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**Agribusiness Trade Education Tools for the New
Millenium: Linking EU-US University
Experiences Through the “Attacking Global
Barriers” Initiative**

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**Agribusiness Trade Education Tools for the New Millennium:
Linking EU-US University Experiences
Through the “Attacking Global Barriers” Initiative**

By

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**“Let me be blunt.... Each of us must implement the Uruguay Round
Commitments and respect the Decision of the Dispute Settlement Panels”**

Ms. C Barshefsky, U.S. Trade Representative,
Speech to German Leaders, October 1998

The focus of this years International Agribusiness and Food Management Congress is on agribusiness education, trade, and management issues, as they are key components to our collective economic future—jobs, income, and food products. The issues are complex between Europe and the United States. Each is the other’s first and second major trading partner, respectively. This is not a small matter; two-way trade in agricultural products exceeds \$13.4 Billion in 1997. For the U.S., this represents 15-20 percent of our total trade. Critical to augment this trade, key components will be business expansion and educational linkages. Both the U.S. and Europe must understand each other technically to mediate differences. Trying to solve issues in the World Court has proved frustrating and expensive for both parties.

Food and the controversies surrounding the industry are important to all of us. BSE (“Mad Cow” disease) issues, food additives, wine labels, and other challenges within the global market place need to be understood and solved in the new century ahead of us. This will mean that students and faculty will need language skills, understanding of inter-cultural dynamics and technical food management skills to compete.

In the “Attacking Global Barriers” or “Phoenix Project”, the Royal Agricultural College and Arizona State University East are working together to insure we have an exciting future in the food management area. It also provides opportunities to work and study in Western Europe, even this spring. This project started conceptually almost a decade ago. At an IAMA World Congress, 1992, in Paris, several of us launched the joint effort. In 1986, representatives from 135 nations met in Punta del Este to launch the Uruguay Round of GATT, (General Agreement on Tariffs and Trade). Estimates suggest that over 1.5 Trillion dollars (U.S.) in increased Gross Domestic Product (GDP) has come from the liberalisation of this trade. This first major round of trade negotiations included agribusiness, agriculture and critical issues related to the food industry.

However, GATT and other trade issues have caused disputes and problems. Time and again, potential exporters and importers have regarded ‘health and phyto-sanitary’

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issues, regulations and other trade impediments as barriers to free trade. The food distribution chain management today can cross many political and cultural boundaries. At the recent European Oxford Farming Conference, the 'Beef on the Bone' ban imposed by the UK Government, a BSE (mad cow disease affecting sheep) precaution, was fiercely criticised by the U.S. Secretary of Agriculture as an impediment to legitimate international trade. The EU beef ban, was lifted in part for BSE-free grass-fed cattle in Northern Ireland and has generated acute sensitivity and an Euro-centric perspective in the UK and Europe. Public health issues predominate in the UK food chain and throughout Europe and impact many Government actions - such as establishing a national Food Standards Agency (responsible to the Ministry of Health not the Ministry of Agriculture). Quality assurance schemes and animal passport initiatives underpin the political requirements for consumer confidence, "food safety", and a healthier agri-food economy. These are several ways academics and professionals can work toward a comprehensive lifting of the beef export restrictions imposed by the European Commission. Regrettably, present circumstances in relation to UK beef and other food issues cause frustrations, and concerns, similar to WTO (World Trade Organisations) objectives.

Different political perspectives and public pressures have generated several differences of opinion and approaches in recent times between the European Union and the United States. Hormone-use in U.S. beef, sanctions for BST usage in U.S. dairy enterprises, and different perspectives on new/novel genetic foods derived from biotechnology have restricted U.S. trade to Europe.

The basis of these actions and the approaches within Europe are often not understood on the other side of the Atlantic. In both North America and South America, major questions and uncertainties have been raised over these trade and chain management issues! Is the driving policy protectionism or legitimate stewardship of public health? Will it (inevitably) continue? To what extent is it based on a poor understanding of consumer perceptions such as political imperative and cultural differences on either side of the 'Pond'? Is there a need and role for improved communications, particularly for future leaders of the agri-food business?

The "**Attacking Global Barriers**" Initiative or 'Phoenix' project is a new three year undertaking to foster improved understanding between European and American universities--funded by the European Union and U.S. governments. This project includes many issues including Chain Management in agribusiness and the food industry, trade development, food safety issues and restructuring issues. It is being lead by Arizona Sate University East and the Royal Agricultural College. This undertaking will help educational and academic leaders understand transatlantic chain management in agribusiness and food trade that operates more successfully in the USA or the European Union. Arizona State together with three other U.S. universities—Clemson in South Carolina, Utah and Kentucky State Universities will work together to help focus on the problems. They will be working with six universities in Western Europe. These include the Royal Agricultural College in England, the Universidad Politecnica de Valencia, Spain, University de Tras-os-Montes e Alto Douro, Portugal, Technological Education Institute, Greece, Ecole Supérieur d'Agriculture, France Fachhochschule--Nurtingen, Germany, and Institut

Superieur Agricole de Beauvais, France. Universities in South America, Australia and New Zealand have also asked to join the consortium. In the 1998 “Attacking Global Barriers” FIPSE Congress in Washington D.C. the participants identified over twenty food chain management issues which are barriers to trade. The issues currently being studied are included in Table 1.

This project has grown out of increasing collaboration, co-operation and exchanges of staff and students between Cirencester and the Phoenix area, fostered through linkage of initial and continuing IAMA (International Agribusiness Management Association) involvement. As lead institutions, both Arizona State University East and the Royal Agricultural College regard the education emphasis of the ‘Phoenix’ co-operation as an important opportunity for ‘attacking global barriers’ to trade. Lack of understanding between the future leaders of countries and trading blocks will be a major impediment to globalisation of the food business. We believe the difficulties can, in part, be resolved through appropriate education. Examples of current food barrier issues will be discussed from a European and U.S. perspective - and the nature and objectives of the ‘Phoenix’ programme will be explained in the panel presentation.

Table 1: EU-US Agribusiness and Food Trade Dispute Issues

1. BSE Issues-“Mad Cow” Disputes
2. Certification of Safe Food Disputes
3. Beef Hormone Disputes
4. Poultry Quality Assurance Disputes
5. Wine and Additives Disputes
6. Labelling Requirements Disputes
7. Weights and Measures Disputes
8. ISO 14000 and 9000 Standards Disputes
9. Dairy Product Safety Disputes
10. Quotas and Tariffs on Agricultural Issues
11. WTO Food and Agribusiness Issues Disputes
12. GATT Food and Agribusiness Issues Disputes
13. Bio-engineered Grains Including Corn, and Soybean Disputes
14. “Karnal Bunt” and Other Wheat Issues
15. Food Safety Issues
16. Preservatives in Food
17. Fruit and Vegetable Pesticide Residues
18. GMO(Genetically Modified Organisms) Issues

19. Cloning of Sheep and Exports
20. BST Issues and Milk Disputes
21. Green Laws Related to Packaging

The major international congresses, such as IAMA 's Congress VIII, "Building Relationships to Feed the World" finds themes of the human business, trade and education dimension very important. The Phoenix Project, which links Universities, students, and faculty, is increasingly important in building these relationships.

This abstract outlines the progress of the Phoenix Project and updates IAMA on the Second Congress of the Phoenix Group. The "Attacking Global Barriers" project focuses on educational and academic issues, and impediments to student movement in the academic year 1998/99. It updates earlier reports to IAMA and gives an overview of the first and second congresses with the American and European Universities. The Phoenix Project also establishes high academic standards insuring an improved curriculum, enhanced team projects, and improved dissertations for the students. A Standards Board and Evaluation Committee has been set up to oversee the academic standards allowing the students, staff and faculty to concentrate on improving educational experiences for food management and agribusiness students in Europe and the U.S. It allows European MBA students to study and intern in the U.S next year. They will receive their degree under the Erasmus program. This program has been very successful for all students in Europe over the past nine years. The Project is focused on the development of this degree. "ATTACKING GLOBAL BARRIERS – A COLLABORATIVE NETWORK" is the focus of this project. The objective for the project is to reduce transatlantic barriers to trade and business development by providing a learning experience in both the EU and USA, in a vocational and educational environment for undergraduate and postgraduate students.

The project is helping the transatlantic education between the partner institutions, faculty, staff and students to do the following:

1. Build on existing co-operation between the universities of Arizona State (U.S. Lead Institution), Clemson University, Utah State University and Kentucky. They will be working with the six universities in Western Europe, the Royal Agricultural College in England (**EU lead institution**), the Universidad Politecnica de Valencia, Spain, University de Tras-os-Montes e Alto Douro, Portugal, Technological Education Institute, Greece, Ecole Superieur d'Agriculture, France Fachhochschule Nurlingen, Germany, and Institut Superieur Agricole de Beauvais, France
2. Involve the movement of students and staff at both undergraduate and postgraduate levels on existing courses between our institutions; enabling the transfer of existing knowledge, experience and expertise.
3. Develop an MBA program in the agri-food sector jointly taught and validated by building on the experience and skills gained while developing a similar MBA program between the European Partners (funded by ERASMUS/SOCRATES in 1994-1996).

4. Develop working relationships with businesses working “across the pond”. Today many European companies derive as much as 50% of earnings from their American subsidiaries.
5. Provide a sustainable mechanism to assist in transatlantic education and understanding of trade barriers and issues.

This project is aimed at addressing the problems that arise from the existence of global barriers, as well as improving the current practice in transatlantic co-operation. Undergraduates and postgraduates who will become managers often lack experience, understanding and appreciation of one another’s business challenges. Thus there is a need for transatlantic trade to flow more smoothly and to be able to operate more successfully, in the USA or the European Union.

Agribusiness/Agri-food is such a major contributor to wealth and employment in global terms and is the focus of so much multinational activity that it is vitally important to provide effective and comprehensive collaborative management development and training at the undergraduate and postgraduate levels.

There is an absence of an internationally recognised template for delivering curricula, staff and student exchange logistics, assessment and progression, cultural and social integration. It is envisaged that in addressing these issues this project will contribute a model for approaching difficulties experienced over standardisation across national frontiers; and it will expedite progress towards commonality of approach.

This project will be cost-effective because it provides MBA level training in an intensive, case based and problem solving manner on both sides of the Atlantic within the same time period that students would normally take to obtain the award in their own country. It thereby shortens the training period and reduces costs while enriching the experience and operational ability of the participants. They will receive business; social and cultural integration on EU and U.S. matters during the training period and will not have to obtain it after graduation at extra cost in time and money to themselves or their employers.

It is the intention to attract students from a broad range of nationalities (including minority groups such as those in the South West Indian Academic Association) and thereby disseminate the benefits of this project into Africa, Asia and the Far East.

EU-U.S. funding for this project enables the project to be fully operational in a timely manner involving a wide range of countries and the United States. It will enhance the current level of co-operation, and enhance the benefits of many years of educational co-operation in the ERASMUS/SOCRATES program to be transferred and built upon in a wider, transatlantic context. This is a very exciting proposition, which is unreservedly embraced by the institutions. Today all institutions are linked by INTERNET and contributing to the Phoenix Website.

The “AGB” Internet Website is a valuable tool for universities, faculty, students, staff and the businesses and governments involved. The program will accomplish several key academic goals including:

- Work on joint research
- The contribution of three papers at major international conferences with other Phoenix Group professors in other countries focusing on topics of current trade disputes
- Work mutually with various faculty and staff
- Increasing the demand for European MBAs
- Raise six dollars for every one provided by The U.S. Department of Education
- Organize two major international conferences on improving post secondary education

For the students, it also has been prosperous and successful on key issues including:

- Ability to study in Europe’s key agribusiness institutions
- Making key contacts with industry
- The creation of additional research options

In addition, the staff has also benefited from the following successes:

- The ability to “link” via Internet on Technology and Communication
- Additional Research Contacts
- Interactive Website at ASU

For Business and Industry, it also has been successful in several key objectives including:

- Linking of food management businesses including Rabobank, Grand Met etc.
- The creation of linkages with small business, trade issues, and finance institutions
- Increase communication with over 2000 food and agri-businesses working with the ten schools

The Universities have also benefited from the following key objectives:

- Review of the curriculum and other components of the program
- Linkages to agribusiness and food management Universities in Western Europe
- Linkages to France, UK, Spain, Portugal, Germany, and Greece

For all the participants in the project the New Educational Technologies and its new tools on the INTERNET allow for better communication through:

- Inexpensive student record movement
- Planning for academic programs
- Communication about academic programs
- Future curriculum committee communication
- Interaction of students on food management issues

The new technologies allow better academic curriculum in a number of areas including:

- Inexpensive student lectures in far locations
- Improved lesson plans for academic programs
- Communication of thesis and project needs
- Interaction of students on food management issues

The institutions accomplished much since the Congress I: U.S. Attacking Global Barriers Congress in Washington D.C. in January 1998. The institutions have learned a great deal including:

1. Understanding of the issues facing academics in the food management industry
2. Developing perspectives on issues
3. Understanding each institution and its needs
4. Understanding each program and its needs
5. Why an U.S.-European MBA?

The Congress II: U.S.-European Attacking Global Barriers needs to make several key contributions to the project and the academic program including:

1. Creation of Academic Standards Committee
2. Creation of Academic Governing Board
3. Outlining barriers to student exchange
4. Focusing on research on food safety issues
5. Meeting the needs of students
6. Next phase of research such as BSE (mad cow disease).
7. Challenge in transatlantic research
8. Other key academic issues

In the future, the needs of the Phoenix Project will be important to accomplish our goals of improving the European MBA by several key future steps; these include:

1. Exchange of students during 1998/99 academic year
2. Expanding academic educational opportunities of students
3. Expanding research efforts “trans-atlantically.”
4. USU and ASU are ready to receive students
5. Student issues such as Housing, Start Dates, Visas, Curriculum, transfer of credits, and Courses.

The successful efforts of the project will build relationships to feed the world and assist academics and professionals in working together in a more professional, academic and culturally aware manner.