

German Enterprises and their Economic Engagements in African Countries

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The main areas of research about investments and foreign economic activities (export) in Africa are focused on two main areas of study:

- The influence of macroeconomic conditions to the increase or decrease of foreign economic activities
- Conditions which can be summarized as investment climate.

We have a lot of interesting research about the target countries economic conditions which determine the development of foreign economic activities in african countries. Here we can discover that the firm perspective is still not a topic of research. Firm internal conditions and factors like inputs, resources and competencies are significant as well for the decision to export to or invest in african countries. The main purpose of the study is to supplement the scientific discussion with the firm intern view on strategy and organization as determinants of foreign investment and export activities. The decision to do the firms business in an african country are taken by the management in the firm. The availability and the use of internal and external resources and the need to develop specific competencies determine the success of foreign economic activities. The motivation to export and /or to invest and the recognition of problems facing foreign firms in african countries result from a different resource basis. Competencies to develop and to use inputs (information, money, advice), just like the identification and the use of internal resources and competencies affect the success of an economic activity by foreign firms in africa.

In this study we take a closer look to the internal and external factors and conditions which are relevant to plan and establish a foreign economic activity in an african country. We linked the international management theory and the resource-based approach to develop a qualitative research design. A comparative case study analysis of ten german enterprises were conducted in summer 2010. Moreover we use the results of our case study analysis to develop general recommendations for the promotion of export to and foreign investment in african countries.