

Foreword

By Ingo Walter:

This volume represents a valuable addition to the literature on the multinational firm, which dates back to the 1960s and continues to evolve in depth and richness. It brings out many of the subtleties associated with the interlinkage of the multinational and host countries. These include, at the very outset of the volume, the role of the multinational firm as a change agent affecting an array of interests at various levels of aggregation. This is followed by a first-rate review of the conceptual foundations of the multinational enterprise. Both discussions are then brought to bear on the involvement of multinationals in South Africa under apartheid — one of the most complex and politically-charged stories in recent memory. In retrospect, did multinationals prolong or accelerate the demise of apartheid? And conversely, what was the impact of the political pressures exerted on them, in the US and elsewhere, to withdraw or modify their South African operations in the waning years of the old regime? There is, of course, no way to run the world twice, but the analysis provided by Professor Haley provides a solid foundation for thinking about such issues. The final part of the book focuses specifically on the issues of adaptation and withdrawal,

which are critical to an assessment of this question. For all of these reasons the book is likely to remain a valuable reference work on multinationals for years to come.

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By William D. Guth:

There is considerable business and governmental interest in sanctions today, more than there was in the 1980s when multinational corporations in South Africa were the focus of organized stakeholder opposition. Stakeholder opposition continues against companies such as Nike, Shell and Disney and governments such as Myanmar's. Until the study reported in this book, however, all of the systematic research on sanctions had been done at the level of the nation state; at the level of the company, we had only anecdotal evidence. This is the first book that systematically studies why multinationals leave host states and the circumstances that prompt their leaving at the level of the company. Professor Haley has shed considerable new light on our understanding of the impact of stakeholder sanctions by including the values of top managers compared to those of other stakeholders as critical elements shaping companies' decisions. This important book identifies which sanctions by both governments and private pressure groups "work" and which do not, and explains why. It identifies the responses of corporate managements to these pressures, and demonstrates how frequently, and explains how and why, management turns situations that appear to be victories for the sanctioning parties into business-as-usual under a different format.

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