

**CALL FOR PAPERS**  
*Special Issue of the Journal of Business Research*

**DEMOCRACY AND INTERNATIONAL BUSINESS**

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**Related tracks:** International Business; CSR and Business Ethics

**Motivation for the Special Issue**

This Special Issue focuses on the importance of political institutions, such as democratic and autocratic beliefs, and examines their impact on international business (IB). The traditional definition of democracy refers to a political system characterized by “free and fair elections, adult suffrage, protection of civil liberties, and few non-elected tutelary authorities (e.g., militaries, monarchies, religious bodies)” (Filippaios, Annan-Diab, Hermidas, & Theodoraki, 2019: 1104). Under democratic governance, political governance risks can be reduced, and multinational corporations (MNCs) can benefit from democracy. In this sense, because “a true democracy” can strongly protect political rights and civil liberties (Levitsky & Way, 2010), politically transparent and democratic host countries can attract MNCs from democratic home countries (Filippaios et al., 2019).

However, the intersection of the phenomenon of democracy and international business (IB) remains a conceptual, theoretical, and empirical research gap in the IB field except for a few papers (e.g., Arregle, Miller, Hitt, & Beamish, 2013; Filippaios et al., 2019). In leading management and IB journals, few studies have dealt with democracy in the business/management context from an IB perspective (c.f., Stratu-Strelet et al., 2023). Furthermore, among these few studies, only two papers have dealt with democracy and IB directly (Arregle et al., 2013; Filippaios et al., 2019). Within the broader fields of political science and economics, the relationship between democracy, political risk, and international trade has been examined, but few discussions have pertained to the level of international firms, such as MNCs or small international firms (e.g., global firms), and managerial decision-making. However, democratization plays a vital role for companies when deciding on the modus operandi for their foreign investment (As-Saber et al., 2001). In addition, democratization can leverage prosperity and free trade, which rely on the institutional determinants of both international and local micro- and macroeconomic mechanisms and interest group rivalry (Henisz & Mansfield, 2006). This research gap implies

interesting avenues for further research, including examining firms in the context of less-developed, emerging markets and transition economies where “low intensity” democratic or autocratic political regimes prevail, which influences MNCs’ operations and globalization (Youngs, 2004).

To address this gap, this Special Issue aims to contribute to an interdisciplinary and heterogeneous understanding of the role of democracy in the IB. Democracy is a socially important and relevant topic through which the IB can offer novel contributions with the broader goal of progress towards a better and socially more equitable world. For example, the literature on international political economy has examined the association between democratic governance and the degree of democracy in host countries (Asiedu & Lien, 2011; Greider, 1998; Ursprung & Harms, 2001), with conflicting results. Some studies have found that MNCs undertake FDI more in host countries where democratic governance prevails (McGuire & Olson, 1996; Ursprung & Harms, 2001). On the other hand, previous studies have revealed a negative association between MNCs’ FDI and democracies in host countries (Greider, 1998; Wintrobe, 1998) or even a non-linear association between them (Adam & Filippaios, 2007; Asiedu & Lien, 2011). Hence, all these studies are predominantly based on an international political economy perspective, and there is no clear conclusion. In addition, there has been limited exchange between the fields of international political economy and IB in translating the findings to the level of specific critical decisions for international firm managers. There is a need to bring interdisciplinary theorizing (from economics, political science, public administrative science, sociology, and psychology) to the field of IB in an integrative manner, with a focus on different types of international firms, their managers, employees, and stakeholders. Moreover, we encourage research that pursues creative or innovative ways of operationalizing democracy and democratic governance to capture its multiple dimensions.

Submissions should offer explicit and new theoretical contributions(s) but can build on relevant theoretical perspectives. It is crucial to employ a theoretical framework to link democracy—as a broader, cross-disciplinary field of interest—and IB to develop novel theoretical insights and contributions that can benefit decision-making in international firms.

We encourage multidisciplinary approaches and multilevel research designs. Researchers can study democracy in the IB context based on various data sources. For example, to investigate the impact of the political democracy of host countries and geographic regions on MNCs’ location selection, Arregle et al. (2013) used a composite index based on factor analysis on datasets from multiple data sources, such as Freedom House’s annual survey of political rights and civil liberties and the Political Constraint Index (POLCON) dataset (Henisz, 2000). To explore the impact of a host country’s political governance (democratic vs. autocratic regimes) on its attractiveness to MNCs, Filippaios et al. (2019) measured political governance (a composite index on the spectrum of democratic and autocratic regimes) based on Polity IV and civil liberties suppression based on Freedom House. In addition, research can utilize content analysis based on Internet searches, newspapers, magazines, academic journals, and surveys. Furthermore, qualitative research based on field research and interviews can offer unique insights into these phenomena.

### **Specific Focus of the Special Issue**

Given the understudied research gap on the effects of democracy on IB and vice versa, as well as the related organizational outcomes and interaction effects, the themes of this call for papers are purposefully very wide. We offer the following areas and research questions as illustrative examples rather than an exhaustive list:

#### **1. Democratic vs. autocratic political governance and organizations**

- What are the effects of different dimensions of democracy on organizational processes across borders (e.g., international corporate social responsibility, international knowledge flows and spillovers, internationalization process and entry mode decisions, location selections, and so on) (Ursprung &

Harms, 2001)?

- What are the relationships between institutions, political rights, civil liberties, and FDI outflows and inflows?
- How does human capital moderate the relationship between civil liberties and FDI motives?
- What is the relationship between global CSR practices and democracy? What are their implications on the behaviors of MNCs (Wettstein, Giuliani, Santangelo, & Stahl, 2019)? How do institutional voids in home countries of emerging market MNCs allow them to decouple CSR from their implementations (Tashman, Marano, & Kostova, 2018)?
- What are the repercussions of well-established economic institutions and protection laws in home and host countries to attract FDI inflows (Wong, 2016)?

## **2. Democracy vs. autocracy and global value chains, digitalization, environmental disruptions, institutions, and non-market strategy**

- How do democracy and autocracy affect global value chains? What are their implications for the regionalization and localization of global value chains currently? What are the implications of this agenda for globalization/de-globalization and IB?
- How do digitalization and the fourth industrial revolution affect the relationship between democracy and MNCs' FDI?
- How does democracy vs. autocracy affect the non-market strategies of MNCs? How do lobbying, bribery, corruption, and political connections affect MNCs' FDI decisions and entry modes, as well as globalization/de-globalization?
- How do formal institutions and societal trust relate to democracy and IB (Gaur, Pattnaik, Singh, & Lee, 2022)?

## **3. Research across levels of analysis**

Democracy can be conceptualized at various levels, such as the supranational, regional, national, corporate, subsidiary, functional area, team, or individual levels of analysis, as well. The examples are as follows:

- From the push-and-pull forces perspective, how does the home country's political democracy influence the internationalization of an MNC in a host country (Arregle et al., 2013)? How does the host country's "region-relative" political democracy influence the internationalization of an MNC (Arregle et al., 2013)?
- How can organizations maintain democratic rules across their overseas subsidiaries or operational locations to obtain social outcomes or create global efficiency and outcomes?
- How do advanced vs. emerging economies-based business groups differ in their emphasis on human rights or labor rights, and what are the implications for IB? How do different types of business groups (i.e., widely held, state-owned, and family owned) (Cuervo-Cazurra, 2006) affect MNCs' human or labor rights orientation?
- How do organizations deal with human rights or labor rights across their global units (headquarters, regional headquarters, and subsidiaries), functions, or teams?
- How do entrepreneurs maintain the rule of human rights or labor rights when they expand their start-ups to the global markets? How do MNC CEOs or senior managers maintain human rights or labor rights for their employees in local subsidiaries, especially in the context of weak institutions?

## **Paper Development Workshop Conference and Symposium**

To help authors further improve their papers, we will organize a paper development workshop conference during the summer of 2024. We invite the authors of papers that receive the decision to revise and resubmit their papers, but participation in the workshop is not a condition for the acceptance of a paper for the Special Issue. This opportunity allows these authors to receive constructive feedback

from well-reputed journal editors, discussants, and conference participants, and can support these authors in strengthening and improving their manuscripts.

In addition, we plan to hold a symposium at a major academic conference in 2026 for papers selected for acceptance in our special issue to increase their visibility and impact.

### **Submission Process and Deadlines**

All manuscripts will be reviewed as cohorts in this Special Issue. Manuscripts must be submitted between **January 2 – February 29, 2024**, at <https://www.editorialmanager.com/jobr>. All submissions will go through the JBR regular double-blind review process and follow the standard norms and processes.

For more information on this call for a paper, please contact the Special Issue Editors.

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### About the Guest Editors

**Professor Jeffrey J. Reuer** has led courses and seminars on business and corporate strategies, strategic investment decisions, and collaborative strategies in many graduate degree programs and organizations. He has also taught executive education programs at Harvard Business School, Duke University, INSEAD, the Indian School of Business, the University of Mannheim, the University of St. Gallen, and Peking University. He served as an Associate Editor for the *Strategic Management Journal* and as a Consulting Editor for the *Journal of International Business Studies*. He recently coedited a special issue of the *Strategic Management Journal* on the interplay between competition and cooperation. He served on the Board of Directors of the Strategic Management Society (SMS). He has also served as the chair of the nomination and selection committee of the Fellows of the SMS, Chief Grants Officer of the Strategy Research Foundation, co-founder of the Cooperative Strategies Interest Group, and program chair of two SMS conferences. He is a Past Chair of the Strategic Management Division of the Academy of Management and has also served on the organization's executive and research committees. His recent projects have focused on the governance and design of alliances, collaborative strategies, and applications of information economics and real options theory to various problems in strategy, international business, and entrepreneurship. He was the first recipient of SMS's Emerging Scholar Award. He received the Silver Medal from the *Journal of International Business Studies* for lifetime scholarly contributions to that journal.

**Professor Marjorie Lyles** is the International Business Distinguished Research Fellow at the Florida International University College of Business International. She is the Past President of the Strategic Management Society and is a Chancellor's Emeritus Professor of Global Strategic Management at Indiana University Kelley School of Business, and an Adjunct Professor at the Lilly Family School of Philanthropy. She is a Fellow of the Strategy Management Society and the Association of International Business. Her research has focused on emerging economies since the mid-1980s. Her mixed methods and longitudinal research required her to seek research grants, including two National Science Foundation grants that developed organizational learning and knowledge-based perspectives by studying alliances in emerging economies. Lyles has worked with governmental, non-profit, and corporate entities worldwide. She has served on the editorial boards of the *Strategic Management Journal*, *Academy of Management Review*, *Journal of International Business Studies* (Area Editor), and *Global Strategy Journal*.

**Dr Samuel Adomako** is an Associate Professor of Strategy and Innovation at the University of Birmingham. His research examined the nexus between strategy and innovation. His research has appeared in leading journals, including the *Journal of Product Innovation Management*, *British Journal of Management*, *International Small Business Journal*, *International Business Review*, *International Journal of Entrepreneurial Behavior and Research*, *Business Strategy and the Environment*, *Management International Review*, *Journal of Institutional Economics*, *Journal of Business Research*, *Journal of International Management*, and many others. Dr. Adomako sits on the editorial boards of *Business Strategy and the Environment*, and *Corporate Social Responsibility and Environmental Management*. He has co-edited special issues in *Journal of Business Research*, *Industrial Marketing Management*, *Technological Forecasting*, and *Social Change*. He is currently co-editing two special issues of *Journal of International Management* and *Management International Review* respectively. He received his PhD from the University of Warwick. He is a fellow of the Higher Education Academy of the UK.

**Professor Riikka M Sarala** is a Professor of International Business at the University of North Carolina at Greensboro. Her work focuses on corporate strategies and innovation in cross-cultural contexts. She has published her research in the leading international business and management journals, including *Journal of International Business Studies*, *Journal of World Business*, *Strategic Management Journal*, *Journal of Management*, and *Journal of Management Studies*. She holds/has held the position of Co-Editor-in-Chief in *British Journal of Management* and the Consulting Editor of *Journal of Management Studies* and has co-edited special issues in *Group & Organization Management*, *Human Resource Management Review*, and *Journal of World Business*. She strives to promote a pluralistic, interdisciplinary, inclusive, and socially relevant IB research. She has been a visiting scholar at Columbia University in NYC and EM Lyon in France, and a visiting professor at Aalto University in Finland.

**Professor Jeoung Yul Lee** is a Professor of International Business at Hongik University School of Business Management (South Korea) and a Chongqing Bayu Chair Professor at Chongqing Technology and Business University (China). Currently, he serves as an Associate Editor of the *Journal of Business Research* and *The International Journal of Human Resource Management*, Deputy Editor of *Asian Business & Management*, editorial advisory board member of the *International Business Review*, and editorial review board member of the *Journal of Management Studies*, *Management International Review*, *Asia Pacific Journal of Management*, *Management and Organization Review*, *Cross Cultural & Strategic Management*, *International Journal of Consumer Studies*, and *European Journal of International Management*. He has served as a leading/managing guest editor of 12 SSCI and one SCIE journal special issues of the *Management International Review*, *Journal of Business Research*, *Management and Organization Review*, *Management Decision*, etc. He was a postdoctoral fellow at Wharton School (USA) and a Visiting Associate Professor at Leeds University Business School (UK). His work focuses on advanced and emerging market MNCs' strategic management, human rights and global supply chains, human resource management, and CSR. He has also published 60 papers in SSCI journals, such as the *Journal of International Business Studies* (2015, 2019, 2022, in press) and *Human Resource Management* (2019, 2022).

**Professor Lucia Naldi** is a Professor in Business Administration and Vice President for Research. She received her doctoral degree from the JIBS and held an M.Sc. at the University of Florence. Her main research and teaching focus on entrepreneurship, international business, and strategy. Her research focuses on the growth and internationalization of small and young firms. She is also interested in

entrepreneurship in various contexts, including family, media, and rural firms. Lucia's research has been published in several journal articles and book chapters. Lucia is affiliated with the Centre for Family Enterprise and Ownership (CeFEO) and the Centre for Entrepreneurship and Spatial Economics (CEnSE).