

**OUTSOURCING AN INDUSTRY: A NEW PARADIGM AND STRATEGY FOR NATIONAL ECONOMIC DEVELOPMENT- THE NEW FORM OF OLD COLONIALISM!**

Gordon F. Bagot, California State University, Los Angeles, California

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**ABSTRACT**

This paper examines a nation's failed attempt to foster national economic development by exploiting a non-renewable natural resource. Its failure resulted from both its own internal managerial shortcomings and its inability to exercise any leverage in the global marketplace. Applied to the case of one Developing Nation (DN), this paper attempts to explore the arguments regarding the forces that effectively control the nation's natural resources exploitation, and, as a consequence, the nation's economic development. "Outsourcing an Industry:" looks at what is perhaps the sole remaining strategy available to the DN, with its limited financial and management resources, for exploiting its resources for economic development. By extension, in exploring the inability of the home country to effectively develop its own resources, attention is drawn to the pre-eminent role that multinational enterprises (through the exercise of apparently unassailable leverage) play in shaping and controlling the global marketplace. Ultimately, does the DN have any strategies available to determine its own economic fate? How dissimilar is this from early colonialism?

Keywords: *Diversified Producer; Global Competitiveness; Industry Consolidation; Technology Improvements; Social Responsibility; Marketplace Dominance; Strategic Management; MNC Dominance; Mission Complexity; Industry Structural Changes; Strategy Choices; Niche Markets; Competitive Advantage Sustainability; Strategic Fit Assurance; Distinctive Competency.*