TABLE OF COMPARISON OF PETRAS BARŠAUSKAS’ SUMMARY OF MONOGRAPH “TARPTAUTINIO VERSLO VADYBOS PRINCIPŲ TAIKYMO YPATYBĖS VIDURIO IR RYTŲ EUROPOS ŠALYSE” AND JULIA G. DJAROVA’s ARTICLE “FOREIGN INVESTMENT STRATEGIES AND THE ATTRACTIVENESS OF CENTRAL AND EASTERN EUROPE”[1]

Baršauskas, P. 2002. *Tarptautinio verslo vadybos principų taikymo ypatybės Vidurio ir Rytų Europos šalyse*. Vilnius: Technika. Habilitation committee: prof. habil. dr. Borisas Melnikas (Vilniaus Gedimino technikos universitetas, socialiniai mokslai, vadyba ir administravimas, 03S); prof. habil. dr. Romualdas Ginevičius (Vilniaus Gedimino technikos universitetas; socialiniai mokslai, vadyba ir administravimas, 03S), prof. habil. dr. Juozas Leonavičius (Kauno technologijos universitetas; socialiniai mokslai, sociologija, 05S), prof. habil. dr. Zigmas Lydeka (Vytauto Didžiojo universitetas; socialiniai mokslai, ekonomika, 04S), prof. habil. dr. Albinas Mareinskas (Vilniaus universitetas; socialiniai mokslai, vadyba ir administravimas, 03S), prof. habil. dr. Leonas Simanauskas (Vilniaus universitetas; socialiniai mokslai, ekonomika, 04S), prof. habil. dr. Aleksandras Vasiliauskas (Ekonomikos institutas; socialiniai mokslai, vadyba ir administravimas, 03S).		5 publication: Djarova, J. G. 1999. „Foreign Investment Strategies and the Attractiveness of Central and Eastern Europe“, *International Studies of Management & Organization*. 1999 (Spring), 29 (1): 14–33.	
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56	Western companies will analyse a region before making an investment there. Most have selected those countries in Central Europe, which have gone through their transitional period more rapidly, and have demonstrated a more stable political situation, such as the Czech Republic, Hungary, and Poland. Furthermore, these are countries with rather strong historical and cultural ties with West European countries.	31	Western companies study the region before investing in it. The result is that most of them first approached the countries of Central Europe (Hungary, the Czech Republic, and Poland), which have shown a faster pace in the transition process and a more stable political environment. These are also the countries that tend to have historical and cultural links with Western Europe. Investors have a country or a regional approach. Companies with a regional approach are interested in finding a country (or more than one) in the region that can be their new production and/or distribution foundation for the entire CEE and often also for the former Soviet Union. Such is the approach of the car producers (Ford, Volkswagen, Daewoo). In this case, the search is in principle throughout all CEE, and the final selection depends exclusively on the local attractiveness. Investors with a country approach want to enter or expand on any market where the opportunity arises. They start with the fast developers among CEE countries and slowly widen their presence in the entire region. Such an approach is specific, for instance, for producers of food and personal products (Unilever, Nestle, Numico, Danone), oil companies (Shell), restaurant services (McDonald’s, KFC), foreign-car distributors (almost all brands), and retailers (Macro, Ahold).
61	Before investing in a new region, foreign companies generally select the CEEC that is quicker to adapt to changes and has ties to the West (see Table 1). Investors may hold a regional or national business perspective. Companies with a regional perspective will seek out a country (sometimes, more than one) in a region, which could be a base for their new production or distribution for all CEECs, and often, the territory of the entire former USSR. Such automobile manufacturers as Ford, Volkswagen, or Daewoo hold this kind of perspective, for example. An establishment that was based on such reasoning was sought at most CEECs, whereas the ultimate decision depended on the attractiveness of the location.	31	Western companies study the region before investing in it. The result is that most of them first approached the countries of Central Europe (Hungary, the Czech Republic, and Poland), which have shown a faster pace in the transition process and a more stable political environment. These are also the countries that tend to have historical and cultural links with Western Europe. Investors have a country or a regional approach. Companies with a regional approach are interested in finding a country (or more than one) in the region that can be their new production and/or distribution foundation for the entire CEE and often also for the former Soviet Union. Such is the approach of the car producers (Ford, Volkswagen, Daewoo). In this case, the search is in principle throughout all CEE, and the final selection depends exclusively on the local attractiveness. Investors with a country approach want to enter or expand on any market where the opportunity arises. They start with the fast developers among CEE countries and slowly widen their presence in the entire region. Such an approach is specific, for instance, for producers of food and personal products (Unilever, Nestle, Numico, Danone), oil companies (Shell), restaurant services (McDonald’s, KFC), foreign-car distributors (almost all brands), and retailers (Macro, Ahold).
62-63	When evaluating CEECs as a potential investment zone, investors take heed of their comparative advantages and disadvantages to formulate one or another investment strategy. The three main areas	17	Western investors think of CEE – as of any other investment area – in terms of comparative advantages and disadvantages that are important when shaping one or another investment strategy.

[1] Marking and other notes:
1) the table contains the parts of the Summary of P. Baršauskas’ monograph (on the left) and the corresponding publication (on the right) in which the coincidences were found. Parts of publications are presented in accordance with the content of the summary;
2) the literal coincidences are unmarked, not highlighted by colours, special font or other means;
3) the differences between individual characters, punctuation marks are not indicated;
4) the differences that are related to the numbering and the order of the parts of the text, individual and similar words or their combinations are marked in blue;
5) parts of texts found only in one of the publications are marked in yellow;
6) the references to the texts of other authors in the summary of P. Baršauskas are marked in red.

	of analysis, which appear to be important considerations by companies, investing in CEECs, seem to be macro analysis of the region and country, allowing investors a more in- depth investigation of the selected locale; microanalysis of the region or country; and specific investment opportunities (see Figure 4).		Three main areas of analysis appear to be important for companies investing in CEE: regional and national macroanalysis, which investors may use to choose a region or a country for further investigation; microanalysis of the region or country; and specific investment opportunities.
63	Macro analysis of a region and country generally encompasses macroeconomic, political, and social indicators, which usually aid in investigating the risk analysis for a country. The basis for such research is political and economic stability. The factors that investors look for in a country are democratic governments, marked movement toward a market economy, currency convertibility, and issues related to repatriation of profits.	17	The regional and national macroanalysis usually involves macroeconomic, political, and social indicators that often serve as input to a country's risk analysis. At the heart of this analysis is political and economic stability. Among the factors investors look for are democratic governments, clear moves toward a market economy, and resolution of foreign exchange, convertibility, and profit repatriation issues.
63-64	Microanalysis, as described by J.G. Djarova (1999), covers specific market considerations, economic policies like privatisation and foreign investment, the legislative and regulatory environment, and business infrastructure. In this respect, as a relatively new investment area, a CEEC is markedly characterised by the change process that started in 1989. Microanalysis, therefore, is determined by the outcomes of the transformation process, which differs from country to country. A study carried out on behalf of the European Bank for Reconstruction and Development (EBRD, 1996) has shown, for instance, that a one point increase in the transition indicator (defined by EBRD in its annual reports) raises the probability and the success of the investment project by 2.7 times.	17-18	The microanalysis covers specific market considerations, economic policies such as privatization and foreign investment, legislative and regulatory environment, and business infrastructure. In this respect, as a relatively new investment area, CEE is markedly characterized by the change process that started in 1989. The microanalysis therefore is determined by the outcomes of the trans-formation process, which differs from country to country. A study carried out on behalf of the European Bank for Reconstruction and Development (EBRD, 1996) has shown, for instance, that one point increase in the transition indicator (defined by EBRD in its annual reports) raises the probability and the success of the investment project by 2.7 times.
64	Foreign investors will evaluate two things in advance, when considering potential expansion into CEEC markets. First, the existing situation in a CEEC could be conducive to renewing formerly held contacts in the region, including those with the former USSR. Second, production and the labour force in these countries require lesser costs, and this is reflected in the prices of goods produced. Thereby, Western companies have an opportunity to enter CEEC markets with a low-price strategy, and at the same time, offer the quality of products made in the West. Cost reduction objectives were already important in East - West business relationships before the changes, which occurred in CEECs after 1989. The cost advantages were beneficial to Western partners, whereas CEECs considered the joint production and launch of new technologies to be beneficial.	22-23	CEE can be a "springboard" to third markets for two main reasons. First, CEE may offer the potential to recover former economic relations within the region, including with the former Soviet Union. Second, the countries of CEE offer manufacturing and labor capacities for lower prices, and these are reflected in the prices of products. As a result, Western companies have the opportunity to enter third markets with low price strategy combined with Westem-quality products. For instance, VW/Skoda opened up new low-price markets such as Greece and the rapidly expanding Eastern markets.