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## Introduction

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**Biographical notes:** Beverlee B. Anderson earned the PhD in Marketing from The Ohio State University (1972). She currently serves as Professor of Business and Marketing at California State University San Marcos. She is active in many professional organisations and is past President of the Marketing Educators Association. She has authored and co-authored many papers and manuscripts in cross-cultural and cross-disciplinary business topics.

Jung-Wan Lee holds a PhD in Business Administration (Marketing) and the advanced Degrees in Management (MBA) and Electronic Commerce (MSc) with solid applied backgrounds in international business and management. His teaching interests focus on technology marketing, innovation management, international marketing, international business and management. He authored four books on entrepreneurship and small business management. He has published widely on cross-cultural marketing, consumer behaviour, electronic commerce, technology marketing, entrepreneurship, international business and trade in referred academic journals and books. He has more than 20 years of research and teaching experiences in marketing, innovation management and international business in Korea, USA, China, and Kazakhstan.

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Welcome to this special issue of the journal devoted to international business and trade in a variety of industries and countries. The recent worldwide financial crisis has evidenced the interconnectedness of the world with respect to business and trade. Capital, goods and services are moving around the world at a pace never envisioned only a few years ago. The papers in this special issue examine various aspects of globalisation and competitiveness issues.

Two of the papers in this issue concern the financial system, the first of the two is set in the UK and looks at risk disclosure in financial reporting; the second, set in Italy examines microfinancing and its link with sustainability. The next two papers focus

on competitiveness issues. The first paper, set in Spain looks at environmental concurrent engineering as a competitive advantage, while the second paper, set in Kazakhstan, examines how multinational enterprises can aid developing countries become more competitive. The next two papers focus on specific industries: the automobile industry in the USA and the cotton industry in Sudan. Both papers examine the impact of trade policies and agreements on the industries in the respective countries. The final paper in this issue focuses on the logistics industry and the importance of customer oriented marketing efforts in elevating the service quality of this industry. Each paper, alone, makes a significant contribution; however together, they demonstrate the challenges of global competitiveness and sustainable development among both industrialised and developing countries across a range of industries.

Disclosure of financial risk is extremely relevant and topical in today's economic environment. The globalisation of capital markets and advances in technology has made trading more reliant on good and accurate information, which includes organisations accurately disclosing various risks. Rajab and Handley-Schachler report on a study they conducted in the UK, which looked at the financial statements and notes of 156 annual reports prepared by 52 companies during the years 1998–2004. Using content analysis they tested five hypotheses related to risk disclosure. Generally, they found that the firms in the study tended to increase the level of information related to risk during the study years. However, they found that the level of bad news remained relatively low. They also found that industrial firms were more likely to disclose more information than other types of companies but still much of the information provided was in the form of bland statements.

Another aspect of finance is the area of microfinancing, which includes microcredit, microsaving and microinsurance, which are all financial tools used for development in developing countries. There have been many papers written on the topic of microfinancing, but the second paper, by Sica and Testa, focuses on the possible link between microfinancing and environmental sustainability. They note that in the first stages of economic growth, people generally do not care much about the environment, which makes it possible for pollution to increase without control. They then propose a series of steps that can be instituted to assure that microfinancing is more environmental-friendly. They conclude by suggesting microfinancing and environmental sustainability are compatible, but to support the congruence, certain steps must be taken.

The Junquera and del Brío paper and the Lee and Lal paper examine two very different approaches to developing competitive advantage. The Junquera and del Brío paper examines competitive advantage from a firm's perspective, while the Lee and Lal paper looks at competitive advantage from the country's perspective. The first paper examines to what degree the integration between the R&D and environmental departments facilitates the achievement of an environmental action-based competitive advantage within a firm's level, which looked at 110 companies that ISO 14001 certified in Spain. The paper concludes that the integration of the environmental action into the R&D department enhances the company's reputation through the product quality and image, hence, its ability to penetrate international markets. The second paper focuses on the case of the developing economy of Kazakhstan and examines the relationship between MNEs' involvements and major industrial development in the country; and the relationship between FDI inflows and major economic activities in Kazakhstan, with looking at the secondary data of the country, in particular, during the period of 2003–2006. The two papers stimulate debates about globalisation and the issue

of foreign market entry, through a strategic development of competitive advantage in firms, industries and nations in the developed and developing nations.

The automobile industry worldwide is experiencing a very difficult period. The paper by Anderson and Lee focuses on the US auto industry, which for many years was the leader in the production and buying of automobiles. The paper traces how trade policies and auto transplants have changed the dynamics of the US auto industry. The paper concludes with the identification of the new challenges facing the industry. The Abdel Karim and Kirschke paper in contrast, looks at the cotton industry in Sudan and the potential impact of full liberalisation of the world cotton markets. Through a simulation, they conclude that the liberalisation of the cotton markets will lead to an increase in the world market price of cotton. However, to gain from this increase in price, they conclude that reform of the cotton markets in Sudan and African countries is necessary for these countries to reap the gains from a more competitive world cotton market.

The final paper by Kim, Tai and Lee, reports on a study conducted in South Korea with employees in logistics organisations. The study examined the relationship between personality traits and service quality perceptions of employees. The study found that the traits of 'consciousness', 'extraversion' and 'neuroticism' strongly motivate the 'responsiveness', 'reliability', 'assurance' and 'tangibles' of service quality performance of logistics personnel. The authors conclude that using human resource management practices to identify and select employees with personality traits compatible with the logistic functions will lead to higher service quality.

It is hoped that the ensemble of the papers presented in this special issue will help to stimulate debate amongst scholars, practitioners and policymakers as well as interesting enough and thought-provoking.

Finally, we would like to extend our sincere gratitude the authors for their valuable contribution and grateful to many reviewers for offering their invaluable comments that have enriched the very high standards of the journal and the quality of the papers in this special issue.