

The Geographer as External Consultant for Transnational Corporations in Latin America¹

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Transnational Corporations (TNCs) are corporations that perform their main operations in two or more countries. TNCs are referred to in the literature sometimes as multinational corporations or global corporations; in usage, the former are synonymous with TNCs and the latter are the largest, most geographically extended TNCs. As international institutions, TNCs must ensure that their national units are adapted to local conditions while at the same time functioning in a coordinated manner. Although TNCs are inherently concerned with geographical issues, probably few professional geographers have served them as external consultants; that is, as consultants not permanently employed with the TNCs. Most Latin Americanist geographers who have consulted have done so with public agencies or with non-profit organizations concerned with public issues.

The purpose of this paper is to encourage geographers who choose to consult not to overlook the private sector. Latin Americanist geographers can consult for TNCs, whether for the headquarters in the home country or a subsidiary in a host Latin American country. This study focuses on three areas of TNC consulting--portfolio planning, marketing analysis, and environmental management. Before discussing these areas, however, the role of U. S. TNCs in Latin America and consulting for TNCs in general are assessed.

UNITED STATES TNCs IN LATIN AMERICA

The entry of the U.S. TNCs into Latin America began toward the end of the nineteenth century allmost immediately after the U.S. market became national in scope through the widespread application of innovations in infrastructural technology and organizational structure. U.S. TNCs, much like the British investors who preceded them, viewed Latin America as a source of natural resources for the home consumer market (Wilkins 1974). The American TNCs were especially active in the exploitation of copper and other mineral deposits in Chile and Mexico and in exporting sugar and bananas from Caribbean countries (Wilkins 1976; Gedicks 1976). As these investments were normally in rural locations, U.S. TNCs also embarked on the construction of railroads to move the products to port and of enclave-like company towns to house workers. Despite the obvious presence of the United Fruit Company and other well-known U.S. interests, the number of TNCs, especially American, was limited. By 1900 the United States accounted for only 2 percent of all overseas investments (U. S. Congress 1975, 31).

Between 1900 and 1930 the number of TNCs in Latin America multiplied rapidly. Argentina, Braazil, and Chile together contained 52 U.S. TNCs with a total of 80 affiliates by 1930 (Phelps 1969). During this period, U.S. companies that had grown to dominate their home market began searching abroad for additional business. The Latin American markets were attractive because they were less saturated and because upward revisions of tariffs protected home industries. During this period, U.S. TNCs entered the Latin American service sector (especially public utilities) and the manufacturing sector and expanded existing interests in the petroleum and mining sectors. By the end of 1929 about 47 percent (more than U.S. \$3.5 billion) of all U.S. direct investment in foreign areas was directed toward Latin America (Figure 1), and the United States had exceeded Britain in Latin American investments.

Between 1930 and 1960 ambivalent attitudes toward U.S. TNCs emerged in Latin America. On the one hand, host governments sought greater opportunities for nationals to control their economies through expropriation of foreign-owned railroads, public utilities, some oil companies, and excessively large estates. On the other hand, the same host governments welcomed the investments of U.S. TNCs in the manufacturing and distribution of durable and non-durable goods. Because import substitution policies protected foreign subsidiaries as well as locally owned firms, U.S. TNCs were [end p. 60]

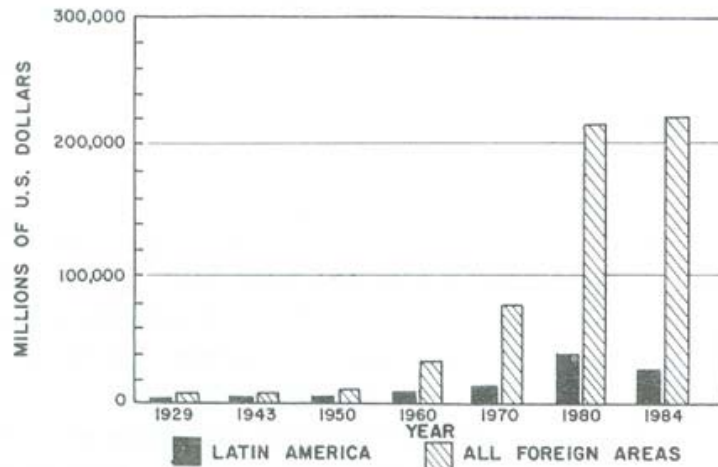


Fig. 1. U.S. direct investment abroad 1929 to 1984. Sources: U.S. Congress 1975; Howenstein 1984; U.S. Department of Commerce 1985b.

Table 1. U.S. direct investments in Latin America, by section (in millions of U.S. dollars).

Sector	1974	1984	Percent Increase
All sectors	19,491	28,094	44
Manufacturing	7,541	15,665	107
—Chemical and allied products	1,937	3,523	82
—Machinery (including electrical)	1,491	2,616	75
—Food and kindred products	674	2,262	236
—Primary and fabricated metals	654	1,815	178
—Transportation equipment	973	1,414	45
Banking	N/A	5,668
Trade	2,003	3,962	98
Petroleum	3,564	5,940	67
Mining	1,131	2,218	96
Finance	3,423	-7,572	-321
Transportation, communications, and public utilities	473	N/A
Other industry	1,356	2,214	63

Sources: 1974 data from Whichard and Freidlin (1976, table 13); Department of Commerce (1985b, table 11).

able to expand rapidly in the largest, most developed national markets. Toward the end of this period U.S. TNCs accounted for nearly one-third of all industrial output in Argentina, Brazil, and Mexico (Jenkins 1984,23-41). The Central American countries, realizing their national markets were too small to support large scale industries, in 1958 signed two Economic Commission for Latin America (CEPAL) integration treaties which called for sectorial development in which one firm

would be granted exclusive free trade privileges (Cateora 1983, 299; Jonas 1974).

From 1960 to the present, Latin America has continued to welcome those U.S. TNCs that complement Latin American businesses and that are willing to operate under increasingly explicit regulations. Although the nationalization of mining and oil companies in Chile, Bolivia, Peru, and Venezuela has received widespread publicity, new TNC investments, even in petroleum and mining, have been welcomed to such a degree that many Latin Americanists view the region to be in a state of captive production for foreign corporations (*dependencia*). Nationalization has been largely restricted to the production units of mature, fully capitalized industries in which Latin Americans have gained sufficient technical and managerial skills. After Venezuela nationalized Creole Petroleum in 1976, for instance, Exxon (the parent corporation) continued to purchase and market the oil and even received royalties for each barrel of crude lifted (Rose 1977).

Although in recent years Latin America has attracted a diminishing percentage of all U. S. direct foreign investments (Figure 1), the total dollar amounts invested in Latin America have increased for all economic sectors except finance. The latter reflected a temporary trend of mainly European capital flow- [end p. 61] ing toward U.S. capital markets with their high interest rates via the Netherland Antilles (Scholl 1985).² U. S. direct investment in manufacturing in Latin America more than doubled during the past decade (Table 1). Selected manufacturing industries such as food and kindred products and primary and fabricated metals have grown so rapidly over the past decade that one must conclude that many U.S. operations have relocated in Latin America in response to "pull" factors in certain countries as well as "push" (cost) factors within the United States.

Table 2. U.S. direct investments in Latin America, by country (in millions of U.S. dollars)

Country	1974	1984	Percent Increase
All countries	19,491	28,094	44
South America	9,455	20,493	177
Argentina	1,138	3,157	177
Brazil	3,760	9,551	154
Chile	287	601	109
Colombia	617	2,103	241
Ecuador	N/A	366
Peru	900	2,220	147
Venezuela	1,804	1,711	-5
Other	949	782	-18
Mexico	2,854	5,380	88
Central America	683	945	38
Panama	1,604	4,061	153
Islands	4,895	-2,785	-157
Bahamas	766	4,068	431
Bermuda*	2,251	11,801	424
Jamaica	609	N/A
Netherland Antilles	N/A	-22,992
Trinidad and Tobago	N/A	964
Other	1,269	3,374	166

*Bermuda was included in the aggregate figure for Latin America by the Bureau of Economic Analysis. Bermuda, therefore, is included in this table so that the total figures for all countries in Latin America are comparable to like figures for other years discussed in this paper.

Source: 1974 data from Whichard and Freidlin (1976, table 13); 1984 data from U.S. Department of Commerce (1985, table II).

Mexico is an excellent example of how many Latin American countries, while aware of the risk of further *dependencia*, have felt it necessary to encourage additional U.S. TNC investment (Table 2). In response to the cancellation of the U.S. Bracero Program in 1964, Mexico sought a rapid increase in domestic employment by enacting the Border Industrialization Program (also referred to as the In-Bond Program or Maquiladora Program) in May 1965. Tax, tariff, and other exemptions

soon lured dozens of export-oriented, labor-intensive assembly plants across the U.S.-Mexican border to cities in a 20 km strip on the Mexican side (Things Look Up for Mexico as U.S. Firms Cross the Border, 1968). An Industrial Decentralization and Regional Development Program, decreed in November 1971, extended similar privileges to U.S. TNCs that would locate operations in less developed regions of Mexico (Aviel and Aviel 1982, 91). By the end of 1985 there were reportedly 735 in-bond plants employing more than 200,000 workers in Mexico (U.S. Department of Commerce 1985a).

A major reason for the rapid escalation of U.S. direct investments abroad since 1950 has been U.S. government policies that have favored industrial emigration. The Export Import Bank (Exim-bank), the Overseas Private Investment Corporation (OPIE), and the Agency for International Development (AID) are federal agencies that underwrite foreign investments of TNCs and provide insurance that covers virtually any kind of economic loss attributable to political changes. AID even assumed, in the 1960s, up to half the costs of market surveys [end p. 62] and product testing for U.S. TNCs that engaged in selling high-volume, low-profit protein foods in Central America (Angel 1971, 92-93). Since the mid-1970s the U.S. government has extended special tariff concessions toward developing countries that favor the establishment of so-called offshore assembly plants. For example, the Tariff Schedule of the U.S. (TSUS), Items 806.30 and 807.00, allows U. S. metal articles to be processed abroad and U.S.-made components to be assembled abroad and then exported to the United States with duty charged only on the value added, which is low because of cheap labor (Giles 1985).

The well-known Caribbean Basin Economic Recovery Act (CBERA) of 1981, which became effective on 1 January 1984, is merely an extension and intensification of the U.S. industrial emigration policies for the benefit of most countries bordering the Caribbean. Additional trade and tax benefits as well as hundreds of millions of dollars in U.S. aid are allocated to further stimulate private investments in the beneficiary countries. Under CBERA more than 3,800 items may enter the U.S. market duty free as long as 35 percent of the direct processing costs (20 percent for U.S.-made components) are attributable to beneficiary countries. Eighteen months after the implementation of the Caribbean Basin Initiative, nearly 300 new export-oriented businesses had been established in the region (CBI: New Investments and Export Contracts, 1985). American, European, and Asian companies were investing in subsidiaries to manufacture U. S. -bound products.

As long as the United States maintains advantages over Latin America in many factors of production, there will be U.S. TNCs throughout the region. Future competition, however, from the Europeans and Japanese and from merging Latin American TNCs, many with state majority ownership, will likely reduce the relative importance of U.S. TNCs and also limit their presence to sectors of the host government's choosing. J. S. Carroll (U.S. Congress 1980) found that the European and Japanese TNCs have aggressively expanded their shares of the world market at the expense of U.S. TNCs, which remain dominant in only three sectors: aerospace engineering, food processing, and paper and paper products. Three types of TNCs will likely continue to thrive in the future: (1) the vertically integrated natural resource industries that require enormous capital investments, state-of-the-art technology, and world market access, (2) high technology industries that can maintain proprietary control over recently developed products and manufacturing processes, and (3) agribusinesses that can grow, process, and export out-of-season fruits and vegetables and certain tropical crops such as aloe.

CONSULTING FOR TNCs

As in any other well-established professional field, business consulting is highly competitive. In the United States, for instance, there are more than 60,000 full-time consultants, or about one consultant for every TNC and foreign subsidiary in the world (Klein 1977, 43; Kumar 1980). Most full-time consultants belong to small consulting firms that specialize in a select service. A few firms like Booz, Allen, & Hamilton, however, are so large that they are subdivided into specialized service groups (such as real estate, transportation, and marketing). A given TNC may contract the services of various large and small consulting firms at different times, depending on the nature of the problem to be resolved.

The following general comments about consulting for TNCs are directed to the professional geographer who would like to begin consulting for business. In light of the highly competitive nature of business consulting, the first step is to establish a reputation for expertise in a relevant field. One may still wonder why the TNC would consider a consulting contract with a relative unknown instead of with a long-established firm. Often the selection of a consultant involves serendipity: Someone knows someone else who knows you and recommends you. Perhaps the client TNC is looking for an academic geographer in the hope of obtaining some in-depth analysis at very reasonable rates.

After having developed the necessary expertise, the geographer next must understand the client's needs. As scientists, geographers usually are trained in the uses of complicated, abstract models that have little apparent relevance to individual business decisions. Before consulting for business, the geographer must know how to define problems as a businessperson would. One might read regularly some of the business periodicals cited in this study and emphasize the perusal of articles that feature case studies of actual businesses. Articles on public policy also should be read carefully as businesses, even TNCs, increasingly operate within parameters imposed by politics. Finally, the geographer must know how to consult. Perhaps because money is involved, often the most difficult part for the beginner is to negotiate a contract. An excellent source of information on contracting procedures and fee determination is the Manual on the Use of Consultants in

Developing Countries (United Nations Industrial Development Organization 1968). Although the absolute dollar amounts are dated, this manual shows how to establish fees to cover transportation costs, per diem allowances, overhead costs, and report writing. Since this manual was published, there has been a trend toward more use of bartering. If businesses can barter Mack trucks [end p. 63] for sugar, geographers should not overlook bartering their services for the goods and services of TNCs. Once the contract is signed the worst is over because the remainder of the consulting process resembles scholarly research: problem definition, data collection, data analysis, recommendations and conclusions, and report writing. The main difference between the two (consulting v. scholarly research) is that, whereas research justifies itself, the consultant must persuade the client to act on the recommendations in the report.

PORTFOLIO PLANNING

Portfolio planning is the allocation of branch operations, either through building or acquisition, to more than one location. Large TNCs continually track political and economic trends in those countries where they plan to open or already have a branch operation. Walter Kissling, Chairman of the Board of Kativo (a wholly owned subsidiary of H. B. Fuller Company with branches in every Central American country, the Dominican Republic, and Puerto Rico) stated recently that his company considers long range "country risk analysis" essential in deciding where to allocate corporate assets (One Multinational's Caribbean Strategy 1985). Three variables should be evaluated in all portfolio planning: (1) economic growth in the host country or market (if production is for local consumption), (2) business competition, and (3) political risk. Because of their broad training in the natural and social sciences, geographers are particularly well prepared to undertake portfolio planning, provided that this knowledge can be related to the needs of the individual firm.

Geographers have developed models of national economic growth that range from the use of only one environmental variable such as climate to the use of so many subtly interrelated variables that factor analysis or multiple regression is required. In portfolio planning, the economic growth model should use small sets of variables that can be rated between 0 and 1, 2, 3, ... , or N (worst to best) and then summed for an overall ranking of the country between 0 and 100. For example, F. T. Haner, along with geographers and other subject and area specialists, has derived an economic growth forecasting model that uses nine human and nine physical variables. Among the 60 developed and developing countries Haner evaluated for 1985-89, Argentina, Brazil, Chile, Venezuela, and Mexico, in that order, ranked in the upper half (Haner 1980).

Business competition varies according to the market strategy of the TNC: global, global niche, or national. The global strategy is usually followed by the largest TNCs, such as International Business Machines Corporation (IBM), which operate dozens of branch plants worldwide that complement each other in the production of sophisticated, yet highly standardized, goods. Global firms usually undersell national competitors and drive them out of business or acquire them unless restrained by national policy. Ultimately, global firms compete with one another in oligopolistic markets.

The global niche strategy is pursued by smaller TNCs that usually specialize in products or locate in regions that confer comparative advantages. A number of TNCs have located operations in tropical Latin America because the resources there are often complementary to those available domestically in North America and Europe, are in quantities that far exceed current local demand, and can be shipped abroad inexpensively. Examples of such Latin American resources include tropical hardwoods (exploited by 11 U.S. TNCs), beef, and food crops (exploited by more than 50 U.S. TNCs in the Caribbean region alone), and fuel and non-fuel minerals (exploited by a large array of petroleum, mining, and chemical TNCs which number about 30 in Guatemala alone) (Office of Technology Assessment 1982, 49-50; Directory of American Firms Operating in Foreign Countries, 1984). Of these resources, beef and food crops exhibit the greatest comparative advantage (Table 1), although this advantage should decline as poorer Latin Americans acquire the additional capital necessary to improve their diets. In general, countries of tropical Latin America welcome the global niche corporation and have established numerous free zones so that TNCs that are manufacturing products for the U.S. or European markets can use offshore production sharing to employ low cost labor as well as take advantage of locally abundant raw materials.

The national strategy is commonly used by TNCs when they can hide behind high tariff rates. After entering the Mexican market in 1947 with its flagship Mexico City store, Sears, Roebuck and Company found that high tariffs on imported consumer goods allowed it to concentrate on competition with Mexican firms. By 1953 Sears dominated the Mexican market in furniture, home fixtures, and electrical appliances (Wood and Keyser 1953, 15). Ironically, Sears's greatest competition came from local artisans who produced inexpensive but high quality imitations.

Regardless of strategy, geographers can adapt location theory models to study business competition. Market boundaries can be located using various models, including the gravity model, that incorporate readily understood variables such as market prices, production and transportation costs, distance, and population.

TNCs are exposed to two types of political risks: [end p. 64] evolutionary (price controls, exchange controls, restrictions on expatriates, host government equity participation, and others) and revolutionary (expropriation). Many American TNCs

view Latin America, with the exception of a few mainland countries and the English-speaking democracies, as politically unstable and unsafe for foreign investments. This reputation may be undeserved. Increased restrictions on foreign business operating in mature industrial sectors should be expected. Expropriations, which were frequent in Latin America in the late 1960s and 1970s, could often have been predicted through modeling, thereby providing the TNC with sufficient time to prepare to negotiate a fair settlement. Using discriminant functions, Jones (1980) found that he could have predicted expropriations in all but 3 of 21 Latin American countries. Jones claimed that expropriation correlated positively and highly with a twenty-year history of "freequent" rioting, host governments that voted for selfdetermination in the United Nations, and little repression over the preceding decade.

The geographer should be prepared not only to interpret political risks, but also to suggest corporate policies with which the TNC can court the favor of host governments. A recurring complaint among host governments in Latin America is that too little TNC profit is ever reinvested in the region. To overcome this criticism, more of the profits should be used in the sponsorship of specific development projects that benefit the public or in reinvestment in the Latin American subsidiaries. Other corporate policies should be to convert wholly owned subsidiaries into joint ventures with the host government or, better, with local businesspersons and, if feasible, to allow the local public to own stock in the subsidiary (Raveed and Renforth 1983).

MARKET ANALYSIS

Marketing is the TNC function most sensitive to the socio-cultural characteristics and spatial distribution of the population. Although Latin America may be divided into two general market regions, the primate cities (whose relatively affluent populations mimic, with a short time lag, the consumption habits of North America and Europe) and the rural areas, provincial cities, and squatter settlements (whose largely poor populations remain outside the market economy except to purchase cheap manufactures), enough differences exist within each region that market analysis should always precede the introduction of a product. Kentucky Fried Chicken ignored this rule when it unsuccessfully attempted to sell chicken and then Mexican food in São Paulo to a population that preferred the spicy, barbecued chicken prepared by street vendors (Ricks 1983). To minimize the occurrence of such blunders by their marketing divisions, U.S. TNCs are increasingly relocating their Latin American marketing divisions in the more Latin-oriented Miami area (Grosse 1981).

A few products, such as Coca-Cola, can be sold almost anywhere, but most TNC products require modifications to make them more acceptable in most of Latin America. Modifications may be necessary in units of measure, package size (usually smaller), labeling (more pictorial), package esthetics, package protection (against heat and humidity), and usage instructions. As a general rule, as distance from the primate city increases, so does the need for product modification.

Marketing in Latin America has a surprisingly strong advertising emphasis. Advertisers spend heavily to create demand for more goods among lower income groups and for higher quality, and thus more expensive, goods among middle and upper income groups. In both Argentina and Brazil advertising represents 1.4 percent of the gross national product, a percentage second in the world only to the United States and Bermuda (Jenkins 1984, 28). Often so-called attitude modification campaigns used successfully in developed countries are later tried in Latin America. In the 1970s, for example, the major liquor companies persuaded many North Americans to drink wine on a regular, if not daily, basis. Two U.S. TNCs (Hueblein and National Distillers and Chemical Corporation) afterwards decided to invest U.S. \$50 million in the Brazilian wine industry. They reasoned that if higher quality European (as opposed to the present North American) grapes were grown in Brazil, the proper media promotion could increase Brazilian wine consumption from one-half gallon per year per person closer to Argentina's 23 gallons per year (Multinationals Push to Turn Brazilians into Wine Drinkers, 1980).

Geographers are trained to design and interpret the market potentials of regions of all sizes and to analyze distribution restraints imposed by topography and transport network limitations. Because TNCs usually rely on local distributors to know how to move the product to the final market, I will focus on the assessment of market potential within a country (Sobky 1986). A simple three-variable model might use census data on regional variations in population, income, and commercial activity. This model might be expressed as an index ranging in values from 0 to 100 for each region by summing the region's percent of total population, percent of total (domestic) income, and percent of commercial activity; this regional sum would then be divided by the grand sum for all regions (McMillan and González 1964). The specific measure of commercial activity will depend on the data available (retail sales, tax levies, government incomes, and others) in statistical documents published by the country under investigation. If movement of the product through space accounts for a significantly large percentage of the market price, the market potential must, however, be reduced as distance from the producer or distributor increases.

ENVIRONMENTAL MANAGEMENT br> With few exceptions, statistics indicate that environmental deterioration is greater in developing than in developed countries (Pearson 1985, Chapter 5). Although many environmental problems are a function of poverty and overcrowding, economic development also can result in misuse of natural resources when there is insufficient environmental planning before the initiation of industrial projects and lack of regulatory enforcement afterward.

Environmental management currently ranks low among the priorities of too many TNCs and their host governments in Latin America. The most comprehensive directory of business and industrial consultants lists only four "pollution consultants" for Latin America, two of which are located in Puerto Rico (Wasserman 1982). It is well known that dozens of TNCs have played roles in the destruction of tropical forests in Central America, Panama, and in the Amazon Basin (U.S. Congress 1978, 1981).

There are signs, fortunately, that TNC interest in environmental management may be taking a more positive direction. The International Institute for Environment and Development, which has pioneered policies to sustain development resource management, has striven to raise environmental awareness among multilateral lending agencies and business executives (Runnalls and Philips 1985). Since 1983 the World Resources Institute has conducted a Private Sectors Initiative Project that has brought together host government officials and executives of U.S. TNCs, in an effort to further their understanding of environmental concerns and to urge appropriate action. Even OPIC now conducts environmental reviews of foreign subsidiaries of U. S. TNCs that it has helped finance and insure.

More and more TNCs, especially those involved in wood products, agriculture, or mining, recently have introduced environmental management positions into their corporate structures. They realize that feasibility studies may require evidence that proposed activities do not threaten life processes in surrounding areas and that host government regulations may require that the area under industrial exploitation eventually be returned to a condition that is at least as good as the original state. Even if regulatory enforcement is poor, the TNC tends toward environmental protection more in the host than in the home country because of the risk that public censure abroad may lead to expropriation. Not only do they tend to use the latest, most pollution-free technology in their newer overseas investments, but because host government expectations are usually higher for TNCs than for local companies, TNCs like to be perceived as model citizens abroad. For example, Cartón de Colombia (a partially owned subsidiary of Container Corporation of America) has replanted more than 70,000 hectares of "marginal" and "worn out" lands with rapidly growing tropical conifers (especially *Cupressus lusitanica*). Not only has this reforestation project regenerated soils, but it has reduced rural unemployment, fiber imports, and the amount of land necessary to supply sawmills and pulp plants.

Solutions to environmental problems require a broad range of scientific and technical knowledge. TNCs must use external consultants, often in teams, to assist internal environmental managers. Consulting opportunities are open to a great number of geographic specializations. Those trained in remote sensing techniques can analyze topography, drainage, and vegetative cover of extensive areas to determine their suitability for specific kinds of development. Many projects in the Amazon Basin, including the Lari project, have relied on aerial photographs to guide landuse decisions. Biogeographers can establish environmental baselines prior to project construction and then monitor for changes afterward. In Guatemala, Exmibal (at the time a wholly owned subsidiary of Inco Ltd. [80 percent] and the Hanna Mining Company [20 percent]) hired a local consulting company to establish a baseline of flora and fauna species, soil types, and air and water quality. After establishment of the baseline, the company was retained to monitor water quality in adjacent Lake Izabal and to test native flora for revegetation of graded mined-out areas. Agricultural geographers can advise not only agribusinesses, but also mining and wood product companies, regarding the utilization of any "idle" lands in their concessions that otherwise may be subject to expropriation. In Jamaica, the government has provided farm land to Alcan workers with the understanding that the company administer small farm programs. Human geographers also play a role in environmental management as large projects require planning for existing and new communities to house displaced people, employees, and in-migrants seeking work. Regardless of specialization, the geographer should be experienced in field work methods and have access to an adequate geographical and map library. [end p. 66]

CONCLUSIONS

Some have believed that an elite group of TNCs would dominate a single world market by the 1980s while others anticipated that TNCs would decline in the face of rising nationalism in the developing world. In Latin America, TNCs have had to share corporate control with host countries, but they have maintained a strong presence. All but the very largest of these TNCs rely on external consultants to provide specialized expertise not available in the corporate organizations. That geographers are well trained to advise business, perhaps even in ways they do not at first realize, has been a central theme of this study. The broad training that geographers receive in the natural and social sciences and their spatial perspective give them an expertise in many of the problems that TNCs confront daily. If geographers have not been used sufficiently by business, it is because too few geographers know how to approach businesses. Geographers who want to begin consulting for TNCs operating in Latin America must develop a recognized expertise in a specialty valued by business, must define problems from the perspective of a corporation, and must learn the ins and outs of the consulting process.

NOTES

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subsidiaries in the Caribbean Basin, to Inco Ltd. officials for their ongoing assistance, and to Dr. Assad Sobky, Manager of International Marketing for Marley Company of Mission, Kansas, for his comments on this paper.

2. Recent changes in U.S. tax laws have made it unnecessary to funnel trans-Atlantic funds through the Caribbean.

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