

AIB Initiatives in Emerging Markets

Robert Grosse, American University of Sharjah, UAE

EMERGING MARKETS (i.e., non OECD countries) constitute most of the world economy by geography and population—and probably by 2020 also in terms of aggregate GDP. The top 30 emerging markets are growing at more than twice the rate of growth of the Triad countries (US/Canada, EU, Japan/Australia/New Zealand). So for us in international business, it makes great sense to be forward-looking and to pay careful attention to the emerging markets in our work. Of course, this does not mean to ignore the Triad countries, or the hugely important contributions they make to world development through technology, skills, high-income demand for goods and services, and other contributions. The purpose of this essay is to demonstrate the ways in which AIB is indeed paying attention to emerging markets in the early 21st century—and to note something about AIB's history in emerging markets.

It is not as though AIB failed to consider emerging markets in the past. In fact emerging markets (or less developed countries) were a frequent topic of discussion at AIB from the beginning. The first five years of *JIBS* articles, 1970-74, contained about 20% articles reporting on business in emerging markets, mostly in Latin America. We held an international meeting in Cairo, Egypt in 1976. South Korea was a hot topic of AIB debate in annual meetings during the 1970s and 1980s, until it became a successful industrial economy and even joined the OECD in 1996.

Additional emphasis on emerging markets probably hit us just as it hit the world economy, in the early 1990s with the fall of the Soviet Union and the liberalization policies that swept many emerging markets from Mexico to South Africa, throughout Central and Eastern Europe, and extending as well to Asian countries including China. The changes ranged from dramatic to incremental, but in all cases the opportunities for international business increased. And the opportunities for studying and writing about these changes came right along with them.

If we compare the contents of *JIBS* in 1994 (arguably just before published articles really began to focus on the new reality) with the articles that appeared 20 years later in *JIBS* in 2014, we find that the focus on emerging markets definitely has increased during that 20-year time period. In 1994, the four issues of *JIBS* contained 4/23 (17%) articles that focused on an emerging market, or several emerging markets, whether the companies involved were from the Triad, local or otherwise. In 2014 using the same criteria, there were 18/48 (37%) articles that related to emerging markets. This is obviously a huge increase, and I hope (but did not measure) that more of these recent articles are written by emerging market scholars, and that many of the authors are working in emerging markets.

A couple of caveats about the *JIBS* coverage just mentioned. First of all, if an article covered multiple countries in OECD and emerging market countries, then it was *not* included as focusing on emerging markets. Second, there are quite a few conceptual articles in *JIBS*, talking about multinational enterprise characteristics and strategies, which do not focus on any countries. And third, only main articles and not Notes were included in this evaluation.

In recent years AIB has undertaken a number of important initiatives to support scholars in emerging markets and AIB presence in these countries. Perhaps the most obvious indication that we are committed to emerging markets is the location of our annual meeting. We met in China (Beijing) in 2006, in Brazil (Rio de Janeiro) in 2010, Turkey (Istanbul) in 2013, India (Bengaluru) this year, and we will meet in the United Arab Emirates (Dubai) in 2017. While the AIB Boards and Secretariat over these years have been instrumental in getting the meetings to these countries, it has been primarily members of AIB from these countries who have put together proposals to hold the meetings and who have dealt with much of the local arrangements each time. Of course there is also the general attractiveness of emerging markets to AIB members who come from the Triad countries, and who would like to learn more about these other countries that have been less-frequently visited in the past.

An initiative that most AIB members may not be aware of is our effort to support scholars from emerging markets to attend our annual meeting each year. Financial help is available to faculty members from countries that are traditionally under-represented in our membership, with particular emphasis on applicants from Central and South America, Africa, the Middle East, and Central Asia. With the financial support of the AIB Foundation, the following help is offered this year, for example:

- One free conference registration for the 2015 Bengaluru Conference
- A stipend of US\$500 to help defray travel and hotel expenses
- Two years of AIB membership

For more than a decade *JIBS* and AIB have operated an Adopt-a-Library program, in which members support emerging market libraries to obtain access to *JIBS*. As stated on the *JIBS* website: "For as little as \$20 members can sponsor a subscription that will provide online access to *JIBS* for a University Library from a developing country. This subscription includes access to the complete archive of every issue *JIBS* ever published."

AIB and *JIBS* also provide paper development workshops for AIB members at regional chapter meetings, including those in emerging markets. AIB offers to send a member of the *JIBS* editorial board plus a member of the AIB Board to lead a workshop to guide chapter members in their efforts to publish in *JIBS* (and other international business journals). In the last few years these workshops have been held in the Latin American chapter, the MENA chapter, the Sub-Saharan Africa chapter, the Southeast Asia chapter, and the Eastern Europe chapter. Having participated in a couple of these workshops, I know how much the local professors appreciate the opportunity to interact with people who have successfully published in *JIBS* and who are willing to share their knowledge. Also, the workshops provide direct feedback on papers that local chapter members submit for review within the workshop itself.

This past year AIB sponsored two members from emerging markets (Colombia and South Africa) to attend the UNCTAD conference called the World Investment Forum in Geneva. This conference included a half-day segment in which academic papers were presented and professors as well as government policymakers discussed a variety of IB issues. The UNCTAD program was put together by the Division on Investment and Enterprise (originally the UN Centre on Transnational Corporations), which was started by AIB member Karl Sauvant back in 1976 and with which many AIB members have collaborated over the years.

During the past two years, as AIB President I tried to encourage the formation of additional AIB chapters in emerging markets and to revitalize the ones that are already there. Under the excellent leadership of Beth Rose (AIB Administration VP), we added chapters in Sub-Saharan Africa and Bolivia and relaunched the India chapter as well. The previous Board was able to encourage professors in Eastern Europe, who then established a chapter there. In sum, our efforts to build membership in emerging markets have been significant and they continue today. One of our challenges is to make sure that the 'value proposition' offered by AIB continues to attract and maintain members in the emerging markets.

The AIB Board agreed this past year to support "AIB Special Interest Conferences", which were announced in the August 2014 newsletter. In this context, emerging markets would be one possible focus for the Special Interest, and the conferences could be held, among other locations, in emerging markets. So, the initiative is general, and it is seeking to generate an additional AIB multi-country, perhaps multi-region conference each year at the opposite end of the year from the regular AIB annual meeting. The point here is that one particular special interest that the Board saw as appropriate was/is a focus on some emerging market region or issue.

The current AIB Board is also considering an initiative to donate books and cases to business schools in emerging markets, both as a humanitarian effort and as a means to stimulate more interest in AIB in those business schools. Stay tuned for more on this project later in the year.

Along with all of these initiatives, AIB's membership has begun what I consider to be an inexorable shift toward emerging markets, just as the teaching of international business is growing rapidly in many of these countries, especially China and India. From an organization in the 1960s that was primarily North American, AIB moved to encompass a large number of European members in the 1970s and Japanese and Australia/New Zealand members after that. Recent growth definitely is faster in emerging markets than anywhere in the Triad.

Another interesting challenge or ironic feature of our emerging market participation in AIB is that a large number of the emerging market scholars in our organization live and work in Triad countries. Because the best-known Ph.D. programs are in the Triad countries, students from around the world study there and then often are channeled into academic positions in those same countries. Of course salaries and working conditions are particularly attractive for academics in those countries as well. It seems that, from observing the authors in *JIBS* during the past decade, more and more of the academics who are succeeding in publishing in *JIBS* are resident in emerging markets. So probably my concern about the Triad bias is becoming less of a challenge today.

Overall, it is clear that AIB has not ignored emerging markets. As they become more significant in the world economy, and as international business is taught more often in these countries, AIB can only gain from the added membership and perspectives that will accompany this trend. Of course we need to seek ways to encourage professors from emerging markets to join AIB and to participate in regional and international AIB meetings, and to write for academic outlets on international business. It seems that we have come quite a way toward this end, and there are plenty of opportunities to move further along the trail at this stage.

Robert Grosse (Robert.Grosse@thunderbird.edu) is Dean of the School of Business Administration at the American University of Sharjah, UAE. He previously was Director of EGADE Business School at Monterrey Tec in Mexico, and before that he was founding Director of Standard Bank Group's (South Africa) Global Leadership Centre. He has taught at Thunderbird, the University of Miami, the University of Michigan, and at Instituto de Empresa. He served as president of the AIB in 2013-14.