

LETTER FROM THE EDITORS



**Daniel Rottig, Ph.D.,
Editor**

With this fourth and final issue of 2017, we publish an eclectic set of articles. The first two articles are part of our new series of interactive lead articles—which we started last year—that raise insightful and thought-provoking questions in an attempt to engage the AIB community in fruitful conversations that we hope will advance our field.

In the first article, Andrew Delios asks, “What makes one a true scholar in International-Business research?” and so nicely complements the question of “Is Your ‘IB’ Research Truly ‘International?’” asked by Jean Boddewyn in the inaugural interactive lead article (which we published in Volume 16, Issue 2). Asking and discussing both of these questions is more important than ever given the recent anti-globalization sentiments in many parts of the world and the declining relevance and legitimacy of our field.



**John Mezias, Ph.D.,
Associate Editor**

In the second article, reflecting on two key themes of AIB’s 2017 annual conference in Dubai, Martin Kaspar discusses whether we are, in fact, experiencing a rapidly de-globalizing world and whether we, as a field of IB, are losing relevance. Martin Kaspar then asks the two questions of “So what does this mean for our field? And why should times of trouble—where globalization might or might not be under threat—be a second breath of life for IB?” and so encourages us to contemplate the true *raison d’être* of our field of IB, and ourselves as IB scholars.

We hope that these two articles will fuel the momentum we have built by publishing a recent special issue on “Making AIB and Our Field of IB More Legitimate and Relevant” (Volume 17, Issue 2) and the related discussions and panels at this year’s annual meeting in Dubai, by encouraging you, our esteemed colleagues and AIB Insights readers, to join and continue the conversation on these important topics and questions. We invite you to respond to the authors by sending your comments through our interactive

‘Comments’ feature that you can find on the *AIB Insights* website at <https://aib.msu.edu/publications/insights> and receive a reply from our authors.

The third article, by Alejandro Ruelas-Gossi, questions the widely accepted paradigm which suggests that emerging countries ought to integrate themselves into global value chains primarily through activities focused on cost reduction, exploitation of natural resources, and low-value added services. This paradigm has led to a race-to-the-bottom among many emerging countries and widened the gap between the developed and developing world. Instead, Alejandro Ruelas-Gossi proposes a race-to-the-top paradigm that is based on the sophistication, or value enhancement, of resources that are distinctively present across regions around the globe and illustrates this new paradigm based on examples from the Basque Country (Spain), Chile, and New Zealand.

In the fourth article, Alexander Berman, Ram Mudambi, and Amir Shoham also discuss how to achieve a national competitive advantage, and do so through the lens of language. They demonstrate that language structure affects a nation’s innovation performance and discuss preliminary findings of a five-year study that measured the effect of linguistic diversity on people’s propensity and capacity to innovate based on language indices that reflect gender distinctions, emphasis on individualism/collectivism, and hierarchy differentiation. The authors further present some initial implications of these findings for managers of MNCs and for public policy makers.

In the fifth and final article, Robert Mefford reflects on the recent increase in volatility in the foreign exchange market and discusses its implications for managers of multinational corporations. More specifically, Robert Mefford explores how currency volatility affects many aspects of international business including strategy, investment and finance, operations and sourcing, marketing, and risk management as well as strategies to mitigate, or even benefit from it. The author further discusses strategies managers of MNCs can employ to hedge currency volatility in the short and long run, and looks ahead at possible currency volatility trends.

Daniel Rottig

John Mezias