# **International Business**

#### Themes and issues in the modern global economy

2nd edition

### Debra Johnson and Colin Turner



.

## **Contents**

Contents Outline	xi
List of Case Studies	xiii
List of Boxes	. xv
List of Figures	xvi
List of Tables	xviii
Preface	xx
List of Abbreviations	xxiv

1	The Strategic Context of the Shifting International	
-	Business Environment	1
	The Form and Nature of International Strategy	2
	The Environmental Context of International Business	. 7
	The Internal Context of Strategy	8
	The Globalisation of the Value Chain	9
	Non-market Strategies	12
	The Integrated Nature of International Strategy	14
	Conclusion	15

#### PART I GLOBALISATION AND THE CONTEXT OF INTERNATIONAL BUSINESS 17

2 Globalization and the Changing Business Environment	19
What Is Globalization?	20
Divergent Views of Globalization	27
Measurement of Globalization	31

vi	Contents	
	What Does All This Mean for Business?	43
	Conclusion	46
3	Regional Integration and Globalization	50
	The Nature of Regional Integration	52
	Global Trade and Regional Integration	57
	Moves towards Regional Integration in the Global Economy	62
	New Regionalism: A Paradigm for Economic Development	72
	Regionalism and the MNE	74
	Conclusion	76
4	Governance Issues in an Integrating World Economy	79
	The Evolution and Scope of Contemporary International Institutions	81
	Globalization and Governance	88
	The Critics of International Institutions	90
	Generic Criticisms of International Institutions	92
	Conclusion	97
5	Development and International Production	101
	Differential Experiences of Development	102
	Theories of Development	117
	Changing Approaches to Development	119
	Globalization, Production and Development	122
	Conclusion	126
6	Emerging Economies: The Major Beneficiaries	
	of Globalization	129
	Who and What Are Emerging Economies?	131
	The Emergence of India and China	133
	Business and Emerging Economies	142
	Emerging Economies in a Global Context	150
	Conclusion	151
_		
PA	ART II ENTERPRISE ISSUES IN THE GLOBAL ECONOMY	153
7	International Trade: A Building Block of International	
	Strategy	155
	From Comparative to Competitive Advantage	156
	The Global Framework for Trade in Products	161
	Trends in Merchandise Trade	162
	Trade in Services	173

The General Agreement on Trade in Services (GATS)

		Contents	vii
	The Future of the GATS		181
	The 'Credit Crunch' and Global Trade		183
	Conclusion		186
8	International Investment		188
	Foreign Indirect Investment (FII)		189
	Foreign Direct Investment (FDI)		195
	Trade-related Investment Measures (TRIMS)		203
	International Economic Agreements and FDI		204
	Policy to Stimulate FDI		206
	Conclusion		208
9	Multinational Enterprises: The Conduits of Globalization	on	211
	The Nature of the Multinational Enterprise		212
	Motivating Factors for MNEs		214
	The Multinationality of Multinational Enterprises		218
	The Evolution of International Production Theory		223
	The Knowledge-based View of the MNE		229
	The MNE as a Network		231
	Conclusion		233
10	The Internationalization of MNEs		236
	The STEPS Models		237
	Process Models		239
	Contingency Models		240
	The Link between Multinationality and Performance: The S-Shape Model		242
	Foreign Market Entry Modes		246
	Conclusion		256
11	International Entrepreneurship and the Internationaliz	ration	
• •	of Small and Medium-sized Businesses		258
	The Role of SMEs and Entrepreneurship in the Modern Economy		259
	The Internationalization of SMEs and the Rise of International		233
	Entrepreneurship		262
	Entrepreneurship and Economic Growth		262
	Clusters and the Globalization of SMEs		273
	Policy Measures to Support the Internationalization of SMEs		273
	Conclusion		278
12	Business Functions within the International Firm		281
• 🐔	International HRM		282
	Corporate Governance within the International Firm	• ;	282
	International Marketing Management	2 * 4	280
	international Marketing Management	£ *	205

	<b>,</b>	
	Global Logistics	292
	Knowledge Management, Innovation and the MNE	295
	International Financial Management	298
	Conclusion	301
13	Culture	304
	What Is Culture?	305
	Where Does Culture Come From?	307
	Why Does Culture Matter?	315
	Cultural Theories	317
	Critiques of Cultural Dimensions	321
	Conclusion	322
14	Corporate Social Responsibility and Business Ethics:	
	The International Dimension	328
	What Are CSR and Business Ethics?	329
	Why Do Business Ethics and CSR Matter and Why Should Firms Behave Ethically?	330
	The International Dimension of Business Ethics and CSR	333
	Varying Perspectives on Ethics	334
	International Ethical and CSR Issues	335
	Initiatives to Encourage Ethical Behaviour	343
	Conclusion	347
PAI	RT III CHALLENGES FOR THE GLOBAL RESOURCE BASE	351
15	Labour Issues in the Global Economy	353
	Migration of Labour or Migration of Jobs?	354
	Globalization and Labour Standards	357
	Responses to Labour Standard Concerns	361
	Conclusion	376
16	The Environment: The Greening of International Business	380
	Evolving Views of the Environment: The Emergence of Ecological Modernization	382
	Globalization and the Environment	384
	International Environmental Policy	387
	The Corporate Sector and Environmental Policy	395
	Conclusion	402
17	The International Monetary System and Global Financial	
	Integration	405
	The Form and Nature of the International Monetary System and Emerging Global Financial Integration	<b>405</b> 406

....

	Global Business and the International Monetary System	409
	The Evolution of the International Monetary System	411
	Managing the International Monetary System	413
	The Rise of Global Financial Capitalism	415
	Financial Stability and Crises in the Global Economy	418
	Managing the Emerging Global Financial System	425
	Conclusion	431
18	The Global Information Economy	434
	The Nature of the Information Economy	435
	International Business and the Information Economy	438
	The Spread of the Information Economy	444
	Stimulating the Global Information Economy	449
	Conclusion	454
19	Natural Resources: Are We Heading for a New Energy	
	Crisis?	456
	Key Drivers in the International Energy Industry	461
	National Energy Policy Reforms	463
	Is the World Heading for a New Energy Crisis?	465
	Conclusion	477
20	The Evolving International Environment	481
	Globalization and the Context of International Business	482
	Enterprise Issues in the Global Economy	484
	Challenges for the Global Resource Base	486
	Conclusion	487
	· · · · · ·	,
	Index	488

المحمد بالارامة المراجعة المحمد ا