

## **John H. Dunning**

**Emeritus Professor of International Business at the University of Reading,**

**died on 29 January 2009**

John H. Dunning, was famous for his 'eclectic paradigm', first published in 1977, which explained the behaviour of multinational enterprises and the pattern of international direct investment. He made his name in 1958 with a pioneering study of *American Investment in British Manufacturing Industry*, in which he showed that the productivity and performance of US-owned subsidiaries in the UK was higher than that of UK firms in the same industry, but lower than that of their parent companies in the US. Dunning correctly interpreted this as an indication that the US firms possessed an intangible advantage compared to their UK competitors, and that this advantage was sufficiently strong to outweigh any additional costs of doing business abroad. Dunning's findings were used by the radical Canadian economist Stephen Hymer to support his pioneering interpretation of multinationals as monopolists exploiting their firm-specific advantages overseas. Dunning himself generalised Hymer's ideas into the concept of an 'ownership advantage', which together with 'location advantage' and 'internalisation advantage', explained the behaviour of multinationals within his eclectic paradigm.

Dunning's work was widely used by business historians. In 1983 he published an important paper on 'Changes in the level and structure of international production: The last one-hundred years', in which he collated a mass of statistics on foreign investment flows to and from various countries in both the developed and the developing world. This work was used by Tony Corley, Geoffrey Jones and many other business historians, and provided a considerable impetus to the business history research on multinational firms. Dunning's work was also influential in the debate initiated by Mira Wilkins on 'free standing firms'.

During his Presidency of the Academy of International Business, Dunning initiated a number of changes which have been of lasting benefit to the profession. He always took a strong interest in the work of young researchers, and was generous with his time. He had an encyclopaedic knowledge of the literature, and detailed knowledge of the strategies of many large multinationals – knowledge that he freely shared with all those who sought his advice. At his eightieth birthday party he described the profession, and especially the younger members of it, as 'his family', and they certainly repaid his generosity with respect and admiration – and indeed affection.

John Dunning received numerous awards in recognition of his contributions, including several honorary degrees – most recently from Reading University itself – and an OBE. He was an expert advisor to the United Nations for much of his career, and was regularly consulted by national governments. John Dunning, died on 29 January 2009, from liver cancer, aged 81, leaving a major intellectual legacy, supported by an important collection of books and papers, which can be accessed through the John Dunning Centre for International Business at Reading University.

Mark Casson  
*University of Reading*