The nature of the international firm is a familiar theme, but this book, edited by Ingmar Björkman and Mats Forsgren, has a number of unusual and interesting features for its readers. All the authors come from the northern European countries such as Sweden, Norway, Denmark and Finland, and the main themes are mainly situated within a northern European context. In their book, “The Nature of the International Firm: Nordic Contributions to International Business Research”, Björkman and Forsgren attempt to present an overview of the current research on international business in the Nordic countries. This effort reflects the effect of close cultural ties and a shared understanding of how international research questions should be approached.

“The Nature of the International Firm” is organized into three parts, comprising 20 papers (including an introductory chapter) addressing a broad array of topics in international business. Most of the papers were prepared and presented for a workshop at Copenhagen Business School in 1995. Part one contains three papers that offer unconventional perspectives on the international firm. For example, Andersson and Johanson argue that our understanding of the international firm has to place stronger attention on exchange instead of production, thereby supporting Snehota’s (1990) notion of a business enterprise as an exchange entity. The very idea of the firm as an exchange entity offers important and interesting research avenues the authors attempt to explore in their paper. The exchange relation view of the firm, however, has also some drawbacks. Like the structuralist tradition in organization theory and sociology, it attempts to define and analyze the firm as a set of structural relations leading to a view that regards organizational members as being overdetermined by their network connections that constrains (and enables) business transactions. Nonetheless, the authors offer important conceptual inroads to a theory of the international firm, which are thought-provoking and engage critically with existing theories of the firm.

In part two, consisting of 9 papers, the authors explore firms’ internationalization. Zander and Zander, for instance, discuss particularly interesting findings of a longitudinal study of Alfa Laval’s technology activities in the period between 1890 and 1990. The authors’ empirical findings partly contradict the commonly shared view of the internationalization process as an incremental and irreversible process. In a related chapter, Petersen and Petersen offer a comprehensive and excellent review of supporting evidence and critique of the Uppsala internationalization model – a paper any scholar interested in the internationalization process would find particularly useful. In another stimulating chapter, Langhoff introduces a semiotic and intercultural perspective to the analysis of cultural differences on the internationalization processes of firms. By introducing anthropological theories, especially Geertz’ semiotic concept of culture as a stable “web of significance,” Langhoff opens important interdisciplinary research avenues that redirect the study of culture in international business research.
to richer and more insightful anthropological theories and away from oversimplified approaches. Regrettably, the author does not address the post-structuralist movement in cultural studies that refined Geertz' structuralist position. In an important paper from Randøy inspired by Dunning's earlier model on foreign market involvement, the author points out a crucial drawback of the existing research on FDI that pays too little attention to the relation between business strategy and FDI. Although Randøy's arguments are partly novel and interesting, certain aspects could bear more careful analysis and thorough discussion. For example, Randøy does not integrate Dunning's (1993) earlier analysis of strategic factors in his discussion to clearly distinguish his own work. In the final paper of this part of the volume, Benito asks why and under what conditions foreign divestment is likely to take place. Although the results are preliminary in nature, the author explores some general determinants of firm's incentive and barriers to divest that are particularly insightful for future empirical research.

In the third and final part, encompassing 7 papers, the authors reflect on managerial issues of the international firm. Björkman discusses the contribution of five perspectives taken from organization theory to inform research on HRM practices in international joint ventures. His article should motivate international business researchers to develop more in-depth interdisciplinary frameworks that go beyond the wisdom of any single paradigm. On a related topic, Sharma and Wallström-Pan explore internal cross-cultural management issues in a Sino-Swedish joint venture. Since their research approach is more conventional than Langhoff's semiotic understanding of culture, it might not come as a surprise that the authors' findings are similar to earlier studies on cross-cultural operations in China. The papers on management control aspects are introduced with an important topic that attempts to advance our understanding of network-like structures of MNC. Marschan explores five dimensions of less-hierarchical organizations identified as delegation, de-layering, geographical dispersal, de-bureaucratization, and differentiation. The chapter offers some interesting reflections, most notably the discussion of several tacit assumptions underlying prior research on less-hierarchical structures, yet the author also seems to struggle with the distinction between ideal organizational types such as the “hierarchy” or the “transnational model” and the “impure” real type represented by her research of KONE Elevators, a Finnish multinational. In the final chapter, Forsgren, Holm and Thilenius offer stimulating findings about phenomena they called network infusion. By network infusion the authors address the question in how far the characteristics of the subsidiary network influences the role that the same subsidiary plays in the MNC as a whole or within its division. Again, this chapter offers many interesting ideas. Still, the authors’ findings leave some unresolved questions that need to be explored further. For instance, why is it the case that product development and market information strengthens subsidiary power while production development and technological information do not? The authors' explanation is more speculative than conclusive. How does the idea of network infusion affect internal power structures and negotiation processes? Obviously, the next step should be to merge the idea of network infusion with a behavioral theory of the firm that does not treat these processes as a black box.

After reading this book, I asked myself what researchers and managers could learn from this collection? Above all, “The Nature of the International Firm” provides a wealth of interesting and stimulating ideas from a specific Nordic perspective. Researchers, less familiar with the Nordic tradition, will find the book to be valuable, since it raises many important questions, outlines some new research avenues, and stimulates thoughts about these questions. By directing our attention to a perspective that is infused by network images on organizations, behavioral views on the internationalization process, and a capability perspective on managing the international firm, it shapes our thinking about international business in a particular way. It is likely to be of greatest value to readers who want to understand the nature of international firms from a non-economic perspective. While I see the book as being particularly relevant from the viewpoint of academics, managers also can benefit from the book and its managerial findings. Although I may not agree with some of the authors’ viewpoints or sometimes would have liked to see a more differentiated discussion of some of the topics, I very much enjoyed reading this book and can recommend it to anyone with an interest in
international business research. This book clearly represents one message the editors had in mind: There is much to learn from the Nordic contributions to international business research.

References
