INSIGHTS

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Comments from the Editor

Tamir Agmon, Editor

The concept of "a border" is central to International Business. The term 'International' implies that nations are defined by geopolitical borders. A common definition of what makes a company 'Multinational' is based on how many borders are crossed by the operations of the company. Yet, there are few direct discussions of the role of borders in the development of FDI and MNEs, and the effects that MNEs through FDI have on formation and changes of relevant borders.

In this issue of *AIB Insights* we begin what I hope will develop into an on-going discussion of the concept of borders, states, corporations, and the way that people associate themselves with different locations and organizations in the world of International Business.

This is not a new topic of discussion in the academic world, nor is it unique to our time and to MNEs and FDI. In a book titled "The Returns of Odysseus: Colonization and Ethnicity" (University of California Press, 1998, Revised edition Tel Aviv University, 2004 (in Hebrew)), Professor Irad Malkin, an expert on ancient Greek culture and history, discusses the spread of Greek trade and culture in the Mediterranean in the 8th century BC in terms of "trade (corporate) networking" against the national approach of emerging nations at the time. The discussion is based on the myth of the Return of Odysseus. Although I suspect that my interpretation of Greek history as discussed by Malkin will not qualify as a research in history, I do think that the issue of what is a border, and how it is affected by the trade and investment activities of economic organizations, and the resulting conflicts and cooperation between geopolitical organizations and trading and investment networks has been with us for a long time.

Marina Papanastasiou provides a more current discussion of the way that US FDI has contributed to the formation of clusters of countries in the EU. She shows that there is a relationship between the changes in the "neighborhoods" in the EU and US FDI in the EU countries in the last decade of the 20th century. As Professor Papanastasiou demonstrates, this observation is just the beginning of a discussion on the nature of neighborhoods in a global world.

The notion of a border, or maybe of what is outside the border, is presented in Professor Jackson's discussion on the neglect of Africa in the IB literature. It is interesting to note that Professor Jackson reports that one answer to his question why Africa is neglected is the lack of interest in Africa by MNEs. In a way, this is corroboration to the argument that MNEs define the borders between those countries that belong to the FDI-MNE world and those that do not belong. Clearly, Professor Jackson is "pushing" the border in his article, and in the questions that he raises.

Betty Jane Punnet's contribution on ethics and economic development serves two purposes in the on-going discussion on the ethics of IB. First, it is a continuation of many articles about what is ethical and what is not, and how one judges this question? Is it an absolute question derides of a social and economic context, or is it a question that has to be answered in a broader cost-benefit context? The second question raised by BJ Punnet's article is what is the best way to avoid misallocation of resources as a result of corruption. The author's answer is that corruption creates waste and therefore it is bad for the economy. The best way to avoid corruption is transparency. Does that means that if we will have a transparent "auction" for services like those described in the article, and those who pay the most will get the best service, the corruption problem will disappear?

The last article goes back to an historical discussion of the development of IB as a field of research and study in business schools. Is IB a separate discipline? Do we need a separate Department? Should we "internationalize" all the functional Departments? The fact that such a discussion still goes on shows that "the jury is still out" both on the history and the roots of IB, as was demonstrated in the January 2004 issue of *AIB Insights*, and regarding the way it is organized in business schools, as is evident from the description of Wymbs and Boddewyn in this issue.

Insights provides an outlet for short, topical, stimulating, and provocative articles. Please submit materials for consideration to the editor—Tamir Agmon at AgmonT@st.colman.ac.il. Submissions are reviewed by the Advisory Board.

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- Articles should be approximately 2-3 printed pages.
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We look forward to your comments and submissions.

The Role Foreign Direct Investment and the Multinational Enterprise in Shaping Neighborhoods: The Case of the European Union

Marina Papanastassiou

Athens University of Economics and Business

Last October I had the opportunity to participate in a workshop organized by the University of Southern California's Center for International Business (CIBEAR) and the Graduate School of Business of the College of Management in Israel, In Los Angeles. The workshop theme was "Maintaining Neighborhoods in a Global World". It was really a very rewarding experience. Through a very academic and dialectic process the participants in the workshop present research that was derived from diversified intellectual stimuli. All the presentations relate to the issue of globalization and the role of Foreign Direct Investment (FDI) and the Multinational Enterprises (MNEs) in shaping "neighborhoods" or creating "global villages". A couple of months later, two of the participants of the workshop, Tamir Agmon and myself in a common paper with Fragiskos Filippaios, met again in a session of the 29th European International Business Academy (EIBA) Conference, organized by Copenhagen Business School in Copenhagen. In the session we discuss the impact of location characteristics in the choice of location of FDI and the interaction between FDI and development/growth. Inspired by these two meetings the following article deals with the question of the evolving of "neighborhoods" within the European Union (EU) over the last 20 years and what are the location determinants of this dynamic and exciting process.

I begin with two stylized facts:

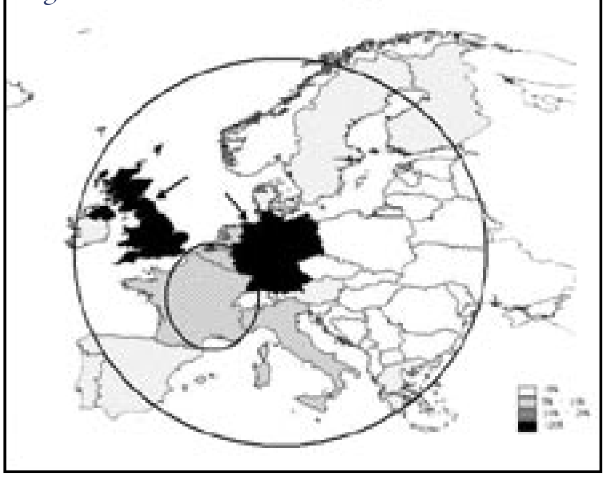
1. The US has been the major external investor in the EU.
2. The distribution of FDI has been uneven among the member states of the EU (WIR, 2003).

In the period 1982-1997, the process of European Integration has made considerable steps forward. The EU has been enlarged with the accession of six new member states. The Single Market plan and the Monetary Union with the introduction of a single currency (EURO), were realized. The impact of structural policies on the convergence process of "economically weaker member-states" has made it imperative for other economic aspects of the internal market to be considered. Did this process have any effect on the locational preferences of FDI and US FDI In particular? The answer to this question is positive. Empirical evidence is in favor of the view that the investing behavior of US towards the EU countries has been a continuing changing process. At the same time we can distinguish two different groups of countries inside the EU: A core group consisting of Austria, Belgium and Luxembourg, France, Germany, The Netherlands, United Kingdom, Denmark, Finland and Sweden. The second group is the periphery. These are the countries that are funded from the European Structural Fund Program, i.e. Greece, Ireland, Italy, Portugal and Spain.

Mapping US FDI at three specific points in time, 1982, 1990 and 1998, clearly demonstrates changes in the centers of gravity in US investment behavior towards Europe.

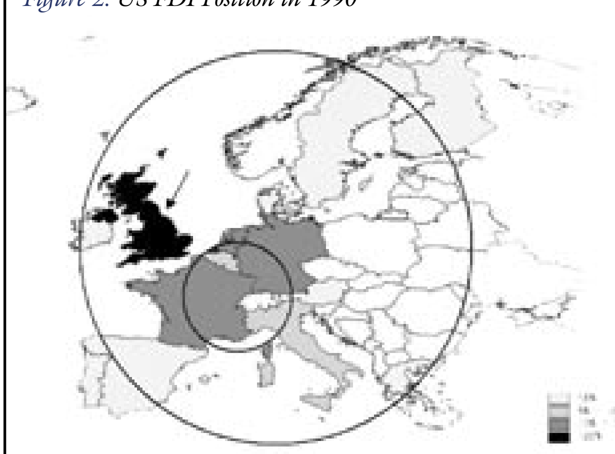
Each map represents the relative US FDI stock as a percentage of total US FDI in Europe. The map for 1982 (Figure 1), reveals the existence of two major "regional" centers, the UK and Germany, which dominate in terms of relative importance, the rest of the core countries, France, Belgium-Luxembourg, the Netherlands, and Italy, also form a hub. The rest of the countries in the EU are marginal to US FDI.

Figure 1. US FDI Position in 1982



The case is not the same eight years later (Figure 2).

Figure 2. US FDI Position in 1990



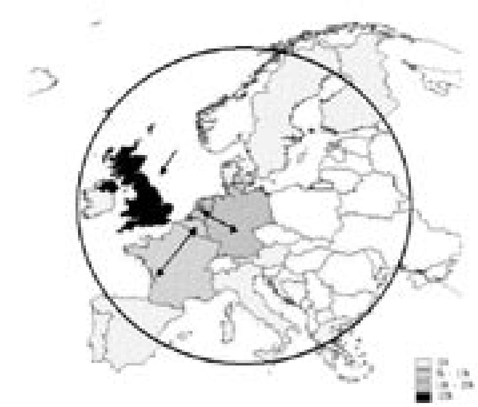
Only one center of gravity exists, i.e. the UK. We observe a more integrating core pattern, whilst Italy and Belgium-Luxembourg seem to deviate and lose in importance. The rest of the peripheral countries remain low in their share of US FDI.

Finally, the picture shows the existence of considerable differences in the late 1990s (Figure 3) as it exposes the existence of a more dispersed location strategy of US investors.

United Kingdom remains the center of attraction for US investment position, but the role of the rest of the core European countries is different in each case. Germany and the Netherlands dominate over France and Belgium-Luxembourg, whilst Italy becomes clearly a peripheral country to US FDI. There is no doubt that the geographical mapping of US investment in the EU is an evolving process in time. The question is what are the factors that drive these changes in the location pattern of US outward FDI. In the literature of International Economics and International Business (IB) there is no shortage of theoretical approaches that explain the location determinants of FDI. Although it is beyond the scope of this presentation to provide an in depth analysis of such determinants a brief summary does reveal the US FDI pattern varies among different groups of countries within the EU. It is obvious that US FDI directed to each one of the regions, i.e. EU Core and EU Periphery, is not determined by a unique set of factors. Common characteristics do exist, such as the positive impact of Gross Domestic Product (GDP) and GDP per capita, but other factors do seem to discriminate among the different regions. These are labour costs and productivity and research and development (R&D) performance. Finally, the existence of specific-idiosyncratic country characteristics underline the hidden importance of variables that are not embodied in the typical measures applied in the standard empirical macro-economic literature.

The restructuring of the US FDI in Europe, as it is presented in this work, does imply a potential impact on the process of European integration. The vision of an integrated Europe, itself,

Figure 3. US FDI Position in 1998



reflects the desire for a better quality of life for all people, in all regions, in all "neighbourhoods". Can we regard FDI, the investment activities by MNEs as a contributing factor in this complex process? In a recent contribution to Insights Robert Pearce (2003), comments that the MNE is a "central agent" in the "process and implications of globalization". Tamir Agmon in his presentation at USC in October 2003 discussed the combination of IB and Development Economics whilst John Dunning (2003), in a recent paper, re-addresses the issue of location as the neglected factor of understanding in the allocation of FDI.

The maps presented here demonstrate a dynamic process where FDI is a part of the process of creating neighborhoods in the EU. The current literature on the economics of International Business provides a partial explanation for these changes. A full understanding of the contribution of FDI by MNEs to the creation of neighborhoods requires a multifaceted analysis that includes economic, managerial, social, cultural and political dimensions. After all, the common basic components to all neighbourhoods are people and the way that people interact with political organizations and with business organizations in generating value for themselves and those they regard as a part of their neighbourhood (Agmon et al. 2004).

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Africa and International Management: Why Bother?

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Civilization is not a predetermined consequence of human progress, as the Victorians believed, with white Anglo-Saxons leading the way, the rest of the world following in their wake, and the Africans straggling several centuries behind. On the contrary, civilization is more like a protective skin of enlightened self-interest that all societies develop as they learn to regulate their interactions with the environment, and with other people, to the long-term benefit of all parties.

John Reader, *Africa: A Biography of the Continent*, London: Penguin Books, 1997, p. x.

Despite the proliferations of textbooks on international management over the last decade, I had often wondered why so little has been written on Africa. Africa is a huge continent. Its size can easily swallow up together the USA, India, Europe, China, Argentina and New Zealand with room to spare. Its resources are virtually limitless. Its people are resourceful and entrepreneurial (Mbigi, 1997; Wild, 1997). The books in this area are few and aging (Kiggundu 1989; Blunt and Jones, 1992), and more recent ones are Westernised and unhelpful.

The answer probably lies in the predominant perception of Africa as part of the 'developing' world; and more graphically in the images of Africa portrayed on television and the international press: bad news always makes good news. (Rimmer (1991: 90-91)), for example explains that 'Africa is perceived as beset by intractable problems: runaway population growth, diminishing capacity to feed its people, deteriorating physical environment, crushing burdens of external debts'. However, he continues, 'some bodies, including the World Bank, have interests entrenched in an African crisis; their importance, the resources they command, perhaps even their existence, depend on a perceived need to rescue Africa from disaster'.

This vested interest in the 'African problem' serves to support and perpetuate the developing-developed world paradigm: arguably getting in the way of investment decisions; affecting the way multinational companies in Africa manage people and organizations; impacting the way these issues are researched; and, is reflected in the blatant lack of literature and appropriate management development resources for managers operating in Africa.

Why does Africa so rarely get a mention in international management programs? And, why are so few business schools interested in developing such programs? I've asked some school deans this question. Mainly the answer comes back that their clients, multinational corporations, are not interested. But this is a weak argument.

Despite the complexities of operating in sub-Saharan Africa, foreign investment continues to grow, with America the largest investor, and Japan showing an increased interest in the potential of this huge continent. Inflows of FDI into Africa rose by 28 per cent, from $8 billion in 1998 to $10 billion in 1999: a growth rate higher than that of other developing regions (United Nations Conference on Trade and Development Report, 2000: 40). Many of the largest global commercial players are to be found in Africa: some of the biggest names in banking (e.g. Citibank, Barclays), oil (e.g. Shell, BP) manufacturing (e.g. Toyota), health products (e.g. Johnson and Johnson, Colgate-Palmolive) to name only a few. In addition, quasi-governmental and so-called 'third sector' organizations are part of a huge development business: agencies of the United Nations and large international NGOs such as Red Cross, Oxfam and Medicen Sans Frontiers.

So, why the lack of interest in Africa? The answer may lie in wide scale acceptance of the developing-developed world paradigm. This implies that the developing world should move towards and become more like the developed world, and accepts the appropriateness of Western principles and practices of management. If we accept this, we accept that African management problems can be sorted out by adopting Western management principle. Yet, this process has been going on for decades. Why has it not solved Africa's problems by developing effective organizations? Also if we accept the appropriateness of Western practices, we also accept that we have nothing to learn by studying management in Africa. Having now spent the last four or five years making such a study, I now find that a very weak argument. There are many organizations operating successfully and appropriately in the complex, multicultural context of Africa. There is much that can be learned and applied by global managers anywhere.

Rather than there being a set formula for successful management, two processes seem to be particularly important to management in Africa: cultural crossvergence and developing highly adaptive organizations; and, working with multiple stakeholders within the decision-making process. Often when researchers have looked at 'African management' they have seen the remnants from the colonial era: hierarchical, authoritarian, bureaucratic, inefficient, unethical. Yet this is only one type of management system operating in Africa today. Of course Western management is important, and can be successful.

It uses Western principles, yet the CEO states that 'sometimes these principles, coming from London, seem a bit academic. We have to adapt them in a practical way to the situation'.

For example the UK multinational Guinness is very successful in Cameroon. It sees its strengths both in its people, who are very flexible and open to new ideas, and an ability on the part of the company to communicate its objectives to the workforce. It uses Western principles, yet the CEO states that 'sometimes these principles, coming from London, seem a bit academic. We have to adapt them in a practical way to the situation'. The company used to be very directive and run on an expatriate basis, 'following the pattern of a colonial master, copying the French way of working'. The company then introduced a program to transform the culture and business in the early 1990s: 'Top managers now have to lead by "walking the talk"'. Fortunately 'Cameroonian people are very open, and open to change and experimentation'.

Yet African indigenous management is under-researched and often under-used in Africa. *Ubuntu* management principles (from a phrase that means 'people are only people through other people'), which attempts to capture indigenous principles, has gained currency in South Africa, and many organizations have incorporated a more communalistic, stakeholder approach into their management programmes: from the South African Police Service, to the South African insurance giant Metropolitan for which empowerment is a major issue.

Again, in Cameroon, Afriland First Bank is a good example of a medium size indigenous organization that operates successfully in a number of Central African countries, predominantly applying African principles, yet taking the best of other management systems. In a group meeting with managers I was told: 'In our traditional culture it isn't the chief who makes the decision. Every stone is turned, by bringing people together. With individual decision-making there is a chance that you will make a mistake. So decisions are taken at the group level. We are like an African family that is trying to ensure our stability for the longer period. But in our family the chief cannot always see that he is doing wrong. If he is doing wrong he is punished. We don't think African is best, if we can obtain value from, for example, Japanese ways we will take it.'

Africa has been excluded for too long from serious academic study, and from international management programs. I have even been warned that spending too much time focusing on management in Africa could 'seriously damage my career'.

Although, I must admit that it does sometimes get a bit lonely, I can offer the following reasons why international management scholars should now join me.

- Africa has too many resources and resourceful people, and successful organizations simply to ignore.
- Our corporate clients are interested in Africa, but have to work on so little solid information. Many of the major blue chips are there. With events in South Africa over the last decade, Africa is becoming more interesting, not only to Western corporations but to East Asian enterprises as well.
- There is an opportunity to extend and develop management theory: in my own area Cross-cultural management, multiple levels of cross-cultural interaction operate together; processes of crossvergence and hybridization add to our understanding of developing highly adaptive organizations in complex operating environments; multi-stakeholder interests form complex processes that have to be managed to make effective and appropriate decisions.

Finally, I believe that global management generally can benefit and learn from successful managers and organizations in Africa. Yet the task remains to build a literature, appropriate research projects and learning programs that can both inform our corporate clients, as well as developing theory within the general field of International Management.

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To Pay or Not to Pay: That is the Economic Development Question

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Studies of ethics and corruption typically show levels of corruption to be inversely correlated with levels of economic development—more corrupt countries are among the least developed, and less corrupt ones are among the more developed. Poorer countries have less well-developed legal systems than richer ones, and do not have the resources to enforce the laws relating to corrupt practices that exist, officials are not well paid and "extra" payments are more attractive to them, so this relationship is not surprising.

Consider what this means for small island countries, such as those in the Caribbean, and their companies—these companies and countries have limited resources, and if they are to be successful in a global business environment, they must use these resources wisely. I believe that corruption inevitably means that resources are not deployed in the most efficient manner, and that costs increase. Corruption is thus inimical to development, and corporate efficiency, as the following scenarios illustrate:

1. Mr. Jonas, a businessman, owns a number of hotels in his home country of King Island, and wants to expand to other countries in the region – Queen Island is selected as the most profitable location, because of government subsidies that are available. Mr. Jonas has three potential partners to consider, and he makes a trip to Queen Island to meet with each of them. One of the potential partners, Mr. Smythe, suggests that Mr. Jonas stay at his company's all-inclusive hotel while visiting and that he bring his family as the visit takes place during the school vacation. Mr. Jonas accepts the generous offer and he and family spend an enjoyable week at the all-inclusive hotel in Queen Island. Mr. Jonas reviews potential partners, and concludes that Mr. Smythe is ideal. He enjoyed meeting Mr. Smythe and his family socially, and feels they will be able to work well together.
2. The Prime Minister of a small island state, Santa Clara, is known locally as "Mrs. Small Percent". The rumor is that to have a project approved by the government of Santa Clara you need to give an appropriate gift to the Prime Minister. The Prime Minister believes that she is doing nothing wrong, because she feels she makes decisions that are best for the country, and small gifts enable her to do so more effectively than she could otherwise.
3. An importer in a small island state, St. Joseph, has developed a good relationship with the customs officials there. This is very helpful when she needs to clear items through customs. The officials will often put aside what they are doing to assist her with her shipment. She maintains the friendship and says "thank you" by taking the officials out to meals from time to time, and giving them gifts at Christmastime.

These scenarios are not "real", but they are realistic, for example:

- it is not uncommon in the hospitality industry to provide accommodations for potential partners,
- some people in positions of politi-

cal power have accepted gifts, believing they were encouraging development,
- it is relatively routine for importers to reward those who assist them in the import process.

Consider, the potential implications:

In the first scenario, the choice of partner may be influenced by the provision of hotel accommodations, and the friendship that developed from this. It is possible that another partnership would have been more effective ***from an economic development perspective.*** The best potential partners may be discouraged by any appearance of corruption, and this appearance may invite other corrupt partners to the table. The government of the fictional state will be providing subsidies for the project, and, because resources are scarce, these subsidies should be used to generate the highest possible benefits for the country - subsidizing any project that is not 'the best' is a sub-optimal resource allocation for the country. It is even possible that it diverts resources from other projects, which could provide greater economic benefits.

In the second scenario, the Prime Minister believes that she has the good of the country at heart, and this may well be true. It is possible, however, that the gifts she receives influence her judgment about which projects should be accepted and supported, and which should be rejected. The fictional Prime Minister is in a position of power and has control over many of the country's resources. Because these resources are scarce, it is critical that they be used to ***maximize economic development potential.*** Supporting any project, which is not 'the best', or rejecting one that is, is a sub-optimal resource allocation for the country. In addition, options which might have been presented by ethical firms may not materialize because of the need to pay the Prime Minister's "commission". Further, this Prime Minister's actions can be seen as giving license to others to accept gifts, and may stimulate self-serving propositions accompanied by ever larger 'percentages'.

In the third scenario, the importer gets access to shipments quickly by 'greasing' the system, and she believes she is simply rewarding the customs agents for their help. It is possible, however, that the agents put aside work that is ***more important for economic development***, in order to assist her. Customs agents in developing countries are often paid rather poorly, and they will, not surprisingly, give better service to individuals who reward them. This means that their attention does not necessarily go to the areas that are most important. Once again, scarce resources may not be used as efficiently as they could be, and priorities may have been misplaced.

In small countries, any waste because of unethical and corrupt behavior can make the difference between growth, stagnation, and decline. In addition, unethical behavior can discourage foreign direct investors and lending institutions. Further, ethical investors who hear of unethical behavior may not consider a particular country for investment, lending, and so on; and conversely, unethical investors may be attracted. Unethical behavior has a major multiplier effect in small states. Large, developed states can afford, and do absorb, unethical and corrupt behavior. Developing states, especially small ones, do not have the resources, and cannot afford or absorb, this behavior, if they are to achieve economic development. The previous scenarios illustrate the central thesis of this article—***any corruption, however minor, can divert scarce resources, affect the availability of additional resources, and implies that scarce resources may be used inefficiently.***

From a purely practical perspective, developing countries, especially small states, must seek to ensure that unethical and corrupt behaviors are discouraged and, to the extent possible, eliminated. Unethical and corrupt behaviors distort the efficient and effective use of a country's resources, and tend to attract unethical and self-serving partners—this behaviour goes against the national/societal interest.

How does one avoid unethical behavior? The key appears to be ***transparency***. If policies are well-known, and actions are open, the likelihood of corruption, and its inefficiencies are far less likely. For example, if we review the scenarios, transparency makes a difference:

In scenario one, if the hotelier informs all parties of the offer of accommodation and his intent to accept, this ensures that the other competitors are able to have equal opportunities to get to know the prospective partner. If the offer is meant as a 'bribe', the host's offer of accommodation may be withdrawn, if it is to be made public.

In scenario two, if the Prime Minister acknowledges all gifts, and they become the property of the state, rather than her personal property, the situation changes. Potential offers of 'bribes' are unlikely, if they will be publicly acknowledged.

In scenario three, if priorities and policies are clearly defined, and the importer thanks customs officials publicly, there is little likelihood of inappropriate favoritism.

In each of these scenarios, transparency means that the behaviors are no longer questionable. By and large, if we are willing to expose our public behaviors to scrutiny, it means that the behaviors are likely acceptable. In the small countries, such as those in the Caribbean, because we are small we must use our resources wisely, and we must strive for the highest ethical standards—we must seek transparency wherever practical. If we ask the question, "to pay or not to pay?" the answer is clearly "no", where there are any ethical implications.

Department Names With "International" in Them

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Last summer, Baruch's Marketing Department was thinking of renaming itself "The Department of Marketing and International Business." After all, it had run the Zicklin School of Business' only undergraduate "international" major (in International Marketing) since 1947, and it was staffing half of the courses in the graduate International-Business Program which is interdepartmental in nature – that is, a collaborative project of all of the departments in the School.

We sent an email to all AIB members asking if other schools had such a "Department of Marketing and International Business" because we knew of only one such instance at Hofstra University. We were pleased to receive 36 answers in short order. They provided not only a variety of responses to our query about department names but they also revealed important hopes and doubts about the proper structuring of IB programs and even about their future.

Seven responses came from the United Kingdom, Australia, New Zealand and Canada. The 29 U.S. responses included Pac-12, Big Ten, Ivy League, ACC, Big East, independents, public and private schools from Florida to Texas to California to New England.

First the Facts

Figure 1 lists the answers we got—to the best of our understanding although we checked several of them. Please let us know if we got it wrong, and send more names and comments to: <Clifford_Wymbs@Baruch.cuny.edu> and <Jean_Boddewyn@Baruch.cuny.edu>

There are at least three departments of "Marketing and International Business" and six of "International Business," but it is worth noting that "International Business" was combined in some manner with "Management" in eight of the other names in Column 3. This may reflect the U.S. view that "going international" is a strategic choice rather than a necessary consequence of doing business – a view more associated with Europe and Australia.

No Separate "International" Department

A dozen respondents answered that international courses and programs were located in traditional departments (e.g., Management at Pace, Ohio State and Loyola Marymount/Los Angeles) – sometimes because their school was too small to warrant departmentalization (e.g., Carleton). Elsewhere, international courses and programs had found homes in specialized units – such as Temple's Institute of Global Management Studies as well as Texas A&M's and Georgia Tech's CIBERs. As mentioned earlier, Baruch College has had an interdepartmental International-Business Program run by a coordinating committee since 1977.

Other schools reported loose "groups" of IB faculty (e.g., Wharton's Department of Management) and "areas" of studies (e.g., London School of Business' Strategic and International Management Area). Carleton was satisfied with its combination of separate "teaching area coordinators," "organized research units," "IB major" and "exchange coordinator" for students spending their third year abroad, in lieu of a separate department. York (Canada) provides another example of offering an IB major without needing a separate department. Whatever their departmental affiliations, several respondents mentioned signing their correspondence as "Professor of International Business."

Comments

Organizational issues in academia are much like icebergs: what appears on the surface is easily identifiable, while what occurs below the waterline is less transparent if more formidable. Much like at Baruch, International Business' current home is a unique path-dependent structure sometimes filled with lore and occasional pitched battles over turf. Several respondents commented that changing a department's name is a very sensitive issue and that carving a departmental niche for international business requires strong champions and supporters whose leaving may jeopardize hard-won battles of the past.

More than 30 years ago, John Fayerweather (one of the key founders of the AIB) argued at NYU against a separate department of International Business because it would never attract all of the international faculty to one place, and because it would pitch that department against all the other ones for resources. His advice went unheeded, and NYU's IB Department's members suffered from double jeopardy when they had to be approved for promotion and tenure by both this department and a functional one (e.g., Finance). NYU's Stern School of Business recently dissolved its IB Department after 30 years of living with it.

Besides, John Fayweather could not have guessed that many non-IB faculty would gain or claim expertise in IB teaching and research, thereby weakening the argument for a separate IB department, although the latter may be needed at some schools to spearhead the internationalization of their programs.

In this context, the most melancholy comment was: "My impression is that IB is dying. At best, it is being broken up into functional silos where the one or two [IB] people per silo are fairly lonely and tend not to get replaced when they leave or retire." We do not think that we are there yet by any means, as more departments—like Baruch's Marketing Department—are proudly adding "International" to their names in recognition of the importance of that field for the study and research of business. Yes, our name has been changed as of 2004 to "Department of Marketing and International Business" after—miracle of miracles—all relevant parties giving their unanimous assent!

Figure 1

Department of Marketing and International Business

- Hofstra University
- U of Washington
- College of New Jersey

Department of International Business

- Quinnipiac College
- U of Auckland (NZ)
- U of South Carolina
- Eckerd College
- American U (DC)

AGSIM (Thunderbird "World Business")

Other Department Names

- Department of Management and International Business (Loyola/Maryland)
- Department of Marketing and International Management (Waikato U, NZ)
- Department of International Economics and Management (Copenhagen Business School)
- School of Marketing and International Business (Western Sydney U, Australia)
- Department of Management, Marketing and International Business (U of Texas/Pan American)
- Department of Management, International Business and Entrepreneurship (Florida Atlantic U)
- Department of Organizations, Strategy and International Management (U of Texas/Dallas)
- Department of Management and Global Business (Rutgers U/Newark)
- Department of Strategy and International Management (MIT)
- Department of Finance, Insurance, International Business and Real Estate (Howard U)
- Department of Management, Marketing and International Business (Texas A&M International University)