

UCLA Department of Economics - Summer 2011 Alumni Newsletter

What's inside this issue:

Message from the Chair

Professor Roger Farmer highlights developments in the Department.

Career Launch

The Department of Economics began Career Launch this past year. Career Launch is a comprehensive career development program for students in the Department of Economics. We were pleased to have strong alumni participation and look forward to increased collaboration in the years to come.

Distinguished Alumni Speaker Series

The Department began its new Distinguished Alumni Speaker Series this past Fall Quarter, providing an opportunity for Department alumni to return to campus and to meet with our undergraduate students.

UCLA Alumni Day

The fourth UCLA Alumni Day took place on May 21, 2011. The Department of Economics was present at the morning's Info Fair and interacted with a number of alumni.

Faculty News

Our faculty continue to make important contributions to the field of economics. They have given presentations at conferences, published in leading economics journals, authored books, and received prestigious awards.

Professor Emeritus George Murphy: From D-Day to UCLA

"He landed on Gold Beach in France on D-Day, June 6, 1944, three days before his twentieth birthday and four hours after the first wave as a member of the self-named 2nd Glosters, who were trained to walk down the ramps of a Landing Ship Infantry (LSI) carrying collapsible bicycles. Their objective was to exit off of the beaches, already secured by the first wave of troops, and to dash on their bicycles to Villers Bocage...."

2011 Graduate Student Placement

Our AY 2010-2011 doctoral degree recipients and candidates have done very well in this difficult job market. Find out where they will begin their careers.

Alumni Profile: Terry Kramer

Get the insider's view on how to be a successful global business leader from Terry Kramer, UCLA Department of Economics alumnus and former Regional President of Vodafone Americas.

Giving to the Department

Gifts from alumni and friends of the Economics Department provide critical and enduring support for student education, program enhancement, and faculty research. Every gift is important and helps the Department to continue to provide one of the top educational and research programs in the world and to undertake new learning initiatives.

Message from the Chair



Dear Alumni and Friends,

Another year has passed and I'm pleased to say that it has brought some notable successes. We will be welcoming three new faculty members to our department: [Maximilian Kasy](#) from Berkeley and [Zhipeng Liao](#) from Yale will be joining our econometrics group, and [Pablo Fajgelbaum](#) from Princeton will be complementing our macro and international faculty. In addition to these successes in recruiting, we were able to retain [Adriana Lleras-Muney](#) in the face of a very attractive offer from Northwestern University, and [Pierre Olivier-Weill](#), who was promoted to Associate Professor and was being heavily recruited by the University of Wisconsin. Recruiting and retention is a key part of the job of the Chair and my task was made much easier by the strong support of our Dean, Alessandro Duranti, and by gifts from our alumni, without which we would not have been able to attract and retain these remarkable people.

I would like to acknowledge some departures from our faculty. Our colleague, [Pascaline Dupas](#), has accepted an offer to join the faculty at Stanford and we wish her every success in her future career. It is with sadness that I must also report the passing of two of our emeriti. [Earl Thompson](#) passed away on July 29th and [Robert Clower](#) passed away on May 2nd. Both of them will be sorely missed by friends and family and by all of us in the UCLA community.

On the Department's fundraising and alumni outreach efforts, I am warmed by the remarkable pool of talented people who are passionate in their willingness to give their time and money to support research and teaching at UCLA. Notably, let me thank Pat and Annette Welton, who made a very generous gift to the Department over the next four years. The Welton gift will be used, in part, to support our career counseling program and also to fund four new Graduate Student Prizes, to be awarded each year for the best students in each of four key areas in the Department.

Finally, in response to feedback from our alumni, we are undertaking major changes to our undergraduate curriculum. Our new curriculum will require students to take additional writing and speech courses, and lab sections that will allow students to apply their economics education to real world cases and better prepare them for their chosen careers. We believe the new curriculum strikes an excellent balance in providing students with a solid foundation in economics principles while equipping them with the critical thinking and communication skills that will make them more attractive to potential employers.

I am proud of all of our successes this year as a department in the face of some of the most difficult challenges that we have ever faced in the Department's history. This year we have

turned a corner and we are growing again in strength. As we move forward, I am encouraged to know that we will be able to count on the support of our alumni and friends around the world.

A handwritten signature in black ink that reads "Roger E. A. Farmer". The signature is written in a cursive style with a horizontal line above the "F".

Roger E. A. Farmer
Distinguished Professor and
Department Chair

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In an effort to help support our undergraduate students and to prepare them for their careers, the Department has created a new career development series called **Career Launch**. This comprehensive program consists of activities and events offered for our students throughout their years at UCLA. The program includes five components:

- **Career Advantage** is an on-going series of professional and career development seminars aimed at providing our students with information about the types of careers that exist and to help them acquire successful job search skills.
- **Industry Focused Discussions** allow invited guests from a particular industry to speak to students about their fields. During the 2010-11 academic year, we hosted four workshops: Private Equity 101, Careers in Government, Applying to Business School, and Applying to Law School.
- **The Career Coaching Program** is designed to engage second-year students in the career exploration process. Students will apply and be selected during the Fall Quarter of their second year and will be matched with industry professionals, who will coach them as they begin their search for a career. We are currently recruiting alumni volunteers to serve as career coaches. Alumni volunteers will be paired with a current student and will be asked to contact the student via phone, email, Skype, or in person at least once per month over a six-month period. Topics of discussion might include an informational interview, sharing career or industry advice, providing a resume critique, or sharing important industry resources with the student. This program will give you a unique opportunity to share your experiences in the field with a second-year student interested in your industry.
- **Sharpe Fellows Program:** The Sharpe Fellows program is now in its fourth year and has continued to evolve. This program is designed to support our top third-year students as they search and apply for summer internships. Students apply to the program during the fall quarter of their third year and the selection process is led by a committee of distinguished alumni. Once selected, Sharpe Fellows participate in various professional and career development activities designed to enrich their learning experiences and to

expand the opportunities available to them after graduation. They are our top students and we view this program as an important step on their path to success. This past year, our alumni board selected 22 Sharpe Fellows and these students are now spending their summer as interns throughout the country working at various investment banks, consulting firms, accounting firms and in other top industries.

- **Senior Career Mentors:** Sharpe Fellows who have excelled both at UCLA and in the internship recruiting process have an opportunity to give back by assisting other Bruins in preparing for their careers. Our 2010 Sharpe Fellows served as Senior Career Mentors this year and provided mock interviews and general advice to new Fellows who were interested in their fields. Senior Career Mentors also helped to organize job market workshops and served as greeters for our alumni guests at numerous campus events.

We would love to have you involved in our 2011-12 programming in any of these dimensions! To learn more and find out how you can participate in the Career Launch program, contact our career counselor, Katrina Davy, at kdavy@career.ucla.edu.

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Distinguished Alumni Speaker Series

The Department of Economics began its new Distinguished Alumni Speaker Series this past fall, providing an opportunity for Department alumni to return to campus and to meet with our undergraduate students. These events were co-hosted by our Undergraduate Business Council and attracted between 25 and 50 undergraduate students.

We opened up the series on October 18 with **Scott Dubchansky**, a 1981 graduate who co-founded Metropolitan West Asset Management and is the former CEO of Metropolitan Capital. Scott shared his thoughts on our current economy and provided students with advice on what it takes to be successful in today's job market.

Terry Kramer, former president of Vodafone North America and a 1982 UCLA Department of Economics graduate, came to campus on November 17 to talk with students about his career in the telecommunications industry. Terry shared his expertise and encouraged students to think forward in their career planning and to be open to new opportunities.



On March 31, we hosted **Kathryn Sanders**, a 1980 Business Economics graduate, who is a partner at O'Melveny & Myers and West Coast head of their Investment Funds practice. Kathryn talked with students about "women in business."

We also hosted alumnus **Barry Eggers** on April 14. Barry is a founder of Lightspeed Venture Partners in Menlo Park and shared his advice on careers in venture capitalism.



The 2010 and 2011 Sharpe Fellows had a special treat on April 29 when **Michael Halperin**, Senior Vice President of Contrarian Capital Management, visited from Connecticut. The Fellows had an opportunity to learn about the role that an Economics degree from UCLA has played in Michael's professional career.

Joe Fournier, an Executive Vice President at PIMCO, came to campus on May 12 to talk to students about careers in investment management. He was joined by **Kaleigh Solow**, a recent UCLA Department of Economics graduate and a current PIMCO employee. Joe also spent time talking about when to attend business school and helped students to recognize the value of a CFA for the investment management industry.

We have an exciting line-up planned for the upcoming academic year and look forward to continuing to provide an opportunity to connect successful alumni with our undergraduate students.

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UCLA Alumni Day



The fourth UCLA Alumni Day took place on May 21, 2011. More than 1,100 UCLA alumni and their guests came for a day on campus, where they attended power panels and enjoyed the planetarium, bus tours and a dinner with Chancellor Gene Block, amongst other activities.

The Department of Economics was present at the morning's Info Fair. It was wonderful to reconnect with the many Economics alumni and their families who stopped by. Thank you to all who came. We look forward to seeing you again on campus and staying in touch via our website.

Mark your calendar for the next UCLA Alumni Day, which will be held on May 5, 2012. E-mail your news and comments to alumni@econ.ucla.edu

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Department of Economics Faculty Accomplishments

Highlighted below is a list of activities and accomplishments of just some of our talented faculty members. Please check our website (www.econ.ucla.edu) for additional information on the activities and accomplishments of these professors and many other of our faculty.

Roger E. A. Farmer, Distinguished Professor of Economics, Department Chair



Recent Speeches and Lectures

Keynote Speaker: Society for Economic Dynamics and Control, Annual Conference, Federal Reserve Bank of San Francisco, June 2011

Invited Speaker: Microfoundations for Modern Macroeconomics, Conference on the Occasion of the 40th Anniversary of the Edmund Phelps Volume Microeconomic Foundations of Employment and Inflation Theory, November 2010, Center on Capitalism and Society, Columbia University, New York City

Invited Lectures: Dynare Summer School: Paris, France, June 2010; Bank of France, July, 2010; "Quantitative Easing," UCLA Extension, Beyond the Headlines, Westwood October 2010

Recent Publications

“Debt Deficits and Finite Horizons, the Stochastic Case”, (joint with Carine Nourry and Alain Venditti), *Economics Letters*, 111, 2011, pp 47-49

“How to Reduce Unemployment: A New Policy Proposal”, *Journal of Monetary Economics: Carnegie Rochester Conference Series on Public Policy: Fiscal Policy in an Era of Unprecedented Budget Deficits*, 57(5) 2010

“Minimal State Variable Solutions to Markov-Switching Rational Expectations Models”, joint with Daniel F. Waggoner and Tao Zha. *Journal of Economic Dynamics and Control* 2010

Harold Demsetz, Professor Emeritus



An article by Armen Alchian and Harold Demsetz, published in 1972, has been chosen as one of the twenty most important articles published by the American Economic Review during the first century of its history.

Of the twenty articles, Harold’s paper "Production, Information Costs, and Economic Organization," has been cited most often, and it has just been referred to and described by the *Economist*, which is circulated throughout the world.

Recent Publications

“The Problem of Social Cost: What Problem?” *Berkeley Review of Law and Economics*, February 2011

“R. H. Coase and the Neoclassical Model of Competition,” *Journal of Law and Economics* Forthcoming 2011

“Transaction Cost, Externalities, and the Organization of Control.” *Arizona Law Review*. Forthcoming 2011

Eight seminars based on these articles were given before sending them off to journals.

Arnold Harberger, Distinguished Professor



Recent Speeches and Lectures

Keynote Speaker: Triennial meeting of USAID economists and consultants in Washington D.C., June 2010

Spoke at a conference on cost-benefit analysis sponsored by the Chilean Ministry Economic Policy and Planning, December 2010; met with four former

students who are current cabinet members in the government of Chile: the Minister of the Presidency, the Minister of Economy, the Minister of Education, and the Director of CORFO, the country's development corporation.

Competed a two-week mission to Ethiopia under USAID auspices, September 2010.

Michael Intriligator, Professor Emeritus



Recent Publications

“An Alternative to Long-Term Unemployment Compensation,” by Eric W. Fomkalsrud and Michael D. Intriligator, posted on the Huffington Post, July 2, 2010

“A Current “Swords into Ploughshares Proposal: Pakistan and Afghanistan,” by Michael D. Intriligator, posted on the Huffington Post, August 26, 2010

“A New Approach to Afghanistan,” by Michael D. Intriligator, posted on the Huffington Post, September 21, 2010

“Time to Quit Afghanistan” by Nake Kamrany and Michael D. Intriligator, posted on the Huffington Post on November 23, 2010

“The Essence of Our Current Economic Problems and the Solution,” by Nake Kamrany and Michael D. Intriligator, posted on the Huffington Post on February 23, 2011

Moritz Meyer-ter-Vehn, Assistant Professor



Recent Speeches and Lectures

“Reputation for Quality” Econometric Society World Congress, Shanghai, August 2010

Recent Publications

“The Robustness of Robust Implementation,” Journal of Economic Theory, Available on-line March 3, 2011; hard copy forthcoming

William Zame, Distinguished Professor



Recent Speeches and Lectures

LAEF Conference on Credit, Default and Bankruptcy (Santa Barbara, CA):
“Collateral and Securitization” June 2010

University of Zurich (Zurich, Switzerland): “Collateral and Securitization” Sept
2010

EPFL (Lausanne, Switzerland): “Lecture Series on Game Theory and Finance”
Sept 2010

Recent Publications

Peter Bossaerts, Paulo Ghirardato, Serena Guarnaeschilli & William R. Zame, “Ambiguity in
Asset Markets: Theory and Experiment,” Review of Financial Studies 2010, vol. 23(4), pages
1325-1359

Yuanzhang Xiao, William R. Zame and Mihaela van der Schaar, “Technology Choices and Pricing
Policies in Wireless Networks,” IEEE ICC Workshop on Game Theory and Resource Allocation for
4G (2011).

Recent Grant

Ziman Center for Real Estate, “Markets and Location”

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Faculty Bio

Professor Emeritus George Murphy: From Storming the Beach on D-Day to Fifty Years of Teaching at UCLA

Professor George Murphy has been a faculty member in the UCLA Department of Economics for fifty years but his life story is much more varied than just within these hallowed halls. Born in Bristol, England in 1924 of an English mother and an Irish father, George Gregory Stanislaus Patrick Murphy grew up in a city which was blitzed sixty times by German bombers during World War II.

Murphy became a fire watcher at the age of 16, a member of the British Home Guard at 17, and the British Army at 18. He was posted to the local battalion, the 2nd Gloucestershire Regiment, where he trained as a rifleman, Bren Machine Gunner, Piat Mortarman, and eventually as a signaler.

He landed on Gold Beach in France on D-Day, June 6, 1944, three days before his twentieth birthday and four hours after the first wave as a member of the self-named 2nd Glosters, who were trained to walk down the ramps of a Landing Ship Infantry (LSI) carrying collapsible bicycles. Their objective was to exit off of the beaches, already secured by the first wave of troops, and to dash on their bicycles to Villers Bocage.

Because the beach had not been secured by the first waves of troops and his LSI (a ship with a small draft that had ramps on the side in which soldiers would descend into shallow water and from which they would wade ashore) did not get as close to shore as necessary (since many of the earlier ships had become grounded and then destroyed by shell fire), the men in Murphy's troop fell into fairly deep water. Murphy's signaler's radio set, which was strapped to his chest, began to shock him, so he tore it off; however, as he did, he lost hold of his bicycle and it was swept away. So, it was a very bedraggled battalion that eventually had to dig in small foxholes close to the beach that night. Needless to say, they did not get to Villers Bocage that day. He says that experience was not atypical.

Meanwhile, German Field Erwin Rommel had arrived at the front. The 2nd Glosters were on the right of British forces, next to American troops to their south, on the Arromanche beaches. Rommel organized an attack, spearheaded by Tiger tanks, driving towards the Normandy Coast and designed to split the British and American forces. All this led to a fierce battle at Tilly-sur-Seuilles. It was weeks before Murphy's troop eventually got out of Normandy. There were heavy casualties amongst stretcher bearers, so Murphy volunteered to become a medic and he performed in that role for ten months until a German machine gun bullet pierced his right leg.

When Murphy returned to his battalion after his hospitalization, the war was over. So, he went to the Army College to learn German. The Army also trained him to ride horses, to patrol part of occupied Germany on mounted patrols, and to ride a motor bike to deliver dispatches. He then became a sergeant and was given the task of arranging supplies of food and alcohol for the corporals, sergeants, and officers messes of the 2nd Glosters. His battalion was finally ordered to Berlin, where it stood watch over the German high-level prisoners in Spandau Jail: Goering, Admiral Raeder, Himmler, Hess, etc. They were housed in the barracks in Spandau built for the Olympics by Hitler in the 1930's.

Murphy was demobilized in 1947 and decided to study at Bristol University under the post-war British government's Further Education and Training Scheme, which paid the way of qualified ex-military to enroll into educational programs. Although Murphy had performed well enough academically to attend either Oxford or Cambridge, he decided to stay at home to look after his mother, who had supported and taken care of his family after his father had been wounded three times in World War I.

When Murphy was applying to attend Bristol University, he told the dean that although he loved singing and English poetry, he was also intensely political and wanted to prepare himself to run for office with the British Labor Party. The dean advised him to study economics, which he did, graduating within three years in 1950. He planned to go into finance after graduation and was interviewing for positions in London when a friend of his from the University suggested that he take one of the twelve teaching assistant positions that the friend had been offered in the States. After World War II, the GI Bill led to a huge expansion of enrollments in American universities, creating a high demand for professors, instructors, and teaching assistants.

Murphy asked his friend what university was the farthest from Bristol and his friend indicated University of Oregon. So, Murphy wrote to the dean of the business school at the University of Oregon and asked if he could come instead of his friend. The dean responded that he was welcome. Murphy studied in Eugene for one year and then went up to the University of Washington, where his friend had relocated.

Although Murphy was admitted into the Washington Economics Department as a graduate student, he was still planning to pursue a position in the financial sector in London and to get involved in politics; however, he became an avid sailor while in Seattle and decided to remain there to pursue this passion. Murphy remained in Seattle until 1959, first as a research associate for the Army and then as an assistant professor at the University of Washington. After moving on to Stanford University as an assistant professor from 1959 to 1961, he was hired as an assistant professor at UCLA in 1961.

From his early days in the economics profession as a graduate assistant to Nobel Prize winning, professor of economic history, Douglas C. North, at the University of Washington, Murphy has been interested in the development of economic institutions. Later, together with Professor Arnold Zellner, he worked up the idea of sequential economic growth, which gave rise to papers and addresses to learned societies on "sequential growth." But, due to the influence of Sovietologist Professor F.D. Holzman, he also became highly interested in the Soviet bloc, including questioning what sort of processes dominated this empire. He became convinced that the non-homeland parts of the Soviet empire were treated in a special way, which could be summed up as "being treated as a satellite." So, he wrote an article on satellitship."

Murphy became interested in Outer Mongolia because it was the country that had been the longest in a satellite relationship with the USSR. He wrote his dissertation on it and was one of the first five Americans to visit the Mongolskaia Narodnaia Respublika when Soviet policy under Mikhail Gorbachev opened up the Soviet empire to visitors. The University of California Press published his dissertation on Soviet Mongolia in 1966.

Growing out of those interests, Murphy has lectured both on American economic history and Soviet planning at UCLA. He went back to Washington, D.C. in the late 1970's to run a group of twenty scholars reporting to the head of intelligence, Alfred Marshall, in the Pentagon. Their task was to look at all intelligence estimates and information and advise the Secretary of Defense on the size and capabilities of the Soviet Russian Armed Forces.

However, with the collapse of the Soviet Empire and the increasing irrelevance of theories of planning, he started to concentrate on the development of economic thought. This was another longtime interest of his since the time that he had taken lectures at the University of Bristol as an undergraduate and also as a graduate student. So, this is what he started lecturing on at UCLA when he stopped talking about the USSR.

Murphy is married to Joanne, who designed the UCLA logo which appears on the left top corner of the UCLA inter-departmental memoranda stationery and also the labels that are on the trees around campus. They have two grown children and two from Murphy's first marriage. His interests outside academia include singing in community opera companies. He has sung in over 45 operas in the past twenty years, including as a member of the chorus before 8,000 people at the Hollywood Bowl.

Murphy says that he really loves the life of a professor. He has taught price theory and on comparative economic institutions and economic history. He was elected to the UCLA Legislative Assembly, was on the Faculty Executive Committee, and the Graduate and Undergraduate Councils, as well as being on many special purpose committees. Murphy was Vice Chair for the Undergraduate Program in Economics for ten years, ran the Business and Economics Specialization for several years, and was Acting Chair of Economics.

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2011 Graduate Student Placement

Our new Ph.D.'s had an extremely successful job market this year and have secured positions in academia, finance, research, and consulting. Below is a list of the most recent placements.

Academia

Masanori Kashiwagi, Assistant Professor, National University in Taiwan

Ariel Levy, Assistant Professor, Technion-Israel Institute of Technology

Jose Lopez, Assistant Professor, HEC Paris

Josef Schroth, Max Weber Fellow, European University Institute

Allison Shertzer, Assistant Professor, University of Pittsburgh

Vaidyanthan "Venky" Venkateswaran, Assistant Professor, Pennsylvania State University

Andrew Zaeske, Postdoctoral Researcher, Umea University

Finance and Research

Roberto Fattal, Research Economist, International Monetary Fund, Economist Program

Corey Garriott, Senior Analyst, Bank of Canada

Giang Ho, Research Economist, International Monetary Fund, Economist Program

Gitanjali Kumar, Senior Analyst, Bank of Canada

Jin Young Lee, Research Fellow, Korea Institute of Finance

Alvaro Mezza, Economist, Federal Reserve Board, Department of Research and Statistics,
Household and Real Estate Finance Section

Virginia Olivella, Economist, Bank of France

Javier Perez Estrada, Research Economist, Bank of Mexico

Jessica Roldan Pena, Research Economist, Bank of Mexico

Claudia Ruiz Ortega, Young Professional, World Bank, Young Professionals Program

Ryan Vaughn, Quantitative Operations Associate, Visiting Scholar; Home Loans and Insurance
(Bank of America); Ziman Center (UCLA Anderson School)

Hernan Winkler, Research Economist, World Bank

Yong Hyeon Yang, Korea Development Institute

Consulting

Shogo Hamasaki, Associate, Analysis Group

Tracy Orcholski, Consultant, National Economic Research Associates (NERA)

Sophie Park, Senior Financial Economist, Securities Litigation and Consulting Group (SLCG)

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**An interview with UCLA Department of
Economics Alumnus
TERRY D. KRAMER**



Terry Kramer earned a B.A. in Economics from UCLA in 1982 and his MBA from Harvard Business School in 1986. He just accepted a role as *Entrepreneur In Residence* at Harvard Business School, where he shares his telecom industry advice and experience with faculty and HBS students in a variety of entrepreneurial focused research and business projects. Terry also serves on the advisory board of Harvard's California Research Center and on the Board of Visitors of the UCLA Department of Economics. Among his many other commitments, he is also a guest speaker at UCLA Anderson School, the UCLA Department of Economics, and UC Berkeley's Haas School of Business. For the summer 2011 issue of the UCLA Department of Economics Alumni Newsletter, we recently talked to Terry about a range of subjects, including his views on UCLA, the future of mobile communications, and what it takes to be a successful global business leader.

Terry, how valuable was your UCLA experience to your future success as a business leader?

My experience at UCLA was outstanding. I consider it the most impactful and formative experience of my life. UCLA offered, and still offers, to its students so much, an unrivaled diversity in academic programs and cultural events. Being on campus was electrifying, energizing and stimulating. I went back to UCLA for Alumni Day 2011 and I noticed how much campus has changed since I was a student. It has grown beautifully and is much more of a community now. With its significant expansion in on-campus housing, UCLA is not the commuter school it used to be.

Were there other, more personal, lessons that UCLA taught you?

One of the most important lessons I learned at UCLA was that I could successfully manage my own life. UCLA gave me a deeper knowledge of myself and of what I wanted to do with my life. I started as a pre-med student but at UCLA I soon discovered that leadership and collaborative activities were the areas in which I truly had the most interest and at which I excelled. Then I got involved in student government and business, supported by my Economics major.

How did UCLA help you shape your personal and professional path?

My experience at UCLA helped me to grow both personally and professionally, and to develop a better sense of my more varied qualities, skills and aspirations. That strengthened my personal and professional drive and my self-reliance.

I also learned the value of diversity, team leadership and collaboration, as well as how to balance and prioritize multiple, competing priorities. These skills have been very important for my career as an executive in global mobile communications.

How did your experience living abroad contribute to your success as a global business leader?

I have worked for Vodafone/AirTouch/PacTel for a total of 18 years, with six of those years living abroad. I spent five years in London and one in The Hague in the Netherlands. Now most businesses have a global focus and international leadership teams to support their ambitions. While living abroad, I became aware of how the U.S. is perceived and of the importance of building business relationships while being cognizant of the local context. Relevant business markets, like those in the U.K. and Asia, have a more subtle, nuanced and indirect approach in business communication than here in the U.S. It is vital to consider and be aware of these aspects to ensure your own effectiveness in an international setting.

I learned how diverse business practices are abroad and how to integrate them with my own American experiences. Once you develop that skill, you are more aware of how a global business truly works and how to move most effectively and successfully in it.

What role did travel to other countries play in shaping your business perspective?

Traveling has indeed been essential to my success as a global business leader. It has helped me to develop the capacity to see issues from both sides: to know that each national context matters greatly and that any overarching strategy needs to be customized for the specifics of a local market. For example, developing markets today are becoming more sophisticated, creating their own "best practices" instead of importing them from elsewhere. And in many cases, these best practices are being exported to developed markets depending on their context. As a business global leader, you need to understand the specificities of the different markets, and seek the fine balance between globalization and customization.

Another very important business skill I developed abroad is how to successfully lead an international team in the context of differing cultures. In the professional environment, the U.S. is more oriented around the individual, while the E.U. and Asia tend to be more team-oriented. It is extremely important for the success of any leader to acknowledge and use this factor appropriately in driving individuals and teams to achieve their best.

How did business practices across the various markets affect your industry?

Different geographic regions and markets can lead at different times. In the mobile communications industry, the U.S. initially led in the 1980s in terms of market rollouts. However, it was quickly eclipsed by the European and Asian markets with their great focus on innovation, service/network quality and attractive mobile handsets. It wasn't until recently, with the U.S.'s fourth generation (4G) network launches and unique application development, that the U.S. regained a leadership position in the wireless market.

What is your perspective on globalization vs. localization?

The world is so much more interconnected now, so we have to understand this to be most successful in our business activities. Markets are more global and less national. Information, technology, brands, etc., are all more global. When one is aware of the delicate balance between growing globalization and unique local practices, then one is able to make the right business decisions that tap global benefits without losing local practices. Once we realize these differences, we can strike a balance between global and local, viewing business and social practices in their context, so to be able to import ideas and modify them as needed for our own projects and goals. We can then also determine when a common approach is best for standardization, scale and "interoperability" between markets or customers.

What are the keys to succeeding in the individual markets, both domestic and abroad?

Context matters, and so does the understanding of how the differences work. For this reason our leadership style has to evolve and be tailored to the environment we are in. We need to be able to read the environment, learn to use it skillfully. We first have to be a "student" of the environment in which we want to be successful, before acting in it. This does not mean that we have to be someone we are not, but to be successful, personally and professionally, we must be keenly aware of the environment we are in. The ultimate goal in any business setting is to be effective, not to force our own ideas onto others. Often people mistake effective leadership with imposing their ideas at all costs.

One good example of the application of this business concept comes from my own industry: Vodafone has been successful in providing a set of services that are customized to each market's needs. These services are also calibrated on outdoing competitors' offers. Because of its keen knowledge of the separate contexts, Vodafone can now provide exactly what each market wants and, very importantly, do it better than its competitors. This is what success is.

Speaking specifically about your own industry, what do you see in its—and our—future?

The importance of mobile communications in our lives is rising dramatically. There are three key elements to the future of mobile—an explosion of data communication, a significant increase in the number of unique applications that enhance the quality of life and business, and the impact of mobile in providing emerging markets with first-time access to the internet.

The first element is the transition of the mobile industry from a voice-based to a data-based industry. Coupled with this is a data explosion, with customers being able to access their own data—from emails, corporate data, or personal media such as videos and music, to gathering mutually agreed location information of their Facebook friends—all of this anytime, anywhere! We will have more and more devices that work anywhere. The future of the telecom industry is that technology is changing, and it is important to accept and embrace this change.

A second important element is an explosion of new applications changing the way we lead our lives. Social media is fundamental: Facebook has even become a tool to support popular uprisings, demonstrating the incredible power of mobile internet in developing countries.

Another great example of unique applications is the world of mobile health: now NGOs can access and conduct remote diagnostics and treatment of patients in remote villages who traditionally have not had access to health care. In industrialized countries, mobile communication gives us the ability to provide remote diagnostics for an aging, less mobile population who may be afflicted with diabetes or hypertension and for others with mobility difficulties. For the health industry, which is dealing with a critical need to reduce costs, mobile can be very effective.

And the third element is the spread of mobile internet access itself. This will have a lasting consequence in the developing markets, where many experience access to the internet for the first time. It will rapidly have a positive influence on literacy and logic skills, because users need to have a basic level of internet understanding and reading ability. The internet is truly a low-cost learning tool installed on a mobile base. Another example of its many great uses is that now NGOs can access people remotely for technical support, like building wells and water purifiers. Much social good is being created by this global mobile upsurge. It is a drastic change from even five years ago. Mobile communication and transfer of data will offer an improved quality of life to many, including our seniors and those with disabilities, who will have access to medical and social resources anytime in their own homes.

You are a strong supporter of the UCLA Department of Economics, and we are very grateful for this. Why do you support UCLA and the Department of Economics as an alumnus?

My wife and I support a scholarship fund for undergraduates to study abroad. UCLA is a world-renowned university; this fund is an opportunity to make UCLA students more knowledgeable of cultural, social and business environments outside the U.S., and just as importantly, to ensure their effectiveness as our future global leaders, regardless of the field: business, education, public service, etc. By studying and living immersed in another culture, our students learn to think in a more global context that is essential not only in terms of careers but also for their own futures as global citizens.

I have also been a member of the Board of Visitors for the Economics Department, with a strong focus on advancing the Business Economics curriculum at UCLA. Working with faculty on the implications of an economics background in the current business environment has been a special focus. As an example, the internet world is heavily oriented around advertising-based business models, while telecommunications business models have been subscription-based. Understanding these differences and how to manage these colliding business models is a key requirement in business leadership. I have also enjoyed working with students to understand the types of requirements in future business careers and how their own skills can be enhanced to meet these requirements.

Thank you for sharing your time and insights with us, Terry. In closing, what thoughts would you like to leave with your fellow UCLA Economics alumni?

The mobile world today offers huge opportunities—economically, socially and politically. I feel fortunate to have received an invaluable foundation at UCLA: with the "growing up" I

experienced on campus, the economics discipline in my own thinking about business opportunities, and the leadership opportunities I had at UCLA that allowed me early on to develop my own leadership style which served me well in my own career.

Along with the growing interconnectedness of society, the ability to both export and import great ideas, while understanding local differences, provides a unique opportunity for UCLA Economics alumni and future graduates alike to make a difference on a global scale. UCLA is well positioned to capitalize on this opportunity with the relevant focus and experiences of its students, faculty and alumni.

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[Giving to the Department](#)

Gifts to UCLA make a lasting contribution to student education and faculty research, which, in turn, impact California and the rest of the world. Gifts of every size enable transformations in the Department, and the support from alumni and friends like you make a difference in the life of the UCLA Department of Economics. We encourage you to consider a gift to our Department, knowing that it will support crucial and cutting-edge educational and research activities.

Alumni and friends who are, or who wish to become, Chancellor's Associates may direct their annual gifts to the UCLA Department of Economics and retain all of the benefits that have traditionally been given to Chancellor's Associates. For information, visit <http://www.theuclafund.ucla.edu/gtg/recog/chancellorsassociates.aspx#ca>.

Alumni interested in making a gift to the UCLA Department of Economics by endowing a scholarship, supporting faculty research, making a planned gift or other gift, should contact Kira Baccari in the Development office at 310-825-8930 or email her at kbaccari@support.ucla.edu

Thank you very much for your support of the work and achievements of our students and faculty.

Please send news of your accomplishments and successes, so that we can feature them in future newsletters and on the Economics alumni webpage, as well as your suggestions for the newsletter and alumni programming, to Julie Plotkin at econalumni@econ.ucla.edu

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