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## Editorial

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**Biographical notes:** Shahamak Rezaei completed his Doctorate in Business Administration at University of Southern Denmark in 2001. He has since worked at different universities in Denmark and was a Visiting Professor at several universities in Canada and recently at University of Canterbury in Christchurch, New Zealand at the Department of Management, College of Business and Economics. He is currently at the Department of Society and Globalisation at Roskilde University in Denmark. His research has focused on global entrepreneurship and globally born SMEs, ethnic and transnational entrepreneurship, entrepreneurship and informal economic activities, economic consequences of migration, comparative welfare state analysis and labour market analysis. Recently, he has focused on global tensions and creation of ideological/religious extremism. In 2010, he co-authored the book *House of War* with Dr. Marco Goli, focusing on global ideological/religious challenges and tensions.

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Modern societies are moving rapidly away from a stable and established structure towards a state of fluidity in which, among other things, mobility of people (commuters, migrants) tends to become a visual landmark. Sassen argues that the action radius of spatial mobility steadily increases from the local or regional scale to national and global levels, and current internationalisation and globalisation processes lead to an increasingly diffuse pattern of social, political and economic life, with people fluctuating between the local, national and global levels and orientations. Hence, the uniformity of the industrial-capitalist societies is increasingly likely to be replaced by diversity and pluralism, with future societies, also economically, becoming increasingly fragmented, network-based and multicultural.

The objectives of the *International Journal of Business and Globalisation (IJBG)* are to establish an effective channel of communication between policy makers, government agencies, academic and research institutions and personnel concerned with the complex role of business and globalisation. The international dimension is emphasised in order to overcome cultural and national barriers and to meet the needs of accelerating technological and ecological change and changes in the global economy. Globalisation is not a new term and the 'global village' concept was introduced long ago. The factors that shape and contribute to the speed and the rapidity of globalisation trends can be different from place to place. Among the most important trends the *IJBG* focuses upon are the relationships between the business environment and local cultures. Wright argues that the forces of globalisation and economic integration are shifting economic power and political power from national to supra-national levels. Furthermore, he argues that we are witnessing diminution of the traditional powers of nation-states, namely from

nation-states to local and regional levels. This is the core of all papers presented here, despite differences, sharing the common themes of: individuals, belonging to various sub-cultures, striving to find stability in the era of globalisation.

Articles here can be seen as an attempt to introduce the readers to some of these global challenges that people, sub-cultures, nations, business environments, and territories are facing and questions that are raised; the emergence of questions that need to be dealt with and addressed by policy makers, government agencies, academic and/or research institutions. It is to explore important phenomena such as these, and to better understand the myriad resulting issues concerning government, societies and business, which is the concern of this volume of *IJBG*.

The paper opening this issue of *IJBG*, entitled: 'Should I stay or should I go? – The emigrating immigrants', by Shahamak Rezaei and Marco Goli, discuss the challenges that growing globalisation imposes upon European welfare state regimes and, in particular, universal welfare state regimes such as Denmark's. Denmark is like many other countries interested in developing and utilising all existing labour force potential within its economy. Denmark is, like many other countries, and particularly many EU-countries, challenged by growing globalisation, outsourcing, pressure on the country's competitiveness coupled with demographic deficiency, aging population and growing demands on the universal welfare state. The paper argues that immigrants, specifically those with a national origin in non-EU countries, are of particular interest when embedded within such a context. Authors argue that immigrants represent both a burden and an investment cost for the universal welfare state. Immigrants in Denmark, like in many other EU-countries, represent a challenge to the highly appreciated 'National Social Cohesion'. Denmark is therefore interested in keeping those immigrants who contribute to the development of the universal welfare state, while reducing the burden of the others, such as the poorly educated. Thus, the controversial question is raised: "Whom among the immigrants from non-western countries will chose to stay in their new country and who will emigrate again?" The paper is based on comprehensive quantitative empirical data, consisting of individual registry micro-data as well as a survey.

The subsequent article, 'Measuring entrepreneurial activity in low-teledensity countries', by Howard Frederick, Stephen Haslett, Tania Wolfgramm and 'Ata'ata Finau, focuses upon the global entrepreneurship monitor (GEM) survey of social and business entrepreneurial activity in the Kingdom of Tonga, conducted by a research team consisting of 38 researchers in 2009. The paper seeks to deepen our knowledge of the methodology employed in the GEM survey, rather than the survey's results. The authors argue that due to the fact that Tonga is spread out over a swath of the Pacific Ocean, the research team faced challenges in terms of survey design, fieldwork, logistics, and quality control. The authors provide us by design of a 'ruggedised method' for measuring entrepreneurial activity. Furthermore, the authors claim that countries with a teledensity threshold of less than 30% present serious challenges to survey design. The paper discusses some important notions about questionnaire preparation, recruitment and training of interviewers as well as survey design issues, such as sample size, response rate, sampling weights, and lessons learned.

The next paper is a contribution from Israel by A. Allan Degen, with title of: 'Transformation of Borana from nomadic pastoralists to agropastoralists and shift of livestock from cattle to include more goats, camels and sheep in southern Ethiopia'. The paper is interesting due to the fact it focuses upon sub-cultures, drawing insights from

research in a variety of local settings, to show how globalisation affects the local and traditional cultures. The paper presents the transition of Borana; particularly from the Liben *wereda* (district), from nomadic pastoralists to becoming agropastoralists and their shift of livestock from mainly cattle to one that includes many more goats, sheep and camels. The government policy today is to sedentarise the pastoralists and converts the pastureland into cropland.

This paper could be seen as a contribution to the discussion of nation-state and globalisation and the consequences of the dramatic changes in the global business environment and the role and reaction of national states and governments in this era. Traditionally, national governments have been protecting local economies and cultures, but globalisation has weakened the power of national governments. These trends are transforming business strategies, public policies, and the daily lives of people around the world, in particular, those belonging to sub-cultural communities. This is the insight of the ideas that Sassen provides us with in her book: 'Territory, authority, rights: from medieval to global assemblages'; the main question is: where does the nation-state end and globalisation begin?

In the paper, 'The growth determinants among Swedish SMEs: evidence from firm-level data' Darush Yazdanfar provides insights into the characteristics of SMEs that file for bankruptcy in Sweden. This paper attempts to identify the main prediction variables that are believed to forecast the failure of Swedish SMEs. The research is principally based on an analysis of a panel data sample. The statistical technique of the logistic regression model is employed to analyse the data. The results, which have a high rate of accuracy, indicate the variables that are significant as bankruptcy predictors.

Female entrepreneurship is the topic of a co-authored paper titled 'Comparing domestic and returnee female entrepreneurs in China: is there an internationalisation effect?'. Ilan Alon, Everlyne Misati, Tonia Warnecke and Wenxian Zhang analyse the entrepreneurial development of women entrepreneurs in China, through historical review and case studies of twelve high profile women. The authors argue that the number of women entrepreneurs in China has increased rapidly with the development of China's new economy. These entrepreneurs consist of returnees and non-returnees. Their study seeks to identify the key patterns in the entrepreneurial development of the two groups and the factors that influence their career paths and success. This study contributes to a better understanding of the role of internationalisation in the development of women entrepreneurship in China, and advances the growing literature on this subject.

Tatsuyoshi Masuda presents the next article titled: 'Management visions of new Japanese firms'. This paper focuses on new Japanese managers, and investigates the effects of their management visions, mental attitude before start-up, and family's occupations, on the actual sales. The paper claims that managers with a management vision of increasing the employee numbers have a higher possibility to become a successful manager. Additionally, the paper claims that managers with the vision to choose a successor from outside the family have much better chances to increase actual sales.

The next paper deals with the entrepreneurial activities of students. In this paper, titled: 'Students' entrepreneurial readiness in the United Arab Emirates: an empirical inquiry of related factors', author Syed Awais Ahmad Tipu, Rachid Zeffane and James Ryan explore the relationships of students' entrepreneurial readiness across the dimensions of gender, students' parental employment status, field of study, academic

performance, and students' preferred employment sector. The author's aim is to investigate factors likely to influence students' predisposition to undertake entrepreneurial activities. The paper is based on a survey and some of the results suggest that entrepreneurial readiness is strongly related to students' actual academic performance, family background and gender. Furthermore, the paper contributes an attempt at filling the research gap by exploring patterns of students' entrepreneurial readiness in the Gulf Cooperative Council (GCC) countries.

In the paper, 'The speciality coffee shop market – are today's consumers demanding more than store ambience and good coffee from their consumption experience?'; Daniella Ryding addresses the need for and conducts, through focus groups, an initial investigation into how financially sensitive specialist coffee shop chains are in an economic downturn. In particular, the paper investigates the marketing strategies coffee shops should adopt for weathering difficult economic trading periods and considers how customer satisfaction can be sustained both now and in the future. The central aims of the research were to:

- 1 identify key variables which constitute customer satisfaction in a specialist coffee shop market context
- 2 establish survival strategies for coffee chains in a difficult and challenging economic environment.

In the last paper, we have a case that can be used for teaching purposes. The focus in this case is Air New Zealand. In the paper, the author Leo Paul Dana addresses the increased competition facing domestic and national routes due to international airline's global expansion strategies. This case study is designed for class-room use as well as reference.

I believe this collection of papers offers interesting and timely insights into the challenges, and future directions, of a global business environment that is facing rapid and dramatic change. I would like to thank all the authors and reviewers for their effort as well as the Editor-in-Chief, Distinguished Professor Richard W. Wright. My special and sincere appreciation and thanks is extended to Professor Leo Paul Dana for his enthusiasm and huge support by conceptualising the *International Journal of Business and Globalisation*.