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by joshua kurlantzick

# stay HOME?

If the great global future of business is here, so far it's not much to look at. Are you trying to find a path to international success in today's world economy?

**F**or years, Bob Duncan of Leawood Export Finance Inc. in Overland Park, Kansas, was a vociferous advocate of globalization. As president of the B2B export finance firm, which helps U.S. companies expand their export sales, Duncan saw his company grow steadily throughout the post-Cold War 1990s, venturing into one foreign market after another. During that time, Duncan himself talked up the advantages of globalization—a combination of advances in trade, communications and capital flows—to hundreds of small U.S. businesses considering expanding overseas.

But over the past two years, as globalization has undergone its most severe test to date, Duncan's mood has become darker. His company has laid off employees and slashed costs, and he has become less certain of the future of global integration. "The global economic situation has become unclear, and there are clearly major risks," Duncan worries.

His fear is hardly unique. Until early 2001, U.S. entrepreneurs rapidly expanded their global reach, targeting export markets worldwide and strongly advocating freer trade. But in 2001 and 2002, global integration whipsawed, delivering bad news across continents as nations' economic downturns fed on one another and the war on terror heightened security risks and fears. This reverse globalization has dried up some export markets, severely squeezing small businesses.



**INTERNATIONAL AFFAIRS:** Back in the day, entrepreneurs fell in love with globalization—some, like Robert Kushner of Pacific China Industries, even moved their firms overseas. Is the honeymoon really over?