

MUTUAL BENEFIT

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DEPARTMENT OF STATE NEWS LETTER
NOVEMBER 1965

An Ambassador Meets With Businessmen

Under a highly successful program established by the Business Council for International Understanding (BCIU) in cooperation with the State Department, James D. Bell, Ambassador to Malaysia, conferred last month in New York City with several top U.S. businessmen and bankers with commercial interests overseas, especially in Southeast Asia.

Scores of Ambassadors and other

senior officers of the Foreign Service, USIA and AID have participated in the flourishing BCIU activity in the last few years. (See News Letter, June, 1963.)

Their schedules were so arranged when they were in this country on home leave or for consultations that BCIU could set up a series of conferences for them with leading industrialists and financiers.

Thus officials of participating companies have had the opportunity to discuss their objectives and problems in the country to which an officer was assigned, to learn from him something of the embassy's objectives and problems in that country, and to establish or strengthen a relationship of cooperative concern and effort.

Ambassador Bell also took part in the program last year, when he conferred with officials of four major U.S. companies. Last month, he met separately in New York with officials of Chase Manhattan Bank, Standard Oil Co. (N.J.), American Export-Isbrandtsen Lines, Inc., Morgan Guaranty Trust Co. of N.Y., General Motors Overseas Corp., First National City Bank, International Telephone & Telegraph Corp., and Pan American Airways. Ambassador Bell met additionally with officials of Care, Inc.

The benefits derived from the BCIU consultation program by Government and business are apparent in the wide participation of both in the last two years.

This activity trebled in 1963, and again doubled in 1964, when more than 50 ambassadors and 100 senior embassy counselors took part in it. They had an aggregate of about 1,500 consultation appointments with officers of nearly 300 individual companies. And this year's program is shaping up as the biggest yet.



FIRST APPOINTMENT--John Habberton, Executive Director of the Business Council for International Understanding (BCIU)

Business Sabbatical

A new program, "Business Sabbaticals for U.S. Diplomats," has been established by the Business Council for International Understanding (BCIU) in cooperation with the Department.

Under this pilot program, senior Foreign Service officers will be detailed periodically to BCIU on detached duty for six to eight months. They will spend about a month apiece with a series of large companies.

Already taking part in the program is Robert G. Cleveland, whose most recent overseas assignment was as Economic Counselor and Director



WORKING LUNCHEON--Ambassador Bell, left center, lunches with executives of the Standard Oil Co. (N.J.). From center foreground, clockwise around the table: back to camera, R.D. McDaniel, Esso Standard Eastern, Inc.; J.S. McClendon, Esso Exploration, Inc.; W.F. Spath, Vice President (Marketing) and member of the Board of Directors of Esso Standard Eastern, Inc.; Ambassador Bell; J.V.

Pickering, President and member of the Board of Esso Standard Eastern, Inc.; L.W. Finlay, Manager, Government Relations Department of Standard Oil (N.J.); T.H. Tonnessen, Regional Coordinator, Southeast Asia, Esso Standard Eastern; and M.E.J. O'Loughlin, Manager, Manufacturing Coordination Department of Esso Standard Eastern, Inc. The luncheon was held on October 4.



PERSON-TO-PERSON--Ambassador Bell confers with Christian Herter, Jr., Government Relations Manager, Socony Mobil Oil Company.



PRIVATE TALK--Ambassador Bell chats with Frank J. Weiss, Managing Director, Foreign Distributors Division, General Motors.



THEIR SUBJECT: SHIPPING--Ambassador Bell and Admiral John M. Will, Board Chairman, American Export-Isbrandtsen Lines, Inc.



WITH AIRLINE EXECUTIVE--Ambassador Bell and John Leslie, Vice President of Pan-American World Airways, enjoy a long talk.

BCIU not only brings Washington to business, but business to Washington as well. In courses given five times a year at the American University, key executives of U.S. companies learn the art of working with people of other lands . . .



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Published by
Standard Oil Co. (N. J.)

SCHOOL FOR BUSINESS AMBASSADORS

BY JACK LONG

An American businessman in Southeast Asia was showing a local visitor through his office. The visitor pointed to the air conditioner and said, "I'm sorry to see this example of selfishness. You suck in the cool air from outside for your comfort and leave the rest of us only the hot air to breathe."

Another American executive, arriving in a different part of the world and not trusting his command of the language, used an interpreter to make an introductory talk to his staff. He was coldly received and learned his mistake later: to speak English was considered the hallmark of an educated man, and by imputing lack of comprehension to his listeners he had insulted them.

Questions, problems, and misunderstandings such as these are faced daily by representatives of some 3,300 American companies doing business overseas. They find that their words and actions often don't mean what they do at home. They discover that different rules for business and social conduct must be learned, and that they must recognize and overcome many hidden barriers in order to communicate with the people around them. The difficulties they face often seem trivial, but the cost in time, effort, and money can be high.

As international business has grown, so has management's awareness of the importance not only of picking the right man for the job but of giving him the necessary training for his assignment. Some companies with large international interests have had their own programs of orientation, but most have depended on ex-

perience as the teacher. Both approaches are expensive. The cost of replacing a man who fails in his new assignment is high. The business loss involved in such a failure is impossible to estimate. A wife's contribution to her husband's success abroad can also be crucial.

To help solve this complex problem, a group of United States corporations engaged in world trade (including Jersey Standard) set up a new kind of training course in 1958 open to all executives involved in international operations. The organization, supported by more than fifty companies, is the nonprofit Business Council for International Understanding, and its educational program is conducted at American University's School of International Service in Washington, D.C. The four-week course, offered five times a year, is private industry's school for foreign service, somewhat comparable to the State Department's Foreign Service Institute for government personnel. So far, 671 executives and wives from eighty-five companies have graduated and are stationed in sixty-six countries around the world. The men range from technical specialists to managing directors of overseas operations. Some are home-office managers with international responsibilities; others are foreign nationals employed by United States corporations. Altogether, they represent a cross-section of American industry—oil, steel and rubber, food and soft drinks, clothing, aluminum and copper, pharmaceuticals and chemicals, banking, and many others. Most of the wives attend a related one-week seminar in international living, and an increasing

number of them take the entire course. There is evidence to show that BCIU graduates are doing a better job than those who jet away unprepared to distant posts. Companies are even bringing back old hands who have spent fifteen or twenty years abroad in order to update their knowledge of world affairs and equip them with the newest techniques in cross-cultural communications. In Washington they study the history and customs of different civilizations; they analyze current social, political, and economic trends around the globe. Both husbands and wives devote more than a week to specific problems of the areas to which they are assigned. Specialists trained in those areas test them with probing questions about the United States that they are likely to be asked overseas, so that they will be prepared to deal with both friendly and hostile critics abroad.

Language study is an important part of the program, and participants are offered two or more weeks of intensive work in any required tongue before a regular session begins. Conversational skill is the objective, and instructors native to each language are employed. It is recognized that every language reflects the culture from which it springs, and that an understanding of another man's language is an important step in understanding his way of thinking.

There are seldom more than two or three students in each language class, which meets four hours a day, five days a week, for as long as the participant chooses. Additional hours are spent in the university's language laboratory with its electronic teaching aids. Tape recorders are used for after-hours drill. How much can be learned in a few weeks depends on individual aptitude, but even students starting from scratch find that they can lay a solid foundation for further practice and training abroad. Several graduates have reported that within six months to a year overseas they are able to conduct all business in the local language.

The birth of the BCIU goes back to a White House conference in 1955, when President Eisenhower called in a group of business leaders to discuss what might be done to increase understanding of free enterprise around the world. Among other things, it was agreed that advance

preparation for executives going abroad could help them do a better job for both their companies and their country. It became evident, however, that facilities for such training hardly existed, particularly in a form suited to mature men with a limited time to cover a broad range of subjects. The BCIU chose Dr. Harold M. Randall, an Iowa-born educator and former career diplomat, to direct its Training Course for International Executives. His deputy is John S. Walter, a former Jersey Standard executive. Washington was picked as the location in order to draw on the faculties of the six universities in the area plus the Foreign Service Institute, other government agencies, and the staffs of foreign embassies. Several days are devoted to studying the organization and working methods of various departments and agencies of the federal government, especially those involved in foreign affairs. Participants visit the White House and Capitol Hill and are briefed by members of Congressional committees and officers of the State Department, AID, and the USIA.

Once installed in their Washington hotel rooms, the BCIU students, whose ages range from the thirties to the sixties, are in for a busy time. They have already received an armload of books for advance reading. They will hear some fifty different lecturers—anthropologists, sociologists, historians, linguists, information and public opinion specialists, and professors of art, literature, and music.

A basic aim of the course is to prepare the international executive and his wife for "culture shock." This term sums up the package of miseries—disturbing as weightlessness in outer space—that afflicts an individual transplanted to a new environment. People who have lived abroad say that it occurs when their own behavior and manners—which they have always assumed to be more or less universal—turn out to be only local customs, and they find that others take an entirely different view of what is "normal behavior." The result can be a breakdown in personal relations in the new culture, and frustration and failure in both business and social life.

Course lecturers cite many examples of cultural differences that affect the conduct of business abroad. They point out

that in many parts of the world Americans must adjust to a new tempo in business negotiations. They must adopt a more formal approach than they are used to at home. In the Orient, for example, lengthy conversations over tea usually precede important business transactions. Any subject may be discussed so long as it has nothing to do with the business at hand. The foreigner who loses patience runs the risk of failure.

A woman lecturer, with long experience abroad, made a similar point while talking recently to a group of wives. She explained that, when shopping in Asian countries for a piece of furniture or a painting, the direct approach is usually inadvisable. A shopkeeper will probably not discuss price until perhaps the second or third visit to his shop. He must grow to like the prospective purchaser before he will sell her any item of real value.

Another problem for an overseas American is the different concept of time that exists in many other cultures. In some regions promptness is the rule in keeping appointments, but in other areas to arrive on the dot is looked upon as rude and inconsiderate.

Students learn that in a number of countries a great deal of deference is paid to age and rank in business organizations. American junior executives, who are used to expressing their opinions frankly to the boss, often find themselves in hot water through lack of tact in dealing with older men abroad.

Even the distance at which people stand from one another while engaged in conversation can be a problem. A Foreign Service linguist explains that an American or an Englishman is accustomed to a face-to-face talking distance of about arm's length, or approximately thirty inches. Latins, on the other hand, like to discuss things at a range of about eighteen inches. When living in the other man's country, therefore, it is necessary to adjust to his "invisible boundary."

The BCIU seminar for wives is directed by Dr. Esther Cole Franklin, associate professor of international relations at American University. Her course includes specific, practical information on housing, clothing needs, health facilities, schools, and other subjects that will make it easier for a woman to run a

home in a new country. The wives learn the status of women in the area where they will live. They are told that in one country a servant customarily receives a month's pay as a Christmas bonus. In another the labor laws make it difficult to discharge a servant. Opportunities for community service are outlined, and many alumnae of the course are abroad today teaching English, cooking, sewing, and nursing, or engaging in other types of voluntary welfare work.

Social pitfalls are explained. In certain Oriental countries it is risky to admire any object too enthusiastically in a home that one visits, because the host will feel compelled to give it to his guest. In some countries a wife is expected to know nothing of politics or business, while in others she will be asked penetrating questions about the American system.

The overseas wife is warned that as an American woman abroad she will be watched and criticized, and her mistakes will seldom be overlooked or forgotten. "There have been many charming and discreet American women in Rangoon," Dr. Franklin says, "but the one they have never forgotten there is a young creature who, some years ago, wore Bermuda shorts on a visit to the bank. *She* is the one they still talk about."

The course teaches that, for better or worse, Americans abroad are a highly visible minority wherever they go. The international executive in his foreign post is looked upon by most local people as an American first and a businessman second. He is judged and measured, not by the standards he has been accustomed to, but by standards that are meaningful to people with different yardsticks of conduct. This is inevitable in a world that is 95 per cent non-American, 70 per cent non-white, and 65 per cent non-Christian.

As Fred C. Foy, chairman of BCIU and head of the Koppers Company, has said, there are nearly a billion people in the uncommitted and developing nations who are potential friends and customers for American enterprise. Our businessmen abroad are working hard to win them.

How are they doing? Better all the time, it seems. A recent check of BCIU graduates indicates that fewer than one per cent have failed and been brought back from their overseas assignments. ■

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At the American University, Washington, D. C.

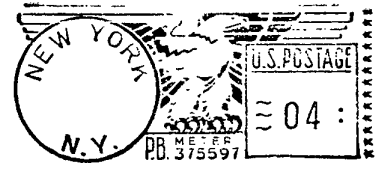
SESSION 34	Jan. 17—Feb. 11, 1966
SESSION 35	Mar. 7—Apr. 1, 1966
SESSION 36	May 9—June 3, 1966
SESSION 37	Sep. 19—Oct. 14, 1966
SESSION 38	Nov. 14—Dec. 10, 1966

INQUIRIES ON THESE AND OTHER BCIU PROGRAMS

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Declassified and Approved For Release @ 50-Yr 2014/01/06 : CIA-RDP73-00475R000102120002-0

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