

**The Ohio State University  
Fisher College of Business  
Department of Management and Human Resources**

**ADVANCED SEMINAR ON INTERNATIONAL BUSINESS  
Reading List**

**Mona Makhija  
724 Fisher Hall  
292-8692  
Makhija.2@osu.edu**

**October 18, 2017**

**Contents**

1. Institutions and international business environment
2. Theory of the multinational enterprise
3. Culture and international business environment
4. Political theories of the multinational enterprise
5. Strategy and organization of the multinational enterprise
6. Entry modes
7. International strategic alliances and networks
8. Cross-border acquisitions

## Background

The objectives of the Advanced Seminar on International Business (IB) are to (1) understand the theoretical underpinnings of the discipline of IB, (2) examine the body of work in this discipline over the past five decades, and (3) provide a strong foundation for scholarly research on IB.

More than other areas of business, IB is highly multidisciplinary and draws upon principles of economics, sociology, anthropology, psychology, political science, among others. Students of IB will benefit significantly from broadening their exposure to these principles. Nonetheless, the field of IB is motivated by its own set of questions, approaches and domains, which differ from those of these disciplines. In this seminar, students will develop an understanding of these issues.

## Requirements

### 1. Discussion and Review 50%

We will have 7-8 assigned readings for each session that will pertain to a specific topic. Each student will take responsibility of leading the discussion for some of them, but you will not know in advance which papers you will have to present. I recommend that you write out a one-page review of each article, in which you outline the basic logic, general empirical approach, and major conclusions. In the section below, I discuss how to remember papers. It would also be a good idea to write out any limitations or questions that occur to you about each.

### 2. Research Paper 50%

This paper will focus on one of the topics covered in the seminar. The purpose of this paper is to systematically extend a theoretical argument associated with the IB literature in some way. Options include but are not limited to (a) an integration of an IB-related theory with a theory or perspective from another discipline, (b) a comparison of and debate over key assumptions underlying two different theories, and a detailed approach offered for helping to resolve this debate, (c) a new theoretical model extending a given theoretical approach, and (d) an empirical test of an existing theory.

These requirements will be discussed further in class.

## Suggestions for Using This Reading List

The readings in this seminar are divided into several sections that constitute primary topics in IB. They include some of the most critical pieces of work in IB, but also those that offer contrasting views or approaches on the topic. These readings help to create a foundation upon which students can base their IB research. While there are clear demarcations between topics, there are important linkages between them as well. Nevertheless, each section can be viewed as a module and ideally should be read as such. Each topic is broken down into theoretical and empirical work. However, this distinction is somewhat artificial, since empirical papers also extend theory. It is recommended that students start with the *oldest* papers and then work forward in time. This will give you a feel for how the research on a particular topic has developed over time.

We will not cover all the articles that are listed, only a selected subset. However, you should be aware of the work of these international business authors, and use the additional articles as important references for a more detailed understanding of the topic.

## **How to Read a Research Article**

For a student in a research seminar, it is difficult to understand how to absorb all the material read and discussed. You are taking multiple courses at the same time, and different issues are competing for your time. The amount of material presented in this and other seminars is considerable, and it may be unclear to which issues you need to give more attention. On the other hand, you will not be taking this seminar again, and the costs of forgetting the material is high.

The key to resolving this dilemma is organization. To begin, you should take detailed notes on the papers and discussions. Your fundamental goal is to develop a picture in your mind of the particular IB topic. Answer the following questions: (1) What is the primary question relating to this issue? (2) What is the nature of the theory (or theories) used for understanding this issue? (3) In what way does this paper help us to address this question or problem? (4) How does this paper relate to the other papers in the area? (5) What are the implications of this paper for future research?

In answering the above questions, note the theoretical strengths and weaknesses of each paper. Always be on the lookout for gaps or deficiencies in the literature and for evidence of inadequate theory. Pay close attention to the different methodologies employed in empirical papers. Try to identify the strengths and weaknesses of different methodologies.

## 1. INSTITUTIONS AND INTERNATIONAL BUSINESS ENVIRONMENT

### Theory

Cantwell, J.A., Dunning, J.H. and Lundan, S.M. 2010. An evolutionary approach to understanding international business activity: the co-evolution of MNEs and the institutional environment. *Journal of International Business Studies*, 41 (4): 567-586.

Dacin, M. T., J. Goodstein, and W. R. Scott. 2002. Institutional theory and institutional change. *Academy of Management Journal*, 45: 45-57.

Murtha, T. and S. Lenway. 1994. Country capabilities and the strategic state: How national political institutions affect multinational corporations' strategies. *Strategic Management Journal*, 15 (summer special issue): 113-129.

Mair, J., Marti, I. and M. Ventresca. Building inclusive markets in rural Bangladesh: How intermediaries work institutional voids. *Academy of Management Journal*, 55 (4): 819-850.

North, D. 1990. *Institutions, institutional change, and economic performance*. Cambridge, MA: Harvard University Press.

Peng, M. W. 2003. Institutional transitions and strategic choices. *Academy of Management Review*, 28 (2): 275-296.

Spicer, A., McDermott, G. and B. Kogut. 2000. Entrepreneurship and privatization in Central Europe: The tenuous balance between destruction and creation. *Academy of Management Review*, 25 (3): 630-649.

### Evidence

Crossland, C. and D. Hambrick. 2011. Differences in managerial discretion across countries: How national-level institutions affect the degree to which CEOs matter. *Strategic Management Journal*, 32: 797-819.

Guillen, M. 2000. Business groups in emerging economies: A resource-based view. *Academy of Management Journal*, 43: 362-380.

Guillen, M. 2002. Structural inertia, imitation, and foreign expansion: South Korean firms and business groups in China, 1987-95. *Academy of Management Journal*, 45: 509-525.

Henisz, W. and A. Delios. 2001. Uncertainty, imitation, and plant location: Japanese multinational corporations, 1990-1996. *Administrative Science Quarterly*, 46: 443-475.

Jandik, T. and R. Kali. 2009. Legal systems, information asymmetry, and firm boundaries: Cross-border choices to diversify through mergers, joint ventures, or strategic alliances. *Journal of International Business Studies*, 40(4):578-599.

Khanna, T. and K. Palepu. 2000. The future of business groups in emerging markets: Long-run evidence from Chile. *Academy of Management Journal*, 43: 268-285.

- Khanna, T. and K. Palepu. 2000. Is group affiliation profitable in emerging markets? An analysis of diversified Indian business groups. *Journal of Finance*, 55: 867-891.
- Kogut, B. and U. Zander. 2000. Did socialism fail to innovate? A natural experiment of the two Zeiss companies. *American Sociological Review*, 65: 169-190.
- Kwok, C., and Tadesse, S. 2006. The MNC as an agent of change for host-country institutions: FDI and corruption. *Journal of International Business Studies*, 27 (6): 767-785.
- La Porta, R., F. Lopez-de-Silanes, A. Shleifer, and R. Vishny. 1998. Law and finance. *Journal of Political Economy*, 106: 1113-1155.
- Mair, J., Marti, I. and M. Ventresca. 2012. Building inclusive markets in rural Bangladesh: How intermediaries work institutional voids. *Academy of Management Journal*, 55 (4): 819-850.
- Makhija, M. 2004. The value of restructuring in emerging economies: The case of the Czech Republic. *Strategic Management Journal*, 25 (3): 243-267.
- Makhija, M. 2003. Comparing the resource-based and market-based views of the firm in a period of great change: Empirical evidence from Czech privatization. *Strategic Management Journal*, 24 (5): 433- 51.
- Makhija, M. and A. Stewart. 2002. The effect of the institutional environment on perceptions of risk: A comparison of planned versus free-market managers. *Journal of International Business Studies*, 33(4): 737-756.
- McGahan, A. and R. Victor. 2010. How much does home country matter to corporate profitability? *Journal of International Business Studies*, 41(1): 142-165.
- Oxley, J. 1999. Institutional environment and the mechanisms of governance: The impact of intellectual property protection on the structure of inter-firm alliances. *Journal of Economic Behavior and Organizations*, 38: 283-309.

## 2. THEORIES OF THE MULTINATIONAL ENTERPRISE

### Theory

- Buckley, P. and M. Casson. 2009. The internalization theory of the multinational enterprise: A review of the progress of a research agenda after 30 years. *Journal of International Business Studies*, 40(9):1563-1580.
- Buckley, P. and M. Casson. 1976. *The future of the multinational enterprise*. London: Macmillan. [See especially the chapters on “A long run theory of the multinational enterprise” and “Alternative theories of the multinational enterprise”]
- Buckley, P. and M. Casson. 1998. Models of the multinational enterprise. *Journal of International Business Studies*, 29: 21-44.

Cantwell, J., Dunning, J, and S. Lundan. 2010. An evolutionary approach to understanding international business activity: The co-evolution of MNEs and the institutional environment. *Journal of International Business Studies* 41 (4): 567-586.

Caves, R. 1996. *Multinational enterprise and economic analysis*, 2<sup>nd</sup> ed. Cambridge, UK: Cambridge University Press.

Dunning, J. 1988. The eclectic paradigm of international production: A restatement and some possible extensions. *Journal of International Business Studies*, 19: 1-31.

Dunning, J. 1993. *Multinational enterprises and the global economy*. Wokingham, UK: Addison-Wesley.

Dunning, J. 1998. Location and the multinational enterprise: A neglected factor? *Journal of International Business Studies*, 29: 45-66.

Hymer, S. 1976. *The international operations of national firms*. Cambridge, MA: MIT Press.

Kogut, B. and U. Zander. 1993. Knowledge of the firm and the evolutionary theory of the multinational corporation. *Journal of International Business Studies*, 24: 625-645.

Kogut, B. and U. Zander. 1995. Knowledge, market failure, and the multinational enterprise: A reply. *Journal of International Business Studies*, 26: 417-426. [A reply to Love, 1995 and McFetridge, 1995]

Love, J. 1995. Knowledge, market failure, and the multinational enterprise: A theoretical note. *Journal of International Business Studies*, 26: 399-407. [A critique of Kogut and Zander, 1993]

McFetridge, D. 1995. Knowledge, market failure, and the multinational enterprise: A comment. *Journal of International Business Studies*, 26: 409-415. [A critique of Kogut and Zander, 1993]

Teece, D. 1983. Multinational enterprise, internal governance, and industrial organization. *American Economic Review*, 75: 233-238.

### **Evidence**

Allen, L. and C. Pantzalis. 1996. Valuation of the operating flexibility of multinational corporations. *Journal of International Business Studies*, 27: 633-653.

Buckely, P. 1988. The limits of explanation: Testing the internalization theory of the multinational enterprise. *Journal of International Business Studies*, 19: 181-193.

Campa J. 1994. Multinational investment under uncertainty in the chemical processing industries. *Journal of International Business Studies*, 25: 557-578.

Cantwell, J. 1995. The globalization of technology: What remains of the product cycle model? *Cambridge Journal of Economics*, 19: 155-174.

Chung, W. 2001. Identifying technology transfer in foreign direct investment: Influence of industry conditions and investing firm motives. *Journal of International Business Studies*, 32: 211-229.

- Contractor FE, Kundu SK, Hsu C. 2003. A three-stage theory of international expansion: The link between multinationality and performance in the service sector. *Journal of International Business Studies* 34: 5-18.
- Hennart J. 2011. A theoretical assessment of the empirical literature on the impact of multinationality on performance. *Global Strategy Journal* 1: 135-151.
- Hennart, J.-F. 1988. The transaction costs theory of joint ventures: An empirical study of Japanese subsidiaries in the United States. *Management Science*, 37: 483-497.
- Kirca A, Hult GH, Roth K, Cavusgil T. Firm-specific assets, multinationality and financial performance: A meta-analytic review and theoretical integration. *Academy of Management Journal* (in press).
- Kuemmerle, W. 1999. The drivers of foreign direct investment into research and development: An empirical investigation. *Journal of International Business Studies*, 30: 1-24.
- Lu J, Beamish P. 2004. International diversification and firm performance: The S-curve hypothesis. *Academy of Management Journal* 47: 598-609.
- Morck, R. and B. Yeung. 1991. Why investors value multinationality? *Journal of Business*, 64: 165-187.
- Rangan, S. 1998. Do multinationals operate flexibly? Theory and evidence. *Journal of International Business Studies*, 29: 217-237.
- Rivoli, P. and E. Salorio. 1996. Foreign direct investment and investment under uncertainty. *Journal of International Business Studies*, 27: 335-357.
- Shan, W. and J. Song. 1997. Foreign direct investment and the sourcing of technological advantage: Evidence from the biotechnology industry. *Journal of International Business Studies*, 28: 267-284.
- Shaver, J. M. 1998. Do foreign-owned and U.S.-owned establishments exhibit the same location pattern in U.S. manufacturing industries? *Journal of International Business Studies*, 29: 469-493.
- Shaver, J. M. and F. Flyer. 2000. Agglomeration economies, firm heterogeneity, and foreign direct investment in the United States. *Strategic Management Journal*, 21: 1175-1193.
- Tang, C. and S. Tikoo. 1999. Operational flexibility and market valuation of earnings. *Strategic Management Journal*, 20: 749-761.
- Thomas D, Eden L. 2004. What is the shape of the multinationality-performance relationship? *Multinational Business Review*, 12 (1): 89-110.
- Zaheer S. 1995. Overcoming the liability of foreignness. *Academy of Management Journal* 38: 341-363.

### 3. CULTURE AND INTERNATIONAL BUSINESS ENVIRONMENT

#### Theory

Au, K. 1999. Intra-cultural variation: Evidence and implications for international business. *Journal of International Business Studies*, 30 799-812

Chen, C., M. W. Peng, and P. Saporito. 2002. Individualism, collectivism, and opportunism: A cultural perspective on transaction cost economics. *Journal of Management*, 28 (4): 567-583.

Hofstede, G. 1980. *Culture's consequences*. Thousand Oaks, CA: Sage.

Ronen, S. and O. Shenkar. 1985. Clustering countries on attitudinal dimensions: A review and synthesis. *Academy of Management Review*, 10 435-454.

Shenkar, O. 2001. Cultural distance revisited: Towards a more rigorous conceptualization and measurement of cultural differences. *Journal of International Business Studies*, 32: 519-535.

#### Evidence

Barkema, H., J. Bell, and J. Pennings. 1996. Foreign entry, cultural barriers, and learning. *Strategic Management Journal*, 17: 151-166.

Brouthers, K. and L. Brouthers. 2001. Explaining the national culture distance paradox. *Journal of International Business Studies*, 32: 177-189.

Hennart, J.-F. and J. Larimo. 1998. The impact of culture on the strategy of multinational enterprises: Does national origin affect ownership decisions? *Journal of International Business Studies*, 29: 515-538.

Kogut, B. and H. Singh. 1988. The effect of national culture on the choice of entry mode. *Journal of International Business Studies*, 19: 411-432.

Makino, S. and K. Neupert. 2000. National culture, transaction costs, and the choice between joint venture and wholly owned subsidiary. *Journal of International Business Studies*, 31: 705-713.

Morosini, P., S. Shane, and H. Singh. 1998. National cultural distance and cross-border acquisition performance. *Journal of International Business Studies*, 29: 137-158.

O'Grady, S. and H. Lane. 1996. The psychic distance paradox. *Journal of International Business Studies*, 27: 309-333.

Ralston, D., D. Holt, R. Terpstra, and K. Yu. 1997. The impact of national culture and economic ideology on managerial work values. *Journal of International Business Studies*, 28: 177-208.



#### **4. POLITICAL THEORIES OF THE MULTINATIONAL ENTERPRISE**

##### **Theory**

Boddewyn, J. 1988. Political aspects of MNE theory. *Journal of International Business Studies*, 18: 341-363.

Boddewyn, J. and T. Brewer. 1994. International-business political behavior: New theoretical directions. *Academy of Management Review*, 19: 119-143.

Doh, J. 2000. Entrepreneurial privatization strategies: Order of entry and local partner collaboration as sources of competitive advantage. *Academy of Management Review*, 25: 551-571.

Hillman, A. and M. Hitt. 1999. Corporate political strategy formulation: A model of approach, participation, and strategy decisions. *Academy of Management Review*, 24: 825-842.

Moon, C. and A. Lado. 2000. MNC-host government bargaining power relationship: A critique and extension within the resource-based view. *Journal of Management*, 26: 85-117.

Murtha, T. and S. Lenway. 1994. Country capabilities and the strategic state: How national political institutions affect multinational corporations' strategies. *Strategic Management Journal*, 15 (summer special issue): 113-129.

Ramamurti, R. 2001. The obsolescing "bargain model"? MNC-host developing country relations revisited. *Journal of International Business Studies*, 32: 23-39.

Rugman, A. and A. Verbeke. 1998. Multinational enterprises and public policy. *Journal of International Business Studies*, 29: 115-136.

Vernon, R. 1998. *In the hurricane's eye: The troubled prospects of multinational enterprises*. Cambridge, MA: Harvard University Press.

Wells, L. 1983. *Third World multinationals: The rise of foreign investment from developing countries*. Cambridge, MA: MIT Press.

Wells, L. 1998. Multinationals and the developing countries. *Journal of International Business Studies*, 29: 101-114.

##### **Evidence**

Fagre, N. and L. Wells. 1982. Bargaining power of multinationals and host governments. *Journal of International Business Studies*, 21: 1-22.

Feinberg, S. and A. Gupta. 2009. MNC subsidiaries and country risk: Internalization as a safeguard against weak external institutions. *Academy of Management Journal*, 52(2): 381-399.

Gomes-Casseres, B. 1990. Firm ownership preferences and host government restrictions. *Journal of International Business Studies*, 21 (1): 1-22.

Henisz, W. and A. Delios. 2001. Uncertainty, imitation, and plant location: Japanese multinational corporations, 1990-1996. *Administrative Science Quarterly*, 46: 443-475.

Kobrin, S. 1987. Testing the bargaining hypothesis in the manufacturing sector in developing countries. *International Organization*, 41: 609-638.

Luo, Y. 2001. Toward a cooperative view of MNC-host government relations: Building blocks and performance implications. *Journal of International Business Studies*, 32: 401-419.

Makhija, M. 1993. Government intervention in the Venezuelan petroleum industry: An empirical investigation of political risk. *Journal of International Business Studies*, 24 (3): 531-555.

Poytner, T. 1982. Government intervention in less developed countries: The experience of multinational companies. *Journal of International Business Studies*, 13: 9-25.

Vachani, S. 1995. Enhancing the obsolescing bargain theory: A longitudinal study of foreign ownership of U.S. and European multinationals. *Journal of International Business Studies*, 26: 159-180.

Weitzel, U. and Berns, S. 2006. Cross-border takeovers, corruption, and related aspects of governance. *Journal of International Business Studies*, 37 (6): 786-806.

## 5. GLOBAL STRATEGIES

### **Theory**

Bartlett, C. and S. Ghoshal. 1989. *Managing across borders: The transnational solution*. Boston: Harvard Business School Press.

Bartlett, C. and S. Ghoshal. 1991. Global strategic management: Impact on the new frontiers of strategy research. *Strategic Management Journal*, 12 (summer special issue): 5-16.

Chandler, A. 1990. *Scale and scope*. Cambridge, MA: Belknap.

Dess, G., A. Gupta, J.-F. Hennart, and C. Hill. 1995. Conducting and integrating strategy research at the international, corporate, and business levels: Issues and directions. *Journal of Management*, 21: 357-393.

Ghoshal, S. 1987. Global strategy: An organizing framework. *Strategic Management Journal*, 8: 425-440.

Kogut, B. 1989. A note on global strategies. *Strategic Management Journal*, 10: 383-389.

Levitt, T. 1983. The globalization of markets. *Harvard Business Review*, 61 (3): 92-102.

Levy, D. 2008. Political contestation in global production networks. *Academy of Management Review*, 33(4):943-963.

### **Evidence**

Collis, D. 1991. A resource-based analysis of global competition: The case of the bearings industry. *Strategic Management Journal*, 12 (summer special issue): 49-68.

Delios, A. and P. Beamish. 1999. Geographic scope, product diversification, and the corporate performance of Japanese firms. *Strategic Management Journal*, 20: 711-727.

- Geringer, J. M., S. Tallman, and D. Olsen. 2000. Product and international diversification among Japanese multinational firms. *Strategic Management Journal*, 21: 51-80.
- Hitt, M., R. Hoskisson, and H. Kim. 1997. International diversification: Effects on innovation and firm performance. *Academy of Management Journal*, 40: 767-798.
- Kobrin, S. 1991. An empirical analysis of the determinants of global integration. *Strategic Management Journal*, 12 (summer special issue).
- Kogut, B. and N. Kulatilaka. 1993. Operating flexibility, global manufacturing, and the option value of a multinational network. *Management Science*, 40: 123-139.
- Lee, S. and M. Makhija. 2009. The effect of domestic uncertainty on the real options value of international investments. *Journal of International Business Studies*, 40(3):405-420.
- Lee, S. and M. Makhija. 2009. Flexibility in internationalization: Is it valuable during an economic crisis? *Strategic Management Journal*, 25(3):243-267.
- Li, J. T. and S. Guisinger. 1992. The globalization of service multinationals in the "Triad" regions: Japan, Western Europe, and North America. *Journal of International Business Studies*, 23: 675-696.
- Makhija, M., K. Kim, and S. Williamson. 1997. Measuring globalization of industries using a national approach: Empirical evidence across five countries and over time. *Journal of International Business Studies*, 28 (4): 679-710.
- Mitchell, W., J. M. Shaver, and B. Yeung. 1992. Getting there in a global industry: Impacts on performance of changing international presence. *Strategic Management Journal*, 13: 419-432.
- Murtha, T., S. Lenway, and R. Bagozzi. 1998. Global mindsets and cognitive shift in a complex multinational corporation. *Strategic Management Journal*, 19: 97-114.
- Tallman, S. and J. T. Li. 1996. Effects of international diversity and product diversity on the performance of multinational firms. *Academy of Management Journal*, 39: 179-196.
- Wiersema, M. and H. Bowen. 2008. Corporate diversification: The impact of foreign competition, industry globalization, and product diversification. *Strategic Management Journal*, 29(2): 115-132.

## **6. ORGANIZATIONAL THEORIES OF THE MULTINATIONAL ENTERPRISE**

### **Theory**

- Bartlett, C. and S. Ghoshal. 1989. *Managing across borders: The transnational solution*. Boston: Harvard Business School Press.
- Birkinshaw, J. and N. Hood. 1998. Multinational subsidiary evolution: capability and charter change in foreign-owned subsidiary companies. *Academy of Management Review*, 23: 773-795.

- Ghoshal, S. and C. Bartlett. 1990. The multinational corporation as an interorganizational network. *Academy of Management Review*, 15: 603-625.
- Ghoshal, S. and E. Westney, eds. 1993. *Organization theory and the multinational corporation*. New York: St. Martins.
- Hedlund, G. 1986. The hypermodern MNC – A heterarchy? *Human Resource Management*, 25: 9-35.
- Kostova, T. 1999. Transnational transfer of strategic organizational practices: A contextual perspective. *Academy of Management Review*, 24: 308-324.
- Kostova, T. and S. Zaheer. 1999. Organizational legitimacy under conditions of complexity: The case of the multinational enterprise. *Academy of Management Review*, 24: 64-81.
- March, J. 1991. Exploration and exploitation in organizational learning. *Organization Science*, 2: 71-87.
- Martinez, J. and J. Jarillo. 1989. The evolution of research on coordination mechanisms in multinational corporations. *Journal of International Business Studies*, 20: 489-514.
- Rosenzweig, P. and H. Singh. 1991. Organizational environments and the multinational enterprise. *Academy of Management Review*, 16: 340-361.
- Rugman, A. and A. Verbeke. 2001. Subsidiary-specific advantages in multinational enterprises. *Strategic Management Journal*, 22 (3): 237-250.
- Stopford, J. and L. Wells. 1972. *Managing the multinational enterprise*. New York: Basic.

### **Evidence**

- Birkinshaw, J., N. Hood, and S. Jonsson. 1998. Building firm-specific advantages in multinational corporations: The role of subsidiary initiative. *Strategic Management Journal*, 19: 221-241.
- Egelhoff, W. 1982. Strategy and structure in multinational corporations: An information processing approach. *Administrative Science Quarterly*, 27: 435-458.
- Gupta, A. and V. Govindarajan. 2000. Knowledge flows within multinational corporations. *Strategic Management Journal*, 21: 473-496.
- Kostova, T. and K. Roth. 2002. Adoption of an organizational practice by subsidiaries of multinational corporations: Institutional and relational effects. *Academy of Management Journal*, 45: 215-233.
- Luo, Y. and M. W. Peng. 1999. Learning to compete in a transition economy: Experience, environment, and performance. *Journal of International Business Studies*, 30 (2): 269-296.
- Martin, X., A. Swaminathan, and W. Mitchell. 1998. Organizational evolution in an interorganizational environment: Incentives and constraints on international expansion strategy. *Administrative Science Quarterly*, 43: 566-601.
- Mitchell, W., J. M. Shaver, and B. Yeung. 1997. The effect of own-firm and other-firm experience on foreign direct investment survival in the United States, 1987-92. *Strategic Management Journal*, 18: 811-824.

Vermeulen, F. and H. Barkema. 2002. Pace, rhythm, and scope: Process dependence in building a profitable multinational enterprise. *Strategic Management Journal*, 23: 637-653.

Wolf, J. and W. Egelhoff. 2002. A reexamination and extension of international strategy-structure theory. *Strategic Management Journal*, 23: 181-189.

Zaheer, S. 1995. Overcoming the liability of foreignness. *Academy of Management Journal*, 38: 341-363.

Zaheer, S. and E. Mosakowski. 1997. The dynamics of the liability of foreignness. *Strategic Management Journal*, 18: 439-464.

## **7. ENTRY MODES**

### **Theory**

Buckley, P. and M. Casson. 1998. Analyzing foreign market entry strategies: Extending the internalization approach. *Journal of International Business Studies*, 29: 539-562

Doh, J. 2000. Entrepreneurial privatization strategies: Order of entry and local partner collaboration as sources of competitive advantage. *Academy of Management Review*, 25: 551-571.

Hill, C., P. Hwang, and W. C. Kim. 1990. An eclectic theory of the choice of international entry mode. *Strategic Management Journal*, 9: 93-104.

Johanson, J. and J. Vahlne. 1977. The internationalization process of the firm. *Journal of International Business Studies*, 8: 23-32.

Lieberman, M. and D. Montgomery. 1998. First-mover (dis)advantages: Retrospective and link with the resource-based view. *Strategic Management Journal*, 19: 1111-1125.

Madhok, A. 1997. Cost, value, and foreign market entry mode: The transaction and the firm. *Strategic Management Journal*, 18: 39-61.

Miller, K. and T. Folta. 2001. Option value and entry timing. *Strategic Management Journal*, 23: 655-665.

Root, F. 1994. *Entry strategies for international markets*. Lexington, MA: Lexington Books.

### **Evidence**

Barkema, H., J. Bell, and J. Pennings. 1996. Foreign entry, cultural barriers, and learning. *Strategic Management Journal*, 17: 151-166.

Barkema, H. and F. Vermeulen. 1998. International expansion through start-up or acquisition: A learning perspective. *Academy of Management Journal*, 41: 7-26.

- Brouthers, K. 2002. Institutional, cultural, and transaction cost influences on entry mode choice and performance. *Journal of International Business Studies*, 33: 203-221.
- Chang, S. 1995. International expansion strategy of Japanese firms: Capability building through sequential entry. *Academy of Management Journal*, 38: 383-407.
- Chang, S. and P. Rosenzweig. 2001. The choice of entry mode in sequential foreign direct investment. *Strategic Management Journal*, 22: 747-776.
- Chen, S. and J.-F. Hennart. 2002. Japanese investors' choice of joint ventures versus wholly-owned subsidiaries in the US. *Journal of International Business Studies*, 33: 1-18.
- Davis, P., A. Desai, and J. Francis. 2000. Mode of international entry: An isomorphism perspective. *Journal of International Business Studies*, 31: 239-258.
- Eriksson, K., J. Johanson, A. Majkgard, and D. Sharma. 1997. Experiential knowledge and cost in the internationalization process. *Journal of International Business Studies*, 28: 337-360.
- Gaba, V., Y. Pan, and G. Ungson. 2002. Timing of entry in international markets: An empirical study of US Fortune 500 firms in China. *Journal of International Business Studies*, 33: 39-55.
- Guillen, M. 2002. Structural inertia, imitation, and foreign expansion: South Korean firms and business groups in China, 1987-95. *Academy of Management Journal*, 45: 509-525.
- Hennart, J.-F. and Y. Park. 1993. Greenfield vs. acquisition: The strategy of Japanese investors in the United States. *Management Science*, 39: 1054-1070.
- Hennart, J.-F. and S. Reddy. 1997. The choice between mergers/acquisitions and joint ventures: The case of Japanese investors in the United States. *Strategic Management Journal*, 18: 1-12.
- Isobe, T., S. Makino, and D. Montgomery. 2000. Resource commitment, entry timing, and market performance of foreign direct investments in emerging economies. *Academy of Management Journal*, 43: 468-484.
- Kogut, B. and H. Singh. 1988. The effect of national culture on the choice of entry mode. *Journal of International Business Studies*, 19: 411-432.
- Li, J. T. 1995. Foreign entry and survival: Effects of strategic choices on performance in international markets. *Strategic Management Journal*, 16: 333-351.
- Lu, J. 2001. Intra- and inter-organizational imitative behavior: Institutional influences on Japanese firms' entry mode choice. *Journal of International Business Studies*, 33: 19-37.
- Lu, J. and P. Beamish. 2001. The internationalization and performance of SMEs. *Strategic Management Journal*, 22: 565-586.
- Luo, Y. and M. W. Peng. 1998. First mover advantages in investing in transition economies. *Thunderbird International Business Review*, 40 (2): 141-163.
- Luo, Y. and M. W. Peng. 1999. Learning to compete in a transition economy: Experience, environment, and performance. *Journal of International Business Studies*, 30 (2): 269-296.

Makino, S. and K. Neupert. 2000. National culture, transaction costs, and the choice between joint venture and wholly owned subsidiary. *Journal of International Business Studies*, 31: 705-713.

Meyer, K. 2001. Institutions, transaction costs, and entry mode choice in Eastern Europe. *Journal of International Business Studies*, 32: 357-367.

Meyer, K. and S. Estrin. 2001. Brown field entry in emerging markets. *Journal of International Business Studies*, 32: 574-584.

Shaver, J. M. 1998. Accounting for endogeneity when assessing strategy performance: Does entry mode affect FDI survival? *Management Science*, 44: 571-585.

## **9. STRATEGIC ALLIANCES AND NETWORKS**

### **Theory**

Beamish, P. and J. Banks. 1987. Equity joint ventures and the theory of the multinational enterprise. *Journal of International Business Studies*, 17: 1-16.

Contractor, F. and P. Lorange, eds. 1988. *Cooperative strategies in international business*. Lexington, MA: Lexington Books.

Dunning, J. 1995. Reappraising the eclectic paradigm in an age of alliance capitalism. *Journal of International Business Studies*, 26: 461-491.

Dyer, J. and H. Singh. 1998. The relational view: Cooperative strategy and sources of interorganizational competitive advantage. *Academy of Management Review*, 23: 660-679.

Gomes-Casseres, B. 1994. Group versus group: How alliance networks compete. *Harvard Business Review*, July-August: 62-74.

Gulati, R. 1998. Alliances and networks. *Strategic Management Journal*, 19: 293-317.

Gulati, R., N. Nohria, and A. Zaheer. 2000. Strategic networks. *Strategic Management Journal*, 21: 203-215.

Hambrick, D. C., J. T. Li, K. Xin, and A. Tsui. 2001. Compositional gaps and downward spirals in international joint venture management groups. *Strategic Management Journal*, 22: 1033-1053.

Hennart, J.-F. 1988. A transaction costs theory of equity joint ventures. *Strategic Management Journal*, 9: 361-374.

Inkpen, A. and P. Beamish. 1997. Knowledge, bargaining power, and the instability of international joint ventures. *Academy of Management Review*, 22: 177-202.

Kogut, B. 1988. Joint ventures: Theoretical and empirical perspectives. *Strategic Management Journal*, 9: 375-385.

- Lewicki, R., D. McAllister, and B. Bies. 1998. Trust and distrust: New relationships and realities. *Academy of Management Review*, 23: 438-458.
- Madhok, A. and S. Tallman. 1998. Resources, transactions, and rents: Managing value through interfirm collaborative relationships. *Organization Science*, 9: 326-339.
- Makhija, M. and U. Ganesh. 1997. The relationship between control and partner learning in learning-related joint ventures. *Organization Science*, 8: 508-527.
- Parkhe, A. 1993. "Messy" research, methodological predispositions, and theory development in international joint ventures. *Academy of Management Review*, 18: 227-268.
- Ring, P. and A. Van de Ven. 1994. Developmental processes of cooperative interorganizational relationships. *Academy of Management Review*, 19: 90-118.
- Tallman, S. and O. Shenkar. 1994. A managerial decision model of international cooperative venture formation. *Journal of International Business Studies*, 25: 91-114.
- Shenkar, O. and Y. Zeira. 1987. Human resource management in international joint ventures: Directions for research. *Academy of Management Review*, 12: 546-557.
- Yan, A. and M. Zeng. 1999. International joint venture instability. *Journal of International Business Studies*, 30: 397-414.

### **Evidence**

- Barkema, H., O. Shenkar, F. Vermuelen, and J. Bell. 1997. Working abroad, working with others: How firms learn to operate international joint ventures. *Academy of Management Journal*, 40: 426-442.
- Chen, H. and T. Chen. 1998. Network linkage and location choice in foreign direct investment. *Journal of International Business Studies*, 29: 445-468.
- Doz, Y. 1996. The evolution of cooperation in strategic alliances. *Strategic Management Journal*, 17 (summer special issue): 55-84.
- Dyer, J. 1996. Specialized supplier networks as a source of competitive advantage: Evidence from the auto industry. *Strategic Management Journal*, 17: 271-291.
- Hamel, G. 1991. Competition for competence and inter-partner learning within international strategic alliances. *Strategic Management Journal*, 12 (summer special issue): 83-103.
- Hennart, J.-F. 1988. The transaction costs theory of joint ventures: An empirical study of Japanese subsidiaries in the United States. *Management Science*, 37: 483-497.
- Hitt, M., M. T. Dacin, E. Levitas, J. Arregle, and A. Borza. 2000. Partner selection in emerging and developed market contexts: Resource-based and organizational learning perspectives. *Academy of Management Journal*, 43: 449-467.
- Inkpen, A. and A. Dinur, A. 1998. Knowledge management processes and international joint ventures. *Organization Science*, 9: 454-468.



- Kogut, B. 1991. Joint ventures and the option to expand and acquire. *Management Science*, 37: 19-33.
- Lane, P., J. Salk, and M. Lyles. 2001. Absorptive capacity, learning, and performance in international joint ventures. *Strategic Management Journal*, 22: 1139-1161.
- Luo, Y. 2001. Contract, cooperation, and performance in international joint ventures. *Strategic Management Journal*, 23: 903-919.
- Luo, Y. 2001. Antecedents and consequences of personal attachment in cross-cultural cooperative ventures. *Administrative Science Quarterly*, 46: 177-201.
- Reuer, J. 2000. Parent firm performance across international joint venture life-cycle stages. *Journal of International Business Studies*, 31: 1-20.
- Reuer, J. and M. Koza. 2000. Asymmetric information and joint venture performance: Theory and evidence for domestic and international joint ventures. *Strategic Management Journal*, 21: 81-88.
- Reuer, J. and M. Leiblein. 2000. Downside risk implications of multinationality and international joint ventures. *Academy of Management Journal*, 43: 203-214.
- Steensma, K., and M. Lyles. 2000. Explaining IJV survival in a transitional economy through social exchange and knowledge-based perspectives. *Strategic Management Journal*, 21: 831-851.
- Tsang, E. 2002. Acquiring knowledge by foreign partners from international joint ventures in a transition economy: Learning-by-doing and learning myopia. *Strategic Management Journal*, 23: 835-854.
- Tong, T., J. Reuer, and M. Peng. 2008. International joint ventures and the value of growth options. *Academy of Management Journal*, 51(5): 1014-1029.
- Yan, A. and B. Gray. 1994. Bargaining power, management control, and performance in United States-China joint ventures: A comparative case study. *Academy of Management Journal*, 37: 1478-1517.