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## THE BALTIC ECONOMIC MANAGEMENT TRAINING PROGRAM

*by Barry Lesser*

It is commonplace to hear the view expressed that universities doing work with countries outside of Canada should be paying more attention to the local community; that the time and effort devoted to international development initiatives represents a diversion of resources away from a concern with regional development at home. In other words, there is a perceived trade-off between international development work and local development involvement. This perception is an overly simplistic one that ignores the important spin-offs that international work can generate for the local community. In reality, international and regional development concerns are not substitutes but complements, as will be demonstrated here by an examination of one Dalhousie international project - the Baltic Economic Management Training Project (BEMTP).

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International projects have important implications for the university itself, in helping to internationalize the curriculum and the experience of faculty and students. In today's increasingly interdependent world, characterized by increasing globalization, this is an extremely important aspect of the educational experience of students.

But independent of what international work means for the university itself, it can also have important impacts on the local/provincial community of a very immediate nature. First, the problems of developing countries, or simply other countries, may be very similar to those of the local community. Thus, local experience may enhance international work and international experience may enhance our understanding of local problems and our search for solutions to those problems. It is a two-way street.

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Second, international projects provide an opportunity to develop local expertise about foreign countries which can be used to advise local business about new trade and investment opportunities. Trade development is an important focus of provincial development efforts across Canada at the present time. But especially in less developed regions such as Atlantic Canada, existing experience with particular countries and markets may be very limited. These problems can be significantly reduced through the international expertise developed through international project work by universities.

Third, depending on the nature of the project, insofar as international projects bring foreign nationals to Canada/Nova Scotia for some period of time, the interaction of these individuals with members of the local community may produce important and significant benefits for the local community.

This is not an exhaustive listing but it is sufficient for present purposes to underline the potential of international projects to have immediate and significant impacts on the local community. These can be illustrated in a more concrete fashion by reference to the experience of the BEMTP.

The BEMTP is a project currently being conducted by the Department of Economics at Dalhousie University, involving the three Baltic countries of Estonia, Latvia, and Lithuania. Funded by the Programme of Cooperation for Central and Eastern Europe, Canadian International Development Agency, the current phase of the project is a three year effort (March 1994-February 1997) aimed at increasing the understanding of middle/senior level public servants in the three countries of market economics, the operation of market economies and the formulation and conduct of economic policy in a mixed economy setting.

The BEMTP has a number of components, but the centrepiece of the project is an annual training program of two month's duration which takes place in Canada. This training component of the overall project involves twenty-one public servants, seven from

each of the three Baltic countries. Participants are selected through a relatively rigorous process, involving local screening by coordinators in each country and an interview process jointly conducted by the local coordinators and Dalhousie University. Successful candidates must have capability in English, be working in a management position in an area pertaining to economic policy and 50% of the participants, on average, must be women.

The program in Canada involves two major components of approximately equal length. The first month is spent in academic studies at the University and the second in a series of practical work attachments with Canadian federal and provincial (Nova Scotian) government counterparts.

Part of Dalhousie's ability to conduct this program stems from its local environment and the expertise of its faculty, based on their work at the local level. Nova Scotia is an economy with many similar characteristics to the Baltics - small land area, a maritime orientation, a small population base, a high level of trade dependence and an economic structure that has wrestled/is wrestling with the problems of restructuring. The last point should not be exaggerated since the restructuring occurring in the economic transition of the Baltics which is now underway is clearly of a much greater scale than anything experienced in Nova Scotia. But neither is the similarity one to be dismissed altogether.

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Following from the application of local experience to international, the international can in turn add to our understanding of the local environment in a variety of ways. This is as true of the academic component of the program as of the attachment component.

With respect to the attachments, most Canadian public servants who become involved start out believing they are doing a "favour" for Dalhousie and/or a needy foreign country. What they find after the experience is that typically they have learned

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as much as the individuals they have hosted. First, working with any such visitor (having to explain one's job and that of one's ministry/agency and having to answer questions about what is done and why) can cause people to take a fresh look at themselves and their environment. Second, the Canadian public servants involved, in the process of explaining what they do, also find out something about their visitors and their jobs and their countries. The Baltic participants are placed in Canadian government offices in order to gain some comparative experience. In the process, the Canadian public servants also gain comparative experience. The Baltic participants need this in part because they have been living for fifty years, the period of Soviet occupation, in a virtually closed system, a system moreover which has been largely discredited and is being changed in a wholesale manner. The Canadians do not have the same problem, at least not to the same degree. But, especially at the provincial level, there is nonetheless not a great deal of interaction between the average Canadian public servant and counterparts in other countries, nor much time to learn about or think about developments in public sector management which may be occurring in other jurisdictions. The interaction between Canadian and Baltic public servants, which the program promotes, benefits both sides by broadening perspectives and knowledge. Third, the relationships which can develop between the two groups of public servants can be of a longer term nature, leading to a continuing exchange of information and ideas long after the attachment has ended and long after the Baltic public servants have returned home. There can also be other impacts from such associations such as trade and investment opportunities and the like. At least one trade delegation from Estonia to Canada has been a direct consequence of contacts established by a BEMTP participant from the first phase of the program in 1992.

In the process of spending two months in Canada, the Baltic participants also come in contact with a great many other Canadians, including private business people. This may also open up opportunities for exploring trade and investment

opportunities. There is a great deal of interest in Eastern and Central Europe by businesses seeking to expand their export operations in a major new developing market. But there is also a lack of knowledge about doing business in this part of the world and a relative lack of Canadian experience to draw on in this regard. Having the opportunity to meet people from these countries who can provide information and act as contacts after they return home can be of significant benefit. The presence of the project at Dalhousie also allows this role to be played to a degree by the Dalhousie organizers of the program, who become a local resource available to the business community and government trade promotion agencies interested in exploring new trade opportunities in the Baltic region.

### **Conclusion**

The above discussion is not intended to suggest that international project work by universities should be seen as a central part of regional development efforts in Atlantic Canada. What it does suggest is that international development and regional development work are not, or at least need not be, seen as two solitudes. They are in fact mutually re-inforcing in a number of important respects in addition to the purely academic spillovers which international work can produce. When universities do international work, this should not be seen as a failure to do local work or to become involved in the local community. The benefits for university faculty, students, Canadian governments, and Canadian business can be considerable, especially when the project actively promotes interaction with all of these groups. While such interaction may not always happen, the BEMTP is a good illustration that it can and does happen some of the time.

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