

# **PACIBER Zoom Meeting**

**July 9th 1PM HST**

## **Participants:**

Mark Ballam - SDSU, Jorge Talavera - ESAN, Md Daud Ismail - UKM, Buddy Ungson - SFSU, Karen Walsh - UC Denver, Yim-Yu Wong - SFSU, Sara Wong - ESPOL, Xavier Ordenana - ESPOL, Rosanna Huayamave - ESPOL, Jin-Gil Jeong - Howard University, Jikyeong Kang - AIM, Ernie Sarreal - DLSU, Prem Ramburuth - UNSW, Manuel Serapio - UC Denver, Dezso Horvath - York, Shirley Daniel - UH, Armando Borda - ESAN, Elizabeth Hanson - UC Denver, Christina Stringer - U Auckland, Amir Mahmood - Western Sydney, Rochelle McArthur - UH, Jonathon Wood - BYU

## **Welcome and Announcements** (1 P.M.)

Shirley opened the meeting and welcomed all participants. She is trying to get a worksite set up on Laulima. She thanked all participants for taking time to attend the meeting and expressed regrets that we could not meet in person this year. She shared the meeting agenda and indicated that presentations and materials submitted would be available online after the meeting on a new Laulima website for PACIBER. During the Zoom meeting, speakers would also be able to share their screen as they present their information.

Dean Dezso Horvath of York University provided a few words of welcome. He didn't expect such an emerging world so fast and this will be an informative meeting because each member is being impacted in such different ways. We have learned so much about technology and online activities and it will never go away fully. The transition to technology and online activities definitely has an impact on corporations and educational institutions, but we are missing the human touch.

Shirley transitioned to regional updates and stated that we will begin with Southeast Asia, since no one from East Asia is present.

## **Regional Updates**

**East Asia** - Unfortunately the members from Taiwan and other East Asian countries could not log on, but Economist Intelligence Unit summaries are posted on the Laulima website.

## **Southeast Asia** (1:05 PM)

Daud Ismail shared about Malaysia's response to COVID-19. (see PPT slides on Laulima) The first Malaysian infected with the virus was a man who returned from Singapore on February 4<sup>th</sup>. On March 16<sup>th</sup>, there were 533 positive cases, and the government imposed the movement control order (MCO) from March 18<sup>th</sup> to May 12<sup>th</sup>. During this time, only one person from a family could go out to buy essential items, and there wasn't much economic activity because only grocery stores, pharmacies, and clinics were open. From May 4<sup>th</sup> to June 9<sup>th</sup>, the conditional movement order was imposed, which was a more relaxed version of the MCO. Currently,

Malaysia is in the recovery stage, which is effective from June 10<sup>th</sup> to August 31<sup>st</sup>. August 31<sup>st</sup> is also the independence day of Malaysia, so they will have a double celebration for both the recovery of the pandemic and independence of Malaysia.

Daud Ismail also shared about the chaotic political situation in Malaysia. The oldest prime minister in the world resigned as the Malaysian prime minister on February 24th. The new prime minister was sworn in on March 1<sup>st</sup> as the 8<sup>th</sup> prime minister of Malaysia. The political situation has escalated, and there will be an election at the end of the year, which will determine if there will be a new prime minister in 3 years' time or stay with the current prime minister.

Daud Ismail shared about economic impacts specifically for the first quarter of 2020 and what to expect after COVID-19 in terms of economic data. In the first quarter of 2020, the economy grew .7%, and this growth was backed by the service and manufacturing sectors. Mining and quarry, construction, and agriculture sectors all experienced negative growth. The World Bank predicts that the second quarter will be the worst for Malaysia with a negative 10% growth because that is when the MCO was implemented. In total, the growth for 2020 will be down 3.1% compared to the earlier target for 4.5% before COVID-19.

Jikyeong Kang of the Asian Institute of Management gave an overview of the situation in the Philippines. They are currently under general quarantine, the cases are increasing, and the economy is pretty bad. It's a difficult situation because if they continue with quarantine, there is more suffering for the economy. On the other hand, if the quarantine is relaxed, there is more business but more cases. The schools will not be allowed to open until September 1st, and students have been learning remotely since mid-March.

## **Oceania**

Christina Stringer gave an overview about the COVID-19 situation in New Zealand. The first case of COVID-19 in New Zealand was on February 28<sup>th</sup>. Although the government had been watching carefully what had been happening in China, the first case actually came from Europe. On March 25<sup>th</sup>, the government issued a lockdown, but prior to that, on March 19<sup>th</sup>, the government closed the borders to everyone except New Zealand citizens and residents. Initially, when citizens and residents were returning, they had gone into two weeks of self-managed quarantine, but now it is a two week government supervised quarantine. There have been over 20,000 people who have been quarantined, and in total, there were 1,547 cases and 22 deaths. There has been no community transmission of COVID-19 for quite some time now, but there are currently 27 active cases, who are all citizens or residents returning home. Because of the increase in people returning home, the government has requested that Air New Zealand restrict the flow and number of seats for kiwis to return home in order for the government to be able to manage the quarantine process. The New Zealand Prime Minister and Director General of Health fronted the public daily and had a common message that we are a team of 5 million and to be kind. The government has been providing financial support to businesses and wage subsidies to companies.

Aside from COVID, New Zealand has an election scheduled for September. Currently, the current government is riding high in popularity, and a lot of it has to do with the way they have managed the current situation.

Prem Ramburuth of the University of New South Wales stated that Australia is pretty similar to New Zealand, but she pointed out that on a macro level, New Zealand has shown leadership for most countries. In Australia, only around 5,800 people have been infected. Victoria and Melbourne are in a total lockdown, which is going to cost billions of dollars, and 36 suburbs are now under total lockdown. In the area with disadvantaged people from low socioeconomic backgrounds, there are huge blocks of units with infections going around, and the only way to control it was to bring in the army. Australia brought its police force and defense in each of the states to help with guarding the roads, where you can only travel between states with a special letter and permission.

Prem also stated that both Australia and New Zealand were successful in keeping the numbers low. Contributing factors include being islands, but also citizens being accepting, unlike in the United States. Australians are great travelers, so a large number of people were spread across the world, and the scramble to bring them back to the country brought the virus as well. Back in March, some students who were in Asia came to Australia to study, and the virus got onto campuses, including her own. Because of the spread of the virus through traveling, it was being contained by people being restricted to hotel accommodations, which has cost the government billions of dollars. However, now the spread in Victoria is community spread, and it is hard to manage because some people are refusing to be tested.

Prem stated that on the international business side, it is showing how unprepared leaders were for huge pandemics and that there are risks to various areas of manufacturing, mining, supply chains, and so forth. For example, in Australia, they are in a very vulnerable position because they are so dependent on China, even for education. UNSW has survived because of the student population from India, more than anywhere else.

Financially, the government has provided fantastic support mechanisms for the people. Everyone who is looking for a job is getting support, and there's a job saver for those of them who will lose their jobs. However, the financial support is having an effect where people have no initiative to find a job because they have sufficient funds. There is a worry for what will happen when it comes to an end in September.

Amir Mahmood of Western Sydney University added that Australia had to take a leadership role in world affairs. For example, Scott Morrison initiated a discussion about their independent inquiry for the pandemic roots, which agitated China. China reacted by imposing non-tariff barriers on barley and beef, a major export from Australia, and nudging Chinese students not to continue their studies in Australia. The prime minister announced that they're going to give another 10,000 Hong Kong students who are already in Australia a pathway to permanent residency.

Prem added that it's a worry for Australia and their businesses because China is the largest trading partner. This is impactful for Australia because the business community is divided. On both sides, the threats are coming at a very high level.

### **Latin America (1:38 PM)**

Armando Borda of ESAN gave an overview of Peru, which is a country of 32 million people, and  $\frac{1}{3}$  of those people live in the capital, Lima. (See PPT slides on Laulima) Peru has been doing good in recent years, with the economy growing at an average of 6% in the last decade and moving a lot of people out of poverty. Peru has been very active on integrating with the world economy by signing free trade agreements and pushing towards international commerce and investments.

In Peru, the first reported COVID case was on March 6th, and on March 15th, a country-wide lockdown was initiated. Borders were closed and most economic activity was restricted except health, food vendors, and financial institutions for 15 days. The lockdown was extended nearly every 2 weeks but ended on June 30th for a total of 106 days of quarantine. This lockdown has had tremendous economic costs. In terms of expected growth, Peru is estimated to be at negative 13 to 18%.

Armando stated that when the government announced reopening plans, face-to-face education was not considered. His school tried to maintain operations, but the campus has been closed since March 16th. 100% of university revenues come from teaching fees, and they want to invest in R&D. Most of the schools programs have an international component, so when the situation first broke out, several students were overseas. The first reaction of the school was to create a team for urgent situations dealing with communication and helping those people that were overseas. Both national and international field trips were suspended, and authority is restricted from travel for the next year as well. They have worked in the lockdown to address social issues. At ESAN, they used Moodle, Zoom, and Blackboard as learning platforms to collaborate and provide actual classes. Students have reported high levels of satisfaction, and faculty has been in close contact with them to ensure that they are responding properly.

Dean Xavier Ordenana Rodriguez from ESPOL gave an overview of the economic situation in Ecuador. (see PPT slides on Laulima) Even prior to COVID-19, the economic situation was difficult because they are highly dependent on oil, and the prices were down from 2015. The economic situation worsened during the lockdown, especially because there are a high number of people who are self-employed. There was an economic and social crisis before COVID-19, so the government was unable to promote stimulus packages. However, they are trying to get some measures to get more revenue. Ecuador is facing political uncertainty, and elections are coming up in February 2021, with unclear definitions on potential winners.

Regarding the virus, February 29th was the first case in Ecuador. On March 16th, an internal curfew and many of the other measures talked about in other countries were put into place. Depending on the situation in each city, the restrictions were relaxed in different phases. In

March and April, the area near the school was heavily affected. There were 64,000 cases and 5,000 deaths, but these numbers are a lot lower than what they predict it to be. ESPOL transformed into virtual lessons, and within a matter of 10 days, everyone was prepared to teach online after the lockdown was in place. The school offered partial scholarships for all new entrants (10% of tuition and 25% of registration) and for current students (10% scholarship). They are also monitoring the student experience with remote classes and noticed a shift. At first, it was comfortable to study at home, but it became a problem with kids at home, especially since most are masters students with families. The school has reduced international travel and faculty compensation for part-time faculty. As a business school, they wanted to help by offering online webinars and master classes on Seguimos Conectados. One of the most recent initiatives is a mentoring program that supports students and alumni whose business has been affected by the health crisis.

#### **North America (2:12 PM)**

Mark Ballam of San Diego State University gave an overview of California, which is one of the largest states in the country with over 40 million people. They were one of the first states to implement a total lockdown on March 20th, and there are 297,000 cases and 6,700 deaths from the virus. California is beginning to spike again because of community spread. Since the reopening plan in the middle of May, many people thought the virus was over, but it was not and are currently feeling the impact.

California entered the year with a \$80 billion surplus but is currently experiencing a \$54 billion shortfall, which will have a significant impact across the state including education and other social services. The virus has pointed out the inequalities in our society such as housing, healthcare, and education. The California governor has been handling the situation pretty well by not giving in to reopening pressure from the federal government. There are also social issues including George Floyd and Black Lives Matter.

Yim-Yu Wong gave updates about San Francisco State University, who is very fortunate to have a new president Lynn Mahoney that helped to lead in the in-person to online transition. Students have been suffering from the shortness of resources, and the school has responded by sending laptops and hotspots.

Manuel Serapio of University of Colorado at Denver gave an overview of the situation in Colorado, which has about 35,000 cases and 1,700 deaths. The governor has dealt with it in a conservative way, but the cases are beginning to spike again. The provost expressed very serious concerns and is working on a safe return program, with the main idea to limit exposure for both faculty and students.

Jonathon Wood of Brigham Young University mentioned that Utah is similar to Colorado, but in a little better situation due to more open space. Utah has 27,000 cases and 205 deaths, and most of them are located in the capital county.

Jin-Gil Jeong from Howard University gave updates about the Washington DC metropolitan area. (see summary memo on Laulima) In general, Maryland and Virginia are getting better and the curve has kind of flattened. In Maryland, there are over 71,000 cases and 3,168 deaths, and in Washington DC, there are 10,679 cases and 568 deaths.

Dezso Horvath of York University gave an overview of the situation in Canada. He stated that COVID impacted the economy, and the political situation was tough because of the election in Canada. The liberal party, which had the majority position, moved to the minority. In 2019, Canada did well with the GDP growing, unemployment going down, inflation declining, and imports and exports growing. Canada heavily relies on the United States and also Asia. Once there was the first case in Toronto, it started to grow quickly, except to provinces in the east. Vancouver, who has a large Chinese population, was the first to take off, but the virus eventually spread to other provinces such as British Columbia, Ontario, and Quebec. There are 100,000 cases and 8,500 deaths. There was no travel in Canada, and it was declared an emergency, which is when all activities were stopped. In Canada, the federal and provincial government are working together, and they developed enormous support plans for students and unemployed people. In 2020, there was a good deficit of around \$30 billion, but is now at \$330 billion.

Dezso stated that on the university side, the decisions are ultimately provincial decisions, which are influenced by health authorities. Some of the smaller provinces will possibly open universities for the fall, but Ontario, Quebec, and British Columbia will remain online for the fall. For classes that need physical presence (e.g. science, engineering, and performing arts), smaller classes may be allowed to take place later in the fall, but no final decision has been made yet.

Shirley gave an overview of the situation in Hawaii. There were very few cases but are currently experiencing a spike, and the economy has been taking a hit due to the difficulty in the tourism industry. All people arriving must do a mandatory 14 day quarantine, but are trying to see if they could open up to visitors who had a 3 day negative COVID test before arrival. The US government has offered a lot of stimulus money, and a lot of small businesses have been staying afloat because of the paycheck protection program and unemployment checks. The government has decided to give \$100 or \$200 a week extra unemployment after the federal unemployment supplement goes away to help people.

Shirley stated that in the fall, University of Hawaii classes are going to be a combination of online, in-person, or hybrid classes. Most recently, the university is trying to make sure they have enough in-person/hybrid classes so that foreign students can maintain their visa since Trump just announced the problem with student visas.

### **Member School Updates (2:37 PM)**

Daud from Malaysia gave a quick update about the school. When the MCO was implemented, they were in the middle of the semester, so all classes were moved online, forcing all students to move home. At first, students were happy at home, but it became difficult at home with constant messages, meetings, and family. For next semester, all classes are online and cannot

have face-to-face classes until December 31st. However, students who need to use the laboratory will be allowed to come to campus.

Shirley mentioned the new PACIBER Laulima website and that she will try to schedule another ZOOM meeting in 3 months to catch up with everyone.

### **Conditional Cash Transfer Research Updates (2:41 PM)**

Buddy stated what CCT is, which is a PACIBER consortium based project that should be complementary to members' individual research presentations and involve a selection of a common problem that is faced by PACIBER participants. Two events have happened and each is directed at slightly different audiences. The first paper is for mainstream business and is currently under review. The feature of this particular paper interviewed an additional 31 business managers and representatives from a variety of businesses across six different countries. The other paper is directed by David Hudgens, which is intended for a publication in "Poverty and Public Policy." He hopes to extend this particular research, since there's some items that have been delayed due to covid 19.

Shirley asked how COVID is going to affect those welfare programs.

Buddy responded by saying that COVID has made the problem of poverty even more difficult. They are trying to activate the CCT programs that have been adopted in close to 60 countries. Since most of the CCT projects are funded by the government, depending on the economy and funding, it will impact what happens to the CCTs.

Sarah added that the poverty rate is going to increase in Latin America due to a difficult situation with the budget. The United Nations economic committee in America has said that they should propose a universal wage for everybody, but that is difficult to afford now.

### **Closing**

Shirley asked if there are any final comments and confirmed that Dezso Horvath will remain the PACIBER representative for his school.

Manuel added that he will be doing a webinar on the impact of international business teaching, both in terms of what and how they teach. It will be interesting for members to see how they deal with the challenge.

Shirley added that there will be a lot to talk about at the next meeting. She is working on a research project that is looking at business restructuring and the impact of public policy and healthcare on business resilience. We're all adapting to presenting intellectual contributions online, but everyone is experiencing something different with the change in setting.

Dr. Horvath added that there is a problem because there will be a shake up of management education, which is partly because of COVID-19.

Buddy added that prior to COVID-19, they have been in touch with a ESAN general secretary, specifically in the health sector and were looking for the resiliency of health systems with digital applications.

Shirley stated that the health system has been stressed, but it's driving telemedicine, which may drive other wireless and other diagnostic mechanisms that can be done at home. Dr. Horvath agreed that technology will drive change and he is working on a special project on Telehealth.

Sarah suggested that a tab should be created on the PACIBER website to consolidate the work they are doing related to COVID-19.

Shirley agreed that it would be a great idea. There is also a LinkedIn, Facebook, and Laulima page. She concluded the meeting and thanked everyone for attending.

NOTE: Additional information and links in the CHAT box:

From Sara A. Wong:

Happy to answer your questions!

Guayaquil, our city, made headlines back in March-April around the world because it was one of the first cities in Latin America being badly hit by COVID-19

This week, the situation is the opposite. Guayaquil just made headlines for being able to turn things around, and "beat" (so far) the pandemic.

<https://www.wsj.com/articles/ecuador-city-beat-one-of-worlds-worst-outbreaks-of-covid-19-11593532974>

From Armando Borda:

How does your city change the situation so dramatically and why this model has not been replicated to other cities within the country?

From Sara A. Wong:

It has been said, by the mayor of Guayaquil, that a key element was "not to wait for the ill, but go where they live" -so people could get tested, received medical attention, and food where they live, avoiding getting worse, and avoiding spreading the illness.

From Prem: Thanks for the explanation Sara. Where was the population most badly affected? In many countries it has been the poor, disadvantaged, vulnerable ....showing up the inequality in our societies across the globe. Prem

From Sara A. Wong:

That was one point. Other 3 key points are: (1) the city created a council of epidemiologists to advice the major on how to approach the fight against COVID-19; (2) the city used georeference tools and heat mapping of "hotspots" where majority of contagious was taking place (or have



taken place); (3) the city had funds because it had saved money for the 200 foundation anniversary. What better way to spend that money than saving lives.

Yes Prem, you are right. The pandemic has brought in a shadow pandemic, which in turn -if analyzed- should shed light on those inequities you mention. For instance, on the elderly, the people in jail, for indigenous people, women.

We, at school, are trying to shed light on those inequities.

From Prem:

From Prem: Thanks Sara - very informative and greatly appreciated! Prem

From Shirley Daniel:

Mark and Yim Yu -Cal State announced early that fall; classes would be online. How are you going to deal with the new student visa restrictions?

From Mark J Ballam:

Hi Shirley, we have some face-to-face courses we can use for our int'l students in order to overcome visa restrictions.

From Yim-Yu Wong:

@Shirley, We are declaring a hybrid education system. We are looking for CSU level guidance before formulating our approach.

From Shirley Daniel:

I am not sure if you all saw the Goldman Sachs study that indicated that wearing masks could have a 5% impact on GDP. Hopefully those who are pushing for reopening the economy can support wearing masks.

From Shirley Daniel:

Some say that Trump's new policy to stop H1B visas for the tech industry is going to benefit Canada. I think it is also going to impact new faculty appointments in the U.S.

From Sara A. Wong:

And we could find ways to collaborate more.

From Armando Borda:

María Alejandra Gonzalez Perez sends greetings to all of you.

From Sara A. Wong:

With the quarterly meetings that Shirley proposes

From Christina:

Yes, I agree with Shirley's proposal and Sara's comment.

From Sara A. Wong:

Poverty rates in Latin America will increase as a result of the pandemic. Whether the CCT would be the way to face this poverty increase remains to be seen. ECLAC (United Nations Economic Commission for Latin America and the Caribbean) proposes a universal wage. The fiscal situation in Latin America and the Caribbean cannot afford in general the cost of CCTs, I do not know how a universal wage could be covered either.