



MULTINATIONAL CORPORATIONS, PROPERTY RIGHTS, AND LEGITIMIZATION STRATEGIES: US INVESTORS IN THE ARGENTINE AND PERUVIAN OIL INDUSTRIES IN THE TWENTIETH CENTURY

BY MARCELO BUCHELI AND GONZALO ROMERO SOMMER*

University of Illinois at Urbana-Champaign (mbucheli@illinois.edu) / State University of New York at Stony Brook

Multinational corporations in the extractive sector have historically faced challenges to their property rights, particularly in oil. International business scholars argue that firms can decrease these challenges by approaching domestic legitimating actors or seeking home government support. Through a study of the operations of Standard Oil of New Jersey in Peru and Argentina in the twentieth century, we find that these legitimating strategies can backfire due to two main elements: first, the multinational might approach actors with a different agenda from those defining, delineating, and enforcing property rights. Second, host countries can use home government support to multinationals to delegitimise foreign firms' operations.

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