

[illegible]

A stylized world map composed of white dots on a blue grid background, with light rays emanating from the continents.

An imprint of the CYRUS Institute of Knowledge (CIK)



CYRUS CHRONICLE JOURNAL (CCJ):
Contemporary Economic and Management Studies in Asia and Africa

The flagship journal of the CYRUS Institute of Knowledge

THE CYRUS CHRONICLE JOURNAL (CCJ)

Editorial Board

Editor: Tagi Sagafi-nejad, Professor Emeritus,
Loyola University Maryland, USA

Alf H. Walle, Ph.D., Associate Editor
University of Alaska, USA

Nancy Black Sagafi-nejad, Assistant Editor

Editorial Advisory Board:

Sousan Abadian, Ph.D., Massachusetts Institute of
Technology, USA

Abdelwehab Alwehab, Ph.D., University of Baghdad, Iraq

Nader Asgary, Ph.D., Bentley University, USA

Fariborz Ghadar, Ph. D., Penn State University, USA

Reza Askari Moghadam, Ph.D., Tehran University, Iran

Bulent Aybar, Ph.D., Southern New Hampshire University,
USA

Mohsen Bahmani-Oskooee, Editor, Journal of Economic
Studies, the University of Wisconsin-Milwaukee, USA

Gabrielle Bedewi, Ph.D., Former Global Segmentation
Leader, Nielsen, USA

Nada Nasr Bechwati, Ph.D., Bentley University, USA

Mansour Farahani, Ph.D., Harvard University, USA

Farok Contractor, Ph.D., Rutgers University, USA

Maling Ebrahimpour, Ph.D., University of South Florida,
USA

Ahmad Etebari, Ph.D., University of New Hampshire, USA

Hamidullah Farooqi, University of Kabul, Former Cabinet
Member, Afghanistan

Purpose:

The CYRUS Institute of Knowledge (CIK) Journal is a refereed interdisciplinary journal. The editorial objective is to create opportunities for scholars and practitioners to share theoretical and applied knowledge. The subject fields are management sciences, economic development, sustainable growth, and related disciplines applicable to the emerging economies in Asia, Africa, and other emerging economies. Being in transitional stages, these regions can greatly benefit from applied research relevant to their development. **CCJ** provides a platform for dissemination of high quality research about these regions. We welcome contributions from researchers in academia and practitioners in broadly defined areas of management sciences, economic development, and sustainable growth. The Journal's scope includes, but is not limited to, the following:

Business Development and Governance
Entrepreneurship
Ethics and Social Responsibility
International Business and Cultural Issues
International Economics
International Finance
Innovation and Development
Institutions and Development
Leadership and Cultural Characteristics
Natural Resources and Sustainable Development
Organization and Cultural Issues
Strategy and Development
Women and Business Development

Authors are responsible for the views expressed and the accuracy of the facts provided. Authors' opinions do not necessarily reflect the position of the CYRUS Institute of Knowledge, the Editor, or the Editorial Advisory Board of **CCJ**.

Editorial Advisory Board Members:

Professor Tagi Sagafi-nejad is the editor of **CCJ**. Dr. Sagafi-nejad is ex-editor of International Trade Journal, the author, in collaboration with John Dunning of The UN and Transnational Corporations: From Codes of Conduct to Global Compact, (2008) and "The Evolution of International Business Textbooks" (2014). He was the Radcliffe Killam Distinguished Professor of International Business, founding Director of the PhD Program in International Business, and Director and Center for the Study of Western Hemispheric Trade at Texas A&M International University (2003-2013). Dr. Sagafi-nejad is well-known internationally and has outstanding credentials to develop The Cyrus Chronicle into a high quality publication.

Bahram Grami, Ph.D., Author and Editor, USA

Shahriar Khaksari, Ph.D., Suffolk University, USA

Noomen Lahimer, Ph.D., University of Carthage, Tunis

Tatiana Manolova, Ph.D., Bentley University, USA

Farhang Niroomand, Ph.D., University of Houston, USA
Distinguished members from world-class institutions of higher learning, practice and industry.

Emerson Maccari, Ph.D., Uninove University, San Paulo, Brazil

Massood Samii, Ph.D., Southern New Hampshire University, USA

Jahangir Sultan, Ph.D., Bentley University, USA

Joseph Weiss, Ph.D., Bentley University, USA

Willem-Jan van den Heuvel, Ph.D., Tilburg University, The Netherlands

Constantine Vardavas, Harvard University, USA

Submission Process:

For more information on the Institute, please contact:
Editor@Cyrusik.org; Sagafinejad@loyola.edu;
Nasgary@Cyrusik.org. **CYRUS Institute of Knowledge (CIK), Box 380003, Cambridge, MA 02238-0003, USA**

He will be assisted by an editorial board consisting of Tarek Hatem, Ph.D., American University in Cairo, Egypt

We invite authors to submit their papers and case studies to Editor@Cyrusik.org. We will have a quick turn-around review process of less than two months. We intend to begin with two issues per year consisting of about 5-8 papers and case studies per issue. The first issue is being planned for the fall of 2015. A selected number of papers submitted to the CIK conference will be double-blind reviewed for inclusion in **THE CCJ**. We intend to have special issues on themes that are within the scope of Journal. Also, we will have invited guest issues.

THE CCJ: An imprint of the CYRUS Institute of Knowledge (CIK)

Background:

This is a historical time for the mentioned regions, and The Cyrus Chronicle intends to offer what is most urgently needed. There is no question that organizations and businesses that are capable of analyzing and applying advanced knowledge in management sciences and development are in high demand, and especially during transitional periods. It is an unusual time in the target regions and the world, a time which requires active intellectual participation and contributions. It is the era of revolution in terms of communication, technology and minds for billions of people. It is a time for intellectuals, entrepreneurs, and philanthropists to help enlighten minds and therefore enrich the quality of life for millions. It is a time to focus intensely on the regions' historical characteristics, achievements, human and natural resources, and its significant deficit in development, management sciences, and democracy. CIK's vision, "to cultivate the discourse on human capital potentials for better living," is the appropriate response to current challenges, and the journal is a platform for sharing the perspectives of scholars and practitioner with a wider audience.

CYRUS associates tend to have a foot in two worlds. First, most of the associates possess a wealth of intellectual and experiential knowledge which is enhanced by their active involvement in business, consulting and scholarly research and collegiate teaching. Second, some associates are sons and daughters of the affirmation regions and possess an ethnic identity, language skills, and the insights only embraced by insiders. Third, most of the CIK board of directors' members and associates are well-known scholars, members of editorial boards of journals, and even editors. CYRUS possesses depth, breadth, and a competitive edge to successfully manage chronicle.

CYRUS is committed to developing knowledge that positively contributes to the life of the world citizens, especially, the target regions. CIK is a charitable, educational, and scientific organization that has been in operation since 2011. It is a secular and nonpartisan organization that has many scholars and practitioner as member.

Editor's Introduction

Since inception in 2012, the Cyrus Institute of Knowledge has held five annual meetings. Last year we published the first volume of *Cyrus Chronicle Journal (CCJ): Contemporary Economic and Management Studies in Asia and Africa* in conjunction with the 2016 annual conference.

CYRUS Institute of Knowledge (CIK) had two successful international conferences. Between the CIK March 2016 conference at the American University of Cairo and the April 2017 at MIT, we have received more than 120 abstracts and 30 full papers. Papers, abstracts, and presentations have come from all continents and more than 40 countries and more than 50 institutions of higher education and organizations. Please see CIK website for detail information in this regard.

The acceptance rate for this issue is less than 20% considering many papers that were submitted for review and full papers for the conference. Two papers in this issue are invited. These articles, one by Professor Ghadar and another by Professor Contractor, two eminent international scholars, whose insight will enhance the quality of CCJ and give it the prominence it seeks. Our aim is to publish the highest quality papers that pass through multiple review process. CIK colleagues and conference participants have proposed and suggested special issues of the journal which is based on core topics (i.e., entrepreneurship, innovation, ethics, and sustainable development) and/or country specific. Therefore, we welcome your articles which meet these characteristics. We already have several papers about Iran.

Now we welcome you to the second issue (CCJ.V2). The journal intends to cover scholarship pertaining to emerging economies in Asia, Africa, and other emerging economies. Scholarship dealing with these regions tend to be either ignored or misunderstood, and there are limited outlets for scholars who work in these countries to share their scholarly outputs. Focusing on these two continents will help researchers from both developed countries as well as these two continents - which together account for the largest portion of the world population and growth. The CCJ intends to fill these gaps. An examination of our mission may shed some light on this question. The primary purpose of the journal is four-fold:

1. To share and promote knowledge of economic, management, and development issues facing countries of Asia and Africa and other emerging markets. Focusing on assessment, evaluation, and possible solutions help advance countries in this which has the largest world habitats. Development challenges are global; virtually every country faces problems concerning economic development, sustainability, food and water, population and environmental degradation. Yet no country gains by shunning opportunities that globalization can provide, with the possible exception of a few countries whose leaders lack a full understanding of the opportunities that globalization can offer. To take advantage of such opportunities, knowledge is the primary requisite. And this journal aspires to make a contribution to this body of knowledge.
2. To encourage the generation and dissemination of knowledge by local scholars whose access to mainstream academic outlets may be limited? We know many scholars from academic, public and private sector organizations whose first-

hand knowledge of problems and solutions isn't being shared for lack of an appropriate outlet for dissemination. The CCJ may provide an opportunity for spreading such knowledge.

3. To focus on countries that span the northern band of Asia – from China to Turkey – to the northern tier of Africa, areas that have not previously been the subject of much attention. In the past, these countries have tended to gain the attention of scholars and the media only in times of man-made or natural crises. But in fact, these nations have many challenges similar to those of others. They wrestle with shortages of food and water and the growth of population and pollution. Although they have educated their own citizens, especially in countries that had been under the shackles of dictatorship for decades, now they have become freer to express ideas in journals such as this.
4. Academic scholarship emanating from the region under the journal's coverage tend to get lost in the academic jungle where the pressure of "publish or perish" leaves behind the younger and less experienced members. This journal will give an opportunity to the scholars with first-hand knowledge of these areas to publish their research and thereby make important contributions to the management and development body of scholarship on which the journal will concentrate. We need to know more about these topics in countries such as Afghanistan, Kazakhstan, Morocco and Tunisia as well as other countries covered by this journal. The CCJ will provide a platform for established as well as younger scholars who might collaborate with them in their research.

In this second issue of the *Cyrus Chronic Journal*, we include six articles and four book reviews. Scholarly articles, from established scholars and policymakers, cover the gamut from US-China relations and anomie and dysfunction in the Middle East to direct investment in the MENA countries, inclusive business in supply chain and, finally, barriers that Western educational entrepreneurs face in pursuit of educational initiatives. In addition, we included reviews of four books each of which is timely in coverage and penetrating in their analysis. We will continue to bring you book reviews as part of our mission to advance knowledge.

On the journal's operational side, we want to make the publication more accessible to a wide audience across the world, and so, consistent with the 21st-century trend toward electronic media, we will publish this journal online. To maintain rigor and originality, articles submitted to the journal will undergo the standard blind review process. Reviewers' anonymous comments are shared with authors, as appropriate. Submission guidelines and procedures are delineated on the journal's website: <http://www.cyrusik.org/research/the-cyrus-chronicle/>.

As the first editor of the journal, I am pleased and proud to accept this challenge. I bring some experience; my first editorial assignment was as an undergraduate at the then Pahlavi University in Shiraz, Iran, a top-ranking institution in the region. A few students and I founded and published *Danesh-Pajouh* (knowledge seeker). In those days when freedom of expression was severely limited, we managed to publish one issue in March 1965 before the censors put a stop to the enterprise.

Failure to Adjust: How Americans Got Left Behind in the Global Economy (A Council on Foreign Relations Book)

Book Review by: **Tagi Sagafi-nejad**
CYRUS Institute of Knowledge

Author: Edward Alden

Published by: Rowman & Littlefield Publishers (October 20, 2016)

ISBN-10: 1442272600

ISBN-13: 978-1442272606

Resilience and the ability to adjust are among the most critical characteristics of a dynamic economy. As the pace of globalization accelerates, and as its detractors push back against it, competitive open economies must adapt or be left behind in the arena of global competition. Active participation means constant adjustment to the dynamics of competition. Adjust or perish. Whereas Alden does not think the USA is on the brink of perishing, he is sounding the alarm and detailing the reasons why a key trade policy tool has failed to live to its promise.

Globalization does not impact everyone equally. There are winners and losers, between countries as well as within each. Benefits of globalization are widely, thinly and unevenly spread, whereas the costs borne by its victims are highly targeted. Cheaper imported garments benefit customers – by a small margin. But the garment worker or shoemaker whose livelihood depends on making them locally in the small home town of South Carolina or New Hampshire is now out of a job and most likely devastated.

Which is where the state comes in. Far from governed by the dog-eat-dog of the jungle, civilized countries have all recognized – some better than others – the need for a protective net to mitigate the damages caused by global competition. Thus, was born the 1954 Trade Adjustment Act. It was later refined and eventually enshrined as the Trade Adjustment Assistance (TAA). Subsequently global and regional accords were created that enshrined national policies aimed at protecting vulnerable segments of citizenry. The General Agreement on Tariffs and Trade (GATT) and its successor the World Trade Organization (WT), as well as a North American

Alden painstakingly takes the reader through the evolution of US trade policy and its successes and failures across all administrations. The details of how the policy evolved, implemented, and modified make for a fascinating story, told with lucidity and backed by solid scholarship. The 249-page book is fortified with no less than 34 PAGES of footnote!

The core message of the book, in addition to chronicling of trade policy, and institutions and accords that were crafted to implement it, is that Trade Adjustment Assistance, which should be a cornerstone of country's adjustment to global competition, has not lived up to its promise. In a nutshell, TAA is supposed to help those negatively impacted by competition from imports, by providing financial and – more importantly technical assistance - so that they can adjust. "Failure to Adjust" aptly details how the reasonable and indeed necessary idea has often failed to live up to its promises. If TAA were to be properly supported and funded by the US Administration – Democrat or Republican – the pain of globalization would be mitigated without resort to xenophobic rhetoric and divisive or one-sided actions. The "victims" of globalization are not entirely blameless; more could upgrade their tools of trade, seek new opportunities and adjust. "Failure to adjust" applies not just to governments but to potential victims as well. Of course, the bulk of responsibility falls on the shoulder of institutions that are designed and charged with overall well-being of the country. They have the tools with which to soften the blow. More often than not, they have failed to adjust.

In eight chapters, augmented with extensive references, Alden has written a book that should be required reading not just for trade policy dons but any administrator whose decisions can help improve the lot of those unfortunate enough to be negatively affected by global competitive forces. Alden digs into the Great Depression, which is a great start, since it was the depression and trade wars that led to the Second World War. He subsequently deals with the value of the dollar and how it impacted trade, and goes on to the accelerated tempo of foreign direct investment (FDI) which took off in the 1960s, thus impacting trade and winners and losers. Then came offshoring, followed by a perceptive analysis of the role of the family (characterized by Tiger Moms phenomenon) in shaping global competition. Home is where it all starts, and the

failure to adjust is a failure at the family level. Combined with “failing schools”, and it is a formula for falling behind.

One of Alden’s basic messages is that “failure to adjust” is not happening only at the trade policy level but at the work place, in schools, and at homes. We are all in it together, and must share the blame and the solution.