

# Micropolitics in the Multinational Corporation

Over the past decade, politics perspectives in international business have moved into the mainstream repertoire of research, theory development and teaching about the organizational behaviour of multinational corporations (MNCs). Politics perspectives contribute substantially to understanding the behaviour in and of MNCs in their different contexts and environments but so far these burgeoning perspectives have not been systematically and comprehensively reviewed. This book offers the first detailed overview of the theoretical foundations, methodologies and empirical applications of politics perspectives in MNCs. A group of international authors discuss twelve seminal contributions to the study of politics, power and conflict in MNCs, followed by a summary and synthesis of the literature into a comprehensive analytical framework. The book closes with a discussion of future directions in the field. This is a thorough introduction to political behaviour in MNCs written for scholars and graduate students in the fields of organization studies and international business.

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# Micropolitics in the Multinational Corporation

Foundations, Applications and New Directions

Edited by

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# Foreword

For some years I had a small presence in the research area of multinational organizations, largely as a result of the good auspices of the editors of this volume, who have found my more general work on power and politics useful in the field. Over the years I have delved into the fields of strategy, globalization and international business. These experiences required a considerable amount of reading on my part. It was somewhat surprising to find that so much of the literature on and around multinationals seemed quite blind to issues of power and politics; the overwhelming approaches were founded in an economics perspective that seemed immune to social, organizational and political relations.

If only this volume had been available to me earlier! It really is an indispensable guide to current thinking from the more sociologically oriented literature, which, as the editors suggest, has seen a recent and sustained flowering. The flowering is acutely represented in this volume. It begins with consideration of fundamental definitions and core concepts, mainly derived from organizational studies and organizational sociology, which will help researchers interested in phenomena related to politics and power in the multinational in framing their literature search. The authors draw on the wider literature in politics, political and sociological theory to inform their scanning of the field in a version of scholarship that seeks to facilitate translation between fields – an important and necessary task, especially where that field might seem to practise intellectual border control as an art form.

The field of international business and management (IB&M) emerged largely from the contributions of economists for whom consideration of power, politics and conflict was not a central disposition. However, the introduction of organization studies prepared perspectives that were far more attuned to conceptions of multinationals as essentially political entities constituted by diverse actors with different power and conflicting interests, that occupied space already populated

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by others, both organizations and citizens, with specific and sometimes antagonistic interests, sometimes interests affording opportunities for co-optation, hegemony, or positive power alignment.

Three power, politics and conflict streams are identified within IB&M: functionalist, institutionalist and critical approaches, each of which is explored in the chapters in Part II of the volume. This section of the book is particularly useful to the student because it identifies and critically analyses a number of key positioning statements that have made a significant impact on the field in terms of citation and use. We should consider these contributions and their discussion not merely as distinguished foundations, as relics from a recent past, but as frameworks that can project further research in the future.

While the functionalist approaches that are reviewed are not a great distance from the more orthodox foundations of the field, the institutionalist approaches do begin to introduce significant theoretical and conceptual innovation into the field. The frontiers are pushed further by the critical management school's concern with ideologies and societal structures leading to unequal power relations and situations of domination and resistance. Critical management, with its various heterodox roots in Marxist theory, post-structuralism and critical theory, is indeed a great distance from the early foundations of the field. Implicit in many earlier approaches to international business and multinationals was an underlying theme of modernization, of laggard parts of the world being pulled into modernity through the leading edge, in which multinationals played a central role as bringers of enlightenment. Of course, from perspectives influenced by underdevelopment theory, post-colonialism and conflict approaches the modernization theses received short shrift. Theorization from critical management perspectives is more likely to be attuned to issues of domination and hegemony, to conflict and control and to power and resistance, as the selected exemplars suggest.

The focus thus far in the volume has been more macro than micro. It might be assumed that a concern with multinationals, power and politics would have little room for more microanalysis but that assumption would be wrong. A micropolitical agency perspective sees the processes and outcomes produced by individual actors or sets of individual actors who interact politically as producing organization-level effects. There are microfoundations for organizational events, outcomes and processes in multinationals: for instance, takeover battles, mergers and



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organizational closures often occur as intense interpersonal and emotional struggles between people whose identity, status and career is irrevocably tied to the fate of these struggles.

Methodologically, the field is hugely diverse; econometrics, discourse analysis, network analysis, surveys, ethnographies, modelling – almost any approach can be applied to analysis of multinationals. Some of these approaches will be easier to field than others: if there are databases to work with, for instance. Others require a great deal of tacit work that is not as evident in the finished paper. Multinationals are full of people who are powerful and know they are powerful; often their powerfulness is projected as a form of paranoia about maintaining the boundaries and boundedness of their organization. In contemporary times, where ethics approval is an integral and necessary prerequisite for doing research, these powerful and sometimes paranoid people can be really important gatekeepers and blockers. Gaining access, navigating diverse historical, political, cultural and linguistic contexts requires researchers to focus attention on the practical politics of negotiating and securing and legitimating access and use of research methods. Language can be a major issue: do you speak the language of the host country that you are investigating? Are you familiar with its culture, its history, its etiquette and mores? You have to be a practical politician in negotiating orderly access and it is especially politic to manage the niceties of the interaction settings in which one finds oneself. An essential element of power is communicative competence and research in multinationals will involve many of us, using many ethnographic and interviewing approaches, in communications with highly sophisticated and privileged people for whom our concerns as researchers will at best be unimportant and at worst, viewed as not only inconsequential but also potentially threatening.

The future for multinational research looks exciting from the vantage point of this volume. In the final chapters, the authors delineate new directions for future multinational research. What is recommended is an analysis of discursive sensemaking, politicking, global élites and emerging markets. Each of these, of course, is entangled with the others. The field is ripe – multinationals are the vehicles for contemporary global élite formation and these global élites have distinctive ways of sensemaking, politicking and lobbying (as well as bribing and corrupting), of projecting their identities as celebrity chief executive officers, striding the global stage. Emerging markets make



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these processes even more interesting: along with Anglo-Saxon, European and other established élites globally, there are new élites: Russian oligarchs, Chinese property developers, Brazilian industrialists, East Asian manufacturers. We know very little about the new, emerging global élites; indeed, we know very little about the established élites other than what they mostly want us to know. There are few fields of endeavour more open to opportunity than research on multinationals.

STEWART CLEGG June, 2015