

Book Reviews

Andreja Jaklič / Marjan Svetličič: Enhanced transition through outward internationalization. Outward FDI by Slovenian firms, Aldershot: Ashgate 2003.

Undoubtedly, outward internationalization processes are of growing importance for the transforming countries of Central and Eastern Europe. This holds especially true for the new EU members of the region that are faced with the challenge to compete in the “sharks’ pool” of the enlarged common market.

Therefore, it does not surprise that the number of publications discussing this topic is continuously increasing these days. However, while most contributions deal with a broad overview, which sometimes tends to become somewhat coincidental or even superficial, the book written by Andreja Jaklič and Marjan Svetličič sharply contrasts with this kind of studies. The authors explicitly concentrate on the case of their home country Slovenia. Thus they deliver an in-depth analysis which clearly proves their insider status.

The book is divided into five parts. In the first three chapters, part I, a broad introduction is given with geographical, political, and historical background information. Part II (chapters 4-7) then draws a picture of the Slovenian outward investments in the 1990s. The authors refer to geographical (especially discussing successor countries of former Yugoslavia) and industrial distribution. Moreover, the particular role of companies investing abroad is highlighted. Further, part III (ch. 8-11) provides the reader with a process perspective on Slovenian foreign investments. Both, motivations as well as barriers of investment are discussed and the effects of outward activities are reviewed. Part IV (ch. 12-19) contains extended case studies about seven Slovenian firms which are investing abroad. Therefore, the structure of those processes is concretely demonstrated. Finally, results of the diverse analyses are critically discussed and lessons are drawn from the Slovenian case in part IV (ch. 20-22).

Jaklič and Svetličič took the challenge to work out a systematic in-depth analysis of a prominent current topic particularly focusing on one specific country which is to be highly appreciated. This book is highly valuable for both, readers inclined with Slovenia as well as all those interested in Central and Eastern Europe or just in internationalization processes of smaller countries. Additionally, a large amount of material and information is provided which can be perfectly used for further studies as well as for educational purposes. Moreover, the authors regularly draw helpful references to the most influential approaches of the internationalization theory placing the topic of the book into a wider spectre.

However, the work shows a few weak points. First, with respect to the contents certain important aspects remain somewhat underweighted, namely the influence of outward investments on the Slovenian home economy, also including several redundancies (ch. 7 and 11). In addition, the comparison of the Slovenian case not only with other transformation countries but with other smaller EU member states is missing (ch. 21). Moreover, most scholars would have welcomed a more extended theoretical discussion at the end of the volume (ch. 22). Secondly, with respect to the databases only 37 companies representing 9% of the companies investing abroad were included in the quantitative analysis. Besides, the case studies sometimes suffer from limited comparability between each other e.g. concerning financial statements. Finally, structural deficits become obvious, such as the placement of the discussion about the role of the government (ch. 20) or the comparisons with international statistics (ch. 21) in the last part of the book.

Nevertheless, the value of this book should not be underestimated by criticism. Jaklič and Svetličič definitively made a valuable contribution that should help to fill an important gap of the current literature of internationalization. Therefore, the work is highly recommended for scholars interested in both in deeper understanding outward processes of internationalization as well as in learning more about an often neglected country among the new EU member states. Moreover, it also provides intriguing information for practitioners and can be considered a fascinating sourcebook for economic and business students.

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