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The European Migration Crisis as a Factor in Foreign Market Entry Decisions of German Multinationals

Part 1 – Impact of the Crisis on Germany

Introduction

Throughout the history of mankind, migrations have been at the heart of human life, societies and economic activity. In the 20th Century alone, Germany and Central Europe witnessed large-scale movements of populations. More recently, over a million migrants and refugees found their way to Germany since 2014, predominantly from Syria and Irak, but also Pakistan and Iran,¹ a trend which continued in 2016, albeit at a slower pace after the EU–Turkey Refugee Deal. This massive arrival has brought about new opportunities for business, new resources such as knowledge, networks and workforce to support business, and this new situation has called for the most substantial institutional change since German unification.² Governments enforce new rules, organisations are founded, business adapts to the new situation and nations renew their mind files and perceptions.³ Many scholars have proven that the institutional environ-

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¹ P. Sutherland, *We must harness the true strength of migration. Organisation for Economic Cooperation and Development*, “The OECD Observer”, No. 32/2015.

² E. Bomsdorf, J. Winkelhausen, *The demographic change remains unaltered despite high immigration rates: population estimates for Germany until 2060 on the basis of the 2011 census*, “Ifo-Schnelldienst” 67(47–48)/2014, pp. 15–34.

³ D. Schmuck, J. Matthes, *How Anti-immigrant Right-wing Populist Advertisements Affect Young Voters: Symbolic Threats, Economic Threats and the Moderating Role of Education*, “Journal of Ethnic and Migration Studies”, No. 41(10)/2015, pp. 1577–1599; M. Souto-Otero, E. Villalba-Garcia, *Migration and validation of non-formal and informal learning in Europe:*

ment affects businesses and entry strategy.⁴ Resources such as knowledge, networks and workforce can support international business and the process of entering foreign emerging markets.⁵

However, cultural differences, increasing uncertainty,⁶ an eroding European consensus⁷ and rising populist influence have hindered integration and concealed underrated benefits for the economy, society and politics.⁸ Notwithstanding this, institutional actors shape the fate of the largest influx of population to Germany since World War Two, and set up on what grounds decisions for the future are being made, hence their impact on this new context matters. Indeed, actors from these institutions currently define what will remain from the biggest influx of people since the Second World War and establish how situations are evaluated and perceived and on what ground decisions for the future are made.

This exploratory research focuses on the specific migration and refugee situation in Germany. It examines, first, the evolution of German public discourse on the migration crisis since the Summer of 2015; second,

Inclusion, exclusion or polarisation in the recognition of skills? “International Review of Education”, No. 61(5)/2015, pp. 585–607.

⁴ E. Anderson, H. Gatignon, *Modes of foreign entry: a transaction cost analysis and propositions*, “Journal of International Business Studies”, No. 17/1986, pp. 1–26; Y. Luo, M.W. Peng, *Learning to compete in a transition economy: experience, environment, and performance*, “Journal of International Business Studies”, No. 30/1999, pp. 269–296; K.E. Meyer, *Institutions, transaction costs, and entry mode choice in Eastern Europe*, “Journal of International Business Studies”, No. 32/2001, pp. 357–367; M.W. Peng, *The resource-based view and international business*, “Journal of Management”, No. 27/2001, pp. 803–829; L. Tihanyi, D. Griffith, C. Russell, *The effect of cultural distance on entry mode choice, international diversification, and MNE performance: A meta-analysis*, “Journal of International Business Studies”, No. 36/2005, pp. 270–283; S.M. Lundan, J.H. Dunning, *Institutions and the OLI paradigm of the multinational enterprise*, “Asia Pacific Journal of Management”, No. 25(4)/2008, pp. 573–593; J.H. Bae, R. Salomon, *Institutional distance in international business research*, 2010; J.W. Berry, *Globalisation and acculturation*, “International Journal of Intercultural Relations”, No. 32(4)/2008, pp. 328–336.

⁵ J. Barney, *Firm resources and sustainable competitive advantage*, “Journal of Management”, No. 17/1991, pp. 99–120; M.A. Hitt, T. Dacin, E. Levitas, J. Arregle, A. Borza, *Partner selection in emerging market contexts: resource-based and organizational learning perspectives*, “Academy of Management Journal”, No. 43/2000, pp. 449–467; C.F. Fey, I. Bjorkman, *The effect of human resource management practices on MNC subsidiary performance in Russia*, “Journal of International Business Studies”, No. 32/2001, pp. 59–75; K.E. Meyer, S. Estrin, S.K. Bhaumik, M.W. Peng, *Institutions, resources, and entry strategies in emerging economies*, “Strategic Management Journal”, No. 30/2009, pp. 61–80.

⁶ G. Lazaridis, *Security, insecurity, and migration in Europe*, Burlington, Vt: Ashgate 2011.

⁷ M.J. Rodrigues, E. Xiarchogiannopoulou, *The Eurozone crisis and the transformation of EU governance: internal and external implications*. Burlington, Ashgate, Vermont, Surrey, England 2014.

⁸ D. Schmuck, J. Matthes, op.cit.; P. Sutherland, op.cit.

it assesses how German multinational enterprises (MNEs) are influenced by the long term consequences and potentialities for business generated by the influx of refugees and migrants in Germany; then, in a second part it will investigate in which ways their international business strategy is affected when planning foreign market entry.

In doing so, first, a media discourse analysis is carried out in the first part of the paper on the basis of a large range of articles taken from the German press, whilst closer attention is devoted to sources from three newspapers: *Die Welt*, *Die Zeit*, and *Wirtschaftswoche*. Reports selected from web-based archives focus on three specific chronological events: the arrival of refugees in Munich; events in Cologne on 2016 New Year's Eve; and the EU Summit in March 2016. Articles were collected on each of the three events, with a view to gaining insights from secondary data on how reality has been constructed⁹ and to understanding how the context has evolved over a one-year period following the Summer 2015.

Alongside this media investigation, one-to-one semi-structured interviews were carried out in July 2016 over a short two-week period, and their outcome will be analysed in the second part of the paper. Interviews were audio captured in German and transcribed. They were conducted anonymously and confidentially, face-to-face or Internet mediated through software such as Skype, with five key informants in higher positions in five German MNEs, each having decision authority on their firm's strategy, in order to assess individual perceptions. They determine how corporate decision makers are influenced by the wave of refugees in Germany and how insights on this new reality, shaped by public and media discourse, affect their perceptions, feelings, thinking and decision making. Finally, the combined results from both applied methods provide new insights into the paper's research questions. Rather than making statistical generalisations based on a large sample of interviewees, we rely on a small sample of key participants as the scope of the research is more interested in comparability and penetrating analyses.¹⁰

⁹ J. Derrida, *The supplement of copula: Philosophy before linguistics*, "The Georgia Review", No. 30(3)/1976, pp. 527–564.

¹⁰ S. Brinkman, S. Kvale, *InterViews: Learning the Craft of Qualitative Interviewing*, Sage, 3rd Ed., 2015, p. 127.

Given their frequent use in this article, it is necessary to define the terms migrant¹¹ and refugee¹². We follow the policy of the United Nations High Commissioner for Refugees¹³ and use ‘refugees and migrants’ when referring to the people who arrive in Europe to leave their homeland and enter the EU. We use ‘refugees’ in the case of people crossing an international border to flee war or persecution. And we say ‘migrants’ when we mean people moving for reasons not included in the legal definition of a refugee, in particular economic ones.

The combination of media discourse analysis and interviews of business practitioners is designed to shed light on the research questions. First, the media discourse analysis (MDA) reveals trends in public reactions and representations made by different German institutions on the issue of refugees and migrants. The MDA is instrumental in addressing the first research question: How did public discourse evolve on the migration crisis in Germany after the Summer 2015? Second, interviews of business practitioners provide insights on how decision makers in German MNEs perceive the refugee situation and its consequences. These insights address the second research question: How are decision makers in German MNEs influenced by the migration crisis when planning foreign market entry strategies?

Media Discourse Analysis on Three Key Events

The MDA focuses on a broad analysis of 355 newspaper articles and, more specifically, an in-depth analysis of 9 articles covering three events, all published between 1 September 2015 and 1 June 2016. We investigate key words and frequency of the terms used. We assess the media representation of three events linked to migrants and refugees in Germany, starting with the arrival of the refugees and migrants in Munich, pro-

¹¹ “Migrants choose to move not because of a direct threat of persecution or death, but mainly to improve their lives by finding work, for education, family reunion, or other reasons. Unlike refugees who cannot return safely, migrants will continue to receive the protection of their government” – *UNHCR viewpoint: ‘Refugee’ or ‘migrant’ – Which is right?* The UN Refugee Agency, 2016, <http://www.unhcr.org/news/latest/2016/7/55df0e556/unhcr-viewpoint-refugee-migrant-right.html> (last visited 23.08.2016).

¹² “Refugees are persons fleeing armed conflict or persecution. Refugees are defined and protected in international law (The 1951 Refugee Convention and its 1967 Protocol, the 1969 OAU Refugee Convention). Included is safety from being returned to the dangers they have fled; access to asylum procedures that are fair and efficient; and measures to ensure that their basic human rights are respected to allow them to live in dignity and safety while helping them to find a longer-term solution” – *ibidem*.

¹³ *Ibidem*.

ceeding chronologically with the events on New Year’s Eve in Cologne, and finally with the European Council Summit Meeting on 17–18 March 2016 which led to the EU Turkey Agreement. A focus lies on the scope and quality of the information provided and the main aim of the articles. Language, stylistic devices, pictures, and word choice are analysed to understand how arguments and feelings are created and substantiated.

The collected qualitative data is framed and interpreted using a grounded approach¹⁴ with a coding categorization to gain insight on how people create and use stories to make sense of the world.¹⁵



Figure 1. Tag cloud of all articles analysed

As an overview, the above tag cloud shows the most frequently used words of all articles. The words ‘not’, ‘refugee’, ‘Germany’, ‘Turkey’, ‘politics’, ‘must’, ‘can’, ‘how’, ‘will’, ‘if’, ‘but’, and ‘only’ are prominent in all articles. This highlights some key issues of a public discourse dominated by projections and objections. After a first overview, the articles are coded in two rounds. The first codes ask ‘What?’, ‘Who?’, ‘Where?’ and the second round asks ‘How?’ and ‘Why?’. After this, links between the codes are analysed.¹⁶ The main codes used in the analysis for “Die Zeit”, “Die Welt”, and “Wirtschaftswoche” are shown below.

¹⁴ K. Charmaz, *Constructing grounded theory*, Vol. 2nd., Sage Publication Ltd., London 2014.

¹⁵ U. Flick, *An introduction to qualitative research*, Edition 5, SAGE Publishing, 2014.

¹⁶ K. Charmaz, op.cit.; J.M. Corbin, A.L. Strauss, *Basics of qualitative research: techniques and procedures for developing grounded theory*, Vol. Fourth, Sage Publications Ltd., London 2015.

Nodes compared by number of coding references



Figure 2. Codes for “Die Zeit” articles

Nodes compared by number of coding references

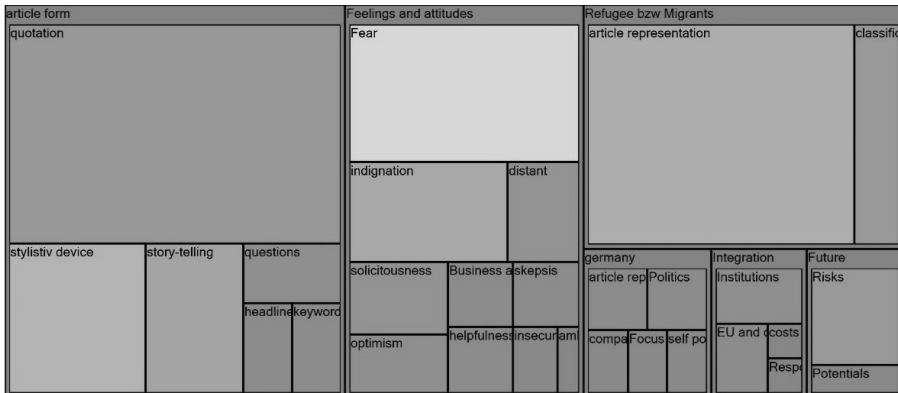


Figure 3. Codes for “Die Welt” (compiled by the authors)

Nodes compared by number of coding references



Figure 4. Codes for “Wirtschaftswoche” (compiled by the authors)

Event 1 – Narrative on Migrants’ Arrival at Munich Central Station

After this overview of techniques and codes the results of the in-depth analysis focus on the three aforementioned key events. The first event marks the arrival of refugees and migrants coming from Hungary by train and arriving at the Munich Central Station. The following articles are analysed.

Newspaper	Title	Category
DIE ZEIT	Flüchtlinge: „Was für ein tolles Land Deutschland ist“ (Refugees: „What a great country Germany is”) ¹⁷	politics
DIE WELT	Tausende Flüchtlinge: So souverän meistert München den Ausnahmezustand (thousands of refugees: So confident does Munich handle the exceptional circumstances) ¹⁸	local
WIWO	Flüchtlingswelle erreicht Bayern: Das Herz der Münchener. (Wave of refugees reaches Bavaria: The heart of the people in Munich) ¹⁹	politics

Table 1. Articles related to Event 1 – Arrival of refugees and migrants in Munich



Figure 5. Tag cloud, articles related to Event 1 – Arrival at Munich Station

¹⁷ F. Otto, *Flüchtlinge: „Was für ein tolles Land Deutschland ist“*, „Die Zeit” 2015, pp. 1–3.

¹⁸ B. Oßberger, *So souverän meistert München den Ausnahmezustand*, „Die Welt” 2015, pp. 1–3.

¹⁹ M.-W. Buchenau, *Das Herz der Münchener*, „Wirtschaftswoche” 2015, www.wiwo.de (last visited 20.01.2016).

The main aim of the three articles analysed on the arrival at Munich Central Station of migrants and refugees is to demonstrate solicitousness and understanding for their plight. Being calm and helpful and showing responsibility are main themes. The quality and scope of information is limited. By story-telling and quoting refugees and the German helpers, an emotional approach is supported.



Figure 6. Pictures from articles on the ‘arrival’ in Munich

Sources: left to right: M.-W. Buchenau, *Das Herz der Münchner*, *Wirtschaftswoche*, *Handelsblatt* t GmbH., 2015, pp. 1–3; B. Oßberger, *So souverän meistert München den Ausnahmezustand*, „Die Welt” 2015, pp. 1–3; F. Otto, *Flüchtlinge: „Was für ein tolles Land Deutschland ist“*, „Die Zeit” 2015, pp. 1–3.

Refugees and migrants are mainly referred to as refugees, asylum seekers, or ‘the new comer’, and are represented as ‘friendly’, ‘thankful’, ‘polite’, ‘hopeful’, ‘happy’ and ‘exerted’ but ‘relaxed’. It is stressed that the refugees consist of families and children and that they are calm, happy to be in Germany and ordinary people like Germans but have had a gut wrenching and emotional journey before entering Germany. The pictures support this representation. Their long journey is mentioned in every article with a critical link to Hungary and Austria not sticking to the Dublin III Regulation on asylum applications and not fulfilling their responsibility.

Quotations like ‘Wozu diese Schikane?’ (Why all this fuss?) from Ahmed from Syria²⁰ help conveying this message and making it more emotionally powerful on the part of a refugee. Quoted are several refugees by name who tell their story, like Aziz and his family or Ahmad,²¹ and one migrant who arrived in Germany two years earlier awaiting his friend.²² The use of quotation supports a story telling method aiming at

²⁰ F. Otto, op.cit.

²¹ M.-W. Buchenau, op.cit.; F. Otto, op.cit.

²² F. Otto, op.cit.

creating emotions. Data or facts are not provided. The degree of information is limited to the events on the day of arrival and a brief description of the past journey of the refugees where some EU countries were not sticking to the Dublin agreement. The refugees' countries of origin are mentioned, as well as the high numbers of refugees already in Germany, and the estimated number to come in the following days, referred to as 'masses'. However, most of the information provided remains vague. Potential opportunities and threats are barely mentioned, or if at all, by the use of rhetorical questions or stylistic devices like metaphors and symbols. 'Aber es wird kein Sprint, sondern eher ein Marathon.' (However, it will not be a sprint but a marathon).²³

The representation of German institutions is positive. Germany is depicted as a warm and helpful nation to be proud of. Volunteers, policemen, and local politicians are interviewed and quoted. German institutions are presented as relaxed, professional, well prepared.²⁴ Quotations from 'brave' policemen²⁵ help to create an atmosphere against xenophobia and highlight the German welcoming attitude (Wilkommenskultur). Local politicians quoted represent their city and refer to Chancellor Merkel when it comes to taking responsibility and finding solutions, e.g. Dieter Reiter, mayor of Munich: 'Jetzt ist die Bundeskanzlerin gefragt...' (Now the federal chancellor is in demand...).²⁶ Overall, self-display and representation of the atmosphere dominate the articles rather than facts.

In terms of the general tenor of the debate, in the *Wirtschaftswoche* (WIWO), which describes itself as analytical and profound, six paragraphs out of ten are story telling. Three references coded with story-telling account for 23,35% coverage of the whole article. The other two articles from *Die Zeit* and *Die Welt* also display a 10–12% coverage consisting of story-telling. In all articles most of the content is coded with feelings like optimism, solicitousness and helpfulness (See figure below). The amount of information stays below 5% of coverage. It is striking that all three articles are very similar, in terms of quotes, language use, terms used, and in the overall tenor and message. Our analysis points to a focus on representing and creating feelings rather than providing information.

²³ M.-W. Buchenau, op.cit.

²⁴ Ibidem; F. Otto, op.cit.; B. Oßberger, op.cit.

²⁵ F. Otto, op.cit.

²⁶ B. Oßberger, op.cit.

Nodes compared by number of coding references

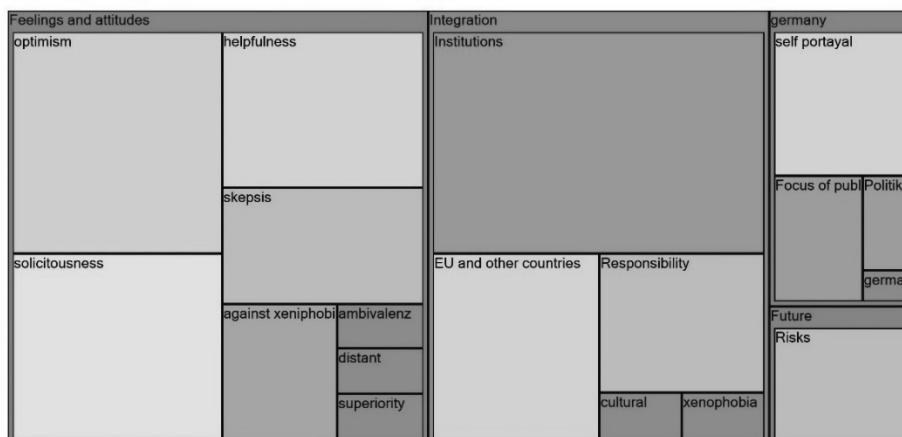


Figure 7. Coded feelings in articles on event 1 (arrival)

Event 2 – Narrative on 2015 New Year’s Eve Events in Cologne

The second event marks the assaults that happened on 31 December 2015 at the Cologne central station, where the police had to evacuate the area and subsequently became the target of criticism. The suspects were classified as refugees or migrants who attacked mainly women. Sexual assaults and robbery were reported. The following articles are analysed:

Newspaper	Title	Category
DIE ZEIT	Köln: Unter Schock (Cologne: in shock) ²⁷	Germany
DIE WELT	Silvester in Köln: Drei Stunden in der Angstzone (New Year's Eve in Cologne: three hours in the zone of fear) ²⁸	politics
WIWO	Übergriffe in der Silvesternacht: Kölner Polizei hat Hinweise auf 16 Verdächtige (Assaults at New Year's Eve: Police in Cologne has leads to 16 suspects) ²⁹	politics

Table 2. Articles related to Event 2 – New Year’s Eve assaults

²⁷ H. Wefing, *Unter Schock*, „Die Zeit Verlagsgruppe“ 2016.

²⁸ S. Aust, W. Büscher, A. Dowideit, M. Lutz, C.Ch. Malzahn, U. Müller, F. Peters, T.-R. Stoldt, *Drei Stunden in der Angstzone: Eine Rekonstruktion*, „Die Welt“ 10 Januar 2016.

²⁹ „Wirtschaftswoche“, 7.01.2016, www.wiwo.de (last visited 20.01.2016).



Figure 8. Tag cloud, articles related to Event 2 – New Year’s Eve assaults articles

The three articles reporting on the New Year’s Eve events in Cologne provide little information and emphasise feelings. A focus lies on future risks and different experiences from witnesses or victims. The concept of a ‘refugee crisis’ appears for the first time.

All articles establish the link between the assaults and the refugees. Die Zeit writes: ‘Und doch kann man über das eine, die Frauenjagd in Köln, nicht ohne das andere, die Flüchtlingskrise, nachdenken. Denn Angst macht Politik’ (And yet, one cannot talk about the hunt for women in Cologne without talking about the refugee crisis. Because fear makes politics).³⁰ This sentence describes quite well how the press generates fear and links refugees to the assaults without restriction or hesitation. The actors are represented as ‘hordes’, ‘gangs’ or ‘masses’ of ‘young men, Arabic or North African, extensively drunk, without inhibition, violent, indifferent, assaulting, using massive fireworks like rockets.’ This is supported by pictures of men and fireworks.

There is no distinction between the suspects and the refugees and migrants in general. Quite the contrary, there is a direct link drawn between the refugees arriving in Germany and assaulting women in Cologne: ‘Wieder ein Bahnhof, aber vier Monate später. Erst München, jetzt Köln.’

³⁰ H. Wefing, op.cit.

(Again a train station, but four months later, back then it was Munich now it is Cologne”).³¹ Remarkable is the representation of migrants that came to Germany years ago. There a distinct classification can be found. The latter are described as integrated, successful and helpful, like the Swedish father of a victim or Ivan Jurcevic, who works in a hotel at the central station.³² ‘Es war ein hilfsbereiter Marokkaner, der die Polizei rief und dem Mädchen beistand.’ (It was a helpful Moroccan who called the police and helped the girl).³³ A distinction between good and bad refugees and migrants was established. This time the only quote from a refugee or migrant comes from Ivan Jurcevic who compares the events to ‘civil war’. Other refugees are just indirectly quoted with rude and negative comments. Up to 10% coverage of the article is about the representation of the refugees and migrants that were present that evening. All but two codes are linked to negative feelings like fear, insecurity and indignation.

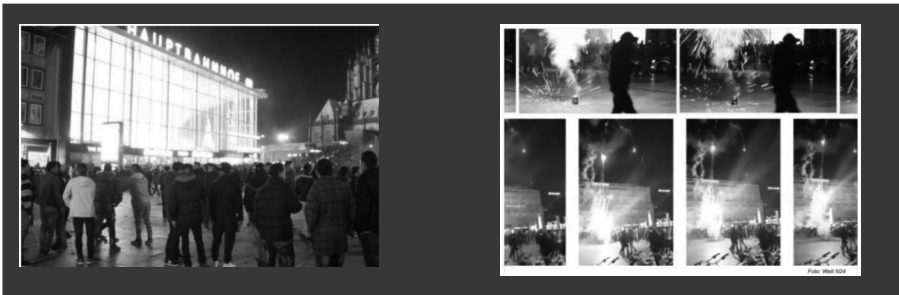


Figure 9. Pictures of New Year's Eve assaults. Sources left to right: Wirtschaftswoche 2016, Aust et al. 2016

In terms of the way German institutions are represented, the focus is clearly on the police, which is subject to severe criticism. The question who is in charge and who is to blame dominates the three selected articles. For example, someone from the police is quoted without a name. ‘Trotz der ungeplanten Feierpause’, fantasierte Kölns Polizeiführung weiter, ‘gestaltete sich die Einsatzlage entspannt’ (The Cologne Police was claiming that ‘despite the unscheduled party break the situation is under control’).³⁴ The German verb ‘fantasieren’ in that context has a derogatory connotation. One article claims that the failure of the police to

³¹ Ibidem.

³² S. Aust, W. Büscher, A. Dowideit, M. Lutz, C.Ch. Malzahn, U. Müller, F. Peters, T.-R. Stoldt, op.cit.

³³ Ibidem.

³⁴ Ibidem.

control the situation is justified by the need to increase border controls against illegal crossings.

Politicians are quoted pointing at each other and Angela Merkel is quoted calling the events a ‘Paukenschlag’ (drumbeat). The conservative *Die Welt* interprets this as the end of her ‘Wir schaffen das’ (We can do it)-rhetoric. It then goes further and openly accuses politicians of manipulating the flow of information with another rhetorical question: ‘Gab es etwa den politischen Willen, die Themen Kriminalität und Flüchtlinge strikt zu trennen, egal wie verflochten sie waren?’ (Was there the political will to separate refugees and crime, no matter how intertwined they are?).³⁵ Society is only represented by victims describing their experience. Remarkable is the sentence: ‘Was Pegida und AfD nicht geschafft haben, hat der außer Rand und Band geratene Mob am Domplatz bewerkstelligt: Ein Generalverdacht macht sich breit. Wen holen wir da gerade ins Land – und was hat das für Folgen?’ (What Pegida and AfD³⁶ did not accomplish, the unleashed wild mob at the Cologne Cathedral managed to do. A general suspicion is spreading. Who are we taking in our country- and what are the repercussions?).³⁷ Such comments seem to justify hostile feelings against refugees expressed by some Germans, and refugees themselves are blamed for this.

In terms of the general tenor of the debate, here again, the tool of story-telling is largely supported by quotations. Where at the time of the refugee arrival the parts coded as story-telling were marked by sympathy and positive emotions, now over 98% of the parts coded with story-telling are also coded with fear and insecurity and 37% are even coded with indignation.

The use of rhetorical questions is quite remarkable here. The *WIWO* article uses six such questions, “*Die Welt*” four, and “*Die Zeit*” one. Where the “*Wirtschaftswoche*” uses the questions to structure the article, “*Die Welt*” uses the questions to convey criticism and accusations. With 38 quotations, which account for 15,17% coverage, the article in *Die Welt* aims to show an investigative approach. Often the quotes are not referenced and their interpretation is biased. The stylistic devices are used to create a dramatic atmosphere that increases fear and hatred. Using terms like ‘Kippsituation’ (tipping point), an impression of insecurity and lack of control is conveyed. Future risks are underlined in 97% coverage coded with fear or insecurity. There are different nuances in the three articles as

³⁵ Ibidem

³⁶ AfD: Alternative für Deutschland (Alternative for Germany), far right extremist anti-immigrant and xenophobic political party.

³⁷ S. Aust, W. Büscher, A. Dowideit, M. Lutz, C.Ch. Malzahn, U. Müller, F. Peters, T.-R. Stoldt, op.cit.

to how they generate these feelings but in the end they are very similar. The information provided focuses on a short period of just a few hours, and experiences, story-telling and speculation make 90% of the content. Fear, indignation, and insecurity are prominent.

Nodes compared by number of coding references



Figure 10. Coded feelings in articles reporting on New Year’s Eve assaults in Cologne

Event 3 – Narrative on the 17–18 March 2016 EU Summit

The third event that we consider is the Summit of the European Council in Brussels on 17–18 March 2016 which paved the way to the EU-Turkey Agreement on Refugees. The following articles are analysed.

Newspaper	Title	Category
DIE ZEIT	EU-GIPFEL: Was im Türkei-Deal steht – und was nicht (EU-SUMMIT: what the Turkey deal says and what not)	abroad
DIE WELT	Gipfel in Brüssel: Flüchtlingspakt von EU und Türkei einstimmig angenommen (Summit in Brussels: Refugee pact consentaneous accepted by Eu and Turkey) ³⁸	abroad
WIWO	EU einigt sich auf neuen Flüchtlingspakt: Hoffnung auf die Wende (EU reaches an agreement on new refugee pact: hope for the change) ³⁹	politics abroad

Table 3. Articles on the EU Summit

³⁸ Ibidem.

³⁹ T. Ludwig, *EU einigt sich auf neuen Flüchtlingspakt: Hoffnung auf die Wende*, Handelsblatt, 18.03.2016, www.handelsblatt.com (last visited 19.03.2017).



Figure 11. Tag cloud, articles related to Event 3 – EU Summit on refugees and migrants

Articles reporting on the EU Summit of 17–18 March 2016 provide information on the content of the treaty between the EU and Turkey as well as a brief evaluation. The overall tenor is moderately optimistic but distant, even sceptical, and refugees and migrants get classified and depersonalised. New terms are again introduced in terms of the way refugees and migrants are represented. The authors are talking about contingencies, quotas, allocations, numbers of people concerned, and ‘1:1-Umsiedlungsverfahren’ (1:1 relocation procedures). Furthermore, some clarification is brought to their status: they are referred to as ‘Bürgerkriegsflüchtlinge’ (civil war refugees) and irregular migrants from Africa. The debate seems no longer emotional but rational, with talks about limiting numbers and a depersonalisation of refugees and migrants referred to as ‘Flüchtlingsbewegungen, die nun wieder verstärkt andere Routen suchen’ (refugee movements searching for new routes).⁴⁰ The share of the text referring to refugees and migrants varies between 2–8%.

In terms of institutional representation, photographs of political leaders display apparent satisfaction and optimism. After months of criticism expressed against the German Chancellor, Angela Merkel is represented again as an autocrat managing the refugee crisis on her own. The EU–Turkey Treaty is discussed and some doubts are expressed about its future

⁴⁰ *Ibidem.*

application. Greece is represented as a potential risk within the new architecture. Ideas for future solutions and potentials are still limited, i.e.: ‘Hier muss die EU mit ähnlich gearteten Verabredungen mit anderen Staaten vorbauen.’ (Here the EU needs to plan ahead with similar agreements.) With 16.37%, information on and responsibility for different institutions and nations is the most prominent part.

There is a sharp contrast between previous, emotional articles, and these ones which now seem more neutral. The future is represented as challenging but a more optimistic atmosphere is conveyed by means of a photograph depicting EU unity. All articles now display some distance from the refugee crisis, which is referred to as a mere issue of allocation. Responsibility now has to be assumed by others, e.g. the EU and Turkey. Now concepts such as ‘Wendepunkt’ (turning point) generate the feeling that a solution has been found to address the problem.

Nodes compared by number of coding references

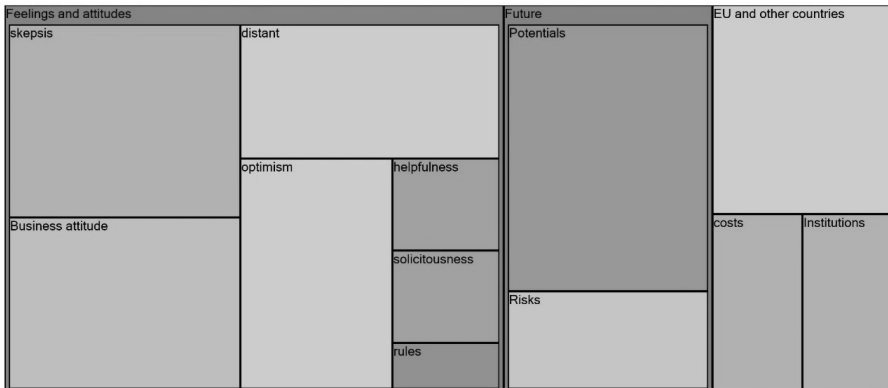


Figure 12. Coded feelings in articles reporting on the 17–18 March 2016 EU Summit

To sum up, the representation of migrants and refugees changed over time. Initially referred to as ‘friendly families’, then as ‘masses of violent agitators’, they became numbers of classified objects. The representation of German institutions turned from ‘welcoming’, ‘helpful’ and ‘well prepared’, then ‘overstrained’ and ‘flawed’, to ‘united’ and ‘calm’. The overall tenor supports the representation beginning with optimism, changing to fearsome and angry to distantly apprehensive. The amount of reliable factual information is low. The aim clearly lies on conveying feelings.

This paper continues in the next issue of *Europejskie*. The second and final part of the study will investigate, on the basis of semi-structured

interviews of representatives of German business how German multinational enterprises are influenced by the migration context in Germany and Europe, and how this affects their foreign market entry strategies in emerging economies. This will lead to a discussion on the findings of both parts of the paper.

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Key words: Cross-Cultural Management, Europe, Foreign Market Entry, Germany, Institutional Theory, Integration, International Business Strategy, Migration, Refugees, MNEs

Abstract

The largest influx of refugees since German unification has generated new challenges and opportunities in Germany's society, culture, politics and economy. Theory advocates the advantages for international business of institutional change, migrations and integration. However, a negative public perception can conceal and inhibit resources and opportunities for German multinational enterprises. How did the attitude of Germany towards refugees change in 2015 and 2016? How did formal and informal German institutions react on the EU refugee crisis? How has this affected decision makers in German MNEs in terms of foreign market entry choices? How do German MNEs evaluate the long-term consequences of this crisis?

This paper investigates in which ways the influx of refugees and migrants who arrived in Germany has affected the international business strategy of German MNEs. It is divided into two parts.

Part One analyses the impact of this crisis on German culture, society, government, politics and economics and examines how it has been perceived and displayed.

Part Two will further investigate how German MNEs are influenced by the migration context in Germany and Europe and how this affects their foreign market entry strategies in emerging economies.