

## The Baltics in the Geography of the Largest Transnational Corporations of Europe

Kuznetsov, Alexei V.

Veröffentlichungsversion / Published Version

Zeitschriftenartikel / journal article

### Empfohlene Zitierung / Suggested Citation:

Kuznetsov, A. V. (2015). The Baltics in the Geography of the Largest Transnational Corporations of Europe. *Baltic Region*, 1, 25-35. <https://doi.org/10.5922/2079-8555-2015-1-2>

### Nutzungsbedingungen:

Dieser Text wird unter einer Free Digital Peer Publishing Licence zur Verfügung gestellt. Nähere Auskünfte zu den DiPP-Lizenzen finden Sie hier:

<http://www.dipp.nrw.de/lizenzen/dppl/service/dppl/>

### Terms of use:

This document is made available under a Free Digital Peer Publishing Licence. For more information see:

<http://www.dipp.nrw.de/lizenzen/dppl/service/dppl/>

THE BALTICS  
IN THE GEOGRAPHY  
OF THE LARGEST  
TRANSNATIONAL  
CORPORATIONS  
OF EUROPE

A. Kuznetsov\*



*The aim of this study is to examine the place of the Baltic States on the corporate world map, a contemporary, foreign-investment-driven alternative to the more familiar political map. To this end, the author studies the geographical place of the Baltics in the documentation of transnational corporations. The research database consists of financial reports and presentations of 60 leading European (including Russian) transnational corporations. Special attention is paid to companies from countries with significant FDI stock in the Baltic States. This study is a first step towards analyzing international investors' interpretation of the new European borders. The connection between the neighborhood effect on FDI distribution and geographical segmentation in the corporate paperwork is established. Some companies use a multilevel division (e. g. Europe/Eastern Europe), where the Baltics is usually associated with "Europe" (with or without Russia and Turkey). However, in some cases the Baltic States are clustered under "home market" (as is the case with some Swedish companies), "former Soviet Union" (some Russian companies), "Northern Europe and Central Asia," and even "Middle East and Eastern Europe." Varying understanding of where exactly the borders of Europe lie could explain the plurality of attitudes of the European business establishment to the EU sanctions against Russia.*

**Key words:** Baltic Sea States, transnational corporation, geographical segment, borders of Europe, foreign direct investment

The crisis in the EU-Russia relations that clearly manifested itself in 2014 in the aftermath of the Ukrainian events called for a more detailed examination of a stalling in the strategic partnership development, which had been observed over the recent years. It seems that one of the most important causes was the perception of Russia by a significant proportion of the EU political and business elites as a 'non-European' country. There are many parameters for identifying the

---

\* Institute of World Economy  
and International Relations  
of the Russian Academy of Sciences.  
23 Profsoyuznaya ul., Moscow,  
117997 Russia.

*Submitted on November 15, 2014.*

doi: 10.5922/2079-8555-2015-1-2

© Kuznetsov A., 2015



‘European character’ of a country and, thus, establishing the boundaries of Europe. These include physical geographical, ethnic and denominational, historical, administrative and governance-related, and other parameters (see, for instance, [6, 7]). However, researchers pay little attention to the perception of Europe by the business community despite the fact that trade and economic relations are a major factor behind the success of the European integration project. In this connection, we propose a new approach to studying the current picture of the world — an analysis of the so called *corporate map*, whose borders often do not coincide in the conditions of globalisation with those of a political map [8].

For a detailed examination of perception of the European borders by businesspeople, we have chosen the three Baltic States — Estonia, Latvia, and Lithuania. On the one hand, just a quarter century ago, they were part of the Soviet Union and became members of the EU as early as 2004. The most important factor in analysing the watershed between the western and eastern parts of Europe is not the mere fact of incorporation into the USSR in 1940 but rather the long-term status of parts of the Russian Empire and the construction of a socialist economy after World War II (which also holds true for the other Eastern European countries that acceded to the EU in 2004). On the other hand, the special nature of the Baltics’ economic and cultural ties with Sweden, Finland, and Germany determines the duality of their integration in Western Europe — within both the formal EU institutions and the Eurozone, and the informal subregional integration in Northern Europe and the Baltic region [9].

### **A new analysis method: studies of geographical segments in corporate reporting**

The perception of space by businesspeople is reflected in the formal requirements for identifying geographical segments in financial statements, which has been a regular practice in the West since the 1960—70s. Since the late 1970s, research literature have studied geographical segments when analysing the operations of transnational corporations (TNCs), however, it is done mostly from the perspective of financial performance in different regions of the world and the effect of countries’ differences on the financial situation of the company in whole [1]. One of few exceptions is a 1980 work that analyses the geographical segments of 58 TNCs from the USA and 35 TNCs from the UK from the perspective of space division by the business community [2]. It shows that companies identify from three to nine geographical segments based on different parameters, and the borders of these segments can differ significantly. So, US transnational corporations segment Europe into 1) Europe [proper], 2) Europe and the Middle East, 3) Europe and Africa, 4) Eastern hemisphere, 5) Europe and Asia, 6) Europe, Africa, and Middle East. British corporations — since their headquarters are located in Europe — never couple this part of the world with other regions and even divide it in several segments, namely: 1) the UK — Western Europe — other regions (excluding North and South America), 2) the UK — the rest of Europe, 3) the UK — Europe, 4) the UK — Germany — Benelux — other EEC countries — the rest of Europe, 4) the UK — Western Europe — Eastern Europe.

The way businesspeople identify the world regions is important not only for assessing, for instance, the profitability of mature and growing markets. As early as the 1970s, representatives of the Uppsala School on the internationalization process of the firm stressed the importance of the awareness of businesspeople when determining the nature and geographical vectors of the TNC expansion [5]. They proved that the knowledge of international markets often depends on the cultural and linguistic proximity of the regions, commonalities in historical development, and many other non-economic factors. A more detailed study carried out by G. Hofstede revealed how the features of collective behaviour, which are determined by culture (unlike individual and universal characteristics), affect the organisation of firms and their propensity to act aggressively in certain regions [3; 4]. However, the general features of an TNC's territorial expansion and the concrete geographical preferences of direct investors due to asymmetric awareness are accounted for by not only the differences between the capital receiving countries but also the TNCs' home countries [10]. In particular, Swedish and German MNCs can identify different neighbouring countries as 'home market.'

Alongside the geographical segment division presented in financial statements, one can use different reference and presentation materials from the companies' official websites. TNCs often use a two- or three-tier division of the world — that into the official segments of financial statements and that into regions identified for clients using interactive resources in the Internet. Moreover, they sometimes publish information (for instance, in annual reports) on individual countries or subregional groups. This is especially evident in the case of the Baltics, since they are situated at the boundary of Western/Eastern and Northern/Central Europe, the European integration group and post-Soviet space, etc.

### **The Baltics as a site of competitive struggle between TNCs from Russia, Northern, and Western Europe**

According to the statistics from the central banks of Lithuania, Latvia, and Estonia, investors from 16 states have made USD 0.5 billion worth of direct investment in the Baltics (table 1). 15 of these countries are European including non-EU Norway, Russia, and Switzerland. It is worth stressing that Lithuanian and Estonian direct investors are rather active in their regions. However, a certain proportion of foreign direct investment (FDI) uses European countries as a 'reshipping base,' this is especially true for Cyprus and Luxembourg. Nevertheless, such investments usually come from Europe, for instance, Russia. One of top-five largest Russian projects in Latvia — the fertiliser and chemical transshipment terminal in Riga constructed in 2013 with the participation of UralChem — received capital from Uralchem Freight Ltd from Cyprus.

Therefore, the Baltics have become a platform of expansion from TNCs from several neighbouring countries. Swedish TNCs are leaders in the volume of foreign investment stock in all three countries. Finnish investors act aggressively in Estonia, whereas Dutch TNCs rank second in Lithuania and Latvia. They are followed by Norwegian, German, and Russian TNCs. Moreover, due to the neighbourhood effect, Polish companies are also rather active in Lithuania.

Table 1

## FDI stock in Lithuania, Latvia, and Estonia as of the end of June 2014

FDI source country	FDI in Lithuania		FDI in Latvia		FDI in Estonia		FDI in the three countries, million euros
	million euros	%	million euros	%	million euros	%	
<i>Total</i>	12 148	100.0	11 690	100.0	15 720	100.0	39 558
<i>Europe</i>	11 538	95.0	9 831	84.1	14 680	93.4	36 049
Sweden	3 086	25.4	2 539	21.7	4 169	26.5	9 794
Finland	606	5.0	271	2.3	3 405	21.7	4 282
Netherlands	1 117	9.2	954	8.2	1 775	11.3	3 846
Norway	778	6.4	612	5.2	717	4.6	2 107
Germany	1 043	8.6	687	5.9	320	2.0	2 050
Russia	356	2.9	721	6.2	791	5.0	1 868
Cyprus	446	3.7	856	7.3	550	3.5	1 852
Denmark	502	4.1	473	4.0	375	2.4	1 350
Estonia	668	5.5	538	4.6	—	—	1 206
Poland	1 188	9.8	4	0.0	– 24	—	1 168
Luxembourg	252	2.1	286	2.4	390	2.5	928
UK	221	1.8	322	2.8	359	2.3	902
Lithuania	—	—	411	3.5	433	2.8	844
Switzerland	250	2.1	170	1.5	215	1.4	635
France	281	2.3	53	0.5	172	1.1	506
<i>Other regions</i>	610	5.0	1 859	15.9	1 040	6.6	3 509
USA	176	1.4	117	1.0	351	2.2	644

*Sources:* Foreign Direct Investment in Lithuania by country. URL: [http://www.lb.lt/stat\\_pub/statbrowser.aspx?group=8092&lang=en](http://www.lb.lt/stat_pub/statbrowser.aspx?group=8092&lang=en); FDI data by country tables (stocks). URL: <http://statdb.bank.lv/lb/Data.aspx?id=128>; Direct investment position in Estonia and abroad by country. URL: [http://statistika.eestipank.ee/?lng=en#listMenu/2015/treeMenu/MAKSEBIL\\_JA\\_INVPOS/146](http://statistika.eestipank.ee/?lng=en#listMenu/2015/treeMenu/MAKSEBIL_JA_INVPOS/146)

It is worth stressing that, for many TNCs from the neighbouring countries, the Baltics' narrow external market coupled with low protectionist barriers to trade does not provide incentives to establish manufacturing subsidiaries or service branches. This can be seen clearly in the cases of the ten leading (in terms of foreign assets) non-financial TNCs from Russia — only four of them have a subsidiary structure in the Baltics. Only Gazprom and LUKoil have established sales companies in all three countries (table 2). However, for the purposes of our study, the absence of direct investment in the region is not critical in most cases — geographical segments are identified not only for classifying assets but also for analysing revenues. Service companies can even have no product sales in the Baltic, which, in the absence of a single 'Europe' segment, can raise questions about the business community's ideas of the geographical affiliation of Estonia, Latvia, and Lithuania.

Table 2

**Leading Russian non-financial TNCs, as of 2013**

Company	Specialisation	Foreign assets, million dollars	Considerable assets in the Baltics
Gazprom	Oil and gas	40 128	37% of Lietuvos dujos and 37% of Amber Grid in Lithuania, 34% Latvijas Gāze in Latvia, 37% of Eesti Gaas and 37% of Vorguteenus Valdus in Estonia
Vimpelcom	Telecommunications	36 948	—
LUKoil	Oil and gas	32 640	Subsidiaries controlling petrol station chains Lithuania, Latvia, and Estonia
Evraz	Ferrous metallurgy	8 715	—
Rosneft	Oil and gas	8 399	Itera Latvija (Gazprom's junior partner in Latvia and Estonia)
Sovcomflot	Transport	5 293	—
Severstal	Steel industry	4 784	50.5% of Severstallat in Latvia
RUSAL	Non-ferrous metal industry	3 655	—
Russian Railways	Transport	3 222	—
Sistema	Conglomerate	2 966	—

*Source:* compiled by the author based on corporate reports

Therefore, we focus on studying the leading companies from five EU countries (three Nordic, one Dutch, and one German), as well as Norway and Russia, which — unlike TNCs from other European states — are not only very active in making foreign investment in the Baltics, but, in most cases, also sell their products and services in the region.

**Geographical affiliation of the Baltics**

The ranking of European companies is based on their market capitalisation (table 3). Firstly, this is a universal method for comparing non-financial and financial companies. Secondly, as elements of the stakeholder model of capitalism and exchange of shares for FDI become a common practice, the dependence between a company's market capitalisation and its potential to become a leading TNC increases [11]. According to the *Financial Times*, the top ten European companies in terms of market capitalisation did not include any companies from our list (table 4). This comparison makes it important to analyse the geographical affiliation of the Baltics used by Swiss, British, French, and Belgian companies.

**The position of the Baltics in the geographical segments of 50 leading companies from Sweden, Finland, the Netherlands, Norway, Germany, Russia, and Denmark according to market capitalisation (as of March 31, 2014)**

Company	Capitalisation, billion dollars	Country	Industry	The geographical segment or informal region including the Baltics*
Volkswagen	119.2	Germany	Automobile manufacturing	Europe without Germany
Unilever	118.8	Netherlands	Food industry	Europe (without CIS)
Siemens	118.6	Germany	Engineering	Europe, CIS, Africa and the Middle East (sometimes without Germany) / Finland and the Baltics
Bayer	112.1	Germany	Chemical industry	Other countries (without Germany, USA and China) / Europe
BASF	102.1	Germany	Chemical industry	Europe without Germany
Daimler	101.6	Germany	Automobile manufacturing	Other countries (without Western Europe, Asia and America) / Eastern Europe (including Turkey)
Novo Nordisk	100.8	Denmark	Pharmaceuticals	Europe (EU, EFTA, and Western Balkans)
SAP	99.6	Germany	IT	Europe, the Middle East, and Africa (sometimes without Germany and France)
Gazprom	91.3	Russia	Oil and gas	Foreign countries / former USSR without Russia
Statoil	90.0	Norway	Oil and gas	Eurasia without Norway / Europe without Norway / world without Norway, Sweden, Denmark, and the USA
BMW	81.2	Germany	Automobile manufacturing	Europe without Germany / CEE
Allianz	77.5	Germany	Insurance	Other European countries without the five leading Western European countries and Switzerland / CEE / growing markets (including identification of linguistic areas in Western Europe)
Deutsche Telekom	72.2	Germany	Mobile telephony	Europe without Germany / EU without Germany
Rosneft	70.7	Russia	Oil and gas	Non-CIS countries — Europe
Hennes & Mauritz	62.2	Sweden	Trade	Europe / individual information on Estonia, Latvia, and Lithuania

Nordea Bank	57.3	Sweden	Banking	The Baltics
ING	54.4	Netherlands	Insurance	Europe without the Netherlands, and Belgium (sometimes including Germany)
Sberbank	53.4	Russia	Banking	CEE
AP Moller-Maersk	51.7	Denmark	Transport and communications	Europe
Continental	48.2	Germany	Tyre manufacturing	Europe (sometimes without Germany, including Turkey)
LUKoil	47.4	Russia	Oil and gas	Foreign countries / the Baltics (as opposed to Europe and the CIS countries)
Deutsche Bank	45.8	Germany	Banking	Europe / Eastern Europe
Henkel	45.5	Germany	Chemical industry	Europe (including Turkey) or growing markets / Eastern Europe
Deutsche Post	45.2	Germany	Transport and communications	Europe without Germany
Ericsson	43.8	Sweden	Engineering	Other countries (without Sweden and USA) / Northern Europe and Central Asia (including Russia, but Poland and Belarus are classified as Western and Central European countries)
Asml Holding	41.4	Netherlands	Electronics	Europe without the Netherlands
Heineken	40.1	Netherlands	Brewing	CEE
Munich Re	39.3	Germany	Insurance	Europe
E. On	39.0	Germany	Electricity generation and distribution	EU without Germany (sometimes without some other countries)
Linde	37.2	Germany	Chemical industry	Europe, the Middle East and Africa / Europe (including Turkey) or, for the gas segment, Continental and Northern Europe (without the UK but with Algeria) — for Estonia a and Latvia, the Middle East and Eastern Europe — for Lithuania
Atlas Copco	34.8	Sweden	Engineering	Europe
Volvo	33.9	Sweden	Automobile manufacturing	Europe / Europe without Sweden and France
Telenor	33.6	Norway	Mobile telephony	A region at the border of the Northern and Central Europe, no subsidiaries
Reed Elsevier	33.5	Netherlands	Publishing	Europe / Europe without the UK and the Netherlands
Philips Electronics	33.0	Netherlands	Electronics	Growing markets



Company	Capitalisation, billion dollars	Country	Industry	The geographical segment or informal region including the Baltics*
TeliaSonera	32.6	Sweden	Mobile telephony	The Baltics
Surgutneftegaz	31.9	Russia	Oil and gas	Export markets
Svenska Handelsbanken	31.3	Sweden	Banking	Other European countries (without Sweden, Norway, Finland, Denmark, the UK and the Netherlands)
NOVA TEK	30.3	Russia	Oil and gas	Europe without Russia
Swedbank	30.3	Sweden	Banking	Home markets (Sweden, Estonia, Latvia and Lithuania)
SEB	29.7	Sweden	Banking	The Baltics (and individually for each country)
Sampo	29.0	Finland	Insurance	The Baltics (sometimes individually for each country)
DNB	28.3	Norway	Banking	Europe without Norway / Eastern Europe / the Baltics and Poland (sometimes individually for each country)
Danske Bank	28.2	Denmark	Banking	Countries are considered individually, sometimes the Baltics are classified as 'others'
Nokia	27.8	Finland	Electronics	Europe
Investor	27.5	Sweden	Financial services	Only two countries are considered (Sweden and Denmark)
ArcelorMittal	26.8	Netherlands	Ferrous metallurgy	Europe
Norilsk Nickel	26.4	Russia	Non-ferrous metal industry	Europe without CIS
Beiersdorf	24.6	Germany	Chemical industry	Europe (including Turkey)
RWE	24.5	Germany	Electricity generation and distribution	CEE

\* Some TNCs do not have subsidiaries in the Baltics. If they do not supply the products to the region, the geographical segment is identified based on the neighbouring countries. If not specified otherwise, the 'Europe' and 'Eastern Europe' segments include Russia.

Sources: corporate reports; FT Europe 500 2014. URL: <http://im.ft-static.com/content/images/6fb64d7a-fded-11e3-bd0e-00144feab7de.xls>

Table 4

**The position of the Baltics in the geographical segments of top ten companies from other European countries in terms of market capitalisation (as of March 31, 2014.)**

Company	Capitalisation, billion dollars	Country	Industry	The geographical segment or informal region including the Baltics*
Roche	258,5	Switzerland	Pharmaceuticals	Europe / EU
Nestle	243,0	Switzerland	Food industry	Europe / other countries
Shell	239,0	UK	Oil and gas	Europe
Novartis	230,0	Switzerland	Pharmaceuticals	Europe / other countries
HSBC	191,3	UK	Banking	Other countries
Anheuser-Busch InBev	168,6	Belgium	Brewing	CEE (since 2014, Europe, including Russia and Ukraine)
Total	156,0	France	Oil and gas	Europe and CIS
BP	147,8	UK	Oil and gas	Europe without the UK
Sanofi	138,1	France	Pharmaceuticals	Europe / developing countries (i.e. those outside Western Europe)
GlaxoSmithKline	128,9	UK	Pharmaceuticals	Europe / other countries

*Sources:* corporate reports; *FT* Europe 500 2014. URL: <http://im.ft-static.com/content/images/6fb64d7a-fded-11e3-bd0e-00144feab7de.xls>

In most cases, Estonia, Latvia, and Lithuania comprise the region of 'Europe,' which often (but not always, see Unilever) includes the CIS countries and even Turkey. However, some companies interpret Europe as the EU and EFTA countries and the Western Balkans. The German companies Deutsche Telekom and E. On consider only EU countries as the European geographical segment.

In the case of Rosneft, the segmentation of Europe and the CIS is based on the traditional division in the CIS and non-CIS. Sometimes, the headquarters country (for instance, Germany or the Netherlands) constitutes an individual ('home') market. In some cases, other significant countries are also considered separately.

Some TNCs focus on regions larger than Europe. Siemens couple Europe with the CIS, Africa and the Middle East. Other German TNCs (SAP and Linde) call a similar region 'Europe, the Middle East, and Africa'. Norway's Statoil considers Eurasia as a geographical segment.

If a company focuses on large geographical segments, some information can be given on a subregional area including Estonia, Latvia, and Lithuania (this holds true for German firms). For Siemens, it is Finland and the Baltics, for Daimler, Deutsche Bank, and Henkel, East Europe, for BMW and Allianz, Central and Eastern Europe (CEE). Alongside 'Europe without Nor-

way,' the Norwegian bank DNB identifies the region of 'East Europe' and — as part of this region — the Baltics and Poland. The Swedish company Hennes & Mauritz presents individual information on the three Baltic countries.

In some cases, the Eastern European subregions incorporating Latvia, Lithuania, and Estonia can constitute independent geographical segments. For instance, the 'Baltics' segment is identified by the Swedish companies Nordea Bank, TeliaSonera, and SEB, the Russian oil giant LUKoil, and the Finnish company Sampo. Central and Eastern Europe constitute an independent geographical segment for Russia's Sberbank, the Netherlands' Heineken, and Germany's RWE.

However, several companies demonstrate atypical segmentation. For instance, Gazprom classifies the Baltics not as Europe, but as former USSR, which is accounted for by the particularities of the gas transportation system inherited from the Soviet Union (despite the EU reforms suggested by the Third Energy Package, which have already affected Gazprom's business in Lithuania and Estonia). Sweden's Ericsson classifies the Baltics under Northern Europe and Central Asia rather than Central or Western Europe. This relates to the broader perception of 'home market' by a number of Swedish companies. Swedbank includes Estonia, Latvia, and Lithuania, as well as Sweden, in the segment entitled 'home market.' On the contrary, Svenska Handelsbanken classifies the Baltics under 'other European countries,' since the bank expanded from the Nordic countries into the UK.

The Dutch company Philips Electronics classifies the Baltics under growing markets. This pattern is also used by Germany's Henkel. The inclusion of Estonia, Latvia, and Lithuania in the group of 'other' or developing countries is more characteristic of the states situated at more significant distances from the Baltic region (table 4), however, most TNCs admit the European nature of the three Baltic states. The most 'exotic' segments are identified by Germany's oil and gas company Linde, which does not consider Europe as a whole region for a number of its operations: Estonia and Latvia with, for example, Algeria can be classified under Continental and Northern Europe, whereas Lithuania is included in the group of the Middle East and Eastern European countries.

Therefore, this study stresses differences in the perception of the borders of Europe and its subregions by European investors. They are only partially accounted for by the company's 'nationality': Swedish firms often consider the Baltics an extension of Northern Europe, whereas Russian TNCs tend to distinguish between the CIS and EU include Estonia, Latvia, and Lithuania in the either segment quite arbitrarily. The identified differences in the perception of Europe by TNCs, including those operating in different industries, seem to affect the position of European businesspeople on solving the problems in the EU-Russia relations, which requires further research as the war of sanctions rages on.

*This article, prepared at the Institute of World Economy and International Relations of the Russian Academy of Sciences, was supported by a grant from the Russian Science Foundation (project No. 14-28-00097 "The optimisation of Russian external investment ties in the conditions of deteriorating relations with the EU»).*

### References

1. Boatsman, J. R., Behn, B. R., Patz, D. H. 1993, A Test of the Use of Geographical Segment Disclosures, *Journal of Accounting Research*, Vol. 31, no. 1, p. 46—64.
2. Gray, S. J., Radebaugh, L. H. 1984, International Segment Disclosures by U. S. and U. K. Multinational Enterprises: A Descriptive Study, *Journal of Accounting Research*, Vol. 22, no. 1, Spring, p. 351—360.
3. Hofstede, G. 1980/81, Culture and Organizations, *International Studies of Management and Organization*, Vol. 10, no. 4, Winter, p. 15—41.
4. Hofstede, G. 1980, Motivation, Leadership, and Organization: Do American Theories Apply Abroad? *Organizational Dynamics*, Summer, p. 42—63.
5. Johanson, J., Vahlne, J.-E. 1977, The Internationalization Process of the Firm — A Model of Knowledge Development and Increasing Foreign Market Commitments, *Journal of International Business Studies*, Vol. 8, no. 1, Spring-Summer, p. 23—32.
6. Klaus, E. 2006, Europe's Borders: The Narrative Construction of the Boundaries of Europe, *European Journal of Social Theory*, Vol. 9, no. 2, p. 255—271.
7. Gromyko, A. A., Fedorov, V. P. (eds.), 2014, *Bol'shaja Evropa. Idei, real'nost', perspektivy* [Greater Europe. Ideas, Reality and Prospects], Moscow.
8. Kuznetsov, A. V. 2014, Korporativnaja karta mira [Corporate world map]. In: Dynkin, A. A., Ivanova, N. I. (eds.), *Global'naja perestrojka* [Global restructuring], Moscow, p. 53—70.
9. Kuznetsov, A. 2012, Transborder corporate integration in the Baltic Sea Region, *Balt. Reg.*, no. 1, p. 11—18. DOI: 10.5922/2079-8555-2012-1-2.
10. Kuznetsov, A. V., 2004, *Mirohozjajstvennye svjazi germanskih kompanij* [International economic relations of German companies], Moscow.
11. Yudanov, Yu. I. 2003, Osobennosti shvejcarskoj predprinimatel'skoj modeli [Features of Swiss business model], *Sovremennaja Evropa* [Contemporary Europe], no. 1, p. 60—69.

### About the author

*Prof Alexey Kuznetsov*, corresponding member of the Russian Academy of Sciences, Dr. Sc. (Econ.), deputy director, Institute of World Economy and International Relations (IMEMO), Moscow, Russia.

E-mail: kuznetsov@imemo.ru