

CIBER Synergies

An Update on Programs of the

Center for International Business Education and Research

**Warrington College of Business Administration
University of Florida**

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From the directors

Although funding for CIBER did not formally start until October 1, 1998, we are excited by the number of curriculum, research and outreach programs already successfully implemented. Others, developed during the year, will be coming on line in the near future.

The major goal of the UF CIBER's first year was to engage faculty in developing international business programs. The process of writing the proposal to the US Department of Education by itself contributed to achieving this goal. Ideas to link international business expertise across business disciplines and between business and other colleges emerged. Opportunities to transfer technical university expertise to business policy and practice were envisioned. Gaps in international business offerings for students became obvious and were being filled even as the proposal was drafted.

The momentum has increased with funding for the Center. New course modules, new courses, new degree programs, new research projects and new programs for businesses have materialized. CIBER is experimenting with initiatives that develop UF international business talent in areas that hadn't thought themselves "international" or "business." It is simultaneously building on established UF strengths through cooperative initiatives with renowned centers and institutes--the Center for Latin American Studies (CLAS), the Public Utility Research Center (PURC) and the Institute for Food and Agricultural Science (IFAS). It is opening doors for faculty and students by funding their participation in study abroad programs and in international research programs. Businesses in Florida and nationally are being provided with a new resource to help them compete successfully in global markets.

During 1998-99, CIBER initiated an exciting new era of international business programs at the University of Florida. Having begun to engage faculty, the next CIBER goals will be strengthening the multidisciplinary links and the academia-business links that are essential to the development of sustained international business capacity.

Welcome to the journey of the UF CIBER! We're proud to share with you how CIBER is serving students, faculty and business.

*Carol West
Director*

*Mark Jamison
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Associate Director for
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Serving students

Undergraduate programs provide thousands of students with a broad introduction to international business and opportunities for intensive and specialized studies for students seeking more in-depth training.

Undergraduate students

- ***Principles of Macroeconomics*** is an exceptional forum to introduce a large number of UF students to international business. Approximately 3,000 students per year take the course via TV replay from campus teaching legend Distinguished Service Professor David Denslow. Funded by CIBER, Dr. Denslow developed a set of seven live extra credit lecture/short quiz sessions on international business topics to augment the regular material in the course. Each of the lectures was given three times to allow maximum attendance. “Live” combined with “international” attracted hundreds of students. When the series was piloted in the Spring, 1999 semester, 1,149 students were enrolled in the course and approximately 700 participated in each international session. (For a list of series topics, see Appendix 1).

- ***International Business Economics*** was introduced as an undergraduate major track. Prior to the 1998-99 academic year, the Warrington College of Business Administration (WCBA) offered no international business major for undergraduates. Besides the standard business core, students in the track take a trio of courses to complete their BSBA degree: International Macroeconomics, International Trade and The Firm in the Global Economy (see Appendix 2 for course descriptions). Two hundred seventy six undergraduates enrolled in the three courses in the fall and spring semesters of 1998-99. The classes were enormously popular, receiving average student ratings of 4.41, 4.61 and 4.51 respectively on a scale of 1 (poor) to 5 (outstanding).

- ***Area studies and language students*** were provided specialized international business study opportunities through UF’s Foreign Language Across the Curriculum (FLAC) program. Traditionally, FLAC augments a non-language course with a one credit extra section of related material taught in a foreign language. In Spring 1999, CIBER funded a Spanish FLAC for the course on *The Latin American Business Environment* taught in the Center for Latin American Studies (CLAS). Altering the traditional model, CIBER sponsored a one credit extra section on Japanese business for Japanese language students. Seven students participated in the CLAS FLAC and twelve Japanese language students participated in the Japanese business FLAC.

Upcoming for undergraduates are new courses and course modules for both business and area studies students. ECS 3403, *Economic Development of Latin America*, will be taught in Spring 2000. This critical assessment of Latin American political economy and economic development analyzes issues key to understanding the evolution of Latin America into the major global market it is today, a 33-country region with nearly 500 million inhabitants. Topics covered include commodity price cycles and balance of payment fluctuations; import substitution industrialization;

international indebtedness; trade liberalization and the development of free trade areas; inflation stabilization policies; poverty eradication difficulties; privatization.

Also offered in Spring 2000 will be ECO 4934, *Global Telecommunications Strategy*. This course provides an overview of the global information industries and players, government regulation and trade issues, technology and business practices. Particular emphasis is given to the rapid evolution of these businesses; convergence of media, telecommunications and computer industries; media conglomerates; mergers and alliances; pricing; property rights; local and global strategies; new business creation; customer acquisition and retention. Case studies cover traditional businesses, new conglomerates and new entrants and are drawn from both developed and developing countries.

CIBER research in 1998-99 developed international business components for courses in the business core, in international relations and in advertising. These will be integrated into the curricula during 1999-00 and 2000-01.

Graduate students

- ***MBA offerings*** were enhanced by a new course on *Managing International Trade and Investment*. The class focuses on exploiting international competitive advantages in exports and foreign investment, managing competition with imports and foreign investors and understanding the rules and regulations of international trade and investment implemented by governments and international organizations. Twenty MBA students took the class, rating it exceptionally high--4.69 on the 1 (poor) to 5 (outstanding) scale. Development of new international case studies enhanced the MBA course on *Strategies for Deregulated Industries*. Case material was drawn from CIBER-funded travel and the *PURC/World Bank International Training Course for Utility Regulation and Strategy*. Cases covered examples from Asia, Africa, Europe, South America and Australia.

- ***A Master of Arts in International Business*** program opened its doors to students for the first time in late June, 1999. Forty seven students enrolled in the program for recent graduates possessing a bachelor's degree in business or a business minor. The 30-credit hour curriculum, completed over a 10-month period, is designed to provide students with an interdisciplinary approach to the study of the functional areas of international business and to increase students' awareness of cross-cultural, societal and business differences. It includes a Study Tour to major business centers that gives a brief, but intensive, international immersion experience. A final project produces an extensive case study of a global industry or company. (See Appendix 3 for details of the MAIB program of study). MAIB was developed by the Management Department during the period of CIBER proposal preparation. The Center will support updating and enriching courses and expanding study abroad options for students.

- ***Doctoral student travel funds*** allowed WCBA Ph.D. students to attend special conferences organized by other universities. Students have the opportunity to present their own research and to learn about international dimensions of their disciplines. Economics Ph.D. student Luis Gutierrez presented a paper on “Telecommunications in Latin America” at the Loyola University Doctoral Consortium of the Business Association of Latin American Studies. CIBER is sponsoring two economics doctoral students and one in finance to attend the First Annual CIBER International Doctoral Workshop, co-sponsored by the CIBERs at Columbia University, University of Michigan and Texas A&M University. Economics graduate student Janice Hauge attended the ICFC International Communications Conference for Marketing, Forecasting and Demand Analysis and presented recent PURC/CIBER research on “Do Interconnection Policies Affect the Development of Telecommunications Competition?” and “Impacts of Mergers and Global Rivalry on Local Network Competition.” The Management Department sponsored Ph.D. student Misty Loughry’s attendance at the CIBER Doctoral International Consortium at Duke University. Misty enthusiastically reported, “The networking with faculty and students was great and there was wonderful time to talk with students who share similar research interests.”

- ***Graduate student training in international business*** is available through opportunities for graduate students both in business and non-business programs to work on CIBER projects. Ten students participated in the first year: Patrick Archer (recent graduate of the MALAS--Master of Arts in Latin American Studies--program and current enrollee in the MBA program); Richard Kjellander (MBA); Gregory Fuller (MALAS); Josh Traetter (MA--English); Eric Chiang, Luis Gutierrez, and Eleni Savvidou (Ph.D. --Economics); Marcela Hurtado (Ph.D.--Spanish); Traci Dunn (MA--Decision Information Sciences) and Carmen Canete Quesada (MA/Ph.D.--Latin American Literature). Students did research on the Latin American business environment and global telecommunications, developed materials to internationalize the business core, prepared and taught international business foreign language sections and supported CIBER outreach programs through preparation of conference materials, working paper series and web sites.

Upcoming for graduate students are a new MBA concentration in Latin American Business and a joint MBA/MALAS (Master of Arts in Latin American Studies) degree. The MBA concentration is composed of three new courses--*The Latin American Business Environment*, *Management Issues in Latin America* and *Latin American Business Economics*--plus one course from the currently available international offerings. An optional summer program complements the concentration. Students take intensive business Spanish on campus in the first half of the summer and spend the second half abroad in a language/study program run by a partner university in Latin America. Course development and overseas arrangements begun in 1998-99 will be finalized in fall 1999 and the package will be available to students starting in summer 2000.

Serving faculty

Through a variety of research grants, CIBER supports specific faculty research projects on international business. CIBER-sponsored faculty development programs encourage UF faculty to enhance international business aspects of their courses and their research agendas. A lecture series brings distinguished speakers to campus to stimulate interest in international business topics, a working paper series makes UF studies available to researchers elsewhere and a multidisciplinary workshop brings together faculty from diverse colleges to learn from the perspectives of other disciplines.

Research support

- ***Travel grants*** enable faculty to gather primary data abroad for international business research projects. Four business faculty and two non-business faculty were awarded CIBER travel grants for research data collection in 1998-99. Recipients gathered data from Europe (Belgium, the UK, Hungary and Austria), Africa (Ghana) and South America (Argentina and Brazil). Topics of research included the impact of government regulatory and competition policies on the development of global telecommunications; spatial equilibrium policy modeling of world markets in orange juice and selected fresh fruits and vegetables; cultural aspects of international business; developing business data on emerging African markets and developing collaborative projects with researchers in Brazil on regional econometric input-output modeling and privatization.

- ***Specialized databases and software*** expand university international business research beyond the constraints of publicly available databases and UF-licensed software. Joint business-journalism faculty research, doctoral student dissertation research and MBA case development were enhanced by CIBER subsidization of an international telecommunications database. It is being used to study strategies that global communications companies are following to deal with the convergence of media, telecommunications, and computer industries, to research the development of telecommunications in Africa and to empirically assess the effects of US and EU telecommunications competition policies.

In IFAS, CIBER software funding permitted sophisticated mathematical modeling of world markets in orange juice and eight individual fresh fruits and vegetables. The models simulate impacts of changes in trade restrictions, ecological policies, currency devaluations and market promotion activities.

- ***Summer salary funding*** allowed UF faculty in the WCBA to develop Latin American MBA case studies and to pursue research on managing cross-functional integration in a global context. Non-business faculty received CIBER support to develop an intensive business Spanish course and to create new MBA Latin American study abroad opportunities with universities in Argentina and Brazil. CIBER additionally supported CLAS faculty research on evolution of Latin American

business markets and Political Science faculty research on democratization and trade liberalization.

- ***Graduate student funding*** supports faculty international business research as well as training students in the research process and introducing them to current global business issues. Five CIBER-supported graduate students worked with faculty on research projects analyzing global infrastructure markets and current business conditions in Latin America.

- ***The CIBER Working Paper Series*** disseminates UF research to faculty and graduate students at other universities. It began in 1998-99 with a base of forty three recent international business research manuscripts. Studies cover a broad range of topics including theoretical models of how world markets develop; empirical policy models that simulate the impact of global trade restrictions (and removing those restrictions); cross-cultural studies of business practices; in-depth case studies of particular international markets and; analysis of the financial, legal, regulatory, socio-economic and political environments that frame the context of international business. (For a full listing of CIBER Working Papers, see Appendix 4).

Upcoming for faculty research are expanded funding opportunities for travel, salary and supplies. Some funds target area studies in Latin America and industry studies in infrastructure and agriculture. The CIBER Competitive Research Grants Program encourages applications from all areas of international business and particularly encourages multidisciplinary studies. Procedures for the competitive grant process were developed in 1998-99 and the first round of awards will be made in 1999-00. The *CIBER Workshop in International Business*, organized in 1998-99, will initiate a full schedule of seminars in 1999-00. The workshop provides a forum for faculty to receive comments on their research from colleagues, to informally exchange perspectives on international business issues, to introduce graduate students to those issues and to learn from invited outside speakers.

Faculty development

- ***Study programs*** for faculty combine formal lectures and opportunities to visit global firms. The UF CIBER co-sponsored two programs in Summer 1999-- the South American Faculty Development Program organized by the Florida International University CIBER and the European Union program organized by the University of Memphis CIBER. UF faculty from Economics and Accounting attended the former two-week business tour of Argentina, Brazil and Chile. It emphasized the impact of the global economic crises on South American markets, national economic reform and regional integration. Faculty from Finance and Economics participated in the European program that focused on economic, financial and management issues in the European Union. The University of Antwerp delivered the two-week program. CIBER additionally funded faculty development in international business outside of WCBA. It subsidized expenses of a summer international internship at Johnson and Johnson for Journalism Professor Marilyn Roberts. Political Science Associate

Professor Leann Brown was funded to attend a study program in Santiago, *Economic Reform, Free Trade and Democratization in Chile*. The program was put on by the Council on International Education Exchange.

- **Lecture series** bring distinguished scholars to campus, enhancing the research environment for faculty. CIBER-supported presentations featured current international economic and financial crises. Dr. Duk-Choong Kim, President of Ajou University of Korea, spoke on “Asian Economic Crises: Causes and Prospects.” CIBER, CLAS and the Economics Department augmented funding from the Bradbury Lecture Series to sponsor a public lecture by Dr. Rudiger Dornbusch, MIT Ford Professor of Economics and International Management. Dr. Dornbusch spoke on “Currency Crises: Why and What to Do About Them.”

Presentations of basic research on international business topics were coordinated through specialized seminar series and included “Foreign Direct Investment Responses of Firms Involved in Antidumping Investigations” (Bruce Blonigen, University of Oregon); “R&D Spillovers, Patents and the Incentives to Innovate in Japan and the United States” (Wesley Cohen, Carnegie Mellon University); “National Security and International Trade” (Ronald Findlay, Columbia University); “Globalization and the Consequences of International Fragmentation” (Ronald Jones, University of Rochester); “Endogenous Growth and Cross-Country Income Differences” (Peter Howitt, Ohio State University); “The Price Effects of International Airline Alliances” (James Brueckner, Illinois University).

- **International business conferences** for scholars provide unique opportunities for faculty initiating new curriculum and research projects. To strengthen campus links between foreign language and business, CIBER sponsored UF attendance at the 17th Annual Eastern Michigan University Conference on Language & Communication for World Business and the Professions. To strengthen links between agriculture research and global agribusiness, CIBER sponsored UF attendance at the National Committee on Agribusiness and at the Agricultural Globalization, Trade and the Environment Conference. Techniques learned at the language conference are being integrated into the MBA intensive business Spanish course. Materials from the international agribusiness conferences are the basis for future IFAS Extension Fact Sheets for Florida and US farmers. MBA Placement Director, Melanie Parker, attended the Chazen/CIBE Sixth Annual MBA International Placement Conference at Columbia University. The conference brings together career services professionals from business schools across the country to discuss the complex issues surrounding the global marketplace for MBAs. CIBER funded Center for African Studies Outreach Program Director Agnes Leslie to attend an African Trade and Investment Symposium. Conference materials will be integrated into the Center’s training program for Florida high school teachers.

Upcoming for faculty development are opportunities for additional business faculty to participate in the European Union and South American programs and new opportunities for non-business faculty to attend these programs. In 1999-00, CIBER

faculty development support will expand to include community college and high school teachers. Scholarships will be available to the Michigan State University International Business Institute for Community College Faculty. UF workshops for Florida high school teachers, coordinated through the Center for Latin American Studies and the Center for African Studies, will incorporate CIBER-sponsored international business modules.

Serving business

An annual publication on *The Latin American Business Environment* and an annual *International Conference on Utilities Infrastructure* are signature UF CIBER programs for state, regional and national businesses. Business programs in the Special Topics Series vary year to year and include publications, presentations and conferences.

Annual programs

- ***The Latin American Business Environment: An Assessment*** annually provides a comprehensive examination of business conditions in Latin America, a 33-country region comprising a global market of nearly 500 million inhabitants. The 50-page report combines text and tables to track socio-economic trends and analyze recent developments that currently shape the outlook for Latin American markets. Within the context of the report, the business environment consists of government policies regulating economics and business, global and regional external impacts on Latin America and internal Latin American economic, social and political conditions. (See Appendix 5 for an outline of the contents of the 1999 report and a list of its tables.)

- ***The First Annual International Conference on Utilities Infrastructure*** will be held October 14-15, 1999 at the Wyndham Palace Resort & Spa, Walt Disney World Resort, Orlando, Florida. The conference is sponsored by CIBER and PURC and this first one focuses on *Business and Investment Opportunities in Latin American Infrastructure Markets*.

The conference will provide senior international managers, investors, consultants and policy makers with key information on how businesses can successfully participate in Latin American utility infrastructure markets. Latin American countries have led the world in opening utility markets to competition and private investment. Their experiences provide important lessons and their futures promise new opportunities. The conference describes prospects for continued market growth; recent commercial and regulatory developments; the emerging political, financial, and economic environments; key lessons from experienced operators and investors' viewpoints on project valuation and business performance. (For a conference agenda and list of confirmed speakers, see Appendix 6.)

The CIBER/PURC conference is co-sponsored by Nortel Networks, Sprint, TECO Energy, Inc., AT&T, Lucent Technologies, National Economic Research Associates, White and Case of Miami, *LatinFinance*, Inter-American Development Bank, Economic Regulation Research Center-UADE, *Wireless Week*, *Latin American Newsletters* and Inter-American Telecommunication Commission (CITEL)-- Organization of American States.

Upcoming for annual business programs is the year 2000 edition of *The Latin American Business Environment*. Special attention will be paid to the impact of the Brazilian currency crises on the region, the outcome of national elections in key countries, political uncertainty in Venezuela and growing violence in Colombia. New tables will contain policy relevant indicators for twenty countries on privatization, financial liberalization, social security and labor market reforms. The topic of the annual infrastructure conference will be announced in November, 1999. In summer 2000, a third program will be added to the list of CIBER annual business services. Intensive Business Spanish classes will be available to employees of firms seeking to expand activities in the large bloc of Spanish-speaking international markets.

Special topics programs

- ***IFAS Extension Fact Sheets*** are distributed directly to extension offices in the 67 counties of Florida and are available publicly on-line. Recent international topics include *Where's the Beef: A Discussion of Recent Trade Issues Affecting the U.S. Beef Industry* and *The Interaction of Trade and Environmental Issues*.

- ***CIBER research presentations*** transfer technical university expertise to business and policy practice. CIBER-affiliated faculty presented research findings to local Florida business groups, to international trade groups and to industry groups nationally and worldwide. Examples include the Tampa Bay Women in International Trade, the Caribbean Forum for Telecom Policy and Regulation, the National Association of Consumer Agency Administrators and the National Telephone Cooperative Association. Presentations emphasized Latin American repercussions on Florida business and current issues in international utility and agribusiness markets. (For a complete list of CIBER research presentations, see Appendix 7).

- ***The FTAA Negotiations: What's In It for Florida?*** was co-sponsored by CIBER and attended by Florida business persons, public officials and academics on April 7, 1999. Conference topics addressed agricultural, high tech, financial, legal, management, transportation and insurance issues. (For a list of conference speakers, see Appendix 8).

- ***Sweetener Markets in the 21st Century*** is a CIBER co-sponsored agribusiness conference scheduled for November 14-16, 1999 at the Embassy Suites Hotel, Miami, Florida. Organized by the Food and Resource Economics Department at the University of Florida, the conference brings together some of the foremost authorities from industry, government and academia throughout the world to discuss

challenges and issues facing the global sweetener industry in the 21st century. Trade agreements including NAFTA, the proposed Free Trade Area of the Americas (FTAA) and the next round of World Trade Organization (WTO) negotiations have potential to reshape the world market for sweeteners, a market that has traditionally been shaped by quotas, subsidies and trade preferences. The evolving trade environment is complicated by the rapid growths of fructose and non-caloric sweeteners that alter both the competitive supply environment of traditional sucrose producers and the impact of government policy. (For details on the conference background, agenda and speakers, see Appendix 9)

- *A survey of international business activities of Florida firms* is currently being conducted by the Survey Program of the UF Bureau of Economic and Business Research. The survey will compile data on current activities in global markets and perceived impediments to enhancing those activities. (For a list of survey questions, see Appendix 10).

Upcoming for special topics programs are business conferences and presentations that build upon the recent Florida trade and cultural mission to Mexico. Headed by Florida's Governor Bush and Secretary of State Harris, the mission identified key areas for enhancing international business between Florida and Mexico. Practical programs to address needs identified by the trade mission, and identified by the BEBR survey, will be central to the 1999-00 CIBER business program.