

Index

A.T. Kearney globalization index, 19 unilateral comparison with emerging AAA Strategies (adaptation, aggregation economies, 371-372 and arbitrage), 182-183 advertising intensity accounting, 99-101 Chinese firms, 382 ADDING Value Scorecard, 183-186 Emerging Markets, 72 administrative distance Fortune Global 500 Gravity Model at about, 280-282 Firm Level, 178 and international interactions, 282 MNE, 67 China case study, 384 relationship with geographic and economic distances, 178 comparative capitalism, 287-290 external financing, 300-303 Agtmael, Antoine W. van, 359 horizontal, 283-285 Almodóvar, Paloma, 174–175 Altman, Roger C., 23 interaction of ownership, capital, and labour, 305-311, 344-311 Americanization, 12 labor, 303-305 Appadurai, Arjun, 14, 17 labor unions, 304 Appiah, Kwame Anthony, 192 market capitalization, 301 Arkwright, Richard, 61 ownership outlook, 296 shadow economy, 305 banking, see capital Belgium, company ownership, 293-294 schematic of pyramid ownership, 292 vertical, 285-287 Bentham, Jeremy, 11 advanced economies The Big Shakeup, 363 The Big Shift, 149, 363 bilateral comparison with emerging economies, 373 biology research, 207-208 BMW sales, production and workforce bilateral distances, 139 capital inflows, 37 (Figure), 88 Bolivia, Patiño tin company, 76 debt financing, 98 distance traversed by exports, 347 border effects, see law of semiglobalization services trade, 362 Boston Consulting Group (BCG), 94, 377 Fortune Global 500 regionalization, 351 Botswana, breadth measurement, 16 financial crisis, 363 boundaries, see regionalization market capitalization, 301 Brandenburger, Adam, 185 merchandise trade, 366-367 migration relative to emerging economies, domestic equity investment, 35 44 world market capitalization share, 35 multinationals, 72, 85, 92, 376-377 breadth phone calls, 363 application, 17 portfolio investment, 362 extensity, 15, 16 ratios, depth scores relative to those of law of distance, 3, 16, 119-120 emerging economies, 374-375 limited breadth of globalization, 120-126 state-owned enterprises, 297 measurement, 16



394

breadth (cont.)

Index

Cambridge University Press & Assessment 978-1-316-61502-7 — The Laws of Globalization and Business Applications Pankaj Ghemawat Index More Information

measures, 17 velocity, 17 broad triad, 324-328 business location, 43 strategy, distance analysis, 179-186 technology transfers, 43 Business Source Direct, 14 CAGE Distance Framework administrative dimension, 133, 281, 373 bilateral comparisons, 370 CAGE Comparator, 137, 215 China case study, 384 country level, 127-129, 176, 178 cultural dimension, 133, 373

developing countries, 370 distance effects, 159 distance scores, use of, 225-226 distance-driven research, 202, 213, 214, 219, 220 economic dimension, 133, 150, 189, 373 firm-level analysis, 179-181 foreign subsidiaries of Fortune Global 500, 175-178 geographic dimension, 132, 322, 373 industry level, 160 introduction of, 202

law of distance, 119, 149 psychic distance, 240 qualitative analysis, 182 quantitative studies, 225-226 region classifications, 335 regionalization, 336-339 technology, 188-189 Canada

foreign direct investment, 61 Hudson's Bay Company, 58 research and development, 95 US firms in, 172

capital, see also foreign direct investment administrative distance, 300-303 banks, 302 depth of globalization, 35-39 depth ratios (Figure), 36 external financing, 300-303 first wave of globalization, 60 globalization of business, 98-99 gross capital inflows as GDP percentage (Figure), 37 gross capital inflows by component

(Figure), 37 measurement, 17 offshore financial centres, 67-68

standard deviation of nominal return differentials (Figure), 39 capitalism, see comparative capitalism cartels, see firm level cartogram, see rooted maps Casson, Mark, 208-209 causality and distance, 211

Cemex, 191 Center for Global Enterprise, 82 centralization, 102, 182, 187, 342, 371, 373

Centre d'Etudes Prospectives et d'Informations Internationales (CEPII), Chicago Council on Global Affairs, 12, 337

China

accounting, 99, 100 administrative distance, 384 case study, 379-386 cinema revenues, 43 company ownership, 295 cultural distance, 384 exports, 72

foreign news website viewings, 42 GDP, 60, 61, 72 geographic distance, 384-385 manufacturing costs, 93 media reports on globalization, 13 multinationals, 75, 383

R&D intensity, 378

research and development, 94-95, 96 tea trade, 59 unions, 304

cinema, foreign films global box office share, 42-43

cluster analysis, 335 'Coca-Colonization', see Americanization cognitive distance, 283-285

collectivist culture, 244 Collis, David, 187

communications velocity measurement, 17 Communist era, 63, 64

companies, see firm level comparative advantage

concept, 4 distance-driven research, 208-210 comparative capitalism, 287-290

comparative institutionalism, 289 competitive advantage, 185-186 compounded distance, 215, 225 configuration of activities, 187-188 construal-level theory of psychological

distance, 206 consumer electronics, 71-72 coordination of activities, 188-190 cosmopolitan corporate culture, 191-193



costs reduction, 93–94	foreign films global box office share, 42–43
country level	linguistic difference (Table), 243
breadth measurement, 17	music, international consumption, 42
CAGE Distance Framework, 127–129	translated books, 42
Fortune Global 500 Gravity Model, 177	
future country rankings, assessment,	da Gama, Vasco, 57
143–150	decision-specific experience and cultural
globalization measurement, 11	distance, 175
law of distance, 119	definition of globalization, 11, 13
market integration, 30	Denmark, multinationals, 85
regionalization trends, 345–347	depth
cross-border integration, see market integration	about, 29, 30
cultural distance	application, 17
about, 239–240	capital flows, 35–39
alternative cultural frameworks	globaloney, see globaloney
(Figure), 248–249	industry comparisons (Figure), 29, 33
binary variables, 250–252	information flows, 39–43
business implications, 258–262	intensity, 15
China case study, 384	law of semiglobalization, 3, 15–16
clusters of national cultures (Figure), 246	measurement, 15
collectivism, 244	people flows, 43–46
continuous variables, 252–254	ratios across industries, 32–33
critiques of Hofstede's dimensions, 245	trade flows, 30–35
cultural profiles based on Hofstede's	Deutsche Bank shareholdings, 98
dimensions, 245	developed countries, see advanced economies
cultural value scores (Table), 247	developing countries, see emerging and
decision-specific experience and, 175	developing economies
definition, 240–241	China's multinationals, 383
ethnicity, 250–251	developed countries contrasted, 368
femininity, 244–245	economic distance, 358–361
global leadership, 262	economic growth, 363–368
individualism, 244	GDP (Figure), 74
Kogut and Singh measure, 249, 254–258	historical perspective, 72–74
language, 249–257	international interactions, 361–363
leadership challenges, 262–264	multinationals, 74-76, 375-386
leadership enhancement, 265–269	state planning, 64
linguistic difference from the United States,	DHL Global Connectedness Index
243	data, 3, 5
management of, 262	globalization measurement, 11, 18, 19, 21,
masculinity, 244–245	22, 32
measurement, 241	law of distance, 211
multidimensional, 254–258	timeliness, 23
national culture and international	discordance and distance, 212
interactions, 249–258	distance, see administrative distance; law
observable differences, 242–243	of distance; regionalization; research,
	distance-driven
power distance, 244, 259–262	
religion, 242	distance effects, see law of distance
uncertainty avoidance, 244	double-logged specification, see multiplicative
underlying differences, 243–249	specification
culture	Dunning, John, 205
analytical frameworks, 248–249	B . T . T . G
corporate common language, 191	East India Companies, 57–58
corporate cosmopolitanism, 191–193	economic center of gravity, 347, 364
corporate culture, 190–191	economic crisis of 2008, decrease in
cultural profiles (Figure) 245	globalization, 11, 21



economic distance	United States, 294
developing countries, 358–361	varieties of ownership structure, 300
international interactions, 361–363	FDI, see foreign direct investment
education and cosmopolitanism, 193	fDi Markets database, 165
email, information flows, 42	Feldstein, Martin, 35
emerging and developing economies	feminine culture, 244–245
advertising intensity, 75	Ferreira, Fernando, 42
Fortune Global 500 regionalization,	Fiedler, Klaus, 206
351–352	films, see cinema
R&D intensity, 75	finance, see capital
emerging economies, see emerging and	financial market integration in EU, 38
developing economies	Financial Times, 165
emigration, see people	firm level, 259–262
employment, see people	accounting, 99-101
Ericsson	CAGE Distance Framework, 179–181
front-back organization, 102	cartels, 63
ownership, 291–292	configuration of activities, 187–188
Ernst & Young Globalization Index	coordination of activities, 188–190
about, 20	corporate cosmopolitanism, 191-193
timeliness, 23	corporate culture, 190–191
ethnicity, 250, 252	corporate structure and organization, 70–72
Europe	101–104
cartels, 63	costs reduction, 93–94
Communist era, 64	distance within firms, 218–219
exports, 60	emerging market multinationals, 74-76,
foreign direct investment, 61	375–379
GDP, 60	Ericsson, front-back organization, 102
research and development, 94–95, 97	exports, see exports
service sector employment, 67	finance, 98–99
European Union	firm specific advantages, 205
accounting, 99	foreign affiliates, 85, 92–93, 175–178
export participation rates, 84	Fortune Global 500 Gravity Model, 178, 179
financial market integration, 38	globalization of business, 82–83
GDP, 72	headquarters intensity and GDP in ratio, 85
Unilever's pan-European integration, 71	home market revenues, 87
expatriates, 106, 265	joint stock trading companies, 57
experience, <i>see</i> decision-specific experience	law of distance, 159, 160, 171–178,
exports	218–219
by firm size (Figure), 84	law of semiglobalization, 56, 83
firm participation rates, 83-84	leadership, see management
extensity and breadth, 15, 16	management, see management
•	marketing, see marketing
Facebook, 40	multinationals, 61–62
family-owned firms	non-native managers (Figures), 105
Belgium, 293–294	number of multinationals worldwide, 85
China, 295, 302	offshoring, 93
emerging economies, 297	operations, 92–94
France, 293–294	organization of large multinationals
Germany, 293	(Table), 102
Japan, 293	ownership, see widely-owned firms
performance relative to widely-held firms, 296	regional business strategies, 340–344
relative to state-owned firms, 299	regionalization trends, 348–350
schematic of pyramid ownership, 292	research and development, 94–97
Southeast Asia, 295	size of firms, 83–89
South Korea, 292	small and medium enterprises, 85–86
United Kingdom, 294	strategy, see strategy



supply chains, 94	Nazi era, 63
tax jurisdiction, 100	Siemens & Halske AG, 59
firm specific advantages, 205	tariffs, 66
focus, individuals' need to, 192	telecommunications, 59
Ford's world car strategy, 70	translated books, 42
foreign affiliates of multinationals, 85,	Global Acumen, 180–181
92–93	global leadership, 262
foreign direct investment	challenges, 262
fDi Markets database, 165	management practices, 265-266
firm participation rates, 84–85	globalization
first wave of globalization, 60-61	breadth, see breadth
flows (Figure), 57	changes over time, 21
greenfield FDI at industry level,	contradictory perceptions, 23
165–170	decrease, 11, 21
law of distance, 204	definition, 11, 13
measurement, 35	depth, see depth
nineteenth-century growth, 59	etymology, 11
reversal of globalization	first wave, 56
(1918–1945), 62–63	global connectedness (Figure), 21
services sector, 68	history, see historical perspective
stock, 58	increase, 21
foreign news coverage, information	indexes, 18–21
flows, 42	inflated notions ('globaloney'), see
Fortune Global 500, 74, 75, 99, 105, 172, 175,	perceptions of globalization
191 E 71, 72	measurement, 11, 15
Foxconn, 71–72	origins, 11
France	public opinion, <i>see</i> perceptions of
company ownership, 293–294	globalization
foreign direct investment, 61, 63	publications, 12
foreign news website viewings, 42 Franc Area, 63	reversal of, 62–64 role of government, 65
power distance, 244	second wave, 64, 70
translated books, 42	social impact, 17
unions, 304	spatio-temporal dimensions, 15
Freeman, Richard, 305	trend comparison across indexes
frictionless benchmark, 119, 121–122,	(Figure), 22
141–142, 322	word cloud, 13–14
Friedman, Thomas, 3–4, 12, 92	'globaloney', 46–49
,,,,	law of semiglobalization, 46–49
GAAP, see Generally Accepted Accounting	Globe Telegraph and Trust Company, 59
Principles	Google, 190–191
GDP, see gross domestic product	Google Scholar, 14
General Electric, 189, 190	government's role in globalization,
Generally Accepted Accounting	65–67
Principles, 99–100	gravity modeling, 119-120, 129-138, 146,
geographic distance, see regionalization	160, 212, 219
Germany	ordinary least squares modeling (OLS), see
BMW sales, production and workforce	ordinary least squares modeling
(Figure), 88	Poisson psuedo-maximum likelihood
company ownership, 293	(PPML), see pseudo Poisson maximum
Deutsche Bank shareholdings, 98	likelihood
exports, 60, 72	gross domestic product
finance, 98	Ancient World, 56
foreign direct investment, 61, 63	emerging markets' shares, 74
foreign news website viewings, 42	gross capital inflows as percentage
Metallgesellshaft, 59	(Figure), 37



398 Index

gross domestic product (cont.) law of distance, 159, 160-161, 217-218 merchandise trade, 162 multinational headquarters intensity in modelling, 160-161, 165-166 ratio, 85 inflated notions of globalization nineteenth century growth, 59 real GDP per worker (Figure), 45 ('globaloney'), see perceptions of globalization shares of world GDP (Figure), 73 US share, 30 information depth of globalization, 39-43 Head, Keith, 121, 122, 134, 140, 207, 215 depth ratios, 41 Hechscher-Ohlin-Vanek (H-O-V) model, 204 growth of investment, 68-70 Held, David, 15, 16, 17 measurement, 17 Hennart, Jean-Francois, 205 institutional distance, see administrative distance historical perspective about, 56-58 intangible assets, growth of investment, 68-70 Communist era, 64 intellectual property corporate structure and organization, 70-72 emerging market multinationals, 74-76 patents, see patents protection, 97 emerging markets, 72-74 first wave of globalization, 56-62 intensity and depth, 15 internalization theory, 205-206 globalization changes over time, 21 government's role, 65-67 International Financial Reporting investment in intangibles and Standards, 99-100 international interactions information, 68-70 depth and breadth measurement, 17 reversal of globalization economic distance, 361-363 (1918-1945), 62-64 second wave of globalization, 64-76 principal types, 17 services sector growth, 67-68 international telephone calls, see strategy and organization, 70 telecommunications Hofstede, Geert, 243-249, 256-257 'international', origins, 11 home market revenues of large firms, 87 internet, information flows, 40-42 homophily, 207 Hong Kong, global connectedness, 32 Japan Horioka, Charles, 35 accounting, 99 Hudson's Bay Company, 58 Americanization concerns, 12 Human Development Index (HDI), 44, 360 cartels, 63 company ownership, 293 IBM, 189 finance, 98 immigration, see people masculine culture, 244 impact, see social impact of globalization post-Meiji Restoration trade, 59 incumbents, 75, 306, 358, 375-376 research and development, 94-95 service sector employment, 67 India accounting, 99 Jardine Matheson, 59 JIBS, see Journal of International Business British rule, 58 company ownership, 294-295 Studies Johanson, Jan, 204-205 foreign followers of Indian Twitter users, 40 Johnson & Johnson, 190 GDP, 72 state planning, 64 joint stock trading companies, 57 Journal of International Business unions, 304 individualist culture, 244 Studies, 4, 172, 202, 249 industry level k-means algorithm, 335 CAGE Distance Framework, 160 depth comparisons (Figure), 33 Keynes, John Maynard, 12 knowledge, see information greenfield foreign direct investment, 165-170 KOF Index of Globalization



Index 399

about, 19-20 research, see research, distance-driven timeliness, 23 single-country evidence, 172-175 Kogut, Bruce, 249, 254-258 stability, 211 Korea, company ownership, 292-293 subjective distance, 219-222 KPMG, 189 symmetry, 211 Krugman-Helpman (K-H) model, 204 utility of distance, 201-202 Law of One Price, 34 law of semiglobalization labor, see people labor freedom index, 288, 305-310 definition, 29 Lamy, Pascal, 4, 66 depth of globalization, 3, 15-16 language, 123, 149, 249-257 empirical evidence, 29 Latané, Bibb, 207 firm level, 83 law of distance focus on firms, 56 AAA Strategies, see AAA Strategies 'globaloney', 48 ADDING Value Scorecard, see ADDING knowledge transfer, 43 Value Scorecard meaning, 1 administrative distance, see administrative Tobler's law of external influences, 3 laws of globalization distance alternatives to distance, 212-213 differences, 3 analytical frameworks, 181-186 status, 1 breadth, 16 Tobler's laws of geography, 3 breadth of globalization, 3, 16, 119-120 leadership, see management business application, 159 Levitt, Theodore, 89 CAGE Distance Framework, see CAGE linearity and distance, 211 Distance Framework Livingstone, David, 11 causality, 211 LOP, see Law of One Price conceptual properties, 211 log-log specification, see multiplicative cosmopolitanism, 191 specification country level, 119 Long-term orientation, 245 cultural distance, see cultural distance M49 Regions, 325-340 discordance, 212 Maastricht Globalization Index distance analysis and business strategy, 179-186 about, 19 timeliness, 23 distance effects, persistence, 138-143 distance-dependence, 215 Maddison, Angus, 58, 60, 61, 73 economic distance, see economic distance management evidence, 119, 165 across distance, 186-187 firm level, 159, 171-178 non-native, 104-107 focus, individuals' need to, 192 of cultural distance, 262 foreign direct investment, 204 market integration foreign subsidiaries of Fortune Global 500, actual versus perfect (Figure), 31 175-178 Law of One Price, 34 geographic distance, see regionalization measurement, 30 Global Acumen, 180-181 perfect integration and separation, 56 industry level, 159, 160-161, 217 marketing function, 89 institutional distance, see administrative distance multinational business-to-business, 92 place, 91-92 linearity, 211 management across distance, 186-187 planning grid (Table), 90 price, 90-91 meaning, 1 multi-country evidence, 175-178 products, 89-90 nonobviousness, 4 promotion, 91 power distance, 244, 259-262 standardization, 89 psychic distance, 220-222 masculine culture, 244-245 regionalization, 321, 324 Mayer, Thierry, 207, 215, 121, 122



400 Index

McKinsev Global Institute Connectedness application data, 97 Index information flows, 43 about, 21 Patiño tin company, 76 timeliness, 23 people measurement of globalization, 11, 15 administrative distance, 303-305 cross-border wage convergence, 44-45 foreign news coverage, information depth of globalization, 43-46 interaction of ownership, capital, and flows, 42 labour, 305-311 reports on globalization, 13 Metallgesellshaft, 59 international student mobility, 45 Mexico international tourism, 45 Cemex, 191 labor costs reduction, 93-94 foreign direct investment, 61 labor mobility, 66 US firms in, 172 measurement, 17 MGI, see Maastricht Globalization Index migration, 43-45 Microsoft, 192 real GDP per worker (Figure), 45 migration, see people service sector employment, 67 Millward Brown, 91 perceptions of globalization movies, see cinema compared to hard data, 46-47 MSN Messenger, 41 'globaloney', see Globaloney multinationals, see firm level public opinion surveys, 12, 46-47 multiplicative specification, 160, 215 students, 47 Pew Spring Global Attitudes Survey, 12 music, international consumption, 42 Mussa, Michael, 17 Philips Electronics, 189 Pisani-Ferry, Jean, 23 Nadella, Satya, 192 Poisson Pseudo-Maximum Likelihood Netherlands modelling, 137, 160-161, 165-166, East India Company, 57 176-177, 328 global connectedness, 32 political constraints index (POLCON), 285-287 news, see foreign news Nielsen, Bo Bernhard, 191 Porter, Michael, 184 power distance, 244, 259-262, 309-311 Nielsen Sabina 191 business implications of, 259 non-native CEO, 104-105 privatization, 294, 298, 299 Fortune Global 500 Gravity Model at product market, see market Firm Level, 178 propinguity effect, 206-207 top management team, 106, 178 psychic distance, 220-222, 240 normative distance, 283-285 psychology research, 206-207 North, Douglass, 281 public opinion, see perceptions of globalization pyramid ownership, 292 offshore financial centres, 67-68 offshore operations of multinationals, 93 R&D intensity, 95 Ohmae, Kenichi, 321, 342 Chinese firms, 381–383 OLI (ownership, location, internalization) Fortune Global 500 Gravity Model at Firm framework, 205 Level, 178 OLS versus PPML, 165, 167 relationship with cultural, administrative, operations, see firm level and geographic distance, 178, 217 ordinary least squares modelling, 160-161, relationship with industries of high trade 165-166 intensity, 29-32 organization, see firm level MNE, 67 regional classification schemes, 325 ownership, see widely-owned firms regionalization Palmisano, Samuel, 82 boundary discontinuities, 325-334 patents breadth, 16 application, 322 CAGE Distance Framework, 336-339



China case study, 384–385	foreign direct investment, 61
country level trends, 345–347	telecommunications, 59
decline of, 344–350	unions, 304
definition of regions, 335	
distance effects, 175, 322–325	Salomon, Robert, 180
Fortune Global, 350–351	Samuelson, Paul, 4
firm level trends, 304	Samuelson, Robert J., 23
geographic distance, 321–323	Santos, Indhira, 23
law of distance, 321, 324	Schneider Electric, 189
regional business strategies, 340-344	science and technology, information flows, 43
regional focus, 341–342	Scott, W. Richard, 282
regional hubs, 342–343	services sector growth, 67–68
regional mandates, 344	Shenkar, Oded, 210–211
regional networks, 340–344	short-term orientation, 245
regional platforms, 343	Siemens & Halske AG, 59
regional portfolio, 342	Singapore
Tobler's law of geographic distance, 3	global connectedness, 32
Tobler's laws of geography, 3	outbound international phone calls, 126
trade intensities, 32	Singer sewing machines, 61–62, 63
regulative distance, 283	Singh, Harbir, 249, 254–258
religion, 242	Slater, Samuel, 61
research and development, see also intellectual	small and medium enterprises, 85–86
property	social impact of globalization, 17
collaborative research, information flows, 43	social impact, theory, 207
concentration, 94–95	social media, see internet
funding from abroad, 95–96	sociology research, 206–207
globalization, 94–97	Sorrell, Sir Martin, 89
intensity, see R&D intensity	South Africa, Botswana trade, 16
law of distance, 175	South-South trade, 366
patents, see patents	stability and distance, 211
share of business enterprise expenditure, 95	Starwood Hotels, 189
research, distance-driven	state planning, 64
about, 200–201	state-owned enterprise
comparative advantage case for, 208–210	China, 74, 295, 302, 367
connections to economics and business,	concentrated ownership, 297
203–206	India, 294
critiques of, 210–213	industry characteristics, 298
data improvement, 222–225	issues, 297
directions for, 213	oil companies, 298
input from other disciplines, 206–208	United States, 297
inter-industry variation, 217–218	varieties of ownership structures, 300
intra-firm distance, 218–219	widely-held firms, see widely held firms
mapping of distance landscapes, 215–217	Stead, William Thomas, 12
multiple facets of distance, 213–215	stock market capitalization, 35, 289–290, 302,
publications mentioning specific terms	306–307
(Figure), 203	strategy
subjective distance, 219–222	distance analysis, 179–186
theoretical case for, 203	regional business strategies, 340–344
utility of distance, 201–202	strategic alliances, 71
'rooted cosmopolitanism', 192	strategy domains (Table), 209
rooted maps, 181–182	Stuart, Gus, 185
Rugman, Alan, 205, 215, 217, 321, 324, 348,	students
349	people flows, 45
Russia	perceptions of globalization, 47
Communist era. 63, 64	subsidiaries, see firm level



402 Index

supply chains, 94 export value by number of employees, 84 Sutton, John, 86, 186, 378, 379, 380, 384-386 exports, 60 finance, 98 first wave of globalization, 60-61 company ownership, 290-292 Ericsson, see Ericsson foreign direct investment, 60-61, 63 feminine culture, 245 foreign news in newspapers, 42 law of distance evidence, 172 foreign news website viewings, 42 Globe Telegraph and Trust Company, 59 symmetry and distance, 211 Hudson's Bay Company, 58 Taiwan, consumer electronics, 71-72 imports, 60 Indian Raj, 58 Tang, Kam Ki, 16 taxation individualism, 244 accounting standards, 100-101 Jardine Matheson, 59 tax avoidance, 100-101 Patiño tin company, 76 technology and business coordination, 188-189 research and development, 97 technology transfers, information flows, 43 Sterling Area, 63 telecommunications tax avoidance, 100 first wave of globalization, 59 telecommunications, 59 international telephone calls, information translated books, 42 flows 40 US firms in, 172 TMT, see top management team United States Tobler, Waldo, 3 accounting, 99, 100 top management team Americanization, 12 diversity, 104, 192 Botswana trade, 16 Fortune Global 500, 104, 105, 106 cartels, 63 Fortune Global 500 Gravity Model at communications velocity, 17 Firm Level, 178 company ownership, 294 led by nonnative CEO, 105 corporate alliances, 71 tourism, people flows, 45 Dollar Area, 63 domestic equity investment, 35 trade Ancient World, 56 export participation rates, 83-85 depth of globalization, 30-35 export value by number of employees, 84 depth ratios (Figure), 31 exports, 60, 72 finance, 98 intensities, 32 joint stock trading companies, 57 Ford's world car strategy, 70 measurement, 17 foreign affiliate sales, 92 merchandise trade, 162-166 foreign direct investment, 61 openness (Figure), 65 foreign news in newspapers, 42 foreign ownership of US land, 12 value-to-weight comparison (Figure), 34 value-to-weight ratios, 33-34 GDP, 30, 60, 61, 64, 72 Great Depression, 64 Trade in Value Added (TiVA), 32, 67, 223 transport costs indexes (Figure), 69 Hudson's Bay Company, 58 immigrants' visas, 44 Twitter, 40 investment in intangibles and information, 69

Ulam, Stanislaw, 4 uncertainty avoidance, 244 Unilever, European integration, 71 United Arab Emirates, foreign born population, 125 United Kingdom Americanization concerns, 12 Botswana trade, 16

communications velocity, 17 company ownership, 294

East India Company, 57-58

offshoring potential, 93 overseas operations location, 172–174 Patiño tin company, 76 perceptions of globalization, 46–47 public opinion on globalization, 12–13 research and development, 94–97 reversal of globalization (1918–1945), 63

linguistic difference (Table), 243

market capitalization, 35 media reports on globalization, 13

labor mobility, 66



Index 403

service sector employment, 67
Singer sewing machines, 61–62, 63
tariffs, 66
tax avoidance, 100
telecommunications, 59
trade levels, 64
translated books, 42
unions, 304
Wall Street crash 1929, 63
Walmart, profitability and distance from
US, 173–174
Uppsala internationalization process model,
204–205

Vahlne, Jan-Erik, 204–205 value chains, 71–72, 92, 159, 358 value-to-weight ratios, 33–34 Vantrappen, Herman, varieties of capitalism, 104–106 varieties of capitalism, 282, 287, 288 velocity and breadth, 17 Verbeke, Alain, 205, 215, 217, 220, 321, 324, 328, 348, 349 Verne, Jules, 12

Wagner, Amy, 16 Waldfogel, Joel, 42 Wall Street crash 1929, 63 Wallenberg family, 290–292 Walmart, profitability and distance from US, 173-174 Washington Post, 23 WGI, see Worldwide Governance Indicators database widely owned firms incidence, 290-295 interaction of ownership, capital, and labour, 305-311 legal system influence, 306-309 Power Distance Index, 309-311 prospects for increase, 296-300 pyramid ownership, 292 religious influences, 309 varieties of ownership structures (Table), 300 worldwide, 290-295 Wilkins, Mira, 60 window of viability, 379 World Bank data, 19 World Governance Indicators, 285, 286 'World War', origins, 12 Worldwide Governance Indicators database, 285 WPP plc, 89

xenophobia, 208 Yahoo Mail, 42 Yeung, Bernard, 202