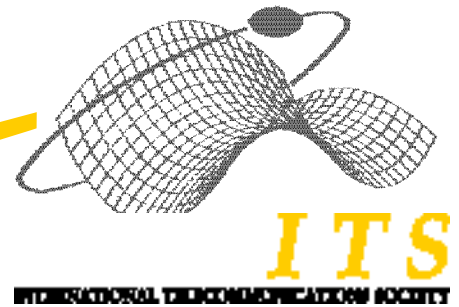


# INTERCONNECT

Issue 2, Volume 1  
June, 1999  
INTERCONNECT



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## SPECIAL POINTS OF INTEREST:

- ITS Focus on Buenos Aires 2000
- New ITS Initiatives
- Committees tell whats happening
- Review of Professor E. Zajac and Dr. G. Mesher presentation at ITS 98

## ITS Focuses on Buenos Aires 2000

The thirteenth ITS biennial conference will take place in Buenos Aires, Argentina, July 2-5, 2000. The theme of this international conference is "Telecommunications: The Bridge to Globalization in the Information Society".

A lot of excitement has already been generated, as this is the first major thrust by ITS into the South American market. Traditionally, ITS has held its biennial conferences in alternating continents, but until now, nowhere in South America.

Sponsors for this event are Telefonica de Argentina S.A. and Telecom Argentina Stet-France



Telecom S.A. The conference co-chairs are Dr. Fernando Borio and Mr. Luis Perazo.

According to Dr. Borio, the selection of the conference theme was driven by the many new realities we face at the turn of the millennium.

"Globalization is changing the face of telecommunications as we know it," said Borio. "Our industry is being swept by the driving forces of transformation."

He identified these forces as new technologies, deregulation, innovative new entrants into the market focussing on specific customer segments, as well as giant mergers, alliances and consortiums.

Of course the Internet is emerging as a global medium that, within five years, will be a \$15 trillion industry and ensure the convergence of voice, data and video onto a single network.

Still, it is telecommunications that brings the world together, breaking barriers we never thought possible. New telecom services and products are creating a new communications environment with unlimited possibilities and - in effect - a new reality.

ITS Chair, Loretta Anania, is enthusiastic about the conference and the organizational infrastructure behind it. She stated that ITS has the

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## Message from the Chair

Dear Members,  
Last month in Brussels, I had the pleasure of dining with Jim Alleman, our distinguished past Chair. We discussed at

length the long and distinguished history of ITS. We are one of the oldest professional associations in our field. We are also a global network of people working seamlessly across more and more borders, as well as across continents.

ITS once had a disproportionate number of American, Northern European and Japanese members. However our international representation is now more diversified than ever. This makes ITS work a lot more fun and a lot more enriching, as our research benefits from a multicultural perspective.

The Asian crisis meant that our plans for an ITS conference in Hong Kong had to be postponed. Most fortunately, we are able to meet in the scenic tango-filled alleys of Buenos Aires for ITS 2000 (you have time to practice your Spanish folks)! The biennial conference theme is

"globalization and the information society". As is mentioned in this issue's lead article, the Call for Papers will be mailed to you in July, with the deadline for abstract submissions being October 15th.

The next Board meeting will take place in Turin on September 2nd, in conjunction with the ITS regional conference. I was pleased to note that a number of you will be participating in this event. For those who may still be considering, it is not too late to forward a good research paper to Prof. Juergen Mueller, as there are as yet some open slots.

Remember, too, that the richness and depth of any organization is measured in terms of its members, not its executive. If you have ideas on how our organization can grow and improve ...if you have thoughts on opportunities that ITS could be offering its member... or if you have concerns or complaint ...we want to know. I personally invite you to send your suggestions directly to me or to any of our committee chairs. It is most certainly in our best interest that the Board review them and determine the very best way to follow-up on your input.

Loretta Anania

## Executive Watch

Recent ITS Board activity has centered upon conferences. One was the International Communications Forecasting Conference (ICFC), June 15-18, 1999 in Denver, Colorado (dloomis@ilstu.edu). ITS was a co-sponsor.

The second is the upcoming ITS European Regional Conference, September 2-4 in Turin, Italy. (itsconfer@yahoo.com).

The ITS budget for 1998 was delivered to the Executive by Treasurer, Lee Schmidt to a standing ovation. ITS is on a very solid financial footing as compared to 1996, thanks particularly to three successful conferences in Seville, Calgary and Stockholm.

The election of Georgette Wang, from



Taiwan, to the ITS Board is a recent and most welcome development. Georgette has been a regular contributor to recent ITS conferences, and will bring a broader perspective to the running of

the organization. The Board wants to increase representation from Africa, Asia and Latin America. ITS members are therefore invited to submit names of suitable ITS candidates to the Nominations Committee.

Finally, there was a meeting in London, of the Conference and Seminar Committees, co-hosted by Koichiro Hayashi and David Cracknell.

The agenda dealt principally with Biennial planning. Overall, things look very promising for a good ITS 2000 conference in Buenos Aires, July 2-5th.

## New ITS Initiatives Becoming Reality

The ITS Publications Committee will be offering an array of new publications options on a global scale, focussing on quality and diversity. This was the message the Publications Committee delivered to the ITS Board in presenting its strategic plan and long term objectives.

As a result, some of the new initiatives underway include:

an edited book to be published by Elsevier later this year  
several special issues, including: Asia telecommunications policy, new approaches to regulation (also in telecommunications policy), innovation in telecommunications (in economics of innovation and new technology), Latin America telecommunications policy and new approaches to pricing (in review of industrial organization)  
a number of single paper publications in Communications & Strategies, Information Economics and Policy, Telecommunications Policy, **info**, Journal of Regulatory Economics, among others.

ITS has selected outstanding individuals from within its membership and from around the world to edit these refereed publications. These editors include: Izumi Aizu, Fernando Beltran, Erik Bohlin, Karolina Brodin, Eric Brousseau, Staffan Hulten, Antonio Leite, Sandy Levin, Anders Lundgren, Hajime Oniki, and Bertil Thorngren.

ITS enjoys strong international credibility of its publications and recognized journals. ITS has clearly set a good precedent for establishing an ongoing network of intellectual resources for its publications and the early engagement of respected editors.

The strength of the ITS publication initiatives and the value they generate are enhanced through our close association with world class journals such as Information Economics and Policy, Economics of Innovation and New Technology, Industrial and Corporate Change, Journal of Regulatory Economics, Telecommunications Policy, Communications and Strategies, Prometheus, and **info**.

Essentially, the Publications Committee strategic plan calls for ITS to:

facilitate high quality academic and professional publication from ITS - related events

promote high quality standards in the various ITS conference committees

promote ITS in academic and professional networking

work with the Special Marketing and Promotions Committee in the start-up of these numerous and significant promotions initiatives

The Board of Directors strongly believes that the quality and availability of ITS publications are important measurements of global credibility, and it is to these ends we continuously strive.

## Connections



**Strategic Planning Committee:** Almost every business and institution needs access to services now carried by internet technology. Developing countries with outdated wireline networks are turning to the "instant network" of wireless access. Travellers want private facility connectivity at their laps through virtual connection to data facilities at the office.

The Strategic Planning Committee invites colleagues and ITS members to consider an open forum on the "impact of wireless internet access" as a significant medium that will alter how we execute data transactions. Those interested can contact Noemy Wachtel directly or through **Interconnect**.

**Conference & Seminars Committee:** The Conference Committee met in London, on February 15th and again on April 26th, in Madrid. Both meetings focused on ITS 2000 to be held in Buenos Aires in July 2000. A Call-for-Papers has now been distributed.

**Media & Publications Committee:** David Cracknell, Lee Schmidt and Eric Bohlin met with Colin Blackman in Cambridge; and by now ITS members will also have received the first of 6 issues of **info** in their mail. The contract with Camford for the ITS journal was recently signed.

Along with **info**, members also received the first issue of **Interconnect**, the new ITS newsletter.

**Nominations Committee:** Arrangements are being made by the Secretariat to automate billing processes for both corporate and individual members on the anniversaries of their respective memberships. Negotiations continue to attract new corporate and institutional members.

**Finance Committee:** An annual financial statement was completed in February, 1999, for the calendar year 1998. Thanks to successful conferences (GN '97 in Calgary and ITS '98 in Stockholm) and a stellar corporate membership campaign, ITS is in solid financial condition.

The Treasurer has paid the first year subscriptions to **info** for all ITS members. This is a significant expenditure for ITS, but a worthwhile way for the ITS to serve its membership.

**Special Marketing & Promotions Committee:** This committee will be responsible for developing **Interconnect**, the new interactive ITS web site, ITS brochures and other promotions such as ITS Promotional Pages in **info**.

This committee will work closely with the Publications Committee on several projects.



## Member Profile



### Mrs. Noemy Wachtel

*Europe Sales Directions Support and TSS Director, Lucent Technologies*

Mrs. Wachtel has been associated with ITS for over 11 years, and during this period she has organized and chaired ITS conference sessions, coordinated conference themes, has presented various papers, and has served as a member on several ITS committees.

Mrs. Wachtel has over 18 years of experience in the telecommunications field. In her association with Lucent and AT&T, Noemy has worked on the globalization of the business, establishing new businesses/JV's in Asia, Europe, as well North and South America. Mrs. Wachtel has experience in complex managerial assignments, representing her company in negotiating with Governments, and has worked in multinational environments where building multi-cultural strong teams is critical to achieving business results.

In addition to telecommunications industry experience, Mrs. Wachtel has taught Economics and Finance, and was in Corporate Banking at Chase Manhattan Bank. Mrs. Wachtel has earned a Masters degree in Economics and Finance, with post graduate work in Corporate Finance. Her current assignment is European Sales Directions and Technical Sales Support Director, for the Lucent Technologies Wireless Access Solutions family of radio products (SWING/DECT, IRT, MDL-2000 Microwave).

## Upcoming Events

There is still room for late paper submissions for the Regional ITS Conference, September 2-4, 1999, Torino, Italy (hosted by Politecnico di Torino in association with the 26th EARIE Conference, September 4-7, 1999).

ITS is soliciting research papers in the following areas:

### Regulation

- Spectrum Management
- Antitrust
- Universal Service Obligations
- Access Issues
- Standards and Intellectual Property Rights
- Competition in Local Markets

### Industrial Policy Issues

- Privatization and/or Restructuring
- Business Strategies / International Alliances
- Assessing Liberalization thus far
- Trade Issues: The Role of the WTO and ITU
- Privatization of International Facilities (Intelsat, Inmarsat, Eutelsat etc)

### Telecommunications Infrastructure

- Impact of Infrastructure on Development
- Globalization of Telecom Service Providers
- Role of FDI / Foreign Operators (Case Studies)

- International Alliances / Effects on Competition
- Costs and Benefits of Vertical Separation

### Telecommunications Services

- New Network Based Services
- Forecasting Service Developments
- The Internet: A New Paradigm
- Corporate and Private Networks
- Mobile Telecom Services

### Convergence

- Multimedia, Information Highway
- Globalization of Mass Media Markets
- Video on Demand

### Other Themes

Guidelines for the Submission of Papers and Abstracts:

Please address all contributions to Juergen Mueller, FHW Berlin, Badensche Straße 50-51, 10825 Germany

Tel. +49 30 85789-145, Fax. +49 30 85789-199;  
email: itsconfer@yahoo.com,  
jmueller@fhw-berlin.de

For additional information about the conference itself, please check our web pages: <http://userpage.fu-berlin.de/~jmueller/its.html>;  
<http://www.its98.org>;  
<http://www.ceris.to.cnr.it/earie99.htm>  
<http://dspeant.polito.it/intraspa>

## Buenos Aires 2000 continued

best possible people involved in putting together what promises to be the most dynamic ITS event to date.

In each issue of **Interconnect**, from now until next year, there will appear a regular column entitled "Buenos Aires 2000" providing updates, organizational news and announcements.

Buenos Aires itself is an elegant and bustling city of 11 million inhabitants. Offering beauty, history, boundless hospitality and phenomenal weather, it is a place that will truly enchant all who visit.

The site for the conference is the Buenos Aires Sheraton Hotel and Convention Center.



The conference will be divided into seven sub-themes: Regulatory and Policy Issues, Management, Regional Issues, Competition, Services, Technology and Globalization.

The Call for Papers has now been released. Authors wishing to submit papers based on current research on theoretical and/or empirical issues relevant to these sub-themes are invited to submit a one-to-three page abstract. Submissions must be received no later than October 15, 1999; and authors will be informed which submissions have been selected by December 15th.

For further information on Buenos Aires 2000, please feel free to contact <llaurop@telefonica.com.ar>.

"The official ITS 2000 Web site is <http://www.its2000.org.ar> and is now operational."

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Erick Bohlin



## Off The Shelf

### Telecommunications and Socio-Economic Development

#### Edited by

S. Macdonald, Sheffield University  
Management School, University of  
Sheffield

G. Madden, Communications  
Economics Research Program,  
Department of Economics, Curtin  
University of Technology

ISBN: 0-444-82648-3 - 456 pages

Price: US\$ 142.50

#### Description

Telecommunications systems are central to the development of a global economy and are fundamental to business. The International Telecommunications Union considers the link between telecommunications and economic development to be axiomatic. Four themes are considered in this volume which takes a somewhat broader view.

Telecommunications and Development focuses on new technology diffusion, and the regional impact of telecommunications investment. International Dimensions provides an examination of the political, strategic and legal environment. Organizational Aspects is concerned with organization-specific analyses of the role and impact of telecommunications. Country Studies examines telecommunications issues in the Asia-Pacific region, South America, and the former communist nations of Central and Eastern Europe.

#### Audience

This book will be of interest to people in any of the communications industries, international telecommunications industries, libraries and academic institutions...

particularly those focussing on economics, law, technology and telecommunications.

#### Contents

It has a good spread of papers drawn largely, although not exclusively, from revised of Seville ITS conference papers. Some of the topics include:

- Introduction: Telecommunications and socio-economic development
- Telecommunications and Development: Telecommunications infrastructure and invention, innovation, and diffusion process
- The supply of direct exchange lines in developing countries
- Telecommunication infrastructure and economic growth: an analysis of Spanish manufacturing industry
- Measuring the gains from Asia-Pacific trade in telecommunications
- International Dimensions. The political economy of investment policy and telecommunications services trade: Australia, Japan and the US
- Contested arenas in international telecommunications: toward an integral political perspective
- Strategic alliances for the provision of new telecommunications services: a methodological approach to a European satellite system
- Strategic alliances in telecommunications and media: an economic analysis of recent European Commission decisions
- Practical issues in overseas investment: examples from Africa, Eastern Europe and Russia
- Information efficiency, production organization and systems productivity: quantifying the systems effects of EDI investments
- Information technologies in the service sector: monitoring impacts at the industry level
- Corporate structures in the advanced telecommunications technologies and information services era
- Beyond technological or organizational determinism: a framework to understand the link between information technologies and organizational changes
- Telecommunications and market efficiency: the missing link
- Learning and the diffusion of the digital paradigm in information and

communication technology

- Notions of network: some implications for telecommunications of differences in perception
- Country Studies: From path-dependent processes of structural change to a diversity of market
- Models in central European countries' telecommunications
- Where poor have access to telephones: telecommunications and development in the Indian state of Kerala
- Liberalization and privatization: telecommunications reforms in Sri Lanka
- Competition without privatization: the Chinese path
- Telecommunications liberalization: the lessons of India
- The Brazilian way of telecom reform: diverging from the Latin Spanish American model?

## The Leading Edge

### Toward a Theory of the Global Liberalization of Telecommunications

Professor E. Zajac and Dr. G. Mesher presented a paper at ITS'98 that deals with the drivers to telecommunications liberalization. It represents one of the few papers that provide a theory for this wide-ranging development.

Specifically, the paper addresses two main questions related to the liberalization process:

- (1) Why did the liberalization movement occur?
- (2) Why is it occurring at different rates in different places?

The paper integrates extant public choice/political economy models into a three-stage political economy model of liberalization. The authors find that the Iron Law of Political Economy plays a fundamental role. The Iron Law is the use of the state's coercive powers by those in power to the benefit of favored groups at the expense of introducing inefficiencies into the economy.

