



GW-CIBER EXECUTIVE SUMMARY FOCAL AREA DESCRIPTIONS & ACTIVITIES

The George Washington University Center for International Business Education and Research (GW-CIBER) contributes to the nation's capacity for international understanding and competitiveness through a distinctive set of activities in education, research, and outreach. Programming for 2014-2018 is designed to expand student learning opportunities in international business (IB), international studies, and foreign languages; foster new research in a broad range of fields related to IB; and build bridges among the academic, business, and policy communities in areas related to US competitiveness. The George Washington University's (GW) strategic commitment to IB, international studies, and foreign languages – along with its central location in Washington, DC (DC) surrounded by prominent US policymaking institutions, international organizations, foreign embassies, industry organizations, and non-governmental organizations (NGOs) – provides the bedrock necessary to meet the purpose of the authorizing statute.

The GW-CIBER will meet the authorizing statute's purpose through activities organized around the theme of *Institutions, Policies, and Development in International Business*.

Institutions are the rules and norms that govern and shape the interactions of individuals around the globe. They can be informal, as customs and behavior patterns, or formal, such as laws and regulations. Key economic and political organizations, both domestic and multilateral, take on vital roles constructing and supporting rule-making and enforcement.

Policies are principles that guide decisions to achieve desired outcomes, and thus differ from rules or laws. While the latter can prohibit or compel certain behaviors, policies indicate a course

of action for individuals toward identified goals and consistent with institutional norms.

Development is the broad concept encompassing growth and progress in both economic and human dimensions. Sustainable development, of particular interest in the GW-CIBER theme, is the framework for managing living conditions and resource use to meet human needs without undermining the longevity of natural systems and the environment. International development depends on both institutions (North, 1990)¹ and policies (Henry & Miller, 2009)², and forms the basis for global business competitiveness.

Together, the topics of institutions, policies, and development provide a coherent theme for GW-CIBER programming, which has direct relevance to US business competitiveness. World growth is shifting toward emerging and developing economies, and US businesses are largely unequipped to do business in them because institutions are often informal, in transition, and sometimes nonexistent, while policies are imperfectly formulated and often erratic. In order to be able to compete in the rapidly-expanding foreign markets, US businesses will need to fully understand institutions, policies, and development.

This theme leverages GW's campus-wide faculty expertise in these topics and its location in DC, situated near the World Bank, International Monetary Fund (IMF), and US Department of State. GW faculty members have been prominent in researching the role of institutions, policies, and development. Many have been successful in policy-relevant research and regularly serve the US policy community through Congressional testimony and other advisory services. Several have deep ties to the international development community, including the US Agency for International Development (USAID), the World Bank, the IMF, and leading development consultancies. Faculty relationships with these organizations are leveraged in several GW degree programs.

The GW-CIBER theme will be addressed through six overlapping focal areas that leverage

¹ Douglass C. North, *Institutions, Institutional Change, and Economic Performance*, Cambridge University Press, 1990.

² Peter Blair Henry and Conrad Miller, "Institutions versus Policies: A Tale of Two Islands," *American Economic Review*, 2009, pp. 261-267.

specific faculty expertise. Each one of these focal areas is important for IB and has critical implications for US competitiveness.

FOCAL AREA 1: TRADE, INVESTMENT, AND EMPLOYMENT ISSUES

International trade, international investment, and cross-border capital flows are at the heart of US competitiveness and IB. Free flows of goods, services, capital, and labor have the ability to enhance world welfare by putting resources where they are most productive, but are often impeded by policies that make crossing national borders difficult or impossible. US competitiveness is often embodied in its ability to export manufactured goods, but in reality encompasses many other elements including trade in services (including financial services); attracting capital from abroad that, in turn, improves employment opportunities in the US; and performance of US investment abroad in generating income and employment back in the US. Under the GW-CIBER theme, patterns of flows between the US and the emerging and developing markets are of prime interest in this focal area.

FOCAL AREA 2: LEVERAGING DIASPORA POPULATIONS

Diasporans – migrants and their descendants living outside their countries of origin – are prevalent throughout the US, and today these groups are able to connect with their home countries in ways not achievable in the past. As a result, diasporans have emerged as important changemakers, influencing both institutions and policies, in both their home and host countries, and improving both civil society and the commercial environment. Diaspora communities facilitate commerce by encouraging US exports and investment through improved information flows and contract enforcement in international transactions with their home countries, and diaspora entrepreneurs often enjoy preferential access to their country-of-origin markets. Thus, they can play a key role in opening and expanding US business opportunities in those countries through

entrepreneurship and playing leading roles in US multinational operations there.

FOCAL AREA 3: ENERGY, LAND MANAGEMENT, AND ENVIRONMENTAL SUSTAINABILITY

Oil continues to be the global economy's most highly traded commodity, and concerns about its extraction and environmental sustainability are escalating. Land-management controversies have also expanded beyond energy and other extractive industries to include agricultural land uses and impacts on the environment; real property (and improvements) and sustainability; and ownership (including foreign ownership) and resource rights. US competitiveness in the global economy will depend on deep understanding of this focal area.

FOCAL AREA 4: THE INTERSECTION OF BUSINESS, GOVERNMENT & CIVIL SOCIETY

Corporate pursuit of profits increasingly gives rise to issues involving government and the public, and US competitiveness depends on a thorough understanding of these issues around the world. Relationships between business and government have become complicated as they have become deeper, and simultaneously more contentious, in the aftermath of the global financial crisis. Businesses and their industry associations now recognize that presence in the world's capitals is a requirement. In development, more public infrastructure projects are being financed and managed by the private sector, and more government functions are being privatized. Thus, the intersection of business and government is continuously being reconstructed. Similarly, the intersection of business and civil society has changed throughout the world, and businesses feel more pressure to develop programs on corporate social responsibility. GWSB has long been recognized as an innovative business school that provides students with a deep understanding of how the private, public, and NGO sectors interact.

FOCAL AREA 5: INNOVATION & PROPERTY RIGHTS

Innovation is perhaps the single greatest determinant of the competitiveness of a firm, as well as the driving force behind national economic growth. Institutions and policies related to innovation and property rights affect US firms' incentives to make investments in training, develop new knowledge, and invent new technologies. They also help determine firms' best strategies for competing internationally, gaining access to resources while managing institutional weaknesses. Globally, more needs to be done to protect intellectual property, especially insofar as it affects inventiveness and human progress (e.g., in the pharmaceutical industry).

FOCAL AREA 6: BUSINESS LANGUAGES

Despite increased awareness of the value of language proficiency for success in IB, numerous challenges prevent the widespread teaching of Business Language (BL) courses in the US. The absence of high quality BL teaching materials and a lack of guidance on effective teaching techniques pose key challenges, particularly in the less commonly taught languages. GW-CIBER's efforts can draw on the unique partnerships of language and business school faculty and the vast set of resources available in DC area. Focus will be on languages of developing countries that increasingly play critical roles in matters of international trade and US security.

FOCAL AREA ACTIVITIES

Within each of these focal areas, GW-CIBER will offer integrated activities related to education, business training, and research, which will largely be carried out through an annual request-for-proposal (RFP) competition. Specifically, GW-CIBER will support faculty members to develop *innovative course materials*, design *programs to reach out to the professional community*, and undertake rigorous *research projects*. The RFP process will enable GW-CIBER to focus the content of its educational, outreach, and research activities toward specific issues that

rise in importance as the global environment changes over the next four years. It will also promote interdisciplinary projects at the frontier of research and practice, and draw on faculty from a wide range of departments. These activities can be organized in collaboration with partners to ensure program relevance, broaden the potential audience, and stretch federal dollars. Internal partners could include GW's disciplinary centers and area studies centers and external partners could include trade/business associations, international NGOs, local business or multinational corporations, or government agencies. Types of activities supported through the RFP process include:

- **Scholarly Research Support.** By funding field work, data acquisition, research assistance, faculty time, conference travel, academic workshop organization, and similar expenses, GW-CIBER projects will create and disseminate new knowledge within each focal area.
- **Programming for the Business and Policy Communities.** GW-CIBER will support workshops, seminars, the development of policy papers, and other projects that will provide cutting edge insights for practitioner audiences.
- **Course and Materials Development and Dissemination.** GW-CIBER will support materials purchase, site visits, research assistants, and related activities to develop high quality courses and materials. Efforts will focus on adding global context to business courses and introducing business concepts to courses on international affairs, languages, and area studies.