

# Introduction

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This book is based on a symposium that appeared the *Journal of International Business Studies* in early 1998. The stimulus for the symposium was the appearance in 1996 of Richard Caves' *Multinational Enterprise and Economic Analysis*. Caves' book is one of several that could be used as the starting point in an inquiry into the future of research on international business. John Dunning's *Multinational Enterprise and the Global Economy* and Peter Buckley's and Mark Casson's *The Future of the Multinational Enterprise* are other books that immediately come to mind, and there are others as well. However, Caves' book had a unique feature: the 1996 book was the second edition, appearing fourteen years after its predecessor in 1982. The two editions thus permit the reader not only to gauge the stock of economics research available on the multinational firm in the early 1980s but also to know how one eminent scholar in the field has appraised the flow of studies over the decade or so that followed. The topical and methodological distribution of studies in this flow segment, we believe provides signals as to where researchers and journal editors were placing their bets on scholarly work.

The symposium was thus conceived as a way for recognized scholars in the field of international business to use Caves' work as a benchmark in order to focus attention on two questions. First, have any important strands of research slipped through Caves' net? Secondly, where would these scholars place their bets on the topics and research methods that will yield the highest returns to research over the next two decades? We invited Professor Caves to add his own insights on scholarly roads 'less traveled' – but roads which could make a significant difference on our understanding of international business.

Each participant in the symposium selected one or more chapters from Caves' book to use as a starting point for his or her essay. Readers will perhaps turn first to essays dealing with topics related to their own special fields of interest. It would be a mistake to stop there, however, all readers should be able to find passages in each essay that will cause them to pause and ask themselves: 'Can I apply this concept to my own work?' Or better yet, 'Here is a new topic where I can exercise my theoretical or methodological or other comparative advantage.' At the very least, serious scholars should peruse the articles' bibliographies, which reflect trends in the international business literature.

The themes of the chapters can be summarized in relation to types of foreign direct investment, which of course is the distinguishing feature of MNEs. Thus, in Table 1.1 the grouping of the central ideas of the essays in one

Table I.1 The evolving research agenda: illustrative topics

Levels of analysis	Maturing	Emerging
Firms	Hierarchies	Network alliances Teams Ambiguous boundaries Employee empowerment Corporate culture Internal entrepreneurs
Transactions	Foreign direct investment trade as substituted transactions costs	Foreign direct investment trade as complements
Foreign direct	Greenfield ventures Market access Atemporal	Mergers and acquisitions Production efficiency Ongoing exit Options path dependency
Products	Goods	Services
Industries	International competition	Global concentration Strategic transactions Non-cooperative games
Countries	Home or host to multinational enterprises	Home and host to international enterprises National innovation systems Standards competition
Subnational area		Regional clusters
International regions	North–South/East–West	Multiple overlapping
General	Shallow integration Economics alone Exogenous Reductionism Efficiency	Deep integration Multi-disciplinary Endogenous Complexity Equity distribution

place has an inherent heuristic value, for it facilitates a consideration of the question: Are there common themes, gaps, and important interdependencies that provide fruitful topics for further analysis? The summary in Table I.1 is thus a catalog of some of the ideas, concepts, frameworks, and theories found in the articles. Following our emphasis on change, we have chosen to group these ideas as contrasts wherever possible. To stress the notion of growth and

evolution, we have assigned ideas to the categories ‘old’ and ‘new.’ To be sure, these are our impressionistic judgments – not those of the chapters’ authors, and not the result of a systematic, quantitative content analysis. We hope this juxtaposition of ideas provokes productive discussions in faculty offices and conferences, and stimulates a useful new thought process in individual researchers.

The volume ends with a concluding chapter by Stephen Young and Thomas L. Brewer in which they provide a summary and overview of both Caves’ work and the chapters in the book, together with an extended discussion of the multinational enterprise and public policy.

**Stephen E. Guisinger**  
**Thomas L. Brewer**  
**Stephen Young**