

International Journal of Business & Economic Development (IJBED)**Volume 4 Number 2 July 2016****Editorial Comments**

Those who have dedicated their lives to studying the Earth's lithosphere are familiar with the fact that the world's tectonic plates are under various pressures and as a consequence periodically shift. Similarly the global economy is constantly reacting to various pressures, and as a result the tectonic plates of the business world are moving. The ramifications of the recent vote in the United Kingdom to leave the EU illustrates this, as well as warning us to beware of setting too much store by the economic soothsayers and media pundits who seem intent on telling us how we should think and behave.

This edition of the International Journal of Business & Economic Development (IJBED) contains ten scholarly articles conforming to the principal objective of the journal, namely the dissemination of both applied and theoretical knowledge. The papers provide a stimulating insight into a range of issues, both with local and global significance, and afford us an opportunity to appreciate the way in which various sectors and economies are wrestling with various challenges. The findings of a number of these papers are significant not only for academicians, but also for professionals, policy makers and those responsible for local, regional and national strategy. It is evident that whilst there is clear evidence of mankind's ingenuity in a range of circumstances, there is also a wealth of evidence presented herein of a lack of foresight in a variety of sectors and areas of human endeavour. The Editorial Board is grateful to the contributors for making IJBED the platform by which they have chosen to put their research into the public arena, and trust that they will use their good offices to ensure that others do the same.

The first paper is entitled: IFRS in the BRIC countries revisited: application of the IFRS orientation indexes by David R. Borker. Robust accounting mechanisms have long been seen as a key component when it comes to an economy that values trust both locally and in respect of its international partners and competitors. Even a cursory perusal of the IFRS website (www.ifrs.org) reminds the reader of the centrality of: transparency, accountability and efficiency. Whilst these are laudable aims for individual countries and for financial markets the ability of a country to ensure it has organisations, institutions and individuals who live up and maintain such lofty aspirations is another matter altogether.

The BRIC countries have become something of a self-fulfilling prophecy, certainly in regards to the degree of coverage these four countries have received collectively in the form of this near ubiquitous acronym. By examining the BRIC countries through the prism of IFRS indexes we are provided with fresh perspectives, especially in regard to the degrees of limitations of progress in meeting international standards. The primacy of culture and socio-political factors are clearly articulated here, hence the emphasis placed on making use of the Hofstede model. The addition of further refinements by S. J. Gary and the author's own emphasis on stewardship contributes significantly to the value of what is presented here. It is of course important to take cognisance of the fact that countries take their own paths and whilst some may be making somewhat tentative progress, even those nations such as the UK, US and Canada cannot afford to be complacent. The Big Four accounting firms (PWC, Deloitte, Ernst & Young and KPMG) have all faced their own difficulties and in some cases scandals and thus we must be mindful of the role of human frailty.

This paper elucidates something of the challenge faced by the BRIC countries and is a useful reminder of their different stages of development. This study has a wider relevance that goes beyond Brazil, Russia, India and China. The centrality of training is an important take

away, as is our own ability to get beyond stereotypes. Borker has provided plenty of food for thought here and as such has done us a service.

National development is heavily dependent upon a nation harnessing the potential of all its citizens. With this thought in mind we move on to the second paper: Fertility and female labor supply in Saudi Arabia: The case of Jeddah Western Region - Halah Essan Alattas. One of the challenges highlighted by this paper concerns the paucity of data at a micro level. This is particularly true of developing countries, all the more so when it comes to data outside of the capital or the main metropolitan cities. Through this research Alattas makes the case for Saudi Arabia to increase its birthrate, whilst also ensuring that more women enter the world of work. Anyone familiar with the Saudi Kingdoms official forward strategy: Vision 2030 (<http://vision2030.gov.sa/en>) will be aware that there are signs of lip service being paid to such aspirations, but as this paper would appear to confirm progress remains fitful and slow.

A perennial weakness with Saudi Arabia and other Gulf Cooperation Council (GCC) countries is the culture of dependency in regards to employing migrant workers. The figures are staggering, with 55% (2012) being quoted in this research. Demographic concerns are significant and here a number of reasons are given for the declining Saudi birth rate. I note with interest that stress is not mentioned, neither are health related matters that might result in a decline in male fertility. The author makes mention of an "unsuitable environment", it would have been useful to know precisely meant by this. According to the World Bank there were 2.7 births per woman in Saudi Arabia in 2012, where as in 1960 the figure was 7.2 births per woman. There are many who might well take issue with claim that the declining birthrate is caused in part due to religious strictures.

The highly prescriptive nature of Saudi society in regards to the education, roles and freedom of women and girls frames the entire narrative. The following line from the paper; "lack of opportunities for females, intolerant behaviour of males, ineffective political system, and supremacy of males." speaks volumes. Some believe that deep seated misogynistic attitudes are at the root of the problem. There is also the issue of unemployment and under-employment, this being particularly acute across the under-30 demographic. Mention is made of the "rate of idleness", if this is enforced Saudi Arabia has good reason to be alarmed, as within such enforced idleness can well sow seeds of discontent and possible future social unrest. This paper could well stimulate considerable discussion and debate in connection with issues as regards the comments made about women and private transport and contraception. It would be churlish to deny that some progress is being made, but all the indicators are that change in the status of women remains incremental and highly selective. The current regime is disinclined to support any moves that might be deemed to challenge the prevailing orthodoxy.

The trade-off that is said to take place in order for developing countries to attract much needed Foreign Direct Investment (FDI) is embodied in what has become known as the pollution heaven hypothesis. As well as this being about economics it is also an exercise in power, power that in the opinion of many is shown in environmental responsibility and ethical considerations. The third paper in this edition is entitled: The impact of pollution control enforcements on FDI inflow to Thailand - Kathasat Boontem. A wealth of important issues are raised within this paper, not only in respect of the challenge of ensuring that an economy is attractive for foreign investors, but also what it says about regulation and the degree of enforcement and penalties for infringement of legislation. Naturally, all governments are eager to see economic growth stimulated, but surely not at any price. Regulatory bodies often come across as little more than paper tigers. What is more there are currently severe misgivings about the commitment of Thailand's ruling National Council for Peace and Order (NCPO) to environmental safeguards. Herein lies a monumental challenge for Thailand. Successive political

crises have ensured that the desperate need to reassure investors and pull in foreign capital has invariably resulted in environmental considerations being side lined or even ignored. The phrase 'desperate times calls for desperate measures' comes to mind. This paper is all the more relevant as Thailand is ranked 32nd out of 108 according to Numbeo (2016) - the higher the rank position, the worse the pollution. What might be politically expedient for some is likely to have long term effects for the country as a whole, a message that needs to be heeded not only in Thailand, but across the developed and developing world.

The next paper also hails from Thailand, a country hidebound by Buddhist teaching and a deep seated deference to people in positions of authority. Such an outlook frames organisational culture and business attitudes to such a degree that it is essential to take cognisance of these factors when examining business conduct in Thailand. Good practice achievement of the firms within National agro processing industry in Thailand: Impacts on corporate image and stakeholder acceptance – Poonpool et al provides a clear outline of the theoretical ideal, one that is anchored in an extensive literature review. When the authors state; "corporate image has become an essential strategy for many organisations" we would do well to ask ourselves whether at times this results in style over substance. Branding and corporate image has become central to how many firms operate. Face, and the presentation of a positive image may well mask various imperfections. We need to ask how the values espoused as part of good practice work in a society that is not only highly deferential, but is not accepting of scrutiny from those deemed to be in inferior roles. What might be theoretically sound in actuality is difficult to deliver in a meaningful manner. The present cultural norms in business, the media and society at large make tackling malversation in the boardroom and in management almost impossible.

In regards to the specifics of the agro processing sector, it would be useful to have some idea as to the degree of interaction the leadership in this sector has with its equivalents elsewhere. Some insight into the size and nature of the industry would have added additional value.

The next paper is entitled: Developing countries challenges in applying sustainable urban development. An application on Egypt by Sherine El Sakka. Countries across the globe are wrestling with development at both at a local and international levels. Whilst a whole series of environmental summits and conventions have taken place in recent decades, in the majority of these, especially the Rio summit (1992) there has been an extraordinary lack of consensus. The degree of lobbying both from multi- nationals and NGOs has ensured that the water has been muddied so to speak. It is interesting to read the views of Bruegman (2005) who claims that; "advocates of sustainability base their assumptions on a very pessimistic view of the world..." Is this pessimism, or a reasonable assessment in view of the woeful record of sustainability in most countries?

When the challenges faced concerning sustainability are mentioned, the following deserve to be included: poor leadership, corruption, a lack of foresight planning, inadequate prioritisation and insufficient willingness to learn from positive examples from elsewhere. Whilst mention is made of Eco technology, this often comes at a premium, one that many companies and communities are either unwilling or unable to pay.

Films such as A Plastic Ocean (www.plasticoceans.org) have helped raise awareness of pressing issues, whilst companies such as Florida's Saltwater Brewery (www.saltwaterbrewery.com) have proved that where there is a will there is a way. The enormity of some of the problems being experienced cannot be wished away thanks to a collective wringing of hands, rather there needs to be concerted action and enlightened leadership.

Egypt's problems, certainly in regards to population are monumental and throw into even sharper relief the differences between sustainable development in urban and rural settings. There is evidence of some aspirations for the country as a whole, the best example being: <http://sdegypt2030.com>. There are a number of clear objectives here, which whilst perfectly laudable, are nevertheless lofty peaks that may well prove extremely difficult to climb.

If sustained economic development is to take place the simple truth is that small and micro enterprises need to be nurtured and encouraged. Whilst such businesses make up the lion's share of most economies around the globe, the business media and policy makers invariably seem to spend most of their time focused on the larger corporates. Attuning taxation systems so that they do not disadvantage smaller enterprises is a difficult balancing act that requires the dexterity and purpose of the finest funambulist. The sixth paper elucidates this topic and provides some interesting findings. Does increase in the depreciation expenses allowance spur economic growth? Evidence from the USA - Yuan & Oriaku examines the complexities surrounding the efforts being made to try and engineer targeted assistance. What is encouraging is the fact that the federal revenue authorities recognise that smaller enterprises require additional stimuli, but current efforts according to the authors still largely favour the larger corporations. Herein lies a point of discussion about how businesses are viewed and handled by the taxation system, some might even posit that there is an inbuilt bias that regardless of good intentions will inevitably either penalise small businesses or not enable them to be assisted as effectively as those with a far larger turnover.

Accounting mechanisms, most notably the sums concerned in depreciation are a common means by which revenue authorities try to address the particular challenges faced by the legion of smaller businesses. In recent years the Australian Taxation Office (www.ato.gov.au) is just one of a number of authorities that have been striving to simplify depreciation rules for small businesses. Nuanced changes, whilst not without some benefit, are notoriously hit and miss. This study would appear to confirm this and what is more has an important message for those endeavouring to address this issue on Capitol Hill.

The economics of the environment has slowly begun to emerge as an area of consideration that said, there is a growing body of evidence to suggest that this area of research and analysis remains somewhat fragmented. The next paper is entitled: UK company strategies in reducing carbon dioxide emissions - Yongmei Bentley. Carbon emissions first came to prominence with the alarming discovery in the mid-1980s by Joseph Farman, Brian Gardiner & Jonathan Shanklin, three scientists with the British Antarctic Survey. The discovery of a hole in the ozone layer caused widespread concern, to such an extent that there was a concerted effort globally to address the issue of carbon emissions. In subsequent decades we have witnessed the banning of chlorofluorocarbons, the introduction of carbon trading, as well as the development of carbon capture technology and an attempt in some quarters to measure and the reduce personal and corporate carbon footprint.

Considering the years of discussion and growing awareness, what this paper has discovered makes rather depressing reading, especially in regards to the fact that reducing carbon remains a secondary consideration. As the logistical side of commercial operations generates a sizeable percentage of the carbon emissions produced, it does seem extraordinarily irresponsible for businesses to have done so little claiming that this is because logistics is not their core business. These findings, whilst only a snap shot of what might be happening elsewhere have implications for policy, infrastructure development and new statutory requirements. There are also questions that should be being asked about home production. It is worth noting that companies such as the UK food retailer Iceland seem quite content to import

produce such as apples and tomatoes from Poland, when the UK is quite capable of producing such produce locally.

What is revealed in this paper raises questions about leadership and management. There might well need to be more of a carrot and stick approach, or some means of assessing and grading businesses with regards to their true green credentials. The logistics and warehousing sector is massive, and yet invariably the structures that are being erected show little evidence of featuring solar panels and utilising grey water systems. The points made about regional and national infrastructure are particularly pertinent, all the more so in the light of the enormous sums being expended on the hugely controversial HS2 rail link. All of which raises a number of questions: Why is there not a more coordinated approach to carbon reduction? Is this an issue that warrants greater attention from business schools? How many businesses in the UK are even aware of the likes of the Centre for Alternative Technology (www.cat.org.uk)?

From the subject of carbon emissions we move neatly on to fuel consumption, an issue that has a direct bearing on pollution and environmental degradation. Determinants of fuel stacking behaviour among households in Bauchi Metropolis - Ahmed, Darazo & Babayo offers an attempt to shed light on the decisions that influence fuel consumption in a city of some half a million people in Northern Nigeria. Whilst Nigeria is a veritable African powerhouse in many ways, when it comes to energy supply the country has a woeful record, that itself is certain to influence attitudes to energy consumption, and the choices made by consumers. Those familiar with Nigeria will have been rather surprised by a number of negative factors that were omitted from the 2.3.4 Modern Fuels Supply Security, issues such as poor leadership, inadequate training, corruption and the indifference of the wealthy to ensuring ready supplies as the well off can afford fuel and multiple generators.

The role of gender is extremely significant, not only as it is apparent that the heads of households in Nigeria are predominantly men, but the issue of technology adoption and gender is a topic that whilst mentioned, could have done with further elaboration. In addition much of Northern Nigeria's environmental damage is being caused by the demand for fuel sources such as charcoal and this is coming at a significant long term cost. Furthermore, there is the issue of the withdrawal of fuel subsidies, something that has disproportionately hit the poorer sections of society. Fuel is an incendiary issue in more ways than one.

From West Africa we move to the Caucasus, and the challenges faced by farmers endeavouring to make their way in the world in the post-Soviet Union era. As in all research the importance of context can never be underestimated. Countries such as Armenia have been shaped by their complex history, and the fact that this region has been dominated by Russia in so many ways has a considerable impact on policy, outlook and even the ways of doing business. Collective action as a way to develop Organic Farming in Armenia - Armen Ghazaryan offers a fascinating insight into a part of the world that rarely receives much coverage in the mainstream media or amongst academics. It must be stressed that the term "collective action" as featured in the title of this research refers to what is generally known as collectives/cooperatives.

Economic readjustment has been a slow and gradual process for the likes of Armenia and even over two decades on from independence there is more than a sense of transition. With agriculture making up a fifth of the economy it soon becomes clear that this is a pivotal sector, one that whilst it can draw upon cheap labour, still has to find a purpose, markets and ensure consistently high products that are reasonably priced.

The final paper is entitled: Motivational factors as determinants of employee commitment and performance enhancement in profit oriented firms: a survey of selected brewery manufacturing companies in Nigeria - Teryima et al. Employee motivation is an

especially pertinent area of research, especially in countries that have high unemployment rates. All too often those in leadership and management roles are more interested in cheap level, than they are in recognising, nurturing and seeking to retain staff. For many corporations the prevailing attitude appears to be one of, "well you are lucky to have a job, and if you do not like it, well then you are easily replaced", other employers will perpetually plead poverty, whilst amassing sizeable property portfolios. Flat management structures routinely go through the pretence of listening to some employees whilst routinely behaving in a myopic and often tyrannical manner. There are some employers who do not have bother to pretend to care about their employees, they see a payment no matter how meagre or in arrears as quite sufficient. By highlighting the role of extrinsic and intrinsic motivation we are reminded of the centrality of motivation in all our lives. The levels and natures of organisational commitment as expressed here add to the appreciation of the prevailing dynamic.

The literature survey is significant, especially as local and cultural context is relevant. In that respect, it would have been useful to have a few more African, and specifically West African references. Hofstede's analysis of Power Distance in regards to Nigeria is especially useful; see: <https://geert-hofstede.com/nigeria.html> Whilst the comparisons between the different breweries has some value, it would have been useful to have to some insight in respect of management training. Initiatives in regards to Lean Management in a nearby regional economic powerhouse, Ivory Coast, has some useful lessons in this respect, and thus it is worth being aware of organisations that are helping lead the way e.g. Côte d'Ivoire Diaspora Intelligentsia Agency (<http://www.cidia.co.uk/contact-us/cidia-cote-divoire/>) In some respects HRM remains haphazard and somewhat rudimentary in some sectors in Nigeria, and unfortunately there are some in leadership and management roles who remain decidedly ambivalent to its value. That said, this sector specific research has brought to light some positives, and helped crystallise the need to prioritise better channels of communication and recognition of individual wants that ultimately can help improve productivity and corporate cohesion and purpose.



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