This book, the eighth volume of the Palgrave series, is based on some of the best papers delivered at the 27th Annual Conference of the Academy of International Business (UK Chapter) which was hosted by the University of Strathclyde. The emergent theme of the conference, as in the previous year at the University of Stirling, was globalisation in all its aspects. The antipathetic cultural dimension of globalisation was underlined at the opening of the conference by Tom Brewer, editor of the *Journal of International Business Studies*. He quoted the US Ambassador to France in these words: ‘The anti-Americanism today encompasses not only a specific policy … but a feeling that globalisation has an American face on it and is a danger to the European and French view of society. There is the sense that America is such an extraordinary power that it can crush everything in its way.’

Perhaps the ambassador has become overly sensitive to anti-American criticism during his sojourn in Paris, but there is no doubt that he is expressing a concern that many Europeans experience from time to time. In the practice of international business, it is not easy to assess the impact of such a sentiment. Whether real or imagined, it changes the approach to transactions by minimising the feeling that American and European commercial interests have much in common. In fact, cultural sensitivity about the US can lead to the feeling that what is bad for ‘them’ may well be good for ‘us’.

This theme of globalisation/Americanisation is developed extensively in Chapter 15 by Dennis Nickson and Chris Warhurst. Using the international hotel sector as a basis of evaluation, they find that American firms dominate with their products and practices. Indeed, American practices, ideas and techniques have substantially penetrated non-American hotel firms. Though their study is as yet at the exploratory stage, Nickson and Warhurst do not demonstrate the anxiety shown by the US Ambassador to France, but suggest that American standards are becoming identified with acceptable global standards.

KEYNOTE ADDRESS

Alan Rugman, Thames Water Fellow in Strategic Management at Templeton College, University of Oxford, gave the keynote address to the conference. Working
from his own research base of 20 multinational corporations (MNCs) (eleven from the EU, three from Asia, six from North America), he observed that the internationalisation process generally consisted of consolidating in the respective triad base, then moving into other triad markets. Rugman’s basic hypothesis is that both globalisation and global strategy are myths rather than useful or real concepts.

Entry into a rival triad market is effectively a game theory move for most MNCs. It is based on careful analysis of market and business environment factors. With respect to Bartlett and Ghoshal’s (1989) integration/responsiveness (IR) framework, there are four generic strategies for MNCs (Rugman, 2000):

- in the high I–low R quadrant, firms follow a pure integration strategy;
- high I–high R gives the transnational solution of a balance of integration and national responsiveness strategies;
- low I–high R yields a pure national responsiveness strategy;
- low I–low R leads to an unsatisfactory set of strategies with few or no benefits of either integration or national responsiveness.

On the basis of Rugman’s analysis, the high I–low R firms in his group of MNCs include Ikea, Nokia, Ericsson, Thames Water, Matsushita, Fuji Xerox, Xerox, HSBC and Enron. High I–high R MNCs include Benetton, Tate and Lyle, Procter and Gamble, Hewlett Packard, 3M and Nortel. Low I–high R companies include Unilever, Kingfisher, Rhône Poulenc, P&O and Philips. There are no low I–low R firms in Rugman’s sample, perhaps suggesting the selection of ‘successful’ MNCs for the research.

Note that MNCs that follow the pure national responsiveness strategy (low I–high R) are all European, four of the six North American firms follow transnational strategies (high I–high R), all three Japanese firms are in the pure integration (high I–low R) category. Perhaps this indicates some cultural contribution to the selection of international strategy, but Rugman made no reference to this.

Rugman concluded from his analysis of these 20 MNCs that in no case could successful performance be identified with globalisation drivers. Rather, strategy effectiveness seemed more closely linked with regional/triad inputs and skills. Unilever, for example, draws its national responsiveness from its regional operations, while its main competitor in world markets, Procter and Gamble, does so on the basis of a top management team that is spread around the triad. Nokia and Ericsson, by contrast, are highly integrated MNCs, domestic champions that enter other triad markets despite strong national regulations that characterise the mobile phone sector.

KEYNOTE DEBATE

The response to Alan Rugman’s contribution was led by Chris Warhurst of the University of Strathclyde. He outlined the popular currency of the term