

Darla Moore School of Business
University of South Carolina

Full-Time **MBA Programs**

International MBA • Accelerated MBA



Project Profile:
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IMBA Class of 2010

Company: U.S. Commercial Services

Location: Rio de Janeiro



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Journal Entry #4



August 2009

There was an article in the Wall Street Journal criticizing the US Government for "underwriting" offshore oil exploration off of the coast of Brazil. The loan from the Export-Import Bank was something I worked on in my internship. Although I usually agree with the WSJ Opinion page, in this case they are uninformed and off the mark. They are painting this as more of President Obama's wild spending,

stimulating jobs in a foreign country, and according to one commenter, grounds for impeachment. First of all, the terms of the agreement have yet to be finalized, meaning that it will either be a \$2 billion loan, which like any other loan will be paid back with interest, or will be \$2 billion in loan guarantees, which is just a sort of insurance policy. Secondly, this \$2 billion is for the purchase of goods and services from the United States, which will obviously create jobs in the US. The Journal is also insinuating that giving money to Petrobras is akin to giving money to Hugo Chavez; this may play well to the people who think that South America is one homogeneous communist lump, but to those of us who know better this idea is ridiculous.

I have learned that the behavior of cable companies transcends culture. I have been trying wholeheartedly for 2 weeks to get the cable company to come and make my internet work (I was trying halfheartedly for 2 months before that). This has involved numerous phone calls, none of which have resulted in any positive progress. Yesterday, I undertook a journey to the cable offices to try to speak to someone face to face. This involved an hour long bus ride and about an hour of wandering around lost in the 36 degree (C) heat (it's wintertime here!). I finally made it there and spoke to someone who promised to call me when she got everything set up and to schedule a technician to come to my apartment; she said it would be about 45 minutes. At the end of the day she still hadn't called. Then, today, I called her to ask what was going on. The first time I called she said she was in a meeting and asked if I could call back. Since then she has not been answering my calls. Either she was fired during her meeting (probably for poor customer service) or has been studying the Time-Warner Customer Service manual. A similar thing happened to me in Columbia last year, although it was in English so it was a little easier to express my frustration. In that case, I ended up abandoning the cable company altogether and getting my Internet from AT&T. My goal in life is to become a T. Boone Pickens-style corporate raider, buy Time-Warner Cable, and just fire everybody and write down my loss. Maybe even go to their houses and salt their lawns. I get irritable when I'm without the internet.

I spoke to an Englishman who has been travelling and teaching English for the past four years. He said that his friends recently visited him and couldn't believe the way in which

he spoke. When I asked what he meant he said that when he speaks English to foreigners, he has to speak a very generic version, because they do not understand all of the colloquial phrases that we use (this was especially true for him since he was Scouse). He then went as far as to say that it has changed the way that he thinks, and that he is now a much more generic person. This is at once terrifying and fascinating. I don't remember who it was (Foucault maybe) that said that the structure of language actually affects the way that we think; this seems to be proof of that.

I read an interesting article that said that the future of management is moving away from a command and control role and towards a role of facilitation. Innovation moves so fast now that there is no way that a manager can possibly stay informed about all of the new developments. The role of the manager, then, is becoming someone who allows his people freedom to do their own thing while keeping informed enough to know how to match their abilities with the areas that need them. It's a sort of a knowledge cloud, which unlike the brain cloud from Joe vs. The Volcano, is not life threatening and may actually exist.

Another thing that I worked on in my internship was to begin to plan an orientation visit by the Secretary of Planning and Development of the State of Rio de Janeiro and his staff to the United States to study how to move projects from the planning stage to the implementation stage. This is a major problem in Brazil. The PAC (Programa de Aceleração do Crescimento), which is essentially Brazil's version of the stimulus package, although it was started a few years before the crisis hit, has been suffering because they have not been able to complete projects. I don't have the exact data with me (it's on my work computer), but something like 70% of the planned projects have either not been started or have stopped work. Part of this may be cultural; Brazilians, in Rio especially, are famous for saying they will do something without having any intention to ever do it. Whatever the reason, though, it is a barrier to growth that those who are actually tasked with doing the projects (rather than the politicians who just announce them) are eager to tear down.

Looking back at what I have written, I see that I really jump all over the place in terms of ideas. I can't help but think that this is the future of management and of business education. An established stereotype is that MBA graduates are all automatons that all spout the same meaningless buzzwords (read Nassim Taleb). This may very well be the case, so I think that some horizon-broadening is in order. The Moore School definitely fosters this in one way, by allowing us to study and in some cases work in a different culture. I wish it would encourage more thought, though, rather than just repeating what a professor said in a lecture. Without naming any names, there was a final exam where an entire page consisted of regurgitating, word for word, what the professor had said in a lecture. It did not matter if you actually understood the concept of political risk (or whatever the subject was) or not, all you had to do was repeat the professor's little maxims. One of the reasons that the financial system teetered on the brink of collapse is because everyone in it followed the same formulas without understanding what they actually were. As they say, hindsight is 20/20, but going forward I think it would be better if we had more thinkers and fewer blind doers.

Internet Update: I have the internet now. This may sound weird, since a few paragraphs ago I was complaining about how I didn't have it, but I don't write these entries all in one sitting. Anyway, all it took was for me to show up at the cable company offices every day until they sent someone to install it (my inner Roman still wants to salt their lawns, though). My roommates and I haven't left the apartment in three days. As I am typing this, we are all sitting in the same room, all using our computers, in silence. The World Wide Web really brings people together.

It has been brought to my attention that I haven't really talked all that much about my actual internship in any of my journal entries. This may seem to be the case, but I like to think that everything I talk about pertains to my internship in some way. My job with the Foreign Commercial Service was to help American companies do business in Brazil. The thing they most need help with, however, is adjusting to the cultural "oddities" here. Our main function was to match American companies with Brazilian companies, because you really need someone who knows how all this nonsense works in order to be successful here. This journal has been an attempt to highlight some of the strange things that seem to be a part of everyday Brazilian life.

Journal Entry #3

July 2009

I had a friend come to visit me from New York; he had a week off due to some Bank of America/Merrill Lynch confusion. At the end of his week here, he did not want to go back to 16 hour days and a life of general misery. Is this what I have to look forward to in my future? Luckily, the answer is no.

I'm working on putting together an agenda for some American VIPs that are coming to visit at the end of the month, and I think I'm going to get the chance to meet my new personal hero. His name is Eike Batista, he is the Chairman of EBX, which is a holding company that encompasses mining, oil & gas, finance, and entertainment. He is the richest person in Brazil, he is a former world champion offshore powerboat racer. He is the antithesis of the American businessman; can you see Jack Welch taking up powerboat racing out of boredom? My suggestion to the Moore School is that we read more case studies on how to be this awesome.

It's an exciting time to be living in Brazil right now if you have any interest in geopolitics. The Brazilian Senate, which the Economist has recently called a house of horrors, brings me new amusement every day. It's like one of the novelas--Sarney, who used to be President of Brazil, used to be arch-enemies with Collor, who was also President of Brazil (and was impeached). Lula, who is currently President of Brazil, used to be enemies with both of them. They are all on the same side now, though, fighting for the privilege to give their family members do-nothing jobs through secret acts that the public was never meant to know about.

I think I've finally got this Portuguese thing figured out. I managed to leave a comment

(in Portuguese) on a blog on the Estado de Sao Paulo website that pointed out that Argentina's Minister of the Interior was more like the Kurgan, rather than the Highlander, as they claimed. There can be only one!

During my time here I've lived with two ex-investment bankers from New York, each for one month. They made me realize everything I secretly already knew about the financial crisis. Both of them tried to impose how they would have liked the world to be on Brazil, rather than accepting how things really are and dealing with them. I know the career office always says be proactive, rather than reactive (I don't know if they actually say this, but it sounds like something they would), but the world is a bigger place than the vision you have of it in your head. A whole sector of the economy full of people who are living in the world as they like it rather than how it is can do some serious damage. The solution? Hire more people from the Moore School (at least me).

One of my roommates got deported. He did not renew his visa on time, thinking that it would be a simple thing to deal with pos-facto. His excellent lawyer, who went with him to negotiate with the authorities, managed to get him a whole twelve hours to pack his things before the police would come to throw him out of the country. The lesson in all this, for any first year MBAs who are reading, is to pay attention to what the International Affairs office tells you about visas. [Note: Author works for the International Affairs office, and is often frustrated when people don't pay attention to what he tells them about visas.]

I got myself quoted on the blog The Sports Economist ([link](#)), talking about the labor market in European football. The blog is run by a Clemson professor, but I won't hold that against him. I also stand by my remark that English footballers play like headless chickens.

Journal Entry #2

June 2009

The initial high that came from working in Brazil has faded, and I've now settled into the working groove. At times I almost forget that I'm living in a foreign country; I've got a routine that doesn't really change much from day to day. Then, though, there will be something that reminds me that Brazil has its own little quirks. Some of these things are as follows:

The English football press has been going on about how the Confederations Cup is nothing but a glorified friendly tournament. This is most likely because they know that England will never take part in it, as you actually have to win something to qualify. Being in Brazil for the US-Brazil final, I can firmly say that no one here thinks of it as a joke tournament. I went to watch the game in a bar full of Brazilians, as one of three Americans in the place. When we took our shock 2-0 lead, the yells towards us were anything but friendly. And, when Brazil finally won 3-2, the woman sitting next to me who burst into tears of joy said nothing about the game being a glorified exhibition.

In my job, I spend a lot of time going to meetings. Many times, these seem like meetings only for the sake of having a meeting. This, however, is only to my untrained American eye. What is really happening is business, Brazilian style. You meet with someone, size them up, have some coffee, talk about what it is you're hoping to do, make some vague promises, repeat. After enough of these encounters, things get done. Nobody taught me how to do this in any of our management classes.

My French roommates are part of the social scene of Rio; so much so, in fact, that a French-Brazilian wants to make a reality show about them. He was over at our apartment last night doing some preliminary filming. I mostly stayed on the couch. Since the show would be in French, I think I've been shoehorned into the role of the weird foreign guy who has to be subtitled. I am OK with this.

One of my roommates is dating a girl who was on Big Brother Brazil. I asked my girlfriend, who is Brazilian, what this girl was like on the show and she said, "Crazy, but all of them are." Roommate's girlfriend was in Playboy, and her best friend is on the cover of the current issue. Nobody taught me how to deal with crazy Playmates in any of our management classes.

I have become an old woman; I am addicted to a novella. Caminho das Indias is probably the greatest television program in the history of the medium. The best part about it is that there are new episodes 6 nights a week. In the US, when I want to know who is the final cylon or if they'll ever get the island back to the future, I have to wait an entire week. Here, when I want to know if Raul's niece will discover that he faked his own death or if Raj will discover that the father of his and Maya's child is actually Bahuan, I only have to wait a day.

All of these musings may seem somewhat pointless, but they've all helped me learn a valuable lesson about international business (really). Oftentimes, when we think about international business, what we are really thinking about is doing American business internationally. The truth is, though, that every culture really is different. It is one thing to know this through reading about it; it is another to actually know this through living it. While I learned a lot about international business studying in Columbia, I've learned a whole different side of international business by living and working here in Brazil.

Journal Entry #1

May 2009

Being a part of the Portuguese track, it seemed inevitable that I was going to end up in either Rio or São Paulo. When I was offered an internship with the United States Commercial Service in Rio de Janeiro my suspicions were confirmed. As the internship did not start until May, and my time in Curitiba ended in March, I've had the entire month



of April (save for a brief trip back to Washington, DC due to some crazy bureaucracy, more on this later) to just kind of chill out in Rio.

Chilling out here is a natural part of the Carioca lifestyle. Neither my camera nor my computer work at the moment, and even if the computer did work the internet doesn't work, and my TV only gets two channels, but no problem, I'll just go to the beach. Luckily for me there was a Moore 2nd year who was doing an exchange semester in Rio when I arrived who managed to get me a room in his penthouse apartment half a block from the beach in the most fashionable part of Ipanema, itself the most fashionable part of Rio (total rent: between \$500 and \$600 a month, depending on fluctuations of the exchange rate). He's since foolishly gone back to Columbia to graduate, but my new roommates, four Frenchmen, are good people who like to have fun. For example, last Saturday night we all went to the Ministry of Sound Anniversary Party on top of Pão de Açúcar. Any party that you have to ride a cable car to reach (think James Bond fighting against Jaws in Moonraker) is a good one in my book.

As for the reason that I am here, to work, the start has been a little bumpier. As a prerequisite for this job, I had to obtain a basic security clearance. Part of this is having my fingerprints taken; seems simple enough. However there is no one in Brazil who is deemed acceptable as a finger printer by the US Government. After a few weeks of emailing back and forth, all involved parties decided that the best thing to do would be for me to just go to Washington, DC and have them done there. Vale a pena, as we say here, since I also managed to squeeze in a trip down to the University of Virginia, where I studied History and English Literature as an undergrad, for the Foxfield Races. This was not the end of my troubles, though. I obtained the clearance, but the official wire was not sent for a week, meaning I could not start on the agreed upon date. Even now, as I type, I don't have a pass to the building yet, which means that every morning the guards try to not let me in until I can convince one of them to let me call someone that I work with. Once I do get inside, however, the job is great. I went to a breakfast presentation today that included the American Ambassador to Brazil, some representatives from the Export-Import Bank, the Consul General, and representatives from companies like Chevron, Deloitte, KPMG, and UPS Capital. When I'm not hobnobbing with the Rio business community, I'm researching the current business climate in Brazil and where opportunities for US companies are, particularly in the Oil & Gas and Insurance sectors.

My work has only just begun, so I'm sure it will get more in-depth soon, but based on how it's gone so far it looks like it will be interesting. And even if it doesn't, não me importa porque moro no Rio de Janeiro.
