



Association of Business Historians

ABH Conference 2006

“Globalization and Business History”

Queen Mary, University of London, 16th - 17th June 2006

Globalization and Glocalization: an Epistemological Analysis from Business Economics

Massimo Pollifroni

University of Turin, Department of Business Administration,
218 bis Corso Unione Sovietica, Turin, (TO); Postal Code 10134 ITALY (IT);
Phone (office): (+39) 011 6706013 - Fax (office): (+39) 011 6706012
Web site: www.m2a.unito.it - Email: pollifroni@econ.unito.it

Summary – Abstract – 1. Historical Introduction – 2. From the Post-Globalization Era a New Ethical Feeling is born to measuring the Corporate Performances – 3. Conclusions – Tables and Figures – References – Endnotes.

Abstract

This paper tries to explain the consideration that the “*globalization era*” is already gone and we are living a “*post-global era*”. Globalization has been a project of a world-integrate economy regulated by the trade rules, to follow the mutual profit of all the participants with positive advantages for the society. Now, this project, looks like a broken dream: today, it’s quite easy to describe the globalization as the cause of violence discrepancy and injustice.

The paper wants to focus on the epistemological analysis of the globalization and glocalization words. In Economic Sciences it is often difficult to trace the origin of concepts: these concepts are often products of collective endeavours. From these concepts, by a Business Economics approach, it is possible to derivate some new strategies for the corporate system of 21st century.

Inside these processes, from the “*post-globalization era*”, a new ethical feeling is born to measure the corporate performances that are business, social and ethical performances: these processes will require new accounting instruments and new accounting professional profiles.

JEL Code: M13, M14, N8.

Keywords: Globalization, Glocalization, Corporate Performances, Business History.

1 - Historical Introduction

The idea of a society managed by the mechanism of the free and voluntary trade, of an economic integration to a planetary level, is not born with our short experience of globalization, which has been wasted for his greatest part in the 90s. Instead, this idea, takes his origin from the classic economic thinking, as well as the effective economic integration, based on market, was already

advanced one hundred years ago, before undergoing a great regression (Harold, 2001); other episode of economic integration of big areas, build on different bases, broken by periods of de-globalization, have taken place in the human history, and it can demonstrate that this alternance is possible (Arrighi, 2000).

It is possible to say that everything starts in 1776 when, on the 4th July, the congress of the rebel American colonies, joined in Philadelphia, declared the independence of the United States of America, causing the end of the colonial period (Chase-Dunn et al., 2000). In the same year was published "*The richness of the nations*" [written by Adam Smith (1723-1790)], that was one of the hardest criticisms of the colonial system. The liberal economic thinking, that is born from Smith, appears immediately linked with international economic and politic developments of a globalizing kind. Smith's idea of a free trade based on the mutual advantage, instead of supremacy and exploitation, that came from free trades which makes different economy become complementary. This thinking is the beginning of the long way of modern project of globalization and has to be considered with attention for his actual relevance. The international trade of Smith can be interpreted as an antidote to the tensions and to the encounters between countries, so it can be considered an element of stabilization of a political scenery that was already global. It brings to the productive specialization of the participants countries on the base of the absolute advantage (Cohen, 1981; Cox, 1997). The productive specialization and his successive exchange of products in excess brings to an advantage for both countries. But Smith, has forgotten to analyze the distribution of the total advantage, which can results strongly unbalanced in favour of one of the countries; and he did not consider the eventual extern diseconomy, as well as the costs, social and economic, that can be linked to the specialization (Gereffi et al., 1994; Hall, 2001). The rise of the international trade can be observed, as Marx (1818-1883) did, from the extern, or rather watching to this system in his whole. A simple equation - say Marx's notion of the rate of profit - would be enough to verify that if the "*immateriality*" of labour increases relatively, if the proportion of sophisticated machines forming constant capital increases over living labour, then the ratio between surplus value and variable capital must be increased for the rate of profit to remain constant. And if we identify the rate of exploitation in terms of the rate of social exploitation, it is clear that not only wages, but also social expenditures forming social variable capital, must be targeted by capitalist strategies if the rate of profit is to be maintained or accumulation increased. To this end the productivity of waged and unwaged workers in industries and social services, of those working in schools and universities, of those involved in labour of reproduction etc., must increase. In many of these cases, this means an increase in the intensity of labour (Cohen et al., 1987). In this case the results are less optimistic: the productive specialization carried by the globalization drives to great realization but presents aspects which are strongly negative. In fact it upsets the social asset and it forces the agriculturists to leave the country and to move to the new industrial cities; here they can probably have an higher income,

but they also have to transform their life-style, their agricultural know-how is not useful anymore and can be considered as destroyed human capital (Scott, 1997). This process of growing internal difference in a rising situation, linked with the growing difference between different nations, presents a considerable analogy with the developments of the last ten years of the 20th century (Taylor, 2003) and appears without any effective remedies (Rugman, 2001; Sassen, 1999).

In the last years, we have known a new economic, political and cultural process, called globalisation, that is universally known like a new stage of capitalistic system, a new capitalism (Simmonds et al., 2000; Sklair, 2001). The globalisation is an economic phenomenon, that conditions especially economic integrations, but it makes also problems for many cultures around the world, because there is incompatibility between human relationships and the extreme exploitation of resources and the maximization of the concept of competitiveness on liberalized markets (Boyer et al., 1996). All these situations, generate a new transverse centre-outskirts contradiction, more than the traditional North-South contradiction, that is everywhere, both locally and globally. When for the first time Marshall McLuhan, in 1962, introduced his famous concept of the world as a “*global village*”, he could not have foreseen how fast the process of globalisation would proceed. Since then, globalisation has fundamentally changed many areas of modern society, such as the media, culture and politics (Harold, 2001; Harvey, 1989; Hill et al., 2000; Keil, 1998). This is particularly true for the world of business and commerce, since production and trade have increasingly become globalized and companies have developed international approaches for marketing and sales strategies (McLuhan, 1989; Marcuse et al., 2000). According to Nederveen Pieterse (Nederveen, 2004) there are three views on the issue of globalization of cultures: “*clash of cultures*”; “*McDonaldization*”; and “*hybridization*” (or “*synthesis*”).

The first view is the “*clash of cultures*” view expressed in terms of clash of the civilizations by writers like Samuel Huntington. The second notion is best expressed in the phrase of “*McDonaldization*” of the world (Ritzer, 2000). This view obviously suggests a homogenized world, a world dominated by a single culture that erases differences of local cultures. The third view is that of “*hybridization*” (or “*synthesis*”). Much of human evolution of culture can be seen as exchanges, diffusion, etc. where cross-breeding, borrowing and adjusting to the local needs and so on were very common (Khondker, 2004). So it is possible to refer to a product as being internationalized if it has been developed to meet most of the needs of an international community, but not yet customized to a specific region. The customization to a specific region is called localization (Robertson J. C., 1999). Glocalization (a neologism of globalization and localization) has emerged as the new standard in reinforcing positive aspects of worldwide interaction, be it in textual translations, localized marketing communication, socio-political considerations, etc. Its decorum is to serve a negotiated process whereby local customer considerations are coalesced from the onset into market offerings via bottom-up collaborative

efforts. Cultural, lingual, political, religious and ethnic affiliations are simultaneously researched and integrated into a unified holistic solution. In this manner, the intended market is given a stake in the overall process and not just the mere end result (Sassen, 2000). The centralised nation-state is giving way to both supra-national and sub-national institutions (Taylor, 2004). Underlying both trends is a single force: the empowerment of individuals and communities at the expense of the monolithic nation state. Glocalisation improves the voice, participation and prosperity of individuals and communities. It is an idea whose time has come (Robertson R., 2003; Stiglitz, 2002). According to the dictionary meaning, the term “*glocal*” and the process noun “*glocalization*” are “*formed by telescoping global and local to make a blend*” (The Oxford Dictionary of New Words, 1991:134 quoted in Robertson R., 1995:28). The term was modelled on Japanese word “*dochakuka*”, which originally meant adapting farming technique to one’s own local condition. In the business world the idea was adopted to refer to global localization (Smith, 2001). According to Robertson, glocalization means “*the creation of products or services intended for the global market, but customized to suit the local cultures*”. Although the term glocalization has come to frequent use since the late 80s, there were several related terms that social scientists used and continue to use. One such related word, which has been in use in social sciences and related fields for quite some time is “*indigenization*” (Khondker, 2004). The sociological concepts of globalization in general, and glocalization in particular, can be of great value in understanding the dynamic social transformation in Southeast Asia, especially in China and India (Weiss, 1998; Storper, 1997). It is always possible to be carried away with “*methodological nationalism*”, a position that says each country or society should be examined in light of its own context through the devices of its own home-grown methodology (Brenner, 1998). Such a position would lead to intellectual closure foreclosing dialogue and understanding between societies (Guillén, 2001). In the globalized world such discourses have limited value (Beauregard et al., 2000). However, in the end what is needed is a set of globally valid concepts that will help us examine processes of social transformation that is inextricably connected with global transformation (Khondker, 1994; Castells, 1998; Wade, 1996).

2 – From the Post-Globalization Era a New Ethical Feeling is born to measuring the Corporate Performances

The concepts of globalization and glocalization, used in these pages, follow a sociological/historical approach (Khondker, 2004; Del Cerro, 2005) and regard society and the dynamic social transformations (Dicken et al., 2001). Following a Business Economics approach, now it is possible to derivate the new policies for the corporate system of 21st century (Chase-Dunn, 1999). The architecture of the model identifies the structure of the enterprises, in function

of the following policies: a) *business policies*; b) *social policies* and c) *ethical policies*. These policies are explained in a row.

Business policies are, e.g., *Customer relationship management* (a business strategy based on selecting and proactively managing the most valuable customer relationships; it requires a customer-focused philosophy to support effective marketing, sales and customer service processes) or *Knowledge management* (a detailed plan outlining how an organisation intends to implement knowledge management principles and practices in order to achieve organisational objectives): usually the performances of these policies are measured and evaluated by the traditional balance-sheet ratios or by the management control activities. These activities are included inside the Corporate performance management (CPM), a concept introduced by Gartner Research¹ in 2001, which "*all of the processes, methodologies, metrics and systems needed to measure and manage the performance of an organization.*"

While there are multiple ways to define and describe performance management, the good news is that they all are focused on a common objective: linking enterprise-wide strategy with enterprise-wide operations through key performance indicators (KPIs). Another consistent thread is the framework involved. Each definition of corporate performance builds on Gartner's primary construct - methodologies, metrics, processes and systems - as the core ingredients for performance management success (Bauer, 2003). Bauer has defined these as follows:

Methodologies: Systematic and sustainable procedures for tracking, measuring and improving business performance (i.e., balanced scorecard, economic value added [EVA], activity-based costing [ABC] and Six Sigma).

Metrics: Real-time measures (KPIs) captured in a Web-based dashboard focused on key issues and critical data for dynamic decision making (i.e., return on investment [ROI], customer relationship management [CRM] analytics and supply chain management [SCM] analytics).

Processes: Performance feedback loops link strategic, operational and activity levels with the ability to respond to dynamic market conditions (i.e., strategy formulation, planning and budgeting, forecasting and business tracking).

Systems: Technology solutions (or information systems) that combine methodology, metrics and processes in a single enterprise-wide reporting and analysis environment designed to track, understand and manage information (i.e., data marts, data warehouse and business intelligence applications).

The performances of the *social policies* may be evaluated by the following reports: *Final document* such as, e.g., the *Corporate Social Responsibility Report* (or *Social Report*), the *Environmental Balance* (or *Eco-balance*) and the *Gender-Sensitive Report*; *Preventative document* such as, e.g., the *Sustainable Development Report*.

Final document. The *Corporate Social Responsibility Report* (or *Social Report*), provides additional information to that given in the more traditional reports, providing stakeholders with details about the social impact of the company's decisions (GBS, 2001)ⁱⁱ. Information about the company's performance to be made public simultaneously expands investors' window of choice and increases the approval and the involvement of the general public, enabling companies to strengthen their reputation. This report also provides management with the necessary information to assess and verify the results obtained, useful for identifying strategies with which to approach the social field. Social reporting has the following objectives: to provide all stakeholders with a comprehensive picture of the company's performance, establishing an interactive social communication process; to provide relevant information on the company's operations in order to broaden and improve stakeholder's awareness and ability to evaluate and make choices, also from an ethical-social standpoint. This means: describing the company's identity and the basic values which the company has applied in preparing the report, as well as its orientation in corporate decision-making, management approach, and their outcomes and impacts; illustrating the goals for continuous improvement which the company intends to follow; providing details on interactions between the company and its surrounding environment; showing value added and how it is allocated.

Following the Italian standards, the Social Report may be divided into three sections (GBS, 2001):

- the *corporate identity*, which entails a description of the ownership structure, the mission, the framework of ethical values, and the strategy;
- the *creation and allocation of value added*, representing the main connection with the statutory financial statements and which highlights the company's economic (or economically quantifiable) impact on the main categories of stakeholders;
- the *social account*, summarizing the results achieved in relation to the commitments, plans and impacts on the individual stakeholders.

The most important ratio contained in the document is the value added (inside the second section). Value added measures the wealth generated by the company during the year for the stakeholders to which such value added is allocated. The profit and loss account figures are reclassified to show the creation of value added and its allocation to the stakeholders. The allocation process also considers the actual distribution of the net result for the year. Value Added may be represented in two different tables (the two tables balance each other):

- the *Table for the Calculation of Value Added*, identified by comparing interim revenues and costs (ref. Table 1);

- the *Table showing the Allocation of Value Added* being the summation of the remuneration received by stakeholders within the company and the donations (ref. Table 2).

The *Environmental Balance* (or *Eco-balance*) means companies expressing in quantitative terms that are as clear as possible the environmental performance of their operations, comparing data about the environmental burden of inputs to data about outputs: this document is the final part of the environmental impact study and assessment which compares environmental costs and benefits on the basis of homogeneous criteria (Scandurra et al., 1995). This document concerns: environmental management and risk management systems; training and education; environmental performance indicators; use and consumption of energy and non-recyclable materials, etc.ⁱⁱⁱ. The *Gender-Sensitive Report* (or *Gender-Sensitive Budget*, *Gender Budget*, *Women's Budget*, *Women's Budget Statement*, if it is a preventive document) refers to a variety of processes and tools aimed at facilitating an assessment of the gendered impacts of government budgets. In the evolution of these exercises, the focus has been on auditing government budgets for their impact on women and girls^{iv}. This has meant that, to date, the term Women's Budget has gained wider use. Recently, however, these budget exercises have begun using gender as a category of analysis so the terminology Gender-Sensitive Budgets is increasingly being adopted. It is important to recognize that Women's Budgets or Gender-Sensitive Budgets are not separate budgets for women, or for men. They are attempts to break down, or disaggregate, the government's mainstream budget according to its impact on women and men, or on different groups of women and men, with cognizance being given to the society's underpinning gender relations (Sharp, 1999). As *Preventative reporting* there is the *Sustainable Development Report*, that provides a framework for sustainability reporting with emphasis on the linked aspects of an organization's environmental, social, and economic aspects in according to the definition of the World Commission on Environment and Development (WCED, 1987) "(...) a development is considered to be sustainable if it meets the needs of the present without compromising the ability of future generations to meet their own needs (...)".

The performances of the *ethical policies* may be declared and evaluated by a series of instruments, that it is possible to divide into two clusters:

- internal instruments realised by the enterprises;
- external instrument realised by other subjects.

Inside the first cluster, the internal instruments realised by the enterprises, are: promulgation of the *ethical view* (or *mission*); promulgation of the *ethical code* by an *ethical committee*; creation of an *internal ethical audit*, presided over by an *ethical officer*; realization of activities concerning *ethical training*; *social and environmental accountability and auditing*.

Promulgation of the *ethical view* (or *mission*). The ethical view (or mission) states purposes and fundamental aims that the enterprise wants to pursue and the consequences that it intends to generate through its business activities: so, the ethical view (or mission) is fundamental guide in the strategic choices of the enterprise. Promulgation of the *ethical code* by an *ethical committee*. The ethical code is a kind of “*Constitutional Charter*” of the rights and moral duties of the Public Institution, a charter that defines the ethical-social responsibility of each member: it is a valid means to prevent irresponsible and illegal behaviours made by people who act in the name of the enterprise, because it introduces a clear and explicit definition of the ethical and social responsibilities of their managers and employees towards the different groups of stakeholders. The ethical code is usually developed on four levels: a) the general ethical principles; b) the ethical rules; c) the ethical standards of behaviour; and d) the internal sanctions. The *ethical committee* is an internal organism with the task: to give currency to the knowledge and the comprehension of the ethical code, to control the real implementation of the principles contained in the document, to receive notices about the violations, to make investigation and to establish sanctions. Creation of an *internal ethical audit*, presided over by an *ethical officer*. The activity of internal ethical audit is an extension of the traditional activities of auditing and it is aimed at controlling the ethics of behaviours and processes: this activity is usually coordinated by the ethical officer who is the person responsible of the ethical matters inside the enterprise (such as promulgation of the ethical code, creation of an internal ethical audit, etc.). Realization of activities concerning *ethical training*. The activities of ethical training, are the combination of the activities that develop the ability to recognize, to analyze and to solve the ethical dilemma in the enterprise through philosophical, economic, legal instruments: it is addressed to the decisional actors to communicate and create shearing about the values and principles of the ethical code (CELE, 2004). The final instruments realised by the enterprises are the *social and environmental accountability and auditing* (e.g., SA8000 Standards; ISO14001 Standards; EMAS Standards).

In the second cluster, concerning the performances of the *ethical policies* evaluated by external instrument realised by other subjects, we find the *ethical ratings* (or *ratings in ethics*). An ethical score is generated after assessing a company for its areas of operations, environmental footprint, corporate governance guidelines and social scores. The term Ethical can be defined as “*being in accordance with the accepted principles of right and wrong that govern the conduct of a profession or society*”^v. It is therefore highly subjective from one individual to another, based on an individual’s own values/beliefs. Ethical research is simply screening stocks in light of these principles of right and wrong with reference to a stocks sphere of operation and conduct. The *Agenzia Europea di Investimenti (AEI) Standard Ethics* is an Italian example of company that provides in evaluation by Standard Ethics. AEI regularly issues “*ethical*” ratings of listed companies, nations, regions, etc. on the basis of set standards and principles and only according to the guidelines and values of the United Nations, the Organisation for Economic Cooperation

and Development and the European Union. Gathering the necessary information to issue Ratings to listed companies is carried out by analysing the official documentation published by the companies themselves or through publicly available documents, documents issued by the judicial authorities, investigations as well as governmental, UN, OECD and EU reports and other materials. Apart from exceptional cases, AEI Standard Ethics does not ask listed companies to provide information because it assumes that they regularly supply all the necessary information and data to their shareholders and the market to enable them to judge their business. The final evaluations by AEI Standard Ethics^{vi} on the level of conformity of companies (ref. Table 3) and nations (ref. Table 4) to the baseline ethical values are expressed with eight different Ratings^{vii}.

3 - Conclusions

The paper has tried to explain the consideration that the “*global era*” is already gone and we are living a “*post-global era*” (or “*glocal era*”) and has focused on the epistemological analysis of the globalization and glocalization words.

From these processes, by a Business Economics approach, it is possible to derivate some new strategies for the corporate system of 21st century. In other word - inside the Corporate systems, the financial markets, the community - a new ethical feeling is born to measure the corporate performances. The architecture of the model has identified the structure of the new enterprises, in function of the following policies: a) *business policies* (traditional policies); b) *social policies* and c) *ethical policies* (innovative policies). In the wake of worldwide financial and ethical business scandals (for example the Italian cases of Parmalat, Cirio, Football Clubs, etc.) and a corresponding breakdown of public trust in corporate organizations, social and ethical policies (innovative policies) have become a hot topic in both research and business practice around the world: social and ethical policies represent the new frontiers of the competitive advantage for the corporate system of 21st century. Also the public sector is under a wave of changes due to the so called “*New Public Management*” (Barzelay, 2001), which stresses the fact the public agencies should operate efficiently, adopting devices that come from the private sector, taking into account the specific cultural (national and regional) and organizational path dependence. The management of the public sector requires informational and decisional processes, as well a monitoring process, that operate more effectively. Efficiency, effectiveness and value creation are concepts and goals traditionally used in the private companies that should also be pursued by public agencies, taking into account the different missions of the two types of corporate entities (D’Alessio, 1989, 1997; Anselmi, 1995; Borroni, 1996).

These processes will require new accounting instruments and new accounting professional profiles: Business Economics (or Business Administration) Sciences are called to cover these new fields, now and in the next future.

Tables and Figures

Tab. 1 - Calculation of Value Added (Source: GBS, 2001)

| TOTAL VALUE ADDED | YEARS | | |
|--|-------|-------|-------|
| | (n) | (n-1) | (n-2) |
| A) Production value | | | |
| 1. Turnover – goods and services - revenues adjustments | | | |
| 2. Variation in work in progress, semi-finished products and finished goods (and merchandise) | | | |
| 3. Variation in contract work in progress | | | |
| 4. Other revenues and income | | | |
| Revenues from core business | | | |
| 5. Revenues from atypical business (internal production) | | | |
| B) Production cost | | | |
| 6. Raw materials, consumables, supplies and merchandise (or cost of goods sold) | | | |
| 7. Services | | | |
| 8. Use of third party assets | | | |
| 9. Provisions for contingencies | | | |
| 10. Other provisions | | | |
| 11. Other operating costs | | | |
| GROSS VALUE ADDED FROM CORE BUSINESS | | | |
| C) Non-core and extraordinary items | | | |
| 12. +/- Non-core items | | | |
| Non-core revenues | | | |
| - non-core costs | | | |
| 13. +/- Extraordinary revenues | | | |
| Extraordinary income | | | |
| - Extraordinary expense | | | |
| GROSS TOTAL VALUE ADDED | | | |
| - Operating amortization/depreciation by similar categories of assets | | | |
| NET TOTAL VALUE ADDED | | | |

Tab. 2 - Allocation of Value Added (Source: GBS, 2001)

| VALUE ADDED ALLOCATION | YEARS | | |
|---|-------|-------|-------|
| | (n) | (n-1) | (n-2) |
| A – Remuneration of personnel: | | | |
| Consultants | | | |
| Employees | | | |
| d) direct remuneration; | | | |
| e) indirect remuneration; | | | |
| f) profit-sharing schemes. | | | |
| B – Remuneration of the Public Administration: | | | |
| Direct taxation | | | |
| Indirect taxation | | | |
| - grants for current activities | | | |
| C – Remuneration of Borrowed Capital: | | | |
| Financial charges for short-term borrowings | | | |
| Financial charges for long-term borrowings | | | |
| D – Remuneration of owners' equity | | | |
| Dividends (net profit distributed to shareholders) | | | |
| E – Remuneration of the Company | | | |
| +/- variations in reserves | | | |
| (Amortization/depreciation) | | | |
| F – Donations | | | |
| TOTAL NET VALUE ADDED | | | |

Tab. 3 – Italian Banking Sector, evaluation by AEI Standard Ethics^{viii}

| BANCHE | VALORE FINALE 40-esimi | PROPRIETA' | AMM.ZIONE | ULTIMO RATING ETICO AEI (2004) |
|-------------------------------|---------------------------|------------|-----------|-----------------------------------|
| Banca Popolare di Intra | 34 | 20 | 14 | EE- |
| Banca Popolare di Milano | 32 | 18 | 14 | EE |
| Credito Valtellinese | 32 | 20 | 12 | EE- |
| Banca Pop. Etruria e Lazio | 30,5 | 20 | 10,5 | EE |
| Banca Pop. Verona e Novara | 30 | 20 | 10 | EE+ |
| Banche Popolari Unite | 28,5 | 18,5 | 10 | EE |
| Banca Popolare di Lodi | 26,5 | 17 | 9,5 | EE- |
| Banca Lombarda | 26 | 15 | 11 | E+ |
| Unicredito | 25,5 | 15,5 | 10 | EE- |
| Meliorbanca | 24,5 | 12,5 | 12 | E |
| San Paolo IMI | 24,5 | 14,5 | 10 | E+ |
| Banca Carige | 23,5 | 13,5 | 10 | E+ |
| Banca Monte Paschi di Siena | 23,5 | 12,5 | 11 | EE- |
| Banca Profilo | 22 | 13,5 | 8,5 | E |
| Fineco Group | 21,5 | 11,5 | 10 | E+ |
| Banca Antonveneta | 21 | 14,5 | 6,5 | EE- |
| Banca Desio e Brianza | 21 | 12,5 | 8,5 | E+ |
| Banca Nazionale del Lavoro | 20,5 | 10,5 | 10 | E |
| Capitalia | 20,5 | 11,5 | 9 | E |
| Banca IFIS | 20 | 9,5 | 10,5 | E |
| Mediobanca | 20 | 11,5 | 8,5 | E |
| Cassa di Risparmio di Firenze | 19,5 | 10 | 9,5 | E- |
| Credito Artigiano | 19,5 | 9,5 | 10 | E+ |
| Banca Intermobiliare | 19 | 10,5 | 8,5 | E |
| Banca Intesa | 19 | 11 | 8 | E |
| Banca Finnat | 18,5 | 10,5 | 8 | E- |
| Banca Fideuram | 18 | 8,5 | 9,5 | E |
| Banca Popolare di Spoleto | 17,5 | 7 | 10,5 | E |
| Credito Bergamasco | 17 | 8,5 | 8,5 | E |
| Credito Emiliano | 16 | 7,5 | 8,5 | E- |
| Mediolanum | 16 | 8,5 | 7,5 | E- |
| Reti Bancarie | 14 | 6 | 8 | E |

Tab. 4 - Nation Rating, evaluation by AEI Standard Ethics^{ix, x}.

| Ethic Rating | 2005 | 2004 |
|--------------|---|---|
| EEE | DENMARK ICELAND NORWAY SWEDEN | DENMARK ICELAND NORWAY SWEDEN |
| EEE- | AUSTRIA BELGIUM FINLAND FRANCE GERMANY IRELAND NETHERLANDS NEW ZEALAND SPAIN UNITED KINGDOM | AUSTRIA BELGIUM FINLAND FRANCE GERMANY IRELAND NETHERLANDS NEW ZEALAND SPAIN UNITED KINGDOM |
| EE+ | AUSTRALIA CANADA GREECE LUXEMBOURG PORTUGAL SWITZERLAND | AUSTRALIA CANADA GREECE ITALY LUXEMBOURG PORTUGAL REPUBLICA CECA SWITZERLAND HUNGARY |
| EE | CZECH REPUBLIC HUNGARY ITALY JAPAN MEXICO POLAND SLOVAK REPUBLIC UNITED STATES | JAPAN MEXICO POLAND SLOVAK REPUBLIC UNITED STATES |
| EE- | BRAZIL BULGARIA ROUMANIA SOUTH AFRICA | BRAZIL BULGARIA ROUMANIA SOUTH AFRICA |
| E+ | ARGENTINA SOUTH COREA TURKEY | ARGENTINA SOUTH COREA TURKEY |
| E | ISRAEL RUSSIAN FEDERAT | EGYPT ISRAEL INDIA RUSSIAN FEDERAT |
| E- | CHINA EGYPT INDIA | CHINA |

References

- AEI [Agenzia Europea di Investimenti (AEI) Standard Ethics G.E.I.E.] (July 2004), *Nation Rating Report*, Bruxelles.
- AEI [Agenzia Europea di Investimenti (AEI) Standard Ethics G.E.I.E.] (February 2005), *Nation Rating Report*, Bruxelles.
- AEI [Agenzia Europea di Investimenti (AEI) Standard Ethics G.E.I.E.] (April 2005), *La Corporate Governance negli intendimenti dell'Unione Europea e dell'OCSE. Il Sistema Bancario italiano: analisi delle Banche quotate*, Bruxelles, [22].
- Anselmi L. (1995), *Il processo di trasformazione della Pubblica Amministrazione*, Giappichelli, Turin.
- Arrighi G. (2000), *Globalization and Historical Macrosociology*, in J. Abu-Lughod (ed.) *Sociology for the Twenty-First Century: Continuities and Cutting Edges*, Chicago University Press, Chicago.
- Barzelay M. (2001), *The New Public Management: Improving Research and Policy Dialogue*, University of California Press, Berkeley, CA.
- Bauer K. (2003), *The Power of Metrics: Corporate Performance Management*, DM Review Magazine, October 2003, Brookfield (U.S.A.).
- Beauregard R. and J. Pierre (2000), Disputing the Global: A Sceptical View of Locality-Based International Initiatives, *Policy and Politics*, V.28, No.4, [465-478].
- Borgonovi E. (1996), *Principi e sistemi aziendali per le amministrazioni pubbliche*, EGEA, Milan.
- Boyer R. and D. Drache (1996), *States Against Markets: The Limits of Globalization*, Routledge, London.

- Brenner N. (1998), *Global Cities, Glocal States: Global City Formation and State Territorial Restructuring in Contemporary Europe*, *Review of International Political Economy*, V.5, No.1, [1-37].
- Castells M. (1998), *End of Millennium*, Blackwell, London.
- CELE (Centre for Ethics Law & Economics) (2004), *SURVEY Q-RES 2003, Responsabilità Etico-Sociale (RES): strumenti per attuarla in azienda*, CELE (Centre for Ethics Law & Economics), Carlo Cattaneo University, Castellanza (VA).
- Chase-Dunn C., Kawano Y. and B. Brewer (2000), *Trade Globalization Since 1795: Waves of Integration in the World-System*, *American Sociological Review*, V.65, No.1, [77-95].
- Chase-Dunn C. (1999), *Globalization and World-System Perspective*, *Journal of World-Systems Research*, V.5, No.2, [165-85].
- Cohen R. (1981), *The New International Division of Labor, Multinational Corporations and Urban Hierarchy*, in M. Dear and A. Scott (eds.), *Urbanization and Urban Planning in Capitalist Societies*, Methuen, London.
- Cohen S. S. and John Zysman (1987), *Manufacturing Matters: the Myth of the Post-Industrial Economy*, Basic Books, New York.
- Cox K.R. ed., (1997), *Spaces of Globalization. Reasserting the Power of the Local*, The Guilford Press, New York.
- D'Alessio L. (1989), *Il controllo di efficienza nelle aziende pubbliche*, Liguori, Naples.
- D'Alessio L. (1997), *La funzione del controllo interno negli enti locali: riflessioni per un cambiamento direzionale*, Giappichelli, Turin.
- Del Cerro Santamaría, G. (2005), *Towards an Urban Approach to Global Issues*, The Cooper Union for the Advancement of Science and Art, New York.
- Dicken P., Olds K. and Yeung H. W.-C. (2001), *Chains and Networks, Territories and Scales: Towards a Relational Framework for Analyzing the Global Economy*, *Global Networks*, V.1, No.2, [89-112].
- GBS (2001), *Social Reporting Standards*, Study Group for Social Reporting, Rome, [8-32].
- Gereffi G. and Korzeniewicz M. (1994), *Commodity Chains and Global Capitalism*, Praeger, Westport, Conn.
- Guillén M. F. (2001), *Is Globalization Civilizing, Destructive or Feeble? A Critique of Five Key Debates in the Social Science Literature*, *Annual Review of Sociology*, V.27, [235-260].
- Hall P. (2001), *Global City-Regions in the Twenty-first Century*, in Scott, A. J. (ed.), *Global City-Regions. Trends, Theory, Policy*, Oxford University Press, New York.
- Harold J. (2001), *The End of Globalization: Lessons from the Great Depression*, Harvard University Press, Cambridge, Mass.
- Harvey D. (1989), *The Condition of Postmodernity: An Enquiry Into the Origins of Cultural Change*, Blackwell, London.
- Hill R. C. and Kim J.W. (2000), *Global Cities and Developmental States: New York, Tokyo and Seoul*, *Urban Studies*, V.37, No.12, [2167-2195].
- Keil R. (1998), *Globalization Makes States: Perspectives of Local Governance in the Age of World Cities*, *Review of International Political Economy*, V.5, No.4, [616-646].

- Khondker H.H. (1994), *Globalization Theory: A Critical Analysis*, *Department of Sociology Working Paper*, National University of Singapore.
- Khondker H.H. (2004), *Glocalization as Globalization: Evolution of a Sociological Concept*, *Bangladesh e-Journal of Sociology*, V.1, No.2, [12-20].
- Marcuse P. and van Kempen R. (2000), *Globalizing Cities: A New Spatial Order?*, Routledge, New York.
- McLuhan M. and Powers B. (1989), *The Global Village: transformation in World, Life and Media in the 21st Century*, Oxford University Press, Oxford.
- Nederveen P. (2004), *Globalization and Culture*, Rowman and Littlefield, Lanham, Maryland.
- Ritzer G. (2000), *The McDonaldization of Society*, Pine Forge, Thousand Oaks, California.
- Robertson J.C. and Tallman E.W. (1999), *Vector Autoregression and Reality*, Federal Reserve Bank of Atlanta, Economic review.
- Robertson R. (1995), *Glocalization: Time-space and Homogeneity- heterogeneity*, in M. Featherstone et al. (ed) *Global Modernities*, London Sage, [25-44].
- Robertson R. and White K. (2003), *Globalization: Critical Concepts in Sociology*, Routledge, London.
- Rugman A. (2001), *The End of Globalization: Why Global Strategy is a Myth & How to Profit from the Realities of Regional Markets*, Random House Business Books, New York.
- Sassen S. (1999), *Servicing the Global Economy: Reconfigured States and Private Agents*, in K. Olds et al. (eds.), *Globalization and the Asia-Pacific: Contested Territories*, Routledge, London.
- Sassen S. (2000), *Territory and Territoriality in the Global Economy*, *International Sociology*, V.15, [372-393].
- Scandurra E. and Macchi S. (1995), *Ambiente e pianificazione. Lessico per le scienze urbane e territoriali*, Etaslibri, Rome.
- Scott A. (1997), *The Limits of Globalization: Cases and Arguments*, Routledge, London.
- Sharp R. (1999), *Women's budgets*, in M. Lewis and J. Peterson (eds.), *Dictionary of Feminist Economics*, Edward Elgar, New York.
- Simmonds R. and G. Hack (2000), *Global City-Regions: Their Emerging Forms*, Carfax, London.
- Sklair L. (2001), *The Transnational Capitalist Class*, Blackwell, London.
- Smith M. P. (2001), *Transnational Urbanism: Locating Globalization*, Blackwell, Malden, MA.
- Stiglitz J. (2002), *Globalization and its Discontents*, Penguin, London.
- Storper M. (1997), *Territories, Flows and Hierarchies in the Global Economy*, in K.R. Cox (ed.) *Spaces of Globalization. Reasserting the Power of the Local*, The Guilford Press, New York.
- Taylor P. (2003), *Recasting World-Systems Analysis: City Networks for Nation States*, in W. Dunaway (ed.), *New Theoretical Directions for the 21st Century World-System*, Greenwood, Westport, Conn.
- Taylor P. (2004), *World City Network. A Global Urban Analysis*, Routledge, New York.
- UNIFEM (2000), *Progress of the World's Women 2000*, UNIFEM Biennial Report, New York.
- Wade R. (1996), *Globalization and Its Limits: Reports on the Death of the National Economy are Greatly Exaggerated*, in S. Berger and R. Dore (eds.), *National Diversity and Global Capitalism*, Cornell University Press, Ithaca and London.

WCED (1987), *The Brundtland Commission, Report Our Common Future*, Oxford University Press, Oxford.

Weiss L. (1998), *The Myth of the Powerless State: Governing the Economy in a Global Era*, Polity Press, Cambridge.

Endnotes

ⁱ Gartner serves 10,000 organizations, including chief information officers and other senior IT executives in corporations and government agencies, as well as technology companies and the investment community. The Company consists of Gartner Research, Gartner Executive Programs, Gartner Consulting and Gartner Events. Founded in 1979, Gartner is headquartered in Stamford, Connecticut, U.S.A., and has 3,700 associates, including 1,200 research analysts and consultants in 75 countries worldwide. For more information see: [Hhttp://www.gartner.com/H](http://www.gartner.com/H).

ⁱⁱ In this field, the most influential standards at an international level include: Account-Ability 1000, AA1000, 1999, ISEA (Institute for Social & Ethical Accountability); The Copenhagen Charter, a Management Guide to Stakeholder Reporting, 1999, Ernst & Young, PricewaterhouseCoopers, KPMG; Huset Mandag Morgen; Sustainability Reporting Guidelines, 2000, GRI (Global Reporting Initiative); Voluntary Guidelines for CSR Reporting & Communication, 2000, CSR Europe; European Commission 2001. Green book, [18.7.2001 – COM/2001 – 366, also known as Green Paper on CSR].

ⁱⁱⁱ Other sources on the *Environmental Balance* (or *Eco-balance*), are: European Environment Agency (EEA); European Topic Centre on Catalogue of Data Sources (ETC/CDS); U.S. Environmental Protection Agency (U.S. EPA).

^{iv} In 1984, Australia was the first country to introduce a gender-sensitive budget as a pilot project. Although it is not clear from the literature exactly what countries have attempted “to do” in preparing a gender budget, it appears that several nations have moved or are moving in this direction: Barbados, Fiji, Kenya, Mozambique, Namibia, Philippines, South Africa, Sri Lanka, St. Kitts, Switzerland, Tanzania, Uganda, The United Kingdom, Zambia and Zimbabwe (UNIFEM, 2000).

^v Source: shareanalysis.com is a retail website utilising information and research prepared by Aegis Equities Research, Australia’s leading independent research house. For more information see: [Hhttps://www.shareanalysis.com/default.aspxH](https://www.shareanalysis.com/default.aspxH).

^{vi} Source: Agenzia Europea di Investimenti (AEI) Standard Ethics ().

^{vii} EEE; EEE-; EE+; EE; EE-; E+; E; E-. “EEE” stands for ‘above average’, “EE” for ‘average’ and “E” for “below average”. Those nations and companies which do not comply with the values expressed by the United Nations do not receive ratings and are included amongst the “*suspended*” issuers.

^{viii} Source: Agenzia Europea di Investimenti (AEI) Standard Ethics (April 2005), *La Corporate Governance negli intendimenti dell’Unione Europea e dell’OCSE. Il Sistema Bancario italiano: analisi delle Banche quotate*, Bruxelles, [22].

^{ix} Source: AEI [Agenzia Europea di Investimenti (AEI) Standard Ethics G.E.I.E.] (July 2004), *Nation Rating Report*, Bruxelles.

^x Source: AEI [Agenzia Europea di Investimenti (AEI) Standard Ethics G.E.I.E.] (February 2005), *Nation Rating Report*, Bruxelles.