

Researching Anti-globalization Themes

Factors contributing to the rise of Anti-globalization

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Meyer, Klaus E. 2017. [International Business in an Era of Anti-Globalization](#), *Multinational Business Review*, advance online, doi: 10.1108/MBR-03-2017-0017.

Supra-national institutions

Macroeconomic trends & cycles

Technological change

Globalization phenomena

Issues of Concern to Individuals

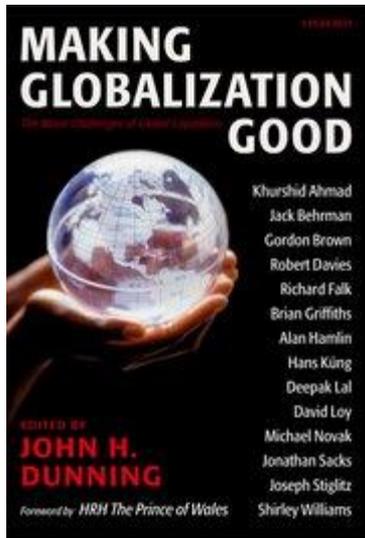
Anti-globalization sentiments

Political Processes

De-globalization

Questions to Management Scholars:

- *How does MNE activity influence globalization phenomena?*
- *How could MNEs make positive contributions to the issues of concern? (perhaps as CSR)*



We need more fine-grained understanding of the beneficiaries and (relative) losers of globalization

Stolper & Samuelson (1941):

International trade benefits on average, but some groups lose out

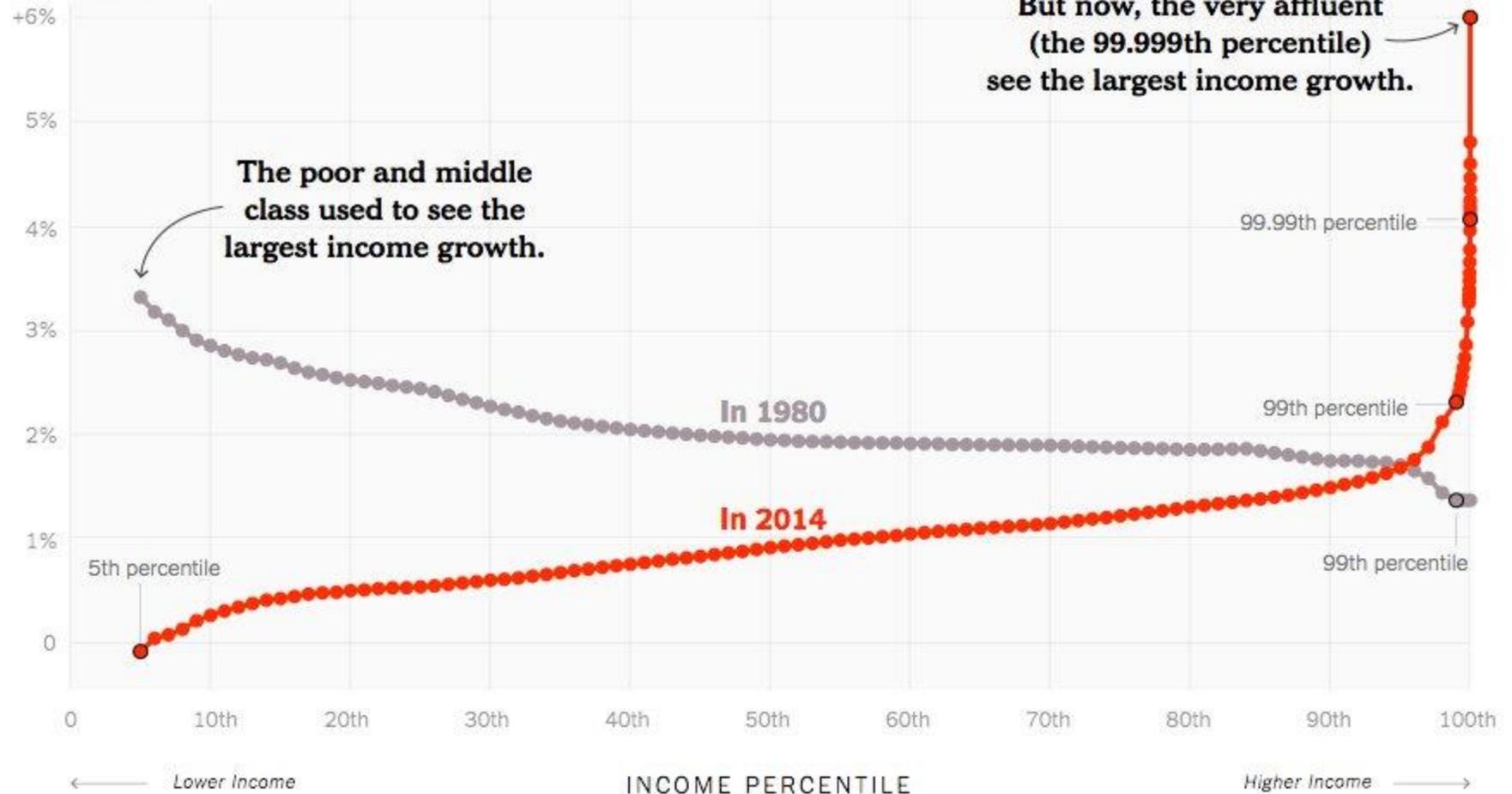
In advanced economies in the 2000s:

- Workers with industry-specific skills in previously protected industries that are not movable to other industries
- Low skill workers – who have to compete with low skill workers elsewhere

Recent empirical studies (e.g. by Autor et al.):

The (relative) losers are geographically concentrated → impact on local **communities** → political influence of the disadvantaged.

INCOME GROWTH Over previous 34 years



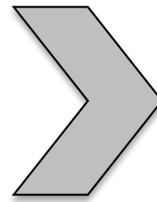
Note: Inflation-adjusted annual average growth using post-tax income.

Source: New York Times, yesterday,

www.nytimes.com/interactive/2017/08/07/opinion/leonhardt-income-inequality.html?smid=tw-nytimes&smtyp=cur

What is the impact of **Globalization** on local **Communities** ?

- **Export opportunities**
- **Import competition**
- **Inward FDI**
- **Outward FDI**
- **Financial flows**
- **Data flows**
- **Changes in regulation**
- **Migration**



- **Employment**
- **Income (wages)**
- **Job security**
- **Social wellbeing**
e.g. divorce rates?
- **Identity (e.g. status, meaningful work, culture)**
- **Prosperity of Communities**

How convincing is the evidence that people loose out from aspects of globalization? (or are they replaced by robots?)

Who are the (relative) losers? Where are they? → how can they be helped

We need to take an eclectic perspective on the 'impact' of globalization – in form of FDI, trade or other aspects

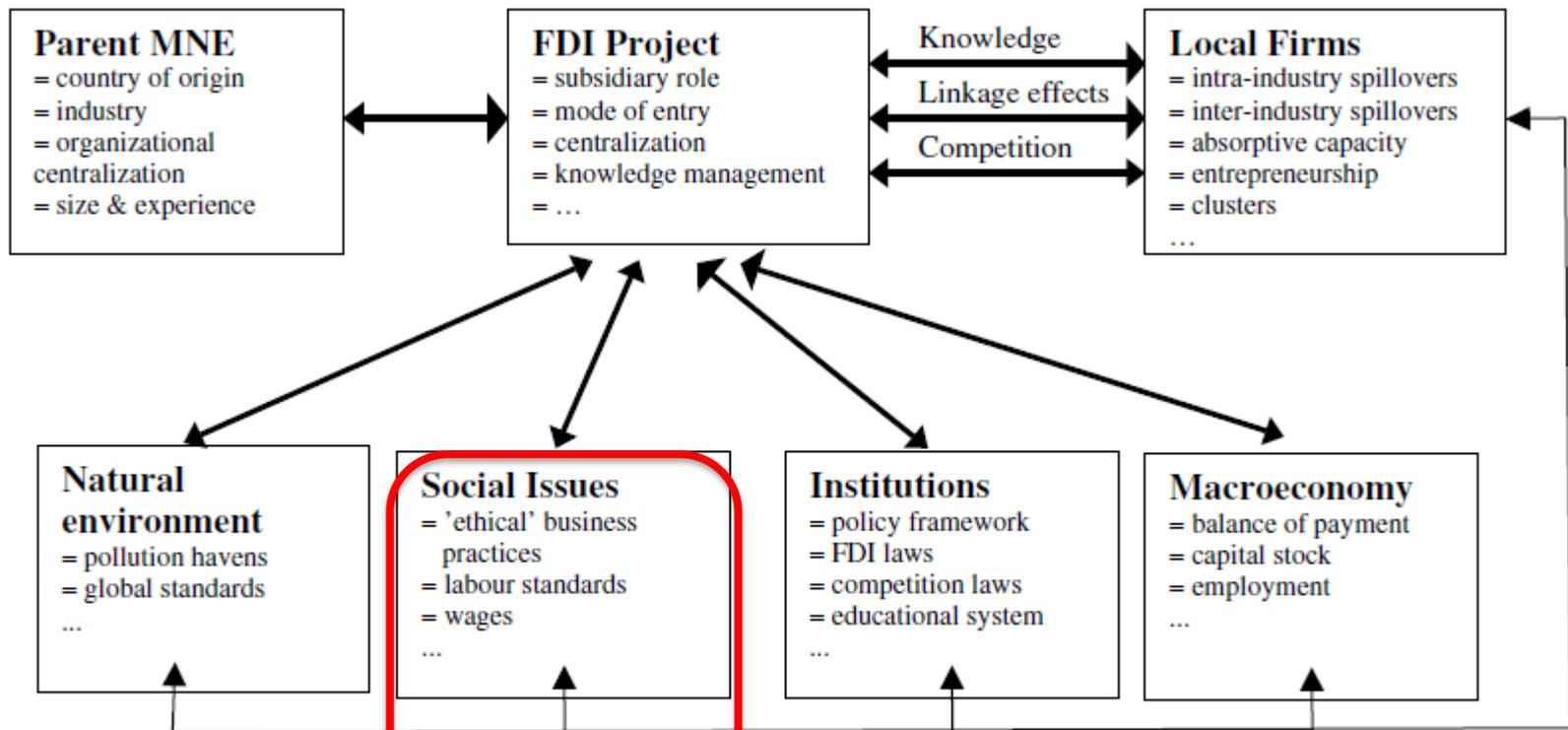


Figure 1 An organisational framework for FDI impact in emerging economies.

[Source: Meyer, JIBS, 2004]

How effective can institutions and government interventions remedy concerns about globalization?

Stolper & Samuelsen (1941) envisage side payments from winners to losers

→ *Why is it apparently difficult to design & implement such payments?*

→ *How effective is such 'social security' in today's societies?*

Anti-globalization is not only about economic impact but about identity, culture and meaningful work.

→ *How effective are programs to train the workforce?*

→ *How else can we help marginalized groups to help themselves?*

European welfare states are designed to help those negatively affected by external shocks, but

→ *How resilient is the welfare state under competitive pressure?*

How effective can MNEs remedy concerns about globalization?

Strategies, e.g.

- *Foreign market entry*
- *Relocation of production*
- *M&A*

Practices, e.g.

- *Product adaptation and marketing – sensitivity to local cultures*
- *Subsidiary autonomy – perception of central control*
- *HRM – career opportunities, training, job security, handling of lay-offs*
- *Data management – respect for privacy*

What can and should businesses do to remedy the negative effects of globalization?

Ethical question

Is it a social responsibility of business to address these issues – and hence to sustain popular support for globalization?

Empirical question

What can business actually do in the spirit of mutual (shared) value to address these issues?

We need more fine-grained understanding of the content of international treaties, and their impact

International Treaties such as TTIP, TPP, CETA, etc go far beyond removing tariffs to include e.g.

- Harmonization of standards – and hence compromises on what counts as legitimate protection of workers / consumers / the environment, and what counts as trade barrier.**
- Protection of investors against changes in local laws, usually with a commitment to international courts of arbitration**

International Trade and Investment Agreements: Sovereignty at Bay in the 21st Century?

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The Outsized Costs of Investor-State Dispute Settlement

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Why Do Countries Commit to ISDS for Disputes with Foreign Investors?

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Is It Chilly Out There? International Investment Agreements and Government Regulatory Autonomy

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Once BITten, Forever Shy: Explaining India's Rethink of Its Bilateral Investment Treaty Provisions

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