ANALISIS 6 (1&2), 123-137 (1999)

THIRD WORLD MULTINATIONALS : THE CASE OF MALAYSIA

BALA RAMASAMY

ABSTRACT

Although literature on Multinational Corporations is abundant, research on those MNCs originating from the Third World is scant. In fact, there has been no systematic study of MNCs originating from Malaysia thus far. This paper attempts to fill that gap. The purpose of the paper is to, first, identify companies from Malaysia that could be referred to as MNCs, and secondly, to determine some salient characteristics that distinguish the MNCs from purely domestic ones. The study uses a qualitative approach for the first part and a quantitative one, i.e. using the logit model for the second part. The results revealed that 207 of the 436 companies listed in the main board of the Kuala Lumpur Stock Exchange met all the requirements necessary for an MNC. Multinational companies are spread across all continents around the globe. The results also indicated that the size of the firm, measured in terms of assets, increased the likelihood that a firm is a multinational. Other characteristics such as profitability and age of the firm are not statistically significant.

ABSTRAK

Banyak penyelidikan telah dijalankan berhubung dengan Syarikat-syarikat Multinasional (MNC), namun, kajian mengenai MNC yang berasal dari dunia ketiga adalah amat sedikit. Setakat ini, tiada penyelidikan secara sistematik yang telah dijalankan ke atas MNC yang berasal dari Malaysia. Tujuan utama kajian ini adalah, pertama, untuk mengenalpasti syarikat-syarikat dari Malaysia yang boleh dikategorikan sebagai MNC, dan kedua, untuk menentukan beberapa ciri yang dapat membezakan syarikat-syarikat Multinasional dari syarikat-syarikat yang beroperasi di dalam Malaysia sahaja. Bagi tujuan pertama, kajian ini menggunakan kaedah kualitatif dan bagi tujuan kedua pendekatan kuantitatif dengan menggunakan model logit telah digunakan. Keputusan kajian menunjukkan bahawa 207 daripada 436 syarikat-syarikat yang disenarailan di papan utama Bursa Saham Kuala Lumpur memenuhi semua syarat-syarat sebagai sebuah syarikat multinasional. Syarikat-syarikat Multinasional ini mempunyai cawangan di serata dunia. Keputusan kajian juga menunjukkan bahawa saiz syarikat yang diukur berdasarkan aset meningkatkan kebarangkalian sesebuah syarikat itu sebagai sebuah syarikat multinasional. Berdasarkan ujian statistik, ciri-ciri lain seperti keuntungan dan umur syarikat tidak memberi keputusan yang signifikan.

I. INTRODUCTION

If Foreign Direct Investment (FDI) is considered to be the engine for growth among most developing countries, then the fuel for this engine has to be the Multinational Corporations (MNCs). In the case of Malaysia, its industrial development coincides with the implementation of the Investment Incentives Act 1968 (Beaumont, 1990) which enticed MNCs like Motorola, Texas Instruments, Mitsubishi and Matsushita to consider Malaysia as their outpost in Southeast Asia. Literature regarding the role and contributions of MNCs in developing countries is abundant (for example, Wells, 1983; Yeung, 1994 and Lall, 1979), but these predominantly refer to MNCs from the developed countries. Literature on MNCs originating from developing countries are considered to be "meagre"[1], but interest in this area is increasing and considered to be a "logical step in the cycle of research on the origins of the multinational firm".[2] However, there has been no systematic study thus far on the MNCs originating from Malaysia. Thus, the purpose of this paper is two-fold: first, to identify Malaysian companies that can be considered as MNCs; and secondly, to determine some characteristics of the MNCs that distinguish them from their purely domestic counterparts.

The following section reviews literature *vis-a-vis* definitions of MNCs and their characteristics. Section III explains the methodology used in the paper. Section IV provides the results of analysis and the ensuing discussion. The final section provides the conclusion to the paper.

II. LITERATURE REVIEW

Heenan & Keegan (1979) was among the first researchers who included Malaysia in their survey of MNCs originating from the Third World. They found only one company from Malaysia that fitted their definition of MNC, namely, Sime Darby Holdings. In a more recent study, Anuar Adnan, Supian Ali & Anuwar Ali (1996), commenting on the emergence of Malaysian MNCs, considered companies like Technology Resources Industries (TRI), Sapura Telecommunications Berhad, Telekom Malaysia, Heavy Industries Corporation of Malaysia (HICOM) and Petronas as those companies assisted by the government to invest across borders. The Star, (7 May 1996), commenting on the Seventh Malaysia Plan reported that only two Malaysian firms can be considered to be MNCs i.e. Sime Darby and

Shangrila Hotels. UNCTAD, in their recent study of Third World transnationals, listed Petronas and Sime Darby in their top 50 transnationals from developing countries based on foreign assets (UNCTAD, 1999). The divergent views above point to the fact that a more coherent definition of an MNC is required.

An MNC is considered by some to be an organisation that is loosing its national identity (Dunning & Narula, 1995). However, when one considers MNCs like GM, Shell, Acer, Hyundai, Sony or San Miguel, it is difficult not to relate them to their home country i.e. the US, Netherlands, Taiwan, South Korea, Japan and the Philippines respectively.

There have been various attempts at defining an MNC. They range from a simple definition based on geographical scope to a more complicated one that considers the quality and depth of its foreign production. Vernon (1966) defined MNCs as firms that had subsidiaries in at least six countries. The United Nations (1973), however, defined an MNC to be "all enterprises which control assets - factories, mines, sales office and the like - in two or more countries".[3] Similarly, Galbraith (1978) defined an MNC to be one that extends its operations to two or more countries but under one guiding direction. The spread over a certain number of countries above two is obviously arbitrary. Some studies emphasize the extent of control over the foreign affiliates. Sundaram & Black (1995), for example, defined an MNC as one that operates "under a system of decision making permitting influence over resources and capabilities"[4] while Dunning (1993) reiterated that MNCs should " own and control value adding activities in more than one country".[5] This degree of control is again arbitrary since a foreign firm may own up to 10 percent equity of a subsidiary, yet may not exert any effective "control" over the affiliate firm. The "value adding activities" is another important aspect of an MNC. Khan (1986) emphasized the ownership of 'production and service facilities' as a necessary pre-requisite of an MNC. Hence, the ownership of a mere investment holding company across the border would probably fail to meet this pre-requisite. The above definitions imply that for a company to be categorised as an MNC, it needs to meet the following requirements:

i. operate in at least two countries;
ii. control assets in an overseas subsidiary;
iii. exert management control over its international subsidiary; and
iv. have subsidiaries involved in value adding activities.

Next, we turn to the characteristics that distinguish an MNC from a purely domestic based company. It must be noted that literature in this area, especially from the Third World is scant, mainly because of the limited firm-level data that is readily available to researchers.

Lall (1986) is probably among the few researchers who delves into the characteristics of MNCs from the Third World. In his research, Lall considers a range of characteristics for MNCs from India. These include: marketing expenditure, technological sophistication, R & D, capital/output ratio, firm size, managerial and technical personnel, export performance and dependence on imported raw materials. It was found that firm size and the capital output ratio gave the best statistical results. Erramilli *et al.* (1997) comparing the firm specific characteristics of Korean MNCs investing in less developed countries and more developed countries proposes three factors, namely: product differentiation, technological intensity and capital intensity. All three factors were found to influence the type of ownership of the foreign operation but were contingent on the location of the investment.

III. METHODOLOGY

This study employs both qualitative and quantitative analysis to fulfil the twofold objective mentioned earlier. The qualitative part involves the identification of Malaysian MNCs, the results of which are then used in the quantitative part that deals with the characteristics of an MNC, specifically those that differentiate them from their counterparts which are not MNCs.

a. Identification of Malaysian Multinational Corporations

While any company or business may own or have a controlling interest in a subsidiary abroad, due to the availability of data, this paper considers only companies listed on the main board of the KLSE which numbered 436 at the time of the study. The information used to identify MNCs originating from Malaysia is based primarily on the *Annual Companies Handbook* (1996,1997) and, for consistency, crossed checked with the annual reports of individual companies listed in the KLSE.

A process of elimination was employed to identify organisations that could be considered as MNCs. First, all companies that did not have any foreign operations, i.e., without a foreign subsidiary or affiliated company were eliminated. Secondly, international subsidiaries that were classified by the parent company as "dormant" were also eliminated. This is based on the understanding that a dormant operation will not "control assets" in a foreign country. Thirdly, to ensure that the MNC exerts a certain degree of management control over its subsidiary, a cut-off point of 20 percent equity holding was employed. In other words, the subsidiaries in which their equity ownership is less than 20 percent would be eliminated. The 20 percent rule is based on the accounting standards used for considering investment in associates, specifically Institute of Accounting Standards (IAS) 28 which states, " if an investor holds ... 20 percent or more of the voting power of the investee, it is presumed that the investor does have significant influence, unless it can be clearly demonstrated that this is not the case ...".[6] Finally, foreign subsidiaries were not considered to be engaged in value adding activities if their activities were classified as merely "investment holding". Hence, these companies were eliminated from the list. Companies that fulfil the four requirements above would then be classified as MNCs originating from Malaysia. These MNCs are then used in the following quantitative analysis.

b. Characteristics of Malaysian MNCs

Once a list of Malaysian MNCs have been identified, the next stage is to determine a set of attributes, which increases the likelihood that the firm will engage in foreign investment and production. Such an analysis can be done using a model of dichotomous choice (Lall, 1986). In such a model, the two alternatives available are whether the firm is an MNC (measured as 1) or not (measured as 0). Because this dichotomous choice forms the dependent variable in our study, the logit model is appropriate for this study. The logit analysis determines the probability (P) that a firm is an MNC as a function of a set of independent variables (i.e. characteristics of a firm). It also allows a comparison of the relative importance of the independent variables in determining the likelihood that a firm is an MNC.

Logit analysis employs a logistic cumulative probability curve, where the cumulative probability P of an event E is expressed as:

$$P(y) = (1 + e^{-y})^{-1}$$

where y is a linear function of the observable independent variables X_i's, or simply written as:

$$y = \alpha + \Sigma \beta_i X_i$$

In this study, P(y) is the probability that the firm is an MNC, the X_i's are the firm's characteristics while α and β's are the parameters to be estimated.

This study is based on firms listed on the main board of the Kuala Lumpur Stock Exchange (KLSE). The financial summaries of these firms were available from the *Annual Companies Handbook* published by the KLSE. The 1995 data, the latest data available at the time of study, were published in four volumes (Books 3 and 4 of Volume 21 and Books 1 and 2 in Volume 22). The sample chosen for this study is limited to companies included in Books 3 and 4 of the 21st Volume. Foreign owned companies (defined as those whose foreign equity was above 50%) and those for which data was incomplete were excluded. A total of 171 companies for which complete data was available were used in the sample; of which 79 were non-MNCs while 92 were MNCs.

Due to limited company-level data, only three characteristics of the firm were tested to determine if they are able to isolate the MNCs from their counterparts that are purely domestic. As is commonly known, company level data for Asian firms is a scarce commodity. Based solely on secondary data, the characteristics chosen are firm size, profitability and age of the firm.

1. *Firm size*

Previous research on size indicates a positive relationship between firm size and multinationality (Lall, 1986; Daniels & Bracker, 1989; Calof, 1993). The rational is that a larger firm would be able to absorb higher risk when operating in foreign locations. However, it was found that size was unable to significantly explain the difference in performance between MNCs and domestic corporations. The hypothesis that would be tested in this study is that firm size should contribute positively to the probability that the firm is an MNC. Here, the firm size is represented by the sales turnover of the firm in 1995.

2. *Profitability*

Results of previous studies are mixed regarding the relationship between multinationality and profitability. Leftwich (1974) and Buckley, Dunning & Pearce (1977), for example, found that there is a positive relationship but Yojin Jung (1991) and Haar (1989) found that the positive relationship is not significant. Grant (1987) questions the notion whether the causation runs from multinationality to profitability or *vice versa,* in the sense that it is possible for profits earned from domestic operations be used to finance group investments overseas. In this study, it is postulated that higher profits contribute positively to the probability that a firm is a multinational. The variable that is used is profit before tax as a proportion of the firm's net worth for the year 1995.

3. *Age of the firm*

None of the previous literature has considered the age of the firm to be a characteristic of an MNC. The rationale for including this is that the older the firm, the further the company is along the learning path. This would be translated into a larger domestic market share, which in turn makes it more able to venture into overseas operations. It is hypothesized that the older the firm, the more likely the firm is an MNC. Age, in our analysis, is calculated from the year the company was established in Malaysia (or Malaya if before 1963). The year 1995 was again used as the cut-off year. In most cases, the year of establishment was much earlier than the year the company was listed on the KLSE.

The three hypotheses that are tested can be summarised as follows:

H1: Firm size contributes positively to the probability that the firm is an MNC.
H2: Profit levels contribute positively to the probability that the firm is an MNC.
H3: The age of the firm contributes positively to the probability that the firm is and MNC.

IV. RESULTS OF ANALYSIS AND DISCUSSION

Following the order in Section III, the results of our analysis will be discussed in two parts:

a. *Identification of Malaysian Multinational Corporations*

As stated earlier, our sample comprised companies listed on the KLSE, which as at October 1997 numbered 436. Of the 436 companies, 226 companies or more than half (51.8 percent) fulfilled the first two conditions listed in the literature review. The breakdown, according to number of international subsidiaries and sectors is shown in Table 1. The number of companies operating in at least one foreign country and having interests in less than five active international subsidiaries amounts to 135 companies, or 31 percent of our sample.

Twenty-two companies have more than 20 international subsidiaries. As for sectoral distribution, 52 of the 226 companies are in the trading/services sector. This could be due to the low level of capital needed to acquire an interest in such entities. This is followed by companies in the industrial sector (41 companies), property (35) and consumer products (32).

When subsidiaries involved in investment holdings and owning an equity stake of less than 20 percent were excluded, the total number of companies

Table 1
Active International Subsidiaries of Malaysian Companies

No. of Int. Subsidiaries	Consumer	Industrial	Construction	Trading/ Services	Finance	Hotels	Properties	Plantation	Mining	Total
> 100		1		1						2
50 - 99	1	2		1	1					5
30 - 49	2			4			1	1		8
20 - 29	1		3		1		1	1		7
10 - 19	3	4	2	4	3		4	1		21
5 - 9	10	5	3	10	9	3	6		2	48
2 - 4	8	14	6	16	3		16	4	3	70
1	7	15	3	16	7		7	10		65
Total	32	41	17	52	24	3	35	17	5	226

reduced to 207, as shown in Table 2. These companies then fulfil all the requirements of an MNC as discussed in the previous section. Among these 207 Malaysian multinationals, Sime Darby tops the list with 110 active international subsidiaries and with more than 20 percent equity holding. This is consistent with the report in The Star (7 May 1996). However, the other 206 companies could also be considered multinationals based on our definition. Seventy-seven of these companies have at least one international subsidiary that meets our conditions. Only 17 companies have more than 20 such subsidiaries. At the sectoral level, parent companies that are involved in trading services are still the most active in the internationalisation process. 67.1 percent of the companies listed in this sector are multinationals. Parent companies in the industrial, properties, consumer products and finance are the other sectors where Malaysian multinationals have proliferated.

Among the 30 multinationals that rank the highest, based on the number of international subsidiaries (10 and more subsidiaries), Sime Darby tops the list with 110 subsidiaries spanning 19 countries. This is followed by Amsteel with 70 subsidiaries and MBF Holdings with 60. It was also found that most

Table 2
Malaysian Multinationals Fulfilling All Four Conditions

No. of Int. Subsidiaries	Consumer	Industrial	Construction	Trading/ Services	Finance	Hotels	Properties	Plantation	Mining	Total
> 100				1						1
50 - 99		1		1	1					3
30 - 49	1	1		2						4
20 - 29	3	1	1	2			1	1		9
10 - 19	1	2	4	1	3		2	1		14
5 - 9	10	2	3	5	7	1	5	1	2	36
2 - 4	7	14	4	18	4	1	15			63
1	8	16	4	19	9		8	10	3	77
Total	30	37	16	49	24	2	31	13	5	207

of the companies hold at least a 20 percent equity in their international subsidiaries so as to qualify for the "significant influence" clause and hence are subject to the requirement of consolidated financial statements (Ng, 1996). In terms of total assets (as at 31 Dec. 1995, converted to USD at RM2.5 = US$1), Sime Darby is the largest multinational in Malaysia, followed by companies like the Berjaya Group and MISC. When compared with UNCTAD's top 10 Transnational Corporations (TNCs) based in developing countries in 1994 (UNCTAD, 1996:6), these companies do not resemble firms like Daewoo, Hutchison Whampoa Ltd. and Samsung. Nevertheless, Sime Darby can be considered to be at par with companies like Grupo Televisa S.A. de C.V., which owned US$3,260 million worth of assets in 1994. This Mexican company ranked 9th in terms of foreign assets and 19th based on an index of transnationality.

The geographical spread of these multinationals is wide. In total, the 30 top companies have subsidiaries in 63 countries around the world. They span over all the continents. The spread of these subsidiaries according to regions is shown in Table 3. It is evident that all the 30 multinationals have subsidiaries in the neighbouring regions like ASEAN and North East Asia. However, it is interesting to note that there are more companies having subsidiaries in the Netherlands than in Japan and Korea put together. This may indicate the difficulty of penetrating the markets in these important Asian economies. Two thirds of these companies also have subsidiaries in countries known for their tax free policies like the British Virgin Islands, Bermuda and the Cayman Islands.

Countries where more than 20 of the top 30 companies have active subsidiaries are Singapore, China, Hong Kong and Australia. For example, all but one of these companies have subsidiaries in Singapore. Other important locations are Indonesia, the UK, the US and the British Virgin Islands. Africa and the Pacific Islands are the least favoured destinations.

b. *Characteristics of Malaysian MNCs*

The exercise involving determination of the characteristics of Malaysian MNCs which distinguish them from purely domestic companies using the

Table 3
Spread of Subsidiaries

Region	No. of Companies with Subsidiaries
ASEAN	30
- Singapore	29
- Indonesia	15
- Thailand	9
- Philippines	9
Europe	20
- United Kingdom	15
- Netherlands	8
- Germany	7
- France	6
North East Asia	30
- China	22
- Hong Kong	24
- Taiwan	4
- Japan	3
- Korea	2
North America	17
- USA	17
- Canada	5
South Pacific	20
- Australia	20
- New Zealand	1
- Papua New Guinea	6
Tax Havens	20
- Virgin Islands	17
- Jersey	5
- Cayman Islands	5
- Bermuda	4

logit model produced the results shown in Table 4 below. All three β's show a positive contribution. In other words, all three hypotheses proposed above can be accepted. However, only the variable related to firm size reflected by the turnover is significant. The model is able to correctly predict 62.57% of the cases. It is not unusual for logit models to suffer from multi-collinearity problems. For the three variables chosen for this analysis, the Variance Inflation Factors (VIFs) were estimated. It was found that for all three variables, the VIFs were around the 1.0 level. This indicates that there is a low level of relationship between the explanatory variables. Thus, while we accept that the problem of multi-collinearity may exist, it is not too severe to warrant any remedial action (Studenmund, 1997).

Table 4
Logit Estimation Results

Explanatory Variables	β's	Standard Error
Age	0.112	0.0094
Profitability	0.2515	0.9065
Turnover	1.41×10^{-6}	4.361×10^{-7}
Constant	-0.7571	0.3638

Percentage of predictions correct at critical probability of 0.5: 62.57%

Based on the results, in the case of Malaysian businesses, size plays a crucial role in determining whether a firm is an MNC or otherwise. For an MNC from a developing country, this is understandable since to venture into the international arena, the firm needs to be strongly grounded. For example, the decision to venture overseas by acquiring a foreign firm requires that the size of the firm be sufficient for financing purposes. Also, the firm's ability to underwrite the associated risk is determined by its size if it opts for greenfield investment.

It is interesting to note that profits are not a significant characteristic. Whether multinationality raises the profits or performance of a firm is yet to be determined in the case of Malaysia. This may be an area for further research. As for the age of the firm, there are several large firms that are listed on the KLSE by virtue of the circumstances of their birth. These firms were either quasi-government or privatized government departments like TNB and Telekom, or hold oligopolistic powers like Genting, TV3 and UEM.

These firms are typically young but made into giants in terms of their size due to the special treatment received from the government. These firms may have skewed our analysis.

V. CONCLUSION

A multinational is defined as a company operating in at least two countries, with its parent company holding at least 20 percent equity in its international subsidiary and at the same time controlling assets as well as participating in value adding activities. Through an elimination process, we have been able to identify 207 companies listed on the main board of the KLSE which fulfill the parameters of the above definition. These multinationals of Malaysian origin operate subsidiaries in 63 countries around the world and operate in various sectors of the economy. Our analysis has also identified the size of the firm to be an important characteristic that increases the likelihood that a firm is indeed an MNC. Other characteristics that were tested, i.e. profitability and age were not statistically significant in our study. While there may be other factors that distinguish an MNC from non MNCs, data availability restricts our analysis to these three variables.

The extent to which multinational activities have proliferated among Malaysian companies indicates the importance of outward direct investment to the country. With a little less than half the companies listed on the main board of the KLSE involved in multinational operations also indicates the extent to which Malaysian companies are vulnerable to changes in international trade and finance. As a result of the Asian financial crisis, older Malaysian multinationals which control established and profitable subsidiaries may have reaped higher profits (in ringgit terms) while the newer ones may have incurred huge losses as a result of the pre-crisis shopping spree undertaken to acquire and increase stakes in several foreign companies (Mariott, 1997). Hence, whether the Malaysian MNCs have been the "spearhead(s) or spectre(s)" (Hamilton, 1986) of economic recovery is left for future research.

Endnotes

1. Yeung (1994), p. 298.
2. Guisinger (1984), p.145.

3. United Nations (1973), p.5.
4. Sundaram and Black (1995), p. 3.
5. Dunning (1993), p. 3.
6. Ng (1996) p.48.

REFERENCES

Anuar Adnan, Supian Ali & Anuwar Ali (1996). Globalization challenges and competitiveness: The role of the state and private sector in Malaysia. *Managerial Finance*, 22 (5/6), 59-69.

Beaumont, P.G. (1990). The role of foreign investment in Malaysia. *Jurnal Ekonomi Malaysia*, 21 & 22, 65-77.

Buckley, P.J., Dunning, J.H. & Pearce, R.D. (1977). The influence of firm size, industry, nationality and degree of multinationality on the growth of the world's largest firms. *Weltwirtschaftliches Archiv*, 114 (2), 243-57.

Calof, J. (1993). The impact of internationalisation. *Journal of Small Business Management*, 31 (4).

Daniels, J. D. & Bracker, J. (1989). Profit performance: do foreign operations make a difference?. *Management International Review*, 29 (1), 46-56.

Dunning, J. & Narula, R. (Eds.) (1995). Foreign direct investment and government. *Catalyst for Economic Restructuring*. UK: Routledge.

Dunning, J. H. (1993). *Multinational Enterprises and the Global Economy*. UK: Addison-Wesley.

Erramilli, M.K., Agarwal, S. & Kim, S. (1997). Are firm-specific advantages location specific too?. *Journal of International Business Studies*, 28 (4), 735-757.

Galbraith, J.K. (1978). The defence of MNC. *Harvard Business Review*, March-April.

Grant, R.M. (1987). Multinationality and performance among British manufacturing companies. *Journal of International Business Studies*, 18(3), 79-89.

Guisinger, S. (1984). Comments on wells. In R.W.Moxon, T. W. Roehl, & J.F. Truitt, J.F. (Eds.), *International Business Strategies in the Asia-Pacific Region: Environmental Changes and Corporate Response* (Vol. 4A., Research in International Business and Finance). Greenwich: JAI Press.

Haar, J. (1989). A comparative analysis of the profitability performance of the largest U.S., European and Japanese multinational enterprises. *Management International Review*, 29 (3), 5-18.

Hamilton, F.E. I. (1986). The multinationals: Spearhead or spectre?. In C.J. Dixon, D. Drakakis-Smith, . & H. D. Watts, (Eds.), *Multinational Corporations and the Third World*. Boulder, Colorado: Westview Press.

Heenan, D.A. & Keegan, W. J. (1979). The rise of Third World Multinationals. *Harvard Business Review*, 57 (1).

Khan, M.K. (1986). Multinationals of the South. *New Actors in the International Economy*. London: Frances Pinter Publishers.

Kuala Lumpur Stock Exchange (1996 & 1997). *Annual Companies Handbook*. Kuala Lumpur: KLSE.

Lall, R. (1986). Developing countries as exporters of technology. A preliminary analysis. In H. Giersch (Ed.), *International Development and Resource Transfer*. Tubingen: Mohr.

Leftwich, R.B. (1974). U.S. multinational companies: Profitability, financial leverage and effective income tax rates. *Survey of Current Business*, May, 27-36.

Marriott, C. (1997). Malaysia's expansionist multinationals go on a cross-border shopping spree. *Global Finance*, 11 (6), 38-43.

Ng, E. J. (1996). *International Accounting Standards (Malaysia)*. Singapore: FT Law & Tax Asia Pacific.

Studenmund, A. H. (1997). *Using Econometrics. A Practical Guide*. New York: Addison-Wesley.

Sundaram, A. K. & Black, J. S. (1995). *The International Business Environment: Text and Cases*. NJ: Prentice-Hall.

UNCTAD, (1996). *World Investment Report 1996: Investment, Trade and International Policy Arrangements*. New York: United Nations.

UNCTAD (1999). *World Investment Report 1999: FDI and the Challenge of Development*. New York: United Nations.

United Nations (1973). *Multinational Corporations in World Development*. NY: UN Department of Economics and Social Affairs.

Vernon, R. (1966). International investment and international trade in the product cycle. *Quarterly Journal of Economics*, 80 (2), 190-207.

Wells Jr., L. T. (1983). *Third World Multinationals: The Rise of Foreign Investment from Developing Countries*. Cambridge: The MIT Press.

Yeung, H. W. (1994). Third World Multinationals revisited: a research critique and future agenda. *Third World Quarterly*, 15 (2), 297-315.

Yojin Jung (1991). Multinationality and profitability. *Journal of Business Research*, 23, 179-187.