest urban center after Greater Buenos Aires. It is one of the three most renowned academic institutions in the country and has a good reputation at the international level. UNC's Jesuit *estancias* (former farming estates designed and administered by the Jesuit order) were declared a World Heritage Site by UNESCO in November 2000.

In 2014, UNC had 13 faculties, one college, a Higher School of Commerce, and 110,990 students—73% from the province of Córdoba, 25% from other regions, and 2% from abroad.² The university had 9,500 teaching staff and 2,933 other employees.³ (See **Exhibit 2**)

Out of those totals, 419 teaching staff and 2,789 students belonged to the FAS, one of the smallest faculties in terms of the number of students—only the Faculty of Chemical Sciences and the Faculty of Mathematics, Astronomy and Physics had fewer, and the FAS trailed far behind the Faculty of Medical Sciences and the Faculty of Law and Social Sciences, which were ten times bigger.

University Governance

In 1918, UNC was the epicenter of the University Reform, a movement that spread throughout the rest of the country and Latin America, calling for and achieving university autonomy and student co-governance. Since then, UNC has been financially dependent on the Argentine State but has autonomy to elect its authorities and manage its budget. In 2014, 83% of its revenue came from the National Treasury.

¹According to the National Institute of Statistics and Censuses of the Argentine Republic, 1,454,645 people lived in Greater Córdoba in 2010.

² Admission to public universities in Argentina is free and unrestricted. Anyone with a high school diploma can gain admission to a public university without any filters (such as entrance exams or quotas based on academic average).

³ All data on UNC in 2014 comes from the university itself (2014).

At the time of the events described in this case, 4 the UNC Bylaws set out the following aims:

- a) Comprehensive education of the individual.
- b) Professional and technical training, promotion of scientific research, high-level and free development of culture, and the effective integration of man in his community, within a framework of autonomy and democratic coexistence between professors, students and alumni.
- c) Dissemination of higher knowledge among all strata of the population through appropriate cultural outreach programs.
- d) Encouraging university students to act in the community to which they belong, emphasizing their awareness of contemporary issues and solutions to such issues.
- e) Ensuring a sustained focus on major issues and needs related to national life and collaborating disinterestedly to bring clarity to these matters and develop solutions.⁵

The UNC Bylaws also established a collegial system of governance with the following bodies: the University Assembly, the High Council, the rector, Governing Councils, and deans of faculties. Each body had different functions, and decisions were always made by an absolute majority of members (half the votes plus one).

The main functions of the University Assembly, which was composed of the Governing Councils and deans of the faculties, together with the rector and the vice-rector, were to elect the rector, amend the UNC Bylaws, and create new faculties. It also had the power to dismiss the rector or vice-rector.

The High Council's main functions were to convene the University Assembly; approve the curricula of faculties; issue ordinances and disciplinary sanctions; create research institutes, laboratories and centers for the study of specific issues; approve, modify or adjust the annual budget; and adjudicate contentious issues decided by the rector or the faculties.

The rector's main function was to manage the university. He or she also had the right to speak and vote in the High Council and a casting vote in the event of a tie.

The Governing Councils were responsible for governance functions at the faculty level, including management of chairs and submission of proposals for new curricula and degrees to the High Council. They were also responsible for "promoting university extension with the sense of social commitment required for the progress of the nation." Accordingly, they were tasked with managing programs for the transfer of knowledge to authorities, companies, the third sector and the wider society.

Finally, the main functions of the deans were to represent their faculties before the High Council and before society, appoint employees of their respective faculties, and implement decisions adopted by the Governing Councils.

⁴ In 2016, the UNC Bylaws were amended; however, the mission remained the same.

⁵ "Misión de la UNC," Universidad Nacional de Córdoba, accessed December 15, 2022, https://www.unc.edu.ar/sobre-la-unc/misi%C3%B3n-de-la-unc.