INTERNATIONALIZING MARKETING THOUGHT:

The Case for an Interdisciplinary Approach

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ABSTRACT

A case can be made that to a large extent, marketing thought has not kept pace with the practice of international marketing. Recognizing that internationalization is a dynamic process rather than a steady state, this paper explores that premise. Then, given the current emphasis on the integration of business activities on a worldwide basis, it suggests an interdisciplinary approach, grounded in the concept of market imperfections and internalization theory, to deal with the major challenges that now confront international marketing scholars.

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Marketing is a universal discipline, and international markets are in fact domestic markets. What makes them international is the perspective of the observer, not the character of the market.
—Warren J. Keegan 1984

INTRODUCTION

In his examination of the differences between domestic and international marketing, Robert Bartels (1968) identified *marketing* as (a) a dual technical and social activity and (b) a consequence of environmental circumstances. He noted that attempts to conceptualize the extension of marketing practice beyond national borders had led to the development of (a) the term *international marketing,* which actually refers to the myriad of activities previously called foreign trade (see Root 1982) and (b) the term *comparative marketing,* which concerns the analysis of nationally dissimilar marketing systems and practices (see Liander et al. 1967). Bartels went on to assert, however, that there is also an identifiable international (inter-national) environment in which transactions occur across national borders that makes for clear dissimilarities between domestic and international marketing. Generally, there is no equivalent to the truly inter-national environment within either a purely national or a strictly limited comparative situation.

Today, that non-equivalent situation is captured in the idea of the scope of the activities of the global or transnational firm, i.e., a firm which sources, produces, and markets its products on a worldwide basis and makes its decisions according to overall corporate benefit. Brigid Gavin (2001) claims that the key features of globalization today are the internationalization of production and finance in ways that link suppliers, producers, and consumers both within and across national boundaries in novel ways. This, is fact, corresponds to the four-stage scheme described by Franklin Root (1987), in which he envisioned a firm moving from a very weak commitment to foreign markets in the first stage to becoming a globally integrated enterprise in the fourth stage (see also Robock and Simmonds 1973; and Bartlett and Ghoshal 2002).

Has the marketing discipline kept pace with the practice of international marketing? Recognizing that internationalization is a dynamic process rather than a steady state, and recognizing that the process of internationalization may differ from the actual practice of marketing (business) to the development of marketing thought (conceptualization), this paper attempts to address that question. Where is the discipline conceptually? Then, given the current emphasis on the integration of business activities on a worldwide basis, the paper suggests an interdisciplinary approach for dealing with the major theoretical challenges that now confront marketing scholars.

THE DEVELOPMENT OF [INTERNATIONAL] MARKETING THOUGHT

Bartels (1981) began his description of the *ascendency of marketing*—the broadening of the perspective in which marketing is held, the globalization of its practice, and the universalization of its concepts and theory—by noting that "When in about 1900 the systematic study of distribution was begun, the United States, like all nations, was a developing economy...There was virtually no marketing technology, per se, and the term 'marketing' was not coined until about 1912. With simple economic conditions, low expectations, and low technology, marketing was commonly defined as 'the activities involved in the physical distribution of goods and the transfer of their title'" (p.5).

Following an extensive search, Bartels (1962, p.4) believed he had identified the origins of marketing thought, placing it in the United States between 1906-1911, with his best approximation about 1910. His conclusion was based on (a) when the term *marketing* was first used as a noun and (b) where academic thought about marketing began. However, another study of the historical literature found the academic use of the term *marketing*—in a way compatible with current use—in 1897" (Bussiere 2000: 142). Still another search for the origin of the term found *marketing* listed in *Webster's American Dictionary* as early as 1856 and probably in previous editions as well (Lazer 1979). Yet another exploration traced the term *marketing* back to 1561 (Shaw 1995). Furthermore, even though Bartels believed that marketing thought originated in university courses taught in the United States, evidence also indicates that marketing courses may actually have been offered in Germany prior to those offered at American institutions (Jones and Monieson 1990).

Nonetheless, a major breakthrough in the development of marketing thought did come about during the first quarter of the twentieth century when marketing came to be identified as a discipline concerned with the distribution of products and the satisfaction of consumption needs, i.e., marketing was separated from economics. Then, in the 1930s the marketing process came to be viewed in its totality, i.e., as a system of flows and relationships. Further, marketing channels came to be viewed as social systems. Thus, the focus shifted from the economic task to human behavior as the concepts of roles, expectations, interactions, power, dominance, conflict, etc. were introduced (Bartels 1981, p.30).

Following WWII a surge of social and behavioral research firmly established marketing as an interdisciplinary, rather than a primarily economic, discipline. At the same time the increase in international marketing activities created an awareness that domestic strategies were often incongruent in foreign settings. This led to the dichotomizing of the global environment into "across borders" and "within borders" classifications of overseas marketing, plus the development of a new literature on international marketing. Prominent amongst the contributors to this new field were John Fayerweather (1965), Richard Robinson (1964), and Robert Bartels (1962).

The concept of marketing management was not introduced until the 1950s, when the marketing functions were re-conceived as the controllable variables of product, promotion, place (distribution), and price, i.e., the *marketing mix*. Following that development, the *marketing concept*, which stressed a customer-orientation, became the new decision-making focus. (For a comprehensive statement of the managerial marketing theory of that era, see Wroe Alderson's (1957) *Marketing Behavior and Executive Action*.) During the 1960s marketing came to be viewed as a social activity as the literature began to focus on the interactions and relations of role participants within the marketing channel. In the 1970s the increased expectations of marketing finally led to the recognition of the macro or societal dimension of the field, i.e., meeting consumption needs in a manner that preserves or enhances society's well-being. This stakeholder view of the marketing process is now known as the *societal marketing concept* (Bartels 1981, pp.9-10).

It was during the 1980s that the full extent of the global nature of marketing (and international business as a whole) was finally recognized. No longer was the international marketplace seen as the exclusive arena of large corporations. It also became a field of opportunity for small entrepreneurs, as well as a source of competition for merchants and manufacturers who found themselves challenged in their home markets by foreign competitors. Since then, traditional trade routes, the types of products traded, and the scope of foreign activities have all changed significantly. Markets are now constantly realigned by new capacities of nations to consume as well as to produce, the subsequent growth in export, licensing, and foreign direct investment flows and activities, the process of economic integration in Europe, North America, and elsewhere, the transition to market-based economies by the former Soviet and other nations, as well as the application of phenomenal technological innovations.

So where is the marketing discipline today? How international, how globally integrated has it truly become? Has it in fact been internationalized to the fullest extent with respect to the development and application of theory?

THE SCOPE OF INTERNATIONAL MARKETING THOUGHT

Over time the academic view of marketing has progressed from one of simply an operational activity to that of a managerial process—a process which includes accommodation to the international environment initially associated with the export marketing process. Today *international marketing* is typically characterized in both texts and curricula as one of several international business (IB) functions; specifically, it is concerned with the management of the (international) marketing mix. As late as the early 1980s, however, international marketing was considered to be a much more inclusive, interdisciplinary activity. Jean Boddewyn (2002) is of the opinion that international marketing courses predated general IB courses and that the early IB texts were actually international marketing texts (e.g., Kramer 1959; Hess and Cateora 1966). In fact, Stefan Robock and Kenneth Simmonds' (1973) trailblazing *International Business and Multinational Enterprises* did not appear until the mid-1970s.

In a brief fifty-page booklet first published in 1977 and eventually as a revised and updated book, Root (1987) noted that the pursuit of international market opportunities involves three fundamental questions: (a) How should managers decide which international markets to enter? (b) How should managers determine their mode of international market entry? (c) How should managers develop their international marketing plans—their product, channel, price, and promotion strategies? After dealing with those questions, Root went on to consider the development of an international marketing plan in the context of a global enterprise system with several products and several country markets, as well as the cultural differences that are so distinctive a feature of international business (p.xv). Throughout his text, Root made no distinction between what would today be considered IB activities and the more limited field of international marketing—they were one and the same.

At an international marketing conference sponsored by the Netherlands School of Business, Warren Keegan (1984) claimed that as international marketers, we are part of what is one of the oldest, if not the oldest, profession in the world (p.1). He observed that over time two different perceptions of international marketing have evolved. The first is that there is no such thing as international marketing (or no such thing as mere marketing)—there is only one marketing discipline. Marketing applies worldwide in every culture, under every system of government, and at every stage of development.[1] The relative importance of different aspects of the discipline may change from country to country, but this is merely a matter of emphasis, not of a different or distinctive discipline. Thus, marketing is a universal discipline, and international markets are in fact domestic markets. What makes them international is the perspective of the observer, not the character of the market (p.5).

The second perception noted by Keegan is that in order to succeed in international markets there are distinctive aspects to international marketing that must be understood. These include (pp. 6-8):

environmental sensitivity: some products are more sensitive to cultural and economic factors than others

unifying and differentiating influences: firms must profit from the economies of standardization but at the same time adapt the marketing program where necessary in order to compete effectively and meet the needs and wants of customers [a concept first suggested by John A. Fayerweather]

leverage: unique comparative advantages accrue to the international marketer who works smarter than his domestic counterpart, i.e., the experience effect [a term introduced by Ralph Z. Sorenson]

the product/market life cycle: experience in one market cannot necessarily be projected into other markets

orientation: there are both conscious and unconscious assumptions about and approaches to markets [ethnocentric, polycentric, and geocentric—terms coined by Howard Perlmutter]

learning: each stage of international marketing requires learning that prepares the firm for the next state

Early on these ideas were incorporated into the major texts in the field (e.g., Terpstra 1972) and remain there today. Like Root, Terpstra, and others, Keegan embraced the breadth of international marketing activities. Keegan also recognized the growth of the multinational corporation as well as the development of world-scale industries serving global markets.

Nonetheless, international marketing has been repeatedly characterized as one of the marketing areas in which work by practitioners is far more advanced and insightful than its conceptualization by academicians. At the same conference at the Netherlands School of Business, Helmut Soldner (1984, p.25) suggested that methodological advances (which tend to focus on data analysis methods) may have been greater than our efforts to build the appropriate conceptual foundations, either by defining the scope of international marketing or by delineating the core of knowledge necessary to progress on the road of theory development. As is evident from the literature to date, the primary academic concern has been with operational and micro-management decisions, as conditioned by the international task environment of the firm. International marketing operations have overwhelmingly been perceived as extensions of domestic marketing activities, international marketing concepts and theories have largely been developed as extensions of domestic marketing concepts, and the entire realm of macromarketing has been treated as the unwelcome stepchild of the discipline.

More than twenty-five years ago, E.T. Grether (1976) reviewed interest levels in particular marketing topics, including international marketing, as indicated by the annual number of articles published in the *Journal of Marketing* from 1936–1976. He noted that although there were always some international marketing papers published each year, international articles only represented about 5 percent of the articles from 1936–1951; that level peaked at nearly 14 percent in the early 1960s, and declined abruptly to barely more than 3 percent by 1975. Overall, Grether categorized the topic of international marketing as one of medium and relatively stable interest. In addition, when examining articles devoted to the social role of marketing, Grether found a decline in the number of articles from just more than 2 percent in 1936 to 0 percent in the early 1950s, a peak of nearly 10 percent in 1970, and then a decline to just more than 7 percent in 1975. Reflecting upon these figures, Grether stated that in the early period of the study, marketing related directly to both micro- and macro-economic analysis. In the later period of the study, however, the interests and energies of marketers had shifted toward the social-behavioral applications of marketing, and highly competent work was being done in those areas. Grether rued the lack of interest in the functioning of the competitive market system, but he admitted that the direct links to economics had for all practical purposes been severed by marketing scholars.

Yoram Wind and Howard Perlmutter (1977) suggested that scholars should look for a fuller range of international marketing specifics by adopting a stronger macro perspective. Indeed, it is the overall macroeconomic parameters which govern a great many of the more basic strategic international marketing decisions, which in turn determine international marketing mix decisions. The greater the extent to which firms are viewed as global systems for market development (characterized by a multiplicity of relationships with their environments and stakeholders), the closer the attention scholars should pay to the interplay of strategic international marketing decisions, general business policy decisions, and firm-exogeneous decision factors. To this end, the conceptual emphasis would shift not only toward the inclusion of the macro-environment of international marketing, but also toward the joint analysis of both micro and macro variables as interactive sets, i.e., it would become a broad, interdisciplinary pursuit.

Solder (p.26) suggested that the search for concepts and empirical results to integrate into a more macro-oriented conceptualization of international marketing calls for turning to the disciplines that explain international economic relationships and exchange processes. Further, he identified three additions to the base of marketing theory which he felt lend considerable support to the perceived stronger conceptual macro-orientation of international marketing: (a) the development of the generic marketing paradigm (the societal marketing concept) with its emphasis upon stakeholders and the social responsibility of the firm, (b) the emergence of the field of macromarketing, which addresses (amongst other things) the joint micro-macro responsibility of firms, and (c) the merging of marketing with the corporate planning and strategy formulation functions. Soldner believed that this broadened macro orientation toward international marketing would capture the increased societal expectations of marketing for meeting not only consumption needs, but also for promoting the public interest.

So what has happened in the interim? Has the discipline of international marketing become more or less inclusive in its scope? Has it become more or less interdisciplinary in its approach?

As part of their analysis of twenty-five years of research published in the *Journal of International Business Studies* from 1970-1994, Andrew Inkpen and Paul Beamish (1994) analyzed the percentage of articles per discipline. The breadth of topics covered within the marketing area included: comparative marketing; international marketing management and strategy; cross-national consumer and industrial behavior; international product/promotion/ pricing/distribution strategy; and export-import/foreign market entry modes. (Those categories were part of a much larger list of IB topics also used by Andrew Inkpen and Adva Dinur (1994, p.732) to index all of the articles, notes, comments, and replies published by the *Journal of International Business Studies* in its first twenty-five volumes.) While ranging from a high of nearly 20 percent in 1980-84 to a low of barely 15 percent in 1985–1989, overall, international marketing articles accounted for 17.5 percent of the total during the twenty-five year publication span. In addition, international marketing management and strategy ranked third with respect to the number of articles that appeared during that time.

More recently Frank DuBois and David Reeb (2000) rated and ranked thirty IB journals using both a citation analysis and a survey approach. On the basis of total citations in core IB journals (*Journal of World Business, Journal of International Business Studies, Multinational Business Review, Management International Review,* and *International Business Review)* for the period 1995-1997, *International Marketing Review* and *Journal of International Marketing* ranked fourth and sixth, respectively (p.695). On the basis of an integrated ranking that represented the simple average of five measures representing both objective and subjective measures of journal quality, the top five IB journals (in descending order) were: *Journal of International Business Studies, Management International Review, Journal of World Business (CJWB), International Marketing Review,* and *Journal of International Marketing.* Two of the top five publications deemed to be most influential in guiding research in the field of IB are marketing journals.

For a thorough review of the state of international marketing research, see Greg Kitzmiller and Joseph Miller's (2002) article regarding International Marketing Research—But How International? They conclude that while both the number and quality of international marketing articles have improved significantly during the last thirty years, truly global research is nearly nonexistent. In fact, they found that when authors used the word "global" in their titles, the research was more likely regional rather than global in scope.

THE CASE FOR AN INTERDISCIPLINARY APPROACH

Although the vast majority of authors who have published in the *Journal of International Business Studies* classify their own work as interdisciplinary, scholars such as John Dunning (1993, 1989) have argued that insufficient progress has been made in this direction. In their study of IB research trends, Richard Wright and David Ricks (1994) called for more research collaboration across national boundaries, and for a greater synthesis of research into broader, more integrative frameworks. This is necessary, they claimed, because while the need to view IB as a multidimensional process has become more and more apparent to practitioners, researchers have lagged behind in both their concepts and tools to approach such research. Historically, a comparative marketing approach has been used to examine the similarities and differences that exist across national market boundaries. Gopalkrishnan Iyer (1997) argued, however, that variations in national marketing systems can be established as much on the basis of their institutional environments as from the strategic responses of the organizations comprising those systems. Thus, he proposed using instead an interdisciplinary framework which takes into account relevant actors, conventions, and patterns of behavior, as well as the structure of the environment and the historical conditioning of present and future choices.

When considering an exploration of the international macroenvironment for the purpose of developing an interdisciplinary framework for the further development of international marketing thought and research, one must surely begin with the seminal contribution of Ronald Coase (1937), who viewed the firm as an institutional alternative to the marketplace whenever corporate resources are to be marketed or transactions are less profitable via external markets. Building on this idea of market imperfections, Peter Buckley and Mark Casson (1976) demonstrated that management will then internalize markets via vertical integration. Once firms proceed to internalize technology, management know-how, integrated production and marketing, etc. across national boundaries, the multinational enterprise is created.[2] In the post-WWII era, the rise of multinational corporations was primarily determined by corporate objectives to generate, diffuse, and use technical and marketing know-how internally. The internalization of marketing expertise is seen as being particularly key to this process (Rugman 1981; Rugman et al. 1985) because such intermediate products and skills become manifest in firm-specific technological leads, patents, innovative marketing techniques, progressive organizational structures, etc. Accordingly, it is this stream of intangible intermediate products which links the corporate network of production, distribution, and research and development units.

Soldner (1984) argued, however, that marketing scholars prefer to conceive of the international firm as a global marketing system, which, through coordinated multinational marketing strategies and integrated operations, relates corporate resources to worldwide market(ing) opportunities. From this perspective, the internalization of intermediate markets for primarily intangible proprietary assets such as knowledge mainly occurs after the internationalization of markets for final products. Accordingly, the birth and rise of multinational firms would be primarily determined by the corporate rationale to profitably exploit product and process innovations via cross-border transfers in international markets.

Amongst the contributions to the foundations of IB theory, John Fayerweather's *conceptual framework* (1978) is notable for its level and breadth of conceptualization because he supplemented the theory of comparative advantage with ideas from cultural anthropology and political science. In the first two-country dimension of his framework, Fayerweather sees the international firm as the institutionalization of the inter-nation transfer of various economic resources. Those transfers are governed by the economic differentials between the two countries and are conditioned by both political and cultural factors. In the second, multi-nation dimension of Fayerweather's framework, the international firm synergistically utilizes its specific skills in a globally integrated corporate system of production and marketing. The most efficient transmission of firm resources (particularly knowledge and skills) is then achieved by means of a sophisticated corporate communication and control system. In these determinants, one can recognize the causes of market imperfections identified by Buckley and Casson (1976) and Rugman (1981), prompting internalization via the establishment of foreign subsidiaries.

The firm's mode of entry into international markets is conditioned by host country factors, overall environmental factors, and global synergy considerations. However, the decision amongst exporting, licensing, and/or foreign direct investment is also influenced by internalization considerations. Strategically, marketing parameters may have to be given more weight in the equation of supply (cost) and demand (revenue) related factors, which eventually determines the appropriate degree of internalization. In this day and age of increasing outsourcing, many firms think more in terms of externalization, rather than internalization. At this point the decision perspective could thus presumably shift from strongly centralized, globally integrated systems of international production to strategically flexible, market-oriented combinations of input and output factors.

Dunning's (1981) Eclectic Theory of International Production and Rugman's (1981) theory of the multinational synthesize major strands of previous international trade and investment theory, including the internalization theory of Buckley and Casson (1976). Dunning first relates firm-specific, country-specific, and internalization advantages to each other, which, in turn, determine firm preferences for exporting, licensing, and/or foreign direct investment (see Figure 1). In the last analysis, the type and intensity of IB activities are determined by the interaction amongst the three categories of advantages with the structural parameters of firms, industries, and countries, i.e., by market imperfections (see also Rugman et al., 1985).

INSERT FIGURE 1 HERE

The basic lesson to be drawn from the internalization literature relates to the challenge to structure more explicitly those international marketing decisions pertaining primarily to the multinational macro-environment, i.e., to arrive at a better integration of firm-internal micro-management aspects with the external parameters prescribed by the firm's market and non-market macro-managerial environments. In other words, the breadth of the theory of internalization makes it possible to examine the interplay amongst strategic, managerial, and operational decision-making in international marketing. International marketing analysis can thus incorporate a broader range of economic, cultural, and socio-political macro factors and at the same time be increasingly integrated into strategic (marketing) management decisions.

The logic of this argument is in fact supported by Mark Casson (2000, p.91), who observed that the threads of just such a research agenda have been allowed to lapse not once, but twice. When Coase (1937) and Buckley and Casson (1976) laid out the agenda, scholars failed to recognize the significance of their work. Thus, internalization theory was stated in terms of decisions taken by a single firm, rather than in terms of interdependent decisions taken within an efficiency-driven system...where the rationale of the firm had to be proved in relation to the benefits of using the market. Although complex, Casson demonstrates that it is not impossible to articulate a systems view of location and ownership strategies.

In his impassioned plea for a more interdisciplinary approach to the study of IB, Dunning (1989) makes a vital point: the *study* of international business should be as interdisciplinary as the *practice* of it. While Inkpen and Beamish (1994) are confident that the *Journal of International Business Studies* will continue to be a natural home for the presentation of interdisciplinary research, evidence that other mainstream journals are likely to be so inclusive is scant indeed. Nonetheless, strong support for Dunning's call for the interdisciplinary development of the field can be found in Susan Douglas' (2001) refreshing essay on the challenges of global marketing, which was published in the book review section of the *Journal of Marketing*. After describing the incredible breadth of her academic studies and interests, Douglas concludes, "In coming to the end of this essay, I realize that there are few marketing references. This is perhaps because in exploring global markets, and in seeking to understand the attitudes and behavior of other cultures and countries, I have found it most useful to follow the paths of other explorers. Writers of many different backgrounds and perspectives—philosophers, sociologists, anthropologists, and political scientists—have tried to understand the different ways of thinking and behaving of other cultures and countries. From their varied perspectives I gained the richest insights" (p.106). Douglas goes on to say that not only are the issues of international marketing complex and difficult to master, but its contribution is not well recognized nor understood in academic circles. She agrees with those who feel that international marketing is a stepchild within the realm of marketing, and, in conclusion, admits that she fears that this perspective still holds amongst many academics, despite the almost dizzying pace at which the globalization of business is occurring (p.106).

When true simplicity is gained to bow and to bend we shan't be ashamed,
to turn, turn, will be our delight til by turning, turning we come round right.
—Shaker song. 18th Century

NOTES

1. Like Keegan (1984), Bartels (1981) concluded that economic development erases environmental differences and results in greater similarity of marketing systems and management. (p.9) Further, he claimed that from the global perspective, three characteristics of marketing are outstanding: (1) marketing practices differ throughout the world; (2) marketing practices are similar in groups of nations at similar stages of development; and (3) in moving upward in economic and social development, nations tend to adopt marketing expectations, techniques, and capabilities characteristic of the higher level. Thus, economic development is the common independent variable in a large set of marketing principles which are universally applicable for the explanation of marketing conditions and the guidance of marketing practice. (p.24)

Taking a different path to reach a similar conclusion, Richard Farmer (1985) observed that after 1945, given no alternative but starvation, Japan and Hong Kong opened their economic systems and took what he called a total marketing approach to the world. Soon the world began to witness an amazing pace and pattern of economic development. Farmer concluded that one of the more interesting surprises of the postwar world is that the total marketing approach really works! Out of the Bretton Woods Conference, the Marshall Plan, and other such schemes, there was set in motion the development of an economic order that somehow evolved into a world marketing system. When examining the second-order moral effects of this new international marketing framework, Farmer (1987) remarked, "In the end, and how I hate to admit it, marketing may well be the most moral field of all. What other discipline not only saves lives but minimizes wars?" (p. 115). He went on to say, "Ironically, it appears that the best defense is to sell people to death, as Japan and Hong Kong have demonstrated. If you get so valuable to your trading partners that it isn't worth taking you over, then you can prosper and survive" (1985, p. 6).

2. The significance of this particular contribution was verified recently by the re-issuing of *The Future of the Multinational Enterprise* on the occasion of the twenty-fifth anniversary of its original publication and the honoring of its authors, Peter Buckley and Mark Casson, at a special session of the 2002 Annual Meeting of the Academy of International Business.

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Figure 1

DUNNING'S ECLECTIC THEORY OF INTERNATIONAL PRODUCTION

OWNERSHIP-SPECIFIC ADVANTAGES
FIRM-SPECIFIC KNOWLEDGE
MANAGEMENT, MARKETING, FINANCIAL SKILLS
VERTICAL INTEGRATION:
CONTROL OF RESOURCES
CONTROL OF MARKETS
RISK DIVERSIFICATION

INTERNALIZATION ADVANTAGES (BY MNEs)
ENFORCE PROPERTY RIGHTS AND OVERCOME OTHER TRANSACTION COSTS
REDUCE BUYER UNCERTAINTY
OVERCOME GOVERNMENT REGULATIONS

LOCATION-SPECIFIC (COUNTRY-SPECIFIC) ADVANTAGES
NATIONAL PRODUCTION FUNCTIONS
GOVERNMENT CONTROLS AND REGULATIONS
POLITICAL RISK
CULTURAL VALUES

NOTE: ALL THREE CONDITIONS ARE REQUIRED FOR FDI TO OCCUR.

Source: Rugman, Lecraw and Booth (1985), p. 118.