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FUTURE BUSINESS LEADERS' VIEW ON FAIR TRADE: A COMPARATIVE STUDY IN SOUTH KOREA AND NEW ZEALAND

Global orientation of managers is considered as a key factor of successful global management, but it can be only developed over time. Thus, the attitude to globalization of people who will take an important role in the future business world would be very important. There are few studies on what affect future business leaders' attitudes to globalization. Following the previous research by Shin (2011) performed in South Korea, this study replicated the study in New Zealand and found that people who defined themselves as fair traders are likely to have negative attitudes to globalization compared to people as free traders in the combined sample. Ironically, however, closely related concepts to fair trade, such as environment protection and workers' rights, do not have any direct relations to the attitude to globalization. This study implies that we need more accurate and serious diagnosis on fair trade syndrome for managers, policy makers and educators.

Keywords: globalization, fair trade, environment protection, labor rights.

Хьон-Дук Сін

БАЧЕННЯ ЧЕСНОЇ ТОРГІВЛІ МАЙБУТНІМИ БІЗНЕС- ЛІДЕРАМИ: ПОРІВНЯЛЬНЕ ДОСЛІДЖЕННЯ ЗА ДАНИМИ ПІВДЕННОЇ КОРЕЇ І НОВОЇ ЗЕЛАНДІЇ

У статті показано, що глобальна орієнтація менеджерів розглядається як ключовий чинник успішного управління, але на її розвиток потрібний певний час. Таким чином, ставлення до глобалізації тих людей, які гратимуть важливу роль у майбутньому бізнесу, дуже важливе, але досліджень про те, що впливає на ставлення майбутніх бізнес-лідерів до глобалізації, небагато. На основі попереднього дослідження по Південній Корейі проведено аналогічне дослідження в Новій Зеландії. Виявлено, що прибічники "чесної торгівлі" більш негативно ставляться до глобалізації в порівнянні з прибічниками "вільної торгівлі". Проте, тісно пов'язані зі справедливою торгівлею поняття, такі як охорона довкілля і захист прав працівників, не мають прямого зв'язку зі ставленням до глобалізації. Це дослідження показало, що повний сенс поняття "чесна торгівля" ще не дійшов до управлінців, керівників і педагогів.

Ключові слова: глобалізація, чесна торгівля, охорона довкілля, трудові права.

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Хён-Дук Син

ВИДЕНИЕ ЧЕСТНОЙ ТОРГОВЛИ БУДУЩИМИ БИЗНЕС- ЛИДЕРАМИ: СРАВНИТЕЛЬНОЕ ИССЛЕДОВАНИЕ ПО ДАННЫМ ЮЖНОЙ КОРЕИ И НОВОЙ ЗЕЛАНДИИ

В статье показано, что глобальная ориентация менеджеров рассматривается как ключевой фактор успешного управления, но на ее развитие требуется определенное время. Таким образом, отношение к глобализации тех людей, которые будут играть важную роль в будущем мире бизнеса, очень важно, но исследований о том, что влияет на отношение будущих бизнес-лидеров к глобализации, немного. На основе предыдущего исследования по Южной Корее проведено аналогичное исследование в Новой Зеландии. Обнаружено, что

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приверженцы "честной торговли" более негативно относятся к глобализации по сравнению с приверженцами "свободной торговли". Однако, тесно связанные со справедливой торговлей понятия, такие как охрана окружающей среды и защита прав трудящихся, не имеют прямой связи с отношением к глобализации. Это исследование показало, что весь смысл понятия "честная торговля" еще не дошел до управленцев, руководителей и педагогов.

Ключевые слова: глобализация, честная торговля, охрана окружающей среды, трудовые права.

I. Introduction. This study follows Shin (2011) in focusing on the concept of fair trade which has attracted close attention among non-government organizations and general public as well. Fair trade has been known as the alternative system for free trade (Low and Davenport, 2005; LeClair, 2002) since it values ethical issues of trade which have been ignored in the free trade system (Smith and Barrientos, 2005). This study extended Shin (2011) with New Zealand's future business leaders' view on globalization and fair trade. Future business leaders refer to "people who are currently being educated in business schools and who will influence the global economy in the future" (Peng and Shin, 2008, p. 175), instead of current managers. If we look into their attitudes to globalization in general and these reasons of the attitudes, it can help us to see how we can lead them to have global orientation more effectively since prior experiences are important to predict future events (Lee and Shin, 2009). By clarifying the relationship between global orientation and attitude to fair trade of - 2 countries, this study contributes to business educators, policy makers, and current managers who are interested in current and future business leaders' global orientation and firm performance.

The rest of this study includes the literature review on firm globalization and fair trade, testable hypotheses, and empirical analyses results. Implications for policy makers, business educators, and current managers follow.

II. Literature review.

2.1. Diverse perspectives on globalization. Many scholars agree that firms need to exploit foreign opportunities to achieve sustained growth (Ricks, 2003; Hoffman and Goninath, 1994). However, bright and dark sides of globalization have been studied academically (e.g., Clark and Knowles, 2003; Eden and Lenway, 2001), as well as published for public (e.g., Bhagwati, 2004; Stiglitz, 2002). Also from college textbooks, college students learn that multinational enterprises (MNEs) led to high unemployment problems in developed countries by transferring jobs from developed to underdeveloped or developing countries to seek cheap labor, ignored bad working environments for workers in underdeveloped countries, used up natural resources not properly there etc.

In this vain, Peng and Shin (2008) argued that American college educators were not fully aware about how American college students perceive two-faced globalization. This would not be very different in less developed countries, such as South Korea and New Zealand, where global firms' production facilities already started to move abroad decreasing domestic jobs and foreign labor came in to take domestic jobs. It would be possible that general public have diverse opinions on globalization to create social conflict in the near future. Thus, understanding how future business

leaders perceive globalization and what we need to do now would be necessary to avoid plausible social conflicts in the near future and save social costs.

2.2. Attitude to fair trade. People who are against globalization suggest that fair trade system can substitute for free trade system and make changes in MNE-centered trade mechanisms and protect human rights. Among many definitions, fair trade can be defined as follows:

Fair trade is a trading partnership based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers — especially in the South. Fair trade organizations (backed by consumers) are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practices of conventional international trade. (FINE, 2001).

FINE represents 4 associations: Fairtrade Labelling Organization International (FLO-I), International Federation for Alternative Trade (IFAT), Network of European World Shops (NEWS!), and European Fair Trade Association (EFTA) (Golding and Peattie, 2005).

Since fair trade attracts more and more attention of public, research has been done to see how fair trade and traditional free trade are different, and if fair trade can become one of the major streams of trade mechanisms (Young and Utting, 2005; Renard, 2005; Parrish, Luzadis and Bentley, 2005; Doherty and Tranchell, 2005, Low and Davenport, 2005). According to this research, the concept and the role of fair trade has not been clearly determined yet. For example, Parrish, Luzadis and Bentley (2005) reported and compared 2 economic development programs which were based on free trade and fair trade ideas in Tanzania and concluded that the economic development program based on free trade ideas had similar positive impacts to the program based on fair trade. Thus, they argued that not only fair trade mechanisms improve economic conditions of underdeveloped countries, so fair trade is not necessarily an alternative for free trade. Another example, Low and Davenport (2005) argued that even fair-traded goods should pass product quality test of consumers as other free-traded products do to be one of the major streams of trade systems.

Based on these mixed prior studies, more rigorous studies would be needed to set a clear definition of fair trade to find its position in the current major trade systems and find not just sentimental effects but academic implications. Without a clearer definition and implications of fair trade, the attitudes to it trade cannot be properly formulated among people, and we cannot evaluate the impacts of anti-globalization movements on the global economy and MNEs' performance.

III. Hypotheses.

3.1. Fair trade and globalization. Despite that future business leaders' view on globalization could be affected by many social events or phenomena, fair trade movement that has been believed to oppose MNEs' global business activities (Peng and Shin, 2008; Shin, 2011).

Hypothesis 1: People who have positive attitudes to fair trade will have negative attitudes towards globalization.

3.2. Environmentalism, fair trade, and globalization. Environmentalism is considered as one of the objectives of fair trade (Redfern and Snedker, 2002), and one of the

important certification criteria of fair trade (Moore, 2004). Raynolds (2000) argued that firms pursue environmentalism in a way of achieving fair trade to obtain legitimacy in a society, and Nicolls (2002) asserted that green environmentalism is not a concept for specific products but for broader social movement covering wide areas in economic exchange.

Therefore, people with strong consideration of environmentalism will have positive attitudes to fair trade as well as a negative attitude to globalization.

Hypothesis 2-1: People who strongly consider environmentalism will have positive attitudes to fair trade.

Hypothesis 2-1: People who strongly consider environmentalism will have negative attitudes to globalization.

3.3. Labor rights, fair trade, and globalization. Labor rights issues are not only legal but ethical ones, because MNEs almost always face different labor standards in foreign countries. Thus, even though any labor policy is not violating hosting countries' legal labor standards, it may violate home countries' or global labor standards. The relationship between labor rights and fair trade lies in the ethical issues of workers in underdeveloped countries who are not properly paid for their labor service (Busse, 2004; Moore, 2004). In addition, economic stability of small-sized farmers in underdeveloped countries is also considered as one of the fair trade issues regarding labor rights (Bacon, 2005).

With this conceptual relationship between labor rights and fair trade, people with strong consideration of labor rights will have positive attitudes to fair trade as well as negative attitude to globalization.

Hypothesis 3-1: People who strongly consider labor rights will have positive attitudes to fair trade.

Hypothesis 3-1: People who strongly consider labor rights will have negative attitudes to globalization.

IV. Empirical tests

4.1. Sample. This study performed the survey among the students taking international business classes in colleges in South Korea and New Zealand in 2010 and 2011 respectively. In each college, the international business course was a mandatory class for business major students. The size of the sample was 255 in South Korea and 242 in New Zealand. In the whole sample, 81% of the students were business majors, 60% were the second and third grades. There were some differences in the features in the sample, such as the ratio of metropolitan area living students, but instead controlling all the differences one by one between 2 countries, this study added one dummy for nationality control.

This study defined the sample as future business leaders because of the following reasons. First, the colleges in the sample were accredited by The Korean Association of Business Education Accreditation (KABEA) and The Association to Advance Collegiate Schools of Business (AACSB), respectively for business education, and highly ranked in both countries. This showed the students in the sample may have enough potential to lead the economy in near future. Second, the students in the sample were taking international business courses which had the prerequisite in business for at least one year. Even though this study did not control their academic performance, it could be assumed they had basic knowledge on economics and business.

Thus, the sample in this study meets the criteria of future business leaders as suggested by Peng and Shin (2008) and Shin (2011) in the sense that the students may have potential to take an important role in the business area and also may have interests in economics and business.

Table 1. Selective data descriptions

		South Korea	New Zealand	Total	Ratio, %
Major	Business	210	194	404	81
	Humanities or Social Sciences	28	22	50	10
	Sciences	14	6	20	4
	Sciences or Engineering	3	20	23	5
	Undecided	255	242	497	100
Subtotal					
Grade	First year	7	38	45	9
	Second year	136	44	180	36
	Third year	60	61	121	24
	Fourth and above	52	97	149	30
	Subtotal	255	240	495	99*
Parents' Occupation	Blue collar	46	61	107	22
	White collar	130	68	198	40
	Mixed	71	82	153	31
	N/A	8	30	38	8
	Subtotal	255	241	496	101*
Growth Area	Metropolitan city	161	36	197	40
	Suburban	67	93	460	32
	Rural	11	51	62	13
	Both urban and rural	16	61	77	16
	Subtotal	255	241	496	101*

*Round-up values.

4.2. Variables. The dependant variable this study focuses on is the attitude to globalization. Peng and Shin (2008) and Shin (2011) used the survey questions in the Business Week (2000) asking if globalization is good for (1) domestic consumers, (2) domestic companies, (3) domestic economy, (4) domestic job creation, and (5) poor countries' economies. Following the prior studies, we coded 1 for "good" responds and 0 for "bad", "don't know", or "not responding".

For independent variables, this study asked 3 questions. First, the respondents were asked to define themselves as "free trader", "fair trader", "protectionist", or "not responding" and we coded 1 for "fair trader" and 0 for others. 69% of the respondents defined themselves as fair traders. Second, the respondents were asked to answer if they think preventing unfair competition by countries that violate workers' right should be "major priority", "minor priority", or "not a priority" of a country, and we coded 1 for "major priority" and 0 for others. 68% of the respondents selected "major priority" for this question. Third, the respondents were asked about protecting the environment in the same way as the labor rights. 68% of the respondents said "major priority", which we coded 1 for and 0 for others.

The control variables included major, parents' occupation, and growth area of respondents. Table 2 shows the statistics and correlations among the variables.

Table 2. Correlation Table

	N	Mean	s.d.	1	2	3	4	5	6
1. Fair trade	497	0.69	0.47	1					
2. Labor rights	496	0.68	0.47	0.174**	1				
3. Environmentalism	495	0.69	0.47	0.264**	0.347**	1			
4. Major	497	0.78	0.42	0.147**	0.225**	0.474**	1		
5. Parents' occupation	496	0.40	0.49	-0.133*	-0.025	-0.096*	0.003	1	
6. Growth area	496	0.85	0.36	-0.091*	-0.059	-0.056	-0.010	0.126**	1

+ p < 0.1, *p < 0.05, **p < 0.01.

4.3. Results. The binary logistics methodology was used to test the hypotheses. First, positive attitudes to globalization for each category (domestic consumers, domestic companies, national economy, domestic job creation, and poor countries' economies) were regressed with the relations to positive attitudes to fair trade. For South Korean sample, 3 out of 5 categories showed significantly negative relations to globalization as hypothesized in Table 3. New Zealand sample showed somewhat weak relations in Table 4. In the combined sample, however, 3 out of 5 categories were significantly related and hypothesis 1 was partially supported as shown in Table 5.

Table 3. Test of H1 (for South Korea)

Model	Domestic consumers	Domestic companies	National economy	Domestic job creation	Poor countries' economies
Constant	2.109* (0.894)	0.881 (0.553)	1.540* (0.600)	0.574 (0.511)	-0.174 (0.523)
Major	0.733 (0.519)	-0.126 (0.327)	0.172 (0.392)	0.098 (0.335)	0.442 (0.352)
Parents' occupation	0.178 (0.467)	0.286 (0.283)	-0.133 (0.309)	0.320 (0.259)	0.224 (0.266)
Growth area	-0.244 (0.789)	-0.039 (0.454)	0.163 (0.481)	-0.391 (0.425)	-0.099 (0.433)
Pro fair trade	-0.210 (0.490)	0.017 (0.290)	-0.786* (0.343)	-0.498+ (0.268)	-0.879** (0.270)
Correctly classified	91.8%	71.0%	77.3%	52.5%	62.7%
Nagelkerk R square	0.019	0.007	0.035	0.031	0.067

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

Table 4. Test of H1 (for New Zealand)

Model	Domestic consumers	Domestic companies	National economy	Domestic job creation	Poor countries' economies
Constant	0.886* (0.667)	0.667 (0.446)	1.023* (0.503)	-0.195 (0.422)	0.764 (0.445)
Major	1.540** (0.537)	0.463 (0.336)	0.959** (0.351)	0.123 (0.338)	0.625+ (0.334)
Parents' occupation	-0.271 (0.577)	0.688* (0.333)	0.652+ (0.377)	0.207 (0.294)	-0.245 (0.308)
Growth area	0.918+ (0.545)	-0.208 (0.283)	-0.455 (0.371)	-0.081+ (0.266)	-0.137 (0.282)
Pro fair trade	0.413 (0.580)	-0.554 (0.340)	-0.733+ (0.407)	-0.195 (0.422)	-0.546 (0.339)
Correctly classified	92.9%	68.3%	75.3%	59.2%	66.3%
Nagelkerk R square	0.106	0.058	0.102	0.011	0.044

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

Table 5. Test of H1 (South Korea and New Zealand combined)

Model	Domestic consumers	Domestic companies	National economy	Domestic job creation	Poor countries' economies
Constant	1.600* (0.525)	0.345 (0.342)	1.042** (0.381)	-0.137 (0.329)	0.919** (0.346)
Major	0.576 (0.377)	0.271 (0.235)	0.167 (0.261)	0.200 (0.224)	0.086 (0.234)
Parents' occupation	-0.009 (0.360)	0.414+ (0.211)	0.126 (0.229)	0.248 (0.193)	-0.012 (0.200)
Growth area	0.835* (0.404)	0.291 (0.265)	0.649* (0.276)	-0.064 (0.261)	0.382 (0.267)
Pro fair trade	-0.040 (0.375)	-0.268 (0.221)	-0.770** (0.263)	-0.438* (0.201)	-0.754** (0.214)
Korea dummy	-0.324 (0.357)	0.042 (0.204)	-0.062 (0.224)	0.331+ (0.190)	-1.184** (0.202)
Correctly classified	92.3%	68.8%	76.2%	56.3%	63.9%
Nagelkerke R square	0.030	0.027	0.051	0.035	0.121

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

To test the hypothesis 2-1, the regressions were performed with positive attitudes for fair trade taken as dependent variable and pro-environmentalism taken as independent variable. The result is shown in Table 6 for South Korean sample, Table 7 for New Zealand sample, and Table 8 — for the combined sample.

Table 6. Test of H2-1 (for South Korea)

Model	Fair trade
Constant	-0.089 (0.559)
Major	0.523 (0.352)
Parents' occupation	-0.366 (0.277)
Growth area	-0.300 (0.472)
Pro environmentalism	1.081** (0.280)
Correctly classified	65.2%
Nagelkerke R square	0.109

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

Table 7. Test of H2-1 (for New Zealand)

Model	Fair trade
Constant	0.746 (0.493)
Major	-0.575 (0.431)
Parents' occupation	-0.263 (0.336)
Growth area	0.112 (0.312)
Pro environmentalism	1.195** (0.318)
Correctly classified	74.2%
Nagelkerke R square	0.103

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

Table 8. Test of H2-1 (for South Korea and New Zealand combined)

Model	Fair trade
Constant	0.635+ (0.349)
Major	0.356 (0.263)
Parents' occupation	-0.324 (0.211)
Growth area	-0.444 (0.316)
Pro environmentalism	0.975** (0.233)
Korea dummy	-0.416+ (0.218)
Correctly classified	70.2%
Nagelkerke R square	0.122

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

All 3 tables show that the students who consider protecting the environment should be a major priority of trade agreements have positive attitudes to fair trade. Thus, hypothesis 2-1 was supported.

Table 9. Test of H2-2 (for South Korea)

Model	Domestic consumers	Domestic companies	National economy	Domestic job creation	Poor countries' economies
Constant	1.994* (0.905)	0.736 (0.569)	1.227* (0.597)	0.168 (0.518)	-0.461 (0.527)
Major	0.728 (0.517)	-0.204 (0.382)	-0.007 (0.389)	-0.001 (0.336)	0.381 (0.351)
Parents' occupation	0.186 (0.470)	0.364 (0.286)	-0.050 (0.310)	0.420 (0.261)	0.257 (0.264)
Growth area	-0.238 (0.788)	-0.035 (0.454)	0.218 (0.477)	-0.365 (0.422)	-0.066 (0.426)
Pro environmentalism	-0.057 (0.491)	0.297 (0.291)	-0.235 (0.325)	0.151 (0.268)	-0.428 (0.269)
Correctly classified	91.7%	71.7%	77.5%	54.5%	60.5%
Nagelkerke R square	0.018	0.016	0.004	0.016	0.027

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

Table 10. Test of H1 (for New Zealand)

Model	Domestic consumers	Domestic companies	National economy	Domestic job creation	Poor countries' economies
Constant	0.680 (0.641)	-0.192+ (0.423)	0.410 (0.452)	-0.598 (0.421)	0.605 (0.432)
Major	1.572** (0.538)	0.560+ (0.337)	1.025** (0.349)	0.169 (0.337)	0.650 (0.332)
Parents' occupation	-0.332 (0.582)	0.704* (0.333)	-0.662+ (0.373)	0.222 (0.293)	-0.220 (0.306)
Growth area	0.998+ (0.556)	-0.177 (0.283)	-0.450 (0.315)	-0.070 (0.266)	-0.163 (0.282)
Pro environmentalism	0.680 (0.559)	0.476 (0.307)	-0.027 (0.348)	0.180 (0.297)	-0.365 (0.323)
Correctly classified	92.9%	67.1%	75.3%	57.6%	66.3%
Nagelkerke R square	0.115	0.056	0.081	0.007	0.036

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

To test the hypothesis 2-2, the relationships between attitudes towards globalization and environmentalism were examined. In any countries' samples in Table 9, Table 10, and Table 11, environmentalism was not positively related to the positive attitudes to globalization. Thus, hypothesis 2-2 was rejected.

Table 11. Test of H1 (for South Korea and New Zealand combined)

Model	Domestic consumers	Domestic companies	National economy	Domestic job creation	Poor countries economies
Constant	0.680 (0.641)	-0.192+ (0.423)	0.410 (0.452)	-0.598 (0.421)	0.605 (0.432)
Major	1.572** (0.538)	0.560+ (0.337)	1.025** (0.349)	0.169 (0.337)	0.650 (0.332)
Parents' occupation	-0.332 (0.582)	0.704* (0.333)	-0.662+ (0.373)	0.222 (0.293)	-0.220 (0.306)
Growth area	0.998+ (0.556)	-0.177 (0.283)	-0.450 (0.315)	-0.070 (0.266)	-0.163 (0.282)
Pro environmentalism	0.680 (0.559)	0.476 (0.307)	-0.027 (0.348)	0.180 (0.297)	-0.365 (0.323)
Correctly classified	92.9%	67.1%	75.3%	57.6%	66.3%
Nagelkerke R square	0.115	0.056	0.081	0.007	0.036

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

The fact that the hypothesis 2-1 was supported and 2-2 was rejected showed a meaningful result that we can find interesting relations among the attitudes towards globalization, fair trade, and environmentalism. The students who are interested in environmentalism do not have negative attitudes to globalization, but positive attitudes to fair trade, even though environmentalism is one of the major concepts in fair trade. This result will be discussed in the conclusion in detail.

To test the hypotheses 3-1, the following regressions were performed in Tables 12, 13 and 14. While South Korean students did not show any relationship between the attitudes to labor rights and fair trade, New Zealand students showed significantly positive relationship between them. The combined sample also showed significant relationship. Thus, hypothesis 3-1 was supported.

Table 12. Test of H3-1 (for South Korea)

Model	Fair trade
Constant	0.414 (0.549)
Major	0.385 (0.338)
Parents' occupation	-0.453+ (0.269)
Growth area	-0.219 (0.457)
Pro labor rights	0.373 (0.284)
Correctly classified	63.8%
Nagelkerke R square	0.037

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

Table 13. Test of H3-1 (for New Zealand)

Model	Fair trade
Constant	0.793 (0.484)
Major	0.574 (0.434)
Parents' occupation	-0.294 (0.339)
Growth area	0.125 (0.315)
Pro labor rights	1.280** (0.311)
Correctly classified	74.6%
Nagelkerke R square	0.121

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

Table 14. Test of H3-1 (for South Korea and New Zealand combined)

Model	Fair trade
Constant	0.637+ (0.355)
Major	0.681** (0.236)
Parents' occupation	-0.357+ (0.209)
Growth area	-0.424 (0.314)
Pro labor rights	0.679** (0.212)
Korea dummy	-0.535* (0.213)
Correctly classified	69.5%
Nagelkerke R square	0.099

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

To test the hypothesis 3-2, the following regressions were performed in Tables 15, 16, and 17.

Table 15. Test of H3-2 (for South Korea)

Model	Domestic consumers	Domestic companies	National economy	Domestic job creation	Poor countries' economies
Constant	1.828* (0.904)	0.540 (0.567)	1.099+ (0.599)	0.252 (0.524)	-0.483 (0.530)
Major	0.706 (0.516)	-0.138 (0.373)	0.102 (0.386)	0.043 (0.332)	0.343 (0.344)
Parents' occupation	0.217 (0.465)	0.327 (0.283)	-0.056 (0.306)	0.384 (0.258)	0.310 (0.261)
Growth area	-0.220 (0.787)	-0.013 (0.456)	0.188 (0.476)	-0.373 (0.423)	-0.008 (0.425)
Pro labor rights	0.176 (0.489)	0.458 (0.296)	-0.145 (0.334)	-0.009 (0.277)	-0.314 (0.278)
Correctly classified	91.7%	70.9%	77.2%	54.3%	61.4%
Nagelkerke R square	0.018	0.020	0.003	0.014	0.020

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

Table 16. Test of H3-2 (for New Zealand)

Model	Domestic consumers	Domestic companies	National economy	Domestic job creation	Poor countries' economies
Constant	0.975 (0.636)	0.296 (0.407)	0.493 (0.433)	-0.381 (0.400)	0.431 (0.407)
Major	1.524 (0.534)	0.502 (0.335)	1.016** (0.349)	0.147 (0.337)	0.663* (0.332)
Parents' occupation	-0.300 (0.579)	0.701* (0.331)	0.662+ (0.373)	0.223 (0.293)	-0.219 (0.306)
Growth area	0.964+ (0.555)	-0.212 (0.282)	-0.459 (0.316)	-0.089 (0.266)	-0.151 (0.282)
Pro labor rights	0.323 (0.553)	-0.127 (0.296)	-0.137 (0.330)	-0.091 (0.277)	-0.169 (0.297)
Correctly classified	92.9%	68.8%	75.3%	57.6%	67.1%
Nagelkerk R square	0.104	0.044	0.082	0.006	0.030

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

Table 17. Test of H3-2 (for South Korea and New Zealand combined)

Model	Domestic consumers	Domestic companies	National economy	Domestic job creation	Poor countries' economies
Constant	1.544** (0.490)	0.085 (0.326)	0.543 (0.346)	-0.399 (0.317)	0.515 (0.326)
Major	0.554 (0.383)	0.185 (0.238)	0.066 (0.263)	0.133 (0.225)	0.010 (0.233)
Parents' occupation	0.001 (0.360)	0.443* (0.211)	0.176 (0.227)	0.286 (0.192)	0.050 (0.197)
Growth area	0.839* (0.403)	0.320 (0.265)	0.693* (0.274)	-0.037 (0.260)	0.412 (0.265)
Pro labor rights	0.055 (0.372)	0.139 (0.214)	-0.120 (0.239)	-0.066 (0.200)	-0.242 (0.207)
Korea dummy	-0.328 (0.357)	0.056 (0.203)	0.012 (0.221)	0.366+ (0.189)	-1.084** (0.197)
Correctly classified	92.3%	68.7	76.1	55.2	62.4
Nagelkerk R square	0.030	0.024	0.024	0.023	0.094

Standard error in parentheses, +p < 0.1, *p < 0.05, **p < 0.01.

In these regressions significant results were found in the relationship between the attitudes to labor rights and globalization. Therefore, the hypothesis 3-2 was rejected.

V. Conclusion. This study examined if the attitudes of future business leaders to fair trade have any relevance to the attitudes to globalization, and also if the major components of fair trade, environmentalism and protecting labor rights have any relevance to the attitudes towards globalization, using South Korean and New Zealand's samples.

There are implications in this study for policy makers, college educators and managers. First, trade policy makers need to understand what future business leaders think about fair trade to avoid unnecessary conflicts among people to determine and pursue national trade policies. For example, while South Korea is pursuing multiple FTA (free trade areas) negotiations with South American and Asian countries, some people are demonstrating against governments. Future business leaders, by definition, would lead opinions on globalization in near future. If policy makers do not take enough care about their sentiments, free market and free trade policies can cre-

ate continuous conflicts. Especially, if we recall that the issues of anti-globalization demonstrations in Seattle, Washington, DC and Cancun were mostly about environment and labor rights protection, the result of this study suggests one solution for social conflicts on globalization. If people are not fully aware of the clear relationship between environment and labor issues and fair trade, we may be able to find another alternative trade system rather than fair trade that meets the requirements of those issues. The alternative trade system may be found in the boundary of free trade system (e. g., Parris, Luzadis, and Bentley, 2005). Policy makers may develop a new trade system based on domestic consensus and international cooperation, within a broad free system to avoid unnecessary conflicts between free trade and fair trade systems.

Second, college educators need to recognize how practically important the concept of fair trade in addition to traditional free trade is. The fact that 69% of the respondents in both countries described themselves as fair traders means that our education, which generally focuses on the benefits of free trade, has been not very effective or even misleading. Thus, this study suggests that college education in business or economics may need proper changes.

Third, this study has implications for current business practitioners. As discussed in the beginning, one of the precursors of global business performance is global orientation of managers, so attitudes of managers to globalization should be seriously considered for internal job placements.

The limitations of this study include the following. First, this study assumed that the respondents are fully aware of the meaning of the concepts such as globalization, free trade, and fair trade. To meet this assumption, the sample was limited to the college students who were taking international business courses and included "do not know" or "not responding" in the answering choices. Second, this study tried to have internal consistency by taking samples in only 2 colleges in South Korea and New Zealand, so the sample size was as small as 497. Thus, it may not be large enough to be generalized for external validity. Lastly, Nagelkerke R square figures were not generally large, which implies that proper variables need to be added to increase explanatory power of the models. More studies on the issue are expected.

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