



# PRAIRIE VIEW International Business Digest

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College of Business, Prairie View A&M University

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## Reflections from the 2017 China FDIB Program

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I attended a Faculty Development in International Business (FDIB) program in China in May 2017. The trip was sponsored by Texas A&M University Center for Interactional Business Education and Research (CIBER) and organized by Colorado University (Denver) CIBER. The group visited universities, businesses, development agencies, and historical/cultural sites in five cities (Beijing, Xian, Jiayuguan, Dunhuang and Shanghai) over two weeks. The program focused on China's "One Belt, One Road" (OBOR) project, which was launched in 2013 as a key driver of China's new global initiative.



We attended a number of formal presentations (at Stanford Center Peking University, Asian Infrastructure Investment Bank - AIIB, Xian Jiaotong University, Xian International Inland Port, and Shanghai Yangshan Deepwater Port) and visited a number of private enterprises (e.g. Sinovation Venture, Bang Travel and Gensler-Shanghai) that helped us gain valuable insights into a number of important issues about OBOR and more importantly into China's long-term economic landscape.



We gained a broad understanding of the many ways OBOR will benefit the Chinese economy; it will reconnect China with its many trade partners along the Silk Road, generate a huge boom in private sector activities in transportation, retail, hospitality, and other industries, allow the Chinese construction companies to utilize their excess capacity in massive infrastructure projects, lead to westward expansion of the economy to particularly benefit the less-developed interior, and finally strengthen the competitive position of China in the global economy. However, China has to carefully navigate through many geo-political challenges to OBOR, including the historical conflicts with Russia, Japan, and India, which is now compounded by the new world (dis)order.

We also learned about the current major changes in the political and economic frontiers in China. The current anti-corruption drive launched by President Xi Jinping's government has been popular, and, if sustained, bodes well for the country. The recent economic slowdown presents an opportunity to recalibrate the economy by focusing more on higher priorities, including innovative entrepreneurship, renewable energy, and sustainable development.



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## Editor's Note

Greetings. It gives us great pleasure to bring to you the 52<sup>nd</sup> issue of the *Prairie View International Business Digest*, an electronic quarterly newsletter produced by the Center for International Business Education.

This issue contains four sections. The first two sections feature reports from two of our business professors on faculty development programs they have recently attended in China and southern Africa. The third section presents a brief report on the educational field trip to China by a group of our EMBA faculty and students. The last section highlights current global business/trade news and events. Please note that all URL links are active and you can go directly to a section from the Table of Contents on the first page.

We hope you continue to find this e-newsletter a valuable channel for important information relating to international business. We do hope our efforts will inspire greater number of local firms to seek out new global business opportunities. Should you have any questions or suggestions, please feel free to contact us. Thank you for your support.



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**Dr. Rahim Quazi**  
Editor

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We visited a number of World Heritage sites, including the Great Wall, Forbidden City, Xian City Wall (which protects the largest surviving Ming dynasty castle), Emperor Qin's Tomb (which houses the famous terra cotta warriors), Jiayuguan Old Wall (the westernmost part of the Ming-era Great Wall), and Magao Grottos in Dunhuang (hundreds of Buddhist sanctuaries housing religious artworks from the 5<sup>th</sup> century). We were captivated by the sights of sights of the historic night markets in Xian and Dunhuang, the old market in Shanghai, and the modern night view of Shanghai skyline from the Bund.

This program is an once-in-a-lifetime opportunity to gain a broad understanding of China and its economic success, history, culture, geography and most importantly its people. The experiences were invaluable and have immensely enriched my perspectives as a global citizen.



## Trip to S. Africa, Zambia, Botswana and Swaziland (May 2017)

This trip was sponsored by the Texas A&M University Center for Business Education and Research (CIBER) and led by Robert Rolfe (Professor, International Business) and Mike Shealy (Director, CIBER) of the University of South Carolina. Professor Rolfe, an old Africa hand with extensive knowledge of the socio-economic and business climate of the region, provided invaluable guidance to the group of 31 faculty members from 18 different U.S. universities. Mike Shealy, a pro at managing such trips, managed the logistics impeccably. The group visited African businesses, non-governmental organizations, universities, US embassy/consulates and tourist attractions in five countries over a fifteen day period.



Agriculture, tourism, and commodities fuel the region's economic engine. Commerce and business ties of US with sub-Saharan Africa was greatly enhanced by the African Growth and Opportunity Act (AGOA) passed by Congress in 2000. The legislation significantly enhanced market access to the US for qualifying sub-Saharan African countries and greatly helped African businesses to export to US. Specifically, automobiles (BMW), and export of apparel and agricultural produce from S. Africa greatly benefitted. American investment in the region is however meagre and dwarfed by the Chinese investment over the last decade, especially in infrastructure.



Unfortunately, the continent is affected by some major drawbacks such as extremely high incidence of HIV, political corruption and economic instability in many parts. Future economic growth is contingent on the nations addressing some key issues such as improving the low levels of global investment and low intra-regional trade, augmenting the human capital and expanding the basket of goods for export to the international market. Additionally, steps needs to be taken to strengthen markets and institutions, lower the cost of doing business and securing favorable trade environment for exports.

An interesting learning of the visit was the effort being made by many NGOs, such as WESGRO and RLabs in Cape Town and Gone Rural in Swaziland to build capacity at grassroots level. This is being done by providing skill training and offering of managerial expertise and marketing platforms, especially to women, to help them become entrepreneurs.

The visit has added to my understanding of the criticality of infrastructure to facilitate economic activity. Infrastructure bottlenecks were evident in the hundreds of cargo carrying trucks parked at border crossings. Additionally, investment needs to be made in human capital and in building supply chain capability of countries. Without investment in their productive capacities it is difficult for the countries in the region to attract foreign investment and diversify their export base which is so necessary for fuelling economic growth. For US businesses proposing to do business in Africa, it is also important to understand the differences in cultural norms and the importance of relationship buildings in business dealings.

-- Dr. Arshad Alam, College of Business





## Executive MBA Field Trip to China (Summer 2017)

Prairie View A&M University's Executive MBA program organized its fourth overseas educational field trip this past May. The week-long trip was attended by students and faculty. Participants had the opportunity to visit China to immerse themselves in the Chinese culture. They visited many different cultural sites, such as the Great Wall of China and the Forbidden City. In addition to the beautiful and impressive Chinese cultural sites, they also visited many businesses and educational institutions. Students came away with a broad understanding of China and its economic success, business etiquette, history, culture, geography and most importantly the Chinese people. Some photographs taken during the trip and excerpts from the participants' evaluation reports are featured here.



“An opportunity to visit a country with a robust economy like China was indeed exciting and thrilling for a greenhorn in business like me... A visit to the US Commercial Office brought home the importance of building relationships or “Guanxi-关系” when penetrating the Chinese market as a foreign entity. We were also informed about the shift in the



Chinese economy from manufacturing to services and potential opportunities for business executives in the area... A visit to the United Family Rehabilitation hospital was a real test of our business acumen. The General Manager, Joshua Kurtzig, challenged us to analyze and come up with solutions to issues he faces with the company as an executive. It was lively and by far the most interactive company visit... In all, I come away with the sense that a borderless world begets a river of growth and innovation. This has been an enriching experience as clients; customers need to be viewed from all perspectives in relation to the world that is three dimensional and not monolithic.” -- Alali Orupabo, EMBA (Cohort 4)

“Experiencing this journey with my cohort brought all of the elements of classroom studies together. I believe that it opened our eyes to seeing beyond America. We will be global leaders one day and we realize now more than ever, we have to continue to remain focused

on a global vision... On the societal front, China has a huge pollution and food safety issue. The matter is so big that it is facing a large public policy debate on how to control and the issues. Many business (including the ones that we visited) are taking on a piece of the problem by changing the way their industry governs its operational practices or by even creating in-home solutions (i.e. air purifying humidifiers)... The trip was filled with many cultural and business interactions, which provided a great balance of understanding the Ying and Yang to the societal culture in China.”

-- Aja Ladson, EMBA (Cohort 4)

“In the Hyundai Plant I saw the first-hand production of various types of Hyundai vehicles. This was one of the most rewarding visits for me, as I am interested in manufacturing engineering in the automotive industry. This visit was informative, and I enjoyed the presentation from the Hyundai representative. I enjoyed the tour of the production lines; it was very exciting to see the interaction of humans and robotic technology and how it is applied in the production line. It was exciting to learn that 100 percent of the cars that were being produced were already purchased. China has a limit to how many citizens can own cars, so that means many people who have purchased a car may or may not be eligible to drive it as soon as it is delivered... The Great Wall of China was the most exciting tourist place that we visited. This cultural site was very beautiful with green hills and mountains surrounding the wall... Looking forward to the next time I visit China.” -- Brittney Harris, EMBA (Cohort 4)



“Having never been to China, it was all new and worth every minute of my time... There was a huge impact on my perception on the global market, management, business, finance and opportunities. It is clear from China that a capitalist free market entity is not the best and most effective market. The Chinese have been able to control the market's supply and demand by unitary governance... I enjoyed the trip to 3M's R&D division in China. It gave such a great insight as to the company and its business on a global scale. We discussed its genesis and the invention of the famous sticky pads.... Most of all it has been a revelation as to the scale on which e-commerce is a huge part of China's economy and a way forward in the world.” -- Adebowale Adejumo, EMBA (Cohort 4)

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“On the 5<sup>th</sup> day of our visit, we took the bullet train from Shanghai to Beijing which is approximately 819 miles. The train started off slow and traveled at speeds up to 186 miles/hr; this was an exciting experience traveling with the other members of my cohort... As an engineer, I found the visit to Hyundai plant fascinating. Seeing the cars produced from conception to completion was great. Learning about the partnership between China and Korea, the government and the “Just in Sequence” strategy was educational about how a company operates with a government entity involved.... All in all, my trip was a wonderful eye-opening experience, and I would recommend a visit to China to all at least once in your life. From learning about how different companies run their operations compared to the US and hearing about the incredible history of China from our guide, this trip has provided a lasting impact on my life.” -- Corlisa Delesbore, EMBA (Cohort 4)



## Global Trade & Business: Current News and Events

- *Where Do Thousands of U.S. Exporters Look for Advice?*
- *Small and Medium-Sized Enterprises Reaching New Markets*
- *Opportunities for U.S. Agricultural Equipment Exporters*
- *Expanding Exports of U.S. Personal Care and Beauty Products*
- *Cross Border e-Commerce Payment System Strategies*
- *National Travel and Tourism Week*
- *European FDI in the United States*
- *Global CEOs Continue to Show Confidence in the US as a Business Destination*
- **International Business Knowledge Quiz:** Test your international business knowledge with this quiz (developed by the International Business Center at Michigan State University). With a bank of over 100 questions, the quiz promises to be a challenge to even the most seasoned IB expert.

Sources: *Tradeology*, International Trade Administration Blog (April-June 2017)  
globalEDGE(TM) Newsletter (<https://globaledge.msu.edu>)

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If you would like to receive an electronic version of this newsletter, contact Dr. Rahim Quazi at 936-261-9225 or [rmquazi@pvamu.edu](mailto:rmquazi@pvamu.edu)



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## **PVAMU College of Business Vision and Mission Statements**

### **Vision Statement**

The Prairie View A&M University College of Business strives to be among the best regional business schools in the nation by empowering students from diverse backgrounds to reach their full potential.

### **Mission Statement**

The Prairie View A&M University College of Business provides students from diverse academic and socioeconomic backgrounds with education that helps them become business professionals and leaders who are ethical, entrepreneurial, productive, and prepared to succeed in the global economy. The College achieves excellence through quality teaching, research, service, and engagement with the business community.



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