Book Review: Mark Mason and Dennis Encarnation Does Ownership Matter?

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This thought provoking book is an edited collection of conference papers prepared for the Euro-Centre of the European Institute of Business Administration (INSEAD). One special strength of this important volume is its inter-disciplinary approach, uniting the research work of 28 prominent economists, historians, political scientists, and business administration specialists under one cover. Consisting of twelve highly interesting chapters, each with a scholarly comment, a wide range of important topics that deal with the costs and benefits of the dramatic rise of Japanese foreign direct investment in Europe and the emerging EC policy model (in which the EC is attempting to regulate foreign investment along with international trade) are analyzed (and not rhetorically emotionalized). The book is organized into four sections: I. an overview chapter on the historical perspectives of Japanese direct investment in Europe; II. five chapters dealing with general causes and consequences — (1) on the strategy of Japanese and US manufacturing investment in Europe, (2) on the entry patterns of Japanese multinationals in US and European manufacturing, (3) on the performance and structure of Japanese affiliates in the European community, (4) on foreign direct investment and exports to the European Community, (5) on investment and trade by American, European, and Japanese multinationals across the Triad; III. five chapters of industry studies dealing with the Japanese presence
in the European financial services sector, the European semiconductor industry, the European electronics industry, and two separate chapters on the strategy and structure and the political economy of Japanese automobile investment in Europe; IV. in the final chapter attention is directed toward the implications of Japanese investment in Europe, concluding that ownership can - and does - matter. This book brings together a useful set of papers and numerous topical references and succeeds in piquing reader interest with many new theses and propositions, following through with persuasive explanations. The book contains a wealth of facts, statistics and charts which should make it a useful sourcebook. It will merit a place on many reading lists.

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Word Count: 340