



## **Global Strategy in the Age of Skepticism of Globalization**

Call for papers for a Special Issue of *Global Strategy Journal*

Submission period: December 1-15, 2017

### **Special Issue Editors:**

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### **The Objective of this Special Issue:**

Globalization, the increasing connection and integration of economies and societies around the world, has seen ebbs and flows during history. In recent times, we witnessed an increase in globalization, thanks to the twin engines of technological advances and economic liberalization. Technological advances in transportation, such as containerization and cargo jets, and in communication technologies, such as computers and the internet, have facilitated the interaction and coordination of activities across national borders, the growth of global value chains and suppliers' networks, and the reduction of the costs of operating at a distance. Economic liberalization with reductions in governmental and institutional barriers to the free movement of capital, ideas and people across national borders, pro-market reforms, the integration of transition economies and the expansion of free trade agreements, enabled the growth of international trade and the expansion of global firms. The result of these processes has been an increasing interest in international business and advances in the theory of the multinational firm and of global ecosystems, as activities that previously were done within national borders have spread across countries.

However, globalization has brought not only benefits but also costs. On the one hand, there are numerous benefits in the form of lower-cost products and services as a result of the gains from comparative advantage and specialization, and more innovative products and services as a result of global learning and the rapid spread of innovations and technologies across borders. On the other hand, there are also costs in the form of increased competition on domestic companies and workers, who previously were shielded by barriers against foreign products and companies, and in the form of new technologies that have altered traditional careers and expectations regarding relationships between workers, citizens, and firms. Many perceive globalization as a threat to wellbeing.

Even if some Luddites want to block technological progress, technological advances are difficult to constrain given the ease of the diffusion of technologies, especially nowadays as information is easily accessible thanks to the internet. However, the same cannot be said of economic liberalization and the reduction of barriers to trade and increased economic integration. Those

who have been harmed or felt harmed because of globalization, and the labor costs arbitrage it enabled, can place pressure on governments to limit exposure to foreign companies, workers, and investments. Some governments have responded to these pressures by reintroducing tight constraints on the activities of foreign firms and the free movement of capital and labor across borders. What initially were fringe movements of skeptics of globalization that emerged vocally at the end of the 1990s and early 2000s, have become influential movements and political parties that have altered government policy in the 2010s. Some examples are the decision of Britain in 2016 to leave the European Union or the decision of the US government in 2017 not to join the 12-country Transpacific Partnership free trade agreement. However, the debate has become complicated. It seems to have moved away from the polar views of being for or against globalization, and has become more nuanced with arguments on the particular terms of globalization for the country and individuals, including new considerations such as environmental protection, transport costs, climate change, and labor rights. Additionally, there are new conflicting views regarding globalization, with some being in favor of bilateral and regional integration while being against multilateral and global integration, and others promoting the opposite view.

This skepticism of globalization presents interesting challenges to our current understanding of international business and more broadly to the theory of the multinational organization. Skepticism creates a new source of uncertainty not only from the government but also from citizens on the ability of multinationals to operate across countries and be accepted in host countries as well as at home. Managers of multinationals are facing a questioning of the activities of their companies in the countries in which they operate, and a need to justify the benefits that their companies bring to each country; previously, such justification could be assumed to exist in the form of better products for consumers and employment for local workers. Moreover, this skepticism creates uncertainty not only by the imposition of new constraints on the activities of the firm, but also over the interpretation and application of current rules. Thus, managers of multinationals are now facing new scrutiny over their ability to close down existing operations and move activities to new locations, as some foreign firms experienced in India; to acquire domestic companies, as many Chinese companies have experienced in the US; or in more extreme cases, the nationalization of their subsidiaries, as happened in Argentina and Venezuela.

Hence, in this special issue of *Global Strategy Journal*, we want to gain a better understanding of how the skepticism of globalization is altering the way in which we should think about the behavior of multinational firms and the theory of the multinational. Skepticism towards globalization alters decision-making in multinationals as it establishes new constraints on the operations of firms and introduces uncertainty regarding the future viability of investments and activities. Researchers need to understand the extent to which choices now made by managers in global companies and in their networks of suppliers, customers and partners reflect these new constraints and uncertainties. Skepticism towards globalization also changes the relationship between the multinational firms and the broader society, in which managers have to deal with interest groups, and a more generally diffused dislike and suspicion toward multinationals and their operations, both abroad and at home, forcing them to rethink their market and nonmarket strategies.

We are looking for papers that provide a deeper and more nuanced comprehension of the theoretical mechanisms that underpin the theory of the multinational and the relationship between multinational firms and their context under the influence of skepticism and rising uncertainty and ambiguity about globalization. We consider multinationals in a loose sense to include not only corporations that control operations in multiple countries, but also companies that rely on global supply networks or serve a global portfolio of customers without controlling operations abroad, as well as not-for-profit organizations that operate in multiple countries. We welcome theoretical papers that outline how we should think about the multinational firm in the new context of skepticism, large sample empirical studies that test theory-driven arguments of the relationship between skepticism of globalization and firm behavior, or case studies that identify new concepts and relationships underpinning changes in the context of operation and behavior of a firm driven by skepticism of globalization. We particularly welcome studies that outline bridges to disciplines outside the traditional economic basis of global strategy studies such as legal studies, political economy, institutional theory, organizational theory, sociology, psychology, or history.

The following are some of the questions that studies analyzing the relationship between skepticism of globalization and global strategy might analyze. This list is only presented as an illustration of topics rather than an outline of the boundaries of the special issue:

1. How do we understand globalization, its dimensions and their impact on firms? How do regional versus global relationships play a role in this debate?
2. How do changes for and against globalization among various constituencies alter the assumptions and predictions of theories of the multinational? What is the role of the broader context of the firm on the theory of strategic management?
3. How do pro-market reversals and economic nationalisms change the predictions of studies on premarket reforms and economic liberalization? How do different types of companies by ownership (private, state, family, diffused, groups) react to skepticism of globalization? Do we see the return of “multi-domestic” MNCs?
4. How do local competitors take advantage of this growing skepticism and the threat to continued globalization it portends?
5. What are the consequences of this skepticism on increasing complex global supply chains, and on local firms that are partners in such supply chain networks?
6. How do new constraints on the operations of firms alter their strategies? What type of reorganization of activities within the multinationals, their networks of suppliers, customers and partners, and across countries are most appropriate for these constraints?
7. What strategies can managers of global firms deploy to face the increased skepticism of globalization? What are the most appropriate market and non-market strategies that manager can implement to deal with new governmental constraints or new customer and citizens demands?
8. How can managers influence the processes of skepticism and counter changing attitudes of government officials, workers, and citizens?
9. How do historical changes in favor of and against globalization help us better understand the strategies that managers can implement to deal with current events? How do attitudes differ across locations and time and what are the lessons that can be learned when establishing strategies?

10. How do differences in the demographic, economic, political, and social situations and relationships among countries explain the attitudes toward globalization and their impacts on firms?
11. How do for-profit and non-for-profit organizations are affected and react to skepticism of globalization? What are the differences in their strategies?
12. What are the underlying assumptions on the relationships between organizations and their context in current models of firms and multinationals and how are these challenges with the attitudes of government officials and citizens? How can these be reconciled?
13. How do changes in laws and their implementation alter contracts and transaction costs and how can companies devise strategies to addresses these legal changes?

Authors working on submissions to the special issue are welcome to contact the guest editors if they have doubts about the appropriateness of the topic they want to analyze in regards to the theme of the special issue.

### **Submission Process:**

Between December 1 and 15, 2017, authors should submit their manuscripts online via the *Global Strategy Journal* submission system: <https://mc.manuscriptcentral.com/gsj>. To ensure that all manuscripts are correctly identified for consideration for this Special Issue, please click the “Special Issue Article” when selecting the “Article Type” step in the submission process

Manuscripts should be prepared in accordance with the *Global Strategy Journal* Guide for Authors available at [http://onlinelibrary.wiley.com/journal/10.1002/\(ISSN\)2042-5805/homepage/ForAuthors.html](http://onlinelibrary.wiley.com/journal/10.1002/(ISSN)2042-5805/homepage/ForAuthors.html). All submitted manuscripts will be subject to the journal’s double-blind review process.

We may organize a workshop designed to facilitate the development of papers in 2018. Authors of manuscripts that have progressed through the revision process will be invited to it. Presentation of their work at the workshop is neither a requirement for nor a promise of final acceptance of the paper in the Special Issue.

If you have questions about the Special Issue, please direct them to the three guest editors: Alvaro Cuervo-Cazurra, Northeastern University ([a.cuervocazurra@neu.edu](mailto:a.cuervocazurra@neu.edu)), Yves Doz, INSEAD ([yves.doz@insead.edu](mailto:yves.doz@insead.edu)), and Ajai Gaur, Rutgers University ([ajai@business.rutgers.edu](mailto:ajai@business.rutgers.edu)).