International entrepreneurship in and from emerging economies

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Introduction to the special issue

The globalization has been one of the most important economic events of the last decades and this has caused a higher degree of integration and interdependence between countries, with a clear increase in the volume of international businesses. Within this context, not only multinational enterprises have international orientations; new and smaller firms (SMEs) are also forced to extend the scope of their business because they face a large number of international competitors into a much wider market. Although SMEs are a major source of growth and job creation, SMEs appear to be underrepresented in the international economy relative to their contribution in national and local economies (European Commission 2015). Many SMEs have advanced on their internationalization processes and many countries are adopting specific policies and programs to enhance SMEs' internationalization potentials to encourage their further participation in global markets. Both private and public sectors are playing important roles in helping SMEs to be more active in international trade (OECD 2005) and develop active networks for their internationalization (Felzensztein et al. 2015; European Commission 2014). From a strategic point of view, internationalization is a key factor in business success, especially in SMEs that have a high-growth prospect.

We know that both networks and entrepreneurial orientation can actively help small firm internationalization (Felzensztein et al. 2015). These two topics are important and still much disputed aspect of small firm internationalization (Dimitratos et al. 2010, 2014). Understanding them can provide important insights for entrepreneurs that are choosing their internationalization strategies as well as for the institutions that may support them, such as export promotion agencies, and trade associations.

In some emerging economies, like those in the Latin American context, there is a tendency to provide incentives to openness to new markets and to foster the SMEs'

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internationalization (Felzensztein et al. 2015). However, the region shows very different faces—large internal market economies (Brazil and Mexico) contrast with small but competitive market like Chile. According to the GEM 2015, the most remarkable cases in Latin America are Chile and Colombia with large percentages of entrepreneurs (more than 80 %) that exhibit some degree of international orientation. These remarkable examples show that most of the entrepreneurs in the region do not show a strong orientation to sell their products or services to customers in other countries, or even in other geographical regions outside South America (Amoros et al. 2015; Felzensztein et al. 2015).

Internationalization could be a key factor for the competitiveness and development in many small and restricted markets in emerging economies (Acs and Amorós 2008). In this framework, it is interesting to analyze, learn, and explore some results in greater detail related to internationalization process in emerging economies (Felzensztein et al. 2014; Dimitratos et al. 2014). The aim of this special issue is to explore related issues to internationalization from emerging economies.

This special issue of JIEN comes to life after organizing the 17th Annual *McGill International Entrepreneurship in September 2014 in Santiago, Chile*. We announced the birth of this special issue there followed by an open call for papers. This issue presents the six interesting novel papers on the topic of international entrepreneurship in and from emerging markets.

The paper titled “International SMEs from emerging markets - Insights from the Colombian textile and apparel industry,” by Gonzalez, Manotas, and Ciravegna, deals with the internationalization of firms from South America. The study sheds light on the internationalization of emerging market SMEs, focusing on Colombian textile and apparel exporters. It used mixed research methods to illustrate the role of firm’s age in influencing internationalization strategy. This study presents new evidence from the Colombian context using a novel methodological approach in IE.

The paper titled “Internationalization and value orientation of entrepreneurial ventures—a Latin American perspective,” by Chen, Saarenketo, and Puimalainen, argues that entrepreneurial ventures from Latin American emerging economies remain underexplored in the current international entrepreneurship literature. This paper aims to cover that gap and contribute empirical evidence on entrepreneurial ventures from Latin America on their internationalization and value orientation. The study is based on the 2009 Global Entrepreneurship Monitor data. They found that institutional voids on Latin American emerging economies were a double-edge sword: on one hand, inefficient and unregulated markets make ventures from Latin American emerging economies encounter the liability of their country of origin, and on the other hand, less active governments and the absence of influential NGOs trigger more social entrepreneurial opportunities, with some of them crossing the national border. Authors argue that international social entrepreneurship can be regarded as an alternative solution to social problems which governments, NGOs, or for-profit ventures fail to tackle in Latin American environments.

The paper titled “An Incentive-Based Model of International Entrepreneurship in Emerging and Transition Economies,” by Ngo, Janssen, and Falize, describes the importance of firms from Emerging and Transition Economies (ETES) is rising in the global economy. The paper presents a model that conceptually links the institutional environment, the firm’s resource investment and internationalization. They argue that

the domestic institutional attributes of property rights and contracting institutions drive the firm's perceived risk and uncertainty, and thus its resource investment and ability in pursuing international strategic behaviors.

The paper titled "The Chinese Born Globals of the Zhejiang Province: A Study on the Key Factors for their Rapid Internationalization" by Lin, Mercier-Suissa, and Salloum, explores the key factors that influence the rapid internationalization of Chinese BGs and examine how these factors can explain the successful and quick integration of Chinese BGs into global market. Authors identified six major factors explaining BGs' rapid internationalization and compared them with two groups of Chinese SMEs (BGs and non-BGs) in their study.

The paper titled "Representation as a driver of internationalization: The case of a singular Russian SME," by Ricard, Le Pennec, and Reynaud, focuses on an unconventional practice in a Russian SME. While studying the decision-making process of the entrepreneur and executives of this firm, authors noted some differences with extant theories. The results support the assumption that the representation plays a role in guiding strategic decisions and mobilizing subordinates to support the strategic orientation defined by the leader. In particular, authors saw that a very favorable representation of internationalization would lead to unexpected success abroad.

The paper titled "Typology of Diaspora Entrepreneurship: Case Studies in Uzbekistan," by Maria Elo, addresses the types of diaspora entrepreneurship (DE) theoretically and empirically in the context of Uzbekistan. Thus, the paper asks what makes people become entrepreneurs in emerging countries, like Uzbekistan, when they have alternative opportunities in developed countries. This multiple case study presents implications and findings on culturally different entrepreneurs who have decided to enter Uzbek business elucidating their motivations and role in transition economies.

As a guest editor of this special issue, I hope that the readers of the JIEN can enjoy these selected papers, which may influence further research in this relatively young topic of international entrepreneurship in emerging economies.

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