

Thanks go to all that made this project possible!





Globalization, Political Economy, Business and Society in Pandemic Times is a product of the 5th Emerging Markets Inspiration Conference (EMIC) at Stockholm University during May 14-15, 2020. The purpose of the book is to arrive at a holistic understanding of the impact of the COVID-19 pandemic on politics, economy, business, and society in a globalized world.

The scientific community acted swiftly to study COVID-19 and its various possible societal correlations. This edited collection contributes to the growing literature on COVID-19 through a multidisciplinary approach by addressing both macro and micro issues from both local and global angles in both critical and self-critical tones.

TONY FANG, PhD, is Professor of Business Administration, Stockholm Business School, Stockholm University, Sweden.

**JOHN HASSLER, PhD**, is Professor of Economics at the Institute for International Economic Studies at Stockholm University, Sweden.



#### THANKS AND ACKNOWLEDGMENTS

The publication of this book would not have been possible if it weren't for the enthusiasm and support from many people. We would like to thank the following researchers and professionals who contributed to the discussions and debates at the 5th Emerging Markets Inspiration Conference (EMIC) during May 14-15, 2020 which led to the idea of this book:

Claes Alvstam, Professor Emeritus, Gothenburg University, Sweden Per J. Andersson, Vagabond, Sweden

Chris Baumann, Associate Professor, Macquarie University, Australia Karin Berglund, Professor, Stockholm University, Sweden

Katarina Blomkvist, Associate Professor, Uppsala University, Sweden Xiao-Ping Chen, Professor, University of Washington, USA

Michael Cherry, Raffrey, Australia

Jeremy Clegg, Professor, University of Leeds, UK

Rameshwar Dubey, Reader, Liverpool John Moores University, UK

Thomas Hylland Eriksen, Professor, University of Oslo, Norway

Tony Fang, Professor, Stockholm University, Sweden

Yuning Gao, Associate Professor, Tsinghua University, China

Pervez Ghauri, Professor, Birmingham University, UK

John Hassler, Professor, Stockholm University, Sweden

Philip Kappen, Associate Professor, Uppsala University, Sweden

Lingshuang Kong, Post-Doc Researcher, Uppsala University, Sweden

Marina Latukha, St. Petersburg State University, Russia

Peter P. Li, Professor, Nottingham University, China & Copenhagen Business School, Denmark

Yuan Li, Professor, University of Duisburg-Essen, Germany

Dong Liu, Professor, Georgia Institute of Technology, USA

Henry Lopez-Vega, Assistant Professor, Jönköping University, Sweden

Yadong Luo, Professor, University of Miami, USA

Alexey Maslov, Professor, Higher School of Economics, Russia

Klaus Meyer, Professor, University of Western Ontario, Canada

Åsa Odell, Federation of Swedish Farmers, Sweden

Andrei Panibratov, Professor, St. Petersburg State University, Russia

Jiwei Qian, Senior Research Fellow, National University of Singapore,

Hans Ingvar Roth, Professor, Stockholm University, Sweden

Jeffrey D. Sachs, Professor, Columbia University, USA

Marko Siitonen, Associate Professor University of Jyväskylä, Finland

Patrik Ström, Professor, Stockholm School of Economics, Sweden

xviii

#### THANKS AND ACKNOWLEDGMENTS

Cong Su, Post-doc researcher, Uppsala University, Sweden Sunny Li Sun, Associate Professor, University of Massachusetts Lowell, USA Fredrik Tell, Professor, Uppsala University, Sweden Rosalie L. Tung, Professor, Simon Fraser University, Canada Elizabeth Yi Wang, University of Leeds, UK Tian Wei, Professor, Fudan University, China Changqi Wu, Peking University & Shandong University, China Deli Yang, Trinity University, USA Jingjing Yao, Associate Professor, IÉSEG School of Management, France Ivo Zander, Professor, Uppsala University, Sweden Suisheng Zhao, University of Denver, USA

In particular, we would like to express our gratitude to all the chapter contributors who spent time working on this book project under the challenging circumstances of COVID-19, a big thanks to all of you!

We would like to thank Emerald Publishing and International Business & Management Series Editor Professor Pervez Ghauri for their professional sup-

We also want to thank Professor Anna Mia Ekström, Karolinska Institutet, and several other researchers who contributed to the peer reviews.

Signe Henrisson Rawet assisted us both at the conference and in the process of manuscript preparation. Thank you Signe!

Finally, we would like to thank Stockholm University for the support we needed to perform this work.

> Tony Fang John Hassler Stockholm, June 2021

#### ABOUT THE CONTRIBUTORS

Ilan Alon (PhD, Kent State University) is a Professor of International Business at the University of Agder, Norway, and the Editor-in-Chief of *International Journal of Emerging Markets* and *European Journal of International Management*. Alon has written several books, articles and cases on franchising, and consulted USAID on franchising development in emerging markets, and international franchisors, such as Darden (USA), Duhan (Croatia) and illy (Italy) on international franchising development.

Claes G. Alvstam, DrEcon, is an Emeritus Professor in International Economic Geography, School of Business, Economics and Law at the University of Gothenburg, Sweden. His research is focused on international trade, foreign direct investment, economic integration and the internationalization process of Swedish firms. His research has been published in, e.g., Economic Geography, Journal of Economic Geography, Geografiska Annaler B, World Development, Asian Business & Management, Industrial and Corporate Change, Asia Europe Journal, Multinational Business Review and International Journal of Emerging Markets.

Maria Fors Brandebo (PhD psychology, Karlstad University, Sweden) is an Associate Professor at the Department of Security, Strategy and Leadership, Swedish Defence University, Sweden. Maria has published articles, books, chapters in books, and research reports within the field of military leadership, trust, military recruitment and retention, destructive leadership and job satisfaction.

Vanessa Bretas (PhD, University of Agder) is a Postdoctoral Researcher at the J.E. Cairnes School of Business & Economics, National University of Ireland, Galway, and Research Associate at University of Agder, Norway. Her research focuses on international business, entry modes, franchising and emerging markets. She has worked with several sector associations on various research projects, including the American Chamber of Commerce for Brazil and the Brazilian Franchising Association.

Thomas Hylland Eriksen is a Professor of Social Anthropology at the University of Oslo, Norway. His textbooks in anthropology are widely used and translated, and his research has dealt with social and cultural dimensions of globalization, ranging from nationalism and identity politics to accelerated change and environmental crisis. Some of his recent books in English are Fredrik Barth: An Intellectual Biography (2015), Overheating: An Anthropology of Accelerated Change (2016) and Boomtown: Runaway Globalisation on the Queensland Coast (2018).

Tony Fang, PhD, is a Professor of Business Administration, Stockholm Business School, Stockholm University, Sweden. His research interests include: culture; cross-cultural innovation and leadership; intercultural communication; international management; emerging markets; Yin Yang as a worldview and methodology; issues that require interdisciplinary examination. He is a Senior Editor of *International Business Review*. His writings have attracted debates in academia, industry and society.

Rickard Grassman, PhD, is an Assistant Professor, Stockholm Business School, Stockholm University, Sweden. Grassman's research interests cover a range of topics from economic history to the examination of innovations such as blockchain and cryptocurrencies along with their respective impacts on individuals, businesses and society at large. There is often a critical sensibility in Grassman's research whereby the essential power and influence of a historical event, as much as in a technological innovation or feature, is teased out and made clear in one form or other.

John Hassler, PhD MIT, is a Professor of Economics at the Institute for International Economic Studies at Stockholm University, Sweden. His research has covered areas of dynamic public finance, social mobility, growth and climate change and has been published in *Econometrica, American Economic Review, Journal of Economic Theory* and many other international journals. He is a Member of the Prize Committee for the Prize in Economic Sciences in Memory of Alfred Nobel. He was the Chairman of the Swedish Fiscal Policy Council 2013–2016 and is a Member of the Royal Swedish Academy of Sciences and of the Royal Swedish Academy of Engineering Sciences.

Olivia Kang, PhD, is an Assistant Professor in Organization and Leadership at Department of Business and Economic Studies, University of Gävle and Guest Researcher in International Business at Department of Business studies, Uppsala University, Sweden. Her research covers the development and transfer of innovations in multinational firms and the role of headquarters and leadership in strategic management of innovations in MNCs.

Nishant Kathuria is a PhD Candidate at the Jindal School of Management, University of Texas at Dallas, USA. His research focuses on when and how firms embrace corporate social responsibility (CSR), and on firm performance in emerging markets. The research makes managers more informed in their decision-making. He holds an MBA degree from Texas A&M University.

Marina Latukha, PhD, is a Doctor of Science and a Professor of Organizational Behavior and Human Resources Management at the Graduate School of Management, St Petersburg State University, Russia. Latukha's research interests and teaching areas focus on international and strategic human resource management, talent management and development, and emerging multinationals. Latukha has published books about talent management. She has published in academic journals, such as *Human Resource Management, The International Journal* 

xiii

of Human Resource Management, Journal of Business Research, Thunderbird International Business Review, European Management Journal, etc.

Peter Ping Li is a Li Dak Sum Chair Professor of International Business at the University of Nottingham at Ningbo, China, and a Professor of Chinese Business Studies at Copenhagen Business School, Denmark. His primary research focus is on building the geocentric (West-meeting-East) theories from the cultural and historical perspectives, especially applying the Chinese philosophy of wisdom to the development of holistic, dynamic and duality theories. He has been widely recognized as one of the global thought leaders in multinational firms from the emerging economies and in indigenous research on the Chinese management.

Yunxin Luo is a PhD Student at the Graduate School of Management, St Petersburg State University, Russia. Her research concentrates on global migration to and from emerging markets, international students' mobility and its impact on countries and firms. She has participated in the Research on the Sanjiangyuan Ecological Special Zone Based on Circular Economy. She is a Member of the Academy of International Business. She holds the Master of Education degree from the University of Adelaide, Australia.

Åsa Malmström-Rognes is a Research Fellow at the European Institute of Japanese Studies (EIJS) at Stockholm school of Economics. Her research interests include financial sector development, financial crises, and the role of financial markets in economic development in particular in Asian economies. She received her MSc in Economics from Stockholm School of Economics in 1992 and then spent 20 years working in development and financial services in Sweden and East Asia prior to pursuing a PhD in Economic History which she received in 2016.

Klaus E. Meyer (PhD, London Business School) is a leading scholar in the field of international business conducting research on the strategies of multinational enterprises (MNEs) in emerging economies. He is a Professor of International Business at Ivey Business School, Canada. He previously served on the faculty of China Europe International Business School, University of Bath University of Reading and Copenhagen Business School. He published over 80 articles in leading scholarly journals and 7 books, including the Oxford Handbook of Managing in Emerging Markets. He is a Fellow of the Academy of International Business and a recipient of the JIBS Decade award.

Audra I. Mockaitis, PhD, is a Professor of International Business at Maynooth University School of Business, Ireland. She has previously held positions in Australia (Monash University) and New Zealand (Victoria University of Wellington). Her research focuses on cross-cultural management, cultural values, multicultural virtual teams, global team leadership, migration and identity. She has written books, chapters and articles in leading scholarly journals, and has received multiple awards.

Qiang Pan-Hammarström (MD, PhD) is a Professor of Clinical Immunology and a Member of the Nobel Assembly at the Karolinska Institutet, Sweden. She is also a Visiting Professor at Sun Yat-Sen University Cancer Centre and Tianjin Medical University Cancer Institute. She received her medical training at Sun Yat-Sen University, research training at the Karolinska Institutet and Harvard Medical School and leadership training at Harvard Business School. She has published 133 papers in areas of immunology, infectious diseases and cancer genetics, including papers in journals such as Nature, Science, Cell, Nature Genetics, Nature Biotechnologies and Nature Immunology.

ABOUT THE CONTRIBUTORS

Andrei Panibratov, PhD, is a Professor of Strategic and International Management and the Director of the Center of Russian Multinational Enterprises and International Business Strategies at St Petersburg State University, Russia. His research and teaching concentrates on internationalization of firms from emerging economies, Russian multinationals, state ownership and political capital, China-Russia economic relationships, and the role of diaspora for legitimacy and capabilities of emerging market firms. He is the author of several books and books' chapters, series of case studies, and many articles published in Russia and internationally.

Mike W. Peng (PhD, University of Washington) is the Jindal Chair of Global Strategy at the Jindal School of Management, University of Texas at Dallas, USA. He is a National Science Foundation Career Award winner and a Fellow of the Academy of International Business and the Asia Academy of Management. He has authored three best-selling textbooks, *Global Strategy*, *Global Business*, and *Global*, which are used in over 50 countries and are available in Chinese, Portuguese, and Spanish.

Hans Ingvar Roth (PhD, Lund University) is a Professor of Human Rights at the Department of Asian, Middle Eastern and Turkish Studies at Stockholm University, Sweden. He has previously worked as a Senior Advisor at the Ministry of Justice in Sweden, and as Human Rights Officer for OSCE. His most recent book is P.C. Chang and the Universal Declaration of Human Rights (Penn Press).

Liana Rysakova is a PhD Student at the Graduate School of Management, St Petersburg State University, Russia. She is also a Researcher of the Center of Russian Multinational Enterprises and International Business Strategies. Her research interests concentrate on the internationalization of firms from emerging economies, China–Russia economic and business relationships, and the role of foreign diasporas for legitimacy and capabilities of emerging market firms. She holds her master degree from the St Petersburg State University.

Mariia Shagalkina is a PhD Student at the Graduate School of Management, Saint Petersburg State University, Russia. Her research interests cover migration, human capital mobility and talent management areas. Current research projects are related to the exploration of the role of talent management in inward and outward talent

xvi

migration in the emerging market context, migration intentions of talents from emerging markets, as well as investigation of returnees' presence effect on innovativeness and other performance indicators of the emerging market firms.

Marie Söderberg is a Professor and the Former Director of the European Institute of Japanese (EIJS) Studies at Stockholm School of Economics, Sweden. She is the Chairperson of the European Japan Advanced Research Network (EJARN), and the Chairperson of Swedish Institute of International Affairs. She has published extensively in the areas of international relations and the field of Japanese ODA.

Patrik Ström is an Associate Professor of Economic Geography and the Director of the European Institute of Japanese Studies (EIJS) at Stockholm School of Economics, Sweden. He holds a PhD in Business Administration from Roskilde University, Denmark and an Econ Dr in Economic Geography from the University of Gothenburg, Sweden. His research is focused on the development of the advanced service industry and the transformation of economies that are becoming more service and knowledge based.

Rosalie L. Tung is the Ming & Stella Wong Professor of International Business, Simon Fraser University, Canada. She is the 2015–2016 President of the Academy of International Business and the 2003–2004 President of the Academy of Management. She is a Fellow of the Royal Society of Canada, the Academy of Management, the Academy of International Business, the British Academy of Management, and the International Academy for Intercultural Research. She has published many books and articles on international human resource management, international business negotiations and comparative management and serves on the editorial board of many academic journals, including the *Journal of International Business Studies*.

Sigbjørn Landazuri Tveteraas is a Professor in Industrial Economics at the University of Stavanger, Norway. He obtained his PhD in Economics from the Norwegian School of Economics. His research is mainly applied microeconometrics with focus on industries like seafood, hospitality and tourism. His current research interest includes collective intelligence, complexity, tourism demand and supply.

Elizabeth Yi Wang, is an Associate Professor of International Business and a Senior Fellow of the Higher Education Academy. She holds a PhD in International Business and Economics from the University of Leeds, UK. A recipient of the Women of Achievement Award 2021, she is an advocate of creating positive societal impact through research and knowledge transfer. She was a Co-Chair of the European International Business Academy Doctoral Symposium during 2013-2019. She has advised local and national level institutions on issues such as the impact of COVID-19 and regional branding. Her research focuses on the interfaces between enterprise, place, space, and governance, and how these contribute to inclusive development.

Jinghua Xie, PhD, is an Associate Professor at both Norwegian School of Hotel Management, University of Stavanger, Norway, and School of Business and Economics, UiT/The Arctic University of Norway. She gained the Doctor of Philosophy degree specializing in Applied Economics. She has done extensive research on topics related to consumer demand and market linkages. Her research work on tourism focuses on tourism demand, hotel financial performance and sharing economy.

Lena Zander (PhD) is a Professor of International Business at Uppsala University in Sweden. She has earlier held positions at Victoria University of Wellington and the Stockholm School of Economics; and as visiting scholar at Chinese University of Hong Kong, Stanford University and the Wharton School. She currently focuses on global virtual team and leadership research in multicultural settings. She has published in journals like Journal of International Business Studies, Journal of World Business, International Business Review, and Organizational Dynamics. Her work has received multiple best-dissertation, -paper, and -reviewer awards at AIB. ANZAM and AOM.

Peter Zettinig, DSc, is a University Research Fellow and an Adjunct Professor in International Business at the University of Turku, Finland. His research revolves around phenomena related to the dynamics in international business, strategizing in organizational and inter-organizational contexts and the management of global virtual teams. He has been leading a number of industry projects, most recently related to ecosystem level strategizing in global maritime firms and for the Finnish State's Export Credit Agency.

Suisheng Zhao is a Professor and the Director of the Center for China-US Cooperation at Josef Korbel School of International Studies, University of Denver, USA. The Founder and Editor of the *Journal of Contemporary China*, he is the author and editor of two dozens of books and more than 50 journal articles on Chinese nationalism, Chinese politics/political economy, Chinese foreign policy, US—China relations, Cross-Taiwan Strait relations, and East Asian regional issues.

David Zilberman is a Professor, Extension specialist in the Department of Agricultural and Resource Economics, UC Berkeley. David was born in Isreal and got his Ph.d at Berkeley. He has done fundamental research on the economics of bioeconomy, water, farming systems, environmental policy supply chain, risk and pest control. He is the recipient of the 2019 Wolf Prize in Agriculture and a member of US National Academy of Science and served as the 2018-19 President of Agricultural & Applied Economics Association (AAEA), and he's a Fellow of multiple scientific societies. He has served as a consultant to the USDA, CDFA, the World Bank and FAO. Has served as a consultant to Mars Corporation, BP, and California commodity groups.

#### CONTENTS

Li	List of Tables		
List of Figures			
Al	About the Contributors		
1	Globalization, Political Economy, Business and Society in Pandemic Times Tony Fang and John Hassler	1	
	PART I GLOBALIZATION, POLITICAL ECONOMY AND SOCIETY IN PANDEMIC TIMES		
2	From Vulnerability to Sustainability? The Enforced Cooling Down of an Overheated World Thomas Hylland Eriksen	13	
3	The Political Economy of COVID-19 David Zilberman	27	
4	Macroeconomic Perspectives on the Corona Crisis  John Hassler	41	
5	Human Rights: Four Lessons from the Pandemic in a Post-pandemic World Hans Ingvar Roth	51	
6	Prosperity and Disease: Lessons from History Rickard Grassman	61	
7	COVID-19 and Its Impact on Medical Research and Society Qiang Pan-Hammarström	73	

CONTENTS

#### PART II INDUSTRY AND BUSINESS STRATEGY IN PANDEMIC TIMES

8	Thinking Strategically During the Global Pan(dem)ic Klaus E. Meyer	87
9	Post-COVID Debates in Global Strategy Mike W. Peng and Nishant Kathuria	101
10	The Effects of COVID-19 on Tourism in Nordic Countries Sigbjørn Landazuri Tveteraas and Jinghua Xie	109
11	Global Value Chain Strategies Before and After the Pandemic Crisis: The Case of Volvo Cars Claes G. Alvstam and Tony Fang	127
	PART III LEADERSHIP AND HUMAN CAPITAL IN COVID-19 PANDEMIC	
12	Sweden's COVID-19 Strategy from a Leadership Perspective: Importance of Trust and Role Models Maria Fors Brandebo	143
13	The Dual Role of Trust in Creative Global Virtual Teams: Implications for Leadership in Times of Crisis Lena Zander, Olivia Kang, Audra I. Mockaitis and Peter Zettinie	157
14		177
15	At the Crossroads: International Student Exchanges During th COVID-19 Pandemic	
	Elizabeth Yi Wang	189

Contents

	PART IV	1	
INTERNATIONAL	RELATIONS	AND INT	<b>TERNATIONA</b>
BUSINESS IN AN	EMERGING	BIFURCA	ATED WORLD

16	China's Diplomatic Offensive and Rivalry with the US in Response to COVID-19	
	Suisheng Zhao	20.
17	The New Challenges in the Emerging Context of Global	
	Decoupling Peter Ping Li	22
18	The EU-Japan Strategic Partnership Agreement: A Tool to Tackle the COVID-19 Crisis and Other Global Issues? Patrik Ström, Marie Söderberg and Åsa	
	Malmström-Rognes	23
	PART V	
	COVID-19 AND NEW RESEARCH AGENDA	
19	COVID-19 and International Business	
	Ilan Alon and Vanessa Bretas	25.
20	New Configurations of the IB Theories: Dynamic Response to the Environmental Challenges	
	Andrei Panibratov, Liana Rysakova and Yunxin Luo	26
21	A Cross-cultural Research Agenda in the Time of COVID-19	
	Rosalie L. Tung	28.
102000	• 655	020
Ind	ex	29

#### GLOBALIZATION, POLITICAL ECONOMY, BUSINESS AND SOCIETY IN PANDEMIC TIMES

Tony Fang and John Hassler

The coronavirus "SARS-CoV-2," since its outbreak in China in the beginning of January 2020, developed into a public health emergency of international concern on January 30, 2020 and a COVID-19 pandemic on March 11, 2020. Within only one year, this ongoing pandemic killed 3 million people and infected 120 million more worldwide. Although in history humanity was plagued by countless epidemic including AIDS, Avian flu, SARS, MERS, Ebola, and Zika in recent decades, the current COVID-19 pandemic finds no parallel in terms of scale, scope and speed with which the impact has been caused. To problematize this unprecedented phenomenon to produce interesting knowledge with policy implications, we organized a multidisciplinary academic conference (5th EMIC) at Stockholm University during May 14–15, 2020, and this edited book is a product of the conference.

The purpose of the book is to arrive at a holistic understanding of the impact of the COVID-19 pandemic on politics, economy, business and society in a globalized world. The scientific community acted swiftly to study COVID-19 and its various possible societal correlations. During the past year, many academic journals started speedily publishing COVID-19 related papers, many of which have been made available to the public, contributing timely to new knowledge production and dissemination. However, a multidisciplinary approach to the study of COVID-19 has been rare. This book contributes to the growing literature on COVID-19 through a multidisciplinary approach by addressing both macro and

Globalization, Political Economy, Business and Society in Pandemic Times International Business & Management, Volume 36, 1–10 Copyright © 2021 by Emerald Publishing Limited All rights of reproduction in any form reserved ISSN: 1876-066X/doi:10.1108/S1876-066X20220000036001 micro issues from both local and global angles in both critical and self-critical tones. Many questions raised at the conference in 2020 remain under-researched:

- What impact has the pandemic had on our business, economy, research and development, and society at large?
- How to understand the antecedents and consequences of the pandemic in light of globalization and deglobalization?
- · What are the implications of pandemic for climate change?
- How to balance and integrate the traditional divide between public health and economic activity in the larger picture of political economy?
- How to understand the pandemic and technological innovation from a historical perspective?
- How can entrepreneurs meet the challenges and capture the opportunities right in the pandemic to develop innovative and sustainable businesses in the long run?
- Why have certain countries/regions/cultures managed to cope with the pandemic challenges more effectively and speedily than other countries/regions/cultures?
- What would be the most desired leadership style (or combination of styles) during the pandemic?
- What are the implications of pandemic for international relations, international exchanges, and international business?
- How can multinational enterprises (MNEs) better manage their global value chains (GVCs) in an increasingly bifurcated business world?

We have tried to address these and many other questions in this book. We aim to examine COVID-19's damaging effects (such as the death of millions of people and the collapse of small business caused by the pandemic), its inspirational aspects (such as the emergent entrepreneurship catalyzed and fostered by the pandemic), and its broader implications (such as the US-China rivalry and the increasing need for reconfiguration of GVCs). Compared with the 1918 influenza pandemic, the COVID-19 pandemic came at a time when nations and people on this planet were unprecedentedly interconnected with each other physically and digitally in what social anthropologist Thomas Hylland Eriksen (2020, also see Chapter 2 in this book) called "an overheated world." From the socioanthropological perspective, the rapid spread of the coronavirus across national and regional borders may be seen as an inevitable "punishment" embedded in the inherent vulnerability of the ever accelerating interconnectedness that globalization has brought to human society during the past three decades. Yet, it is the very same interconnectedness created by globalization and digitalization that has helped save hundreds of millions of jobs by enabling business and society to switch swiftly and almost seamlessly to operating in digital platforms or ecosystems overnight.

Working from home (WFH) or remote work is a telling example. Modern society has never witnessed such a large proportion of WFH workforce as practiced collectively in the COVID-19 pandemic since March 2020. Now, a year later, WFH is a norm that has come to stay, at least in part, for good; hybrid workplace with physical and digital involvement and participation is emerging as a new form of organization. Despite its disadvantages such as "lack of face-to-face supervision," "lack of access to information," "social isolation," and "distractions at home" (Larson, Vroman, & Makarius, 2020), WFH has its unique and somehow unexpected advantages. Barrero, Bloom, and Davis (2021) showed that 20% of full workdays will be provided from home after the pandemic ends, compared with only 5% before the pandemic and gave five reasons why WFH as a trend developed in the pandemic will continue after the pandemic:

better-than-expected WFH experiences, new investments in physical and human capital that enable WFH, greatly diminished stigma associated with WFH, lingering concerns about crowds and contagion risks, and a pandemic-driven surge in technological innovations that support WFH.

A survey on employee loyalty conducted between 2019 and 31 March 2021 with 263 companies in eight European countries showed that since the pandemic started, employee satisfaction has been higher than before and that Swedish employees expect to continue WFH for about half of the total working hours in the post-pandemic era (Svt Nyheter, 2021). WFH is becoming a competitive means for attracting and retaining talents, thereby placing a higher demand on leadership and organizational culture than the situation prior to the pandemic.

Political economy and cross-national comparison between political systems in COVID-19 response and economic recovery have been debated in the literature. Combating the pandemic and saving the economy tend to be viewed as a tradeoff by policy makers (Lewis, 2021). A tradeoff may exist when policies are optimal, but in general suboptimal policies give room for improvements in all dimensions. Geffrey Sachs (2020, p. 31; original italics) explained:

The Asia-Pacific successes in suppressing the virus were achieved with lower economic losses than in the North Atlantic region, disproving the hypothesis of a tradeoff between the economy and suppressing transmission of the diseases. It appears that effective deployment of nonpharmaceutical interventions (NPIs) enables both the suppression of disease and transmission and an earlier economic recovery compared with two extreme alternatives (either to do little to suppress the epidemic or to shut down the economy to a prolonged basis).

Sachs (2020) compared the performance in suppressing the epidemic between Asia-Pacific region and North Atlantic region and found that the former was "vastly superior" to the latter. Sachs attributed the North Atlantic region's failure to public health populism, lack of regional cooperation, misplaced claims of "freedom," lack of preparedness, and information technology deployment.

The role of government has been debated. A recent study of the impact of national culture vs. government stringency on social distancing during the first wave of the COVID-19 pandemic shows that "government stringency has more impacts on social distancing than national culture" (Wang, 2021, p. 12). Yet, there are studies showing that while political systems and government measures have played a role, culture may have played a bigger hidden role. In their study of

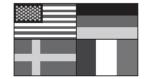
government stringency during the first 91-days of the pandemic in 107 nations, Dheer, Egri and Treviño (2021) discovered that "government stringency attenuated pandemic growth, and this attenuation effect was more significant in collectivistic than in individualistic nations, and in high rather than low power distance nations" and that "collectivistic nations experienced lower case growth over time than individualistic nations."

Assertions have been made about the superiority of democracy over non-democracy or viceversa (e.g., Fukuyama, 2020; Karabulut, Zimmermann, Asli, & Doker, 2021; Li, 2020; The Economist, 2020; Zhao, 2021). However, we remain cautious about quick generalizations. We observed that societies with a strong influence of Confucian tradition such as China, Japan, Singapore, and South Korea have much in common in their coping strategies despite the differences in their political systems. The Eastern approach adopted in the Confucian societies may be understood as being characterized by state-driven initiatives, stringent government control mechanisms, high sense of urgency, communal good, and a fundamental view that this worldly life matters most, whereas the Western approach as featured by multiple interest-driven initiatives, loose control, low sense of urgency, individual freedom, and a fundamental view that there is arguably little difference between this worldly life and spiritual life (Fig. 1.1).

The sense of urgency in Swedish society toward COVID-19 is probably the lowest in the Western world. The Swedish welfare state and the inbuilt social security may be one reason. The fact that Sweden has not had a war since 1814 may be a more in-depth explanation. Sweden's approach to combating COVID-19 relied, particularly during the beginning of the pandemic, fundamentally on individuals' self-conscience and self-regulation in a high trust Swedish society, subject to relatively little governmental regulation (see also Milne, 2020; WHO, 2020). Two groups of the Swedish population, i.e., old people in nursing and care homes and immigrants in suburbs suffered most, showing some of the society's structured problems. High mortality in Sweden is found to be associated with not only higher age and male gender but also less education and low income (Diderichsen, 2020).



State-driven Strict government control High sense of urgency Communal good prioritized This worldly life



Multiple interest-driven Loose government control Low sense of urgency Individual freedom prioritized This worldly life and spiritual

Fig. 1.1. Combating the Pandemic: East Versus West. Source: Own Illustration.



Thomas Hylland Eriksen
Professor of Social Anthropology
at the University of Oslo, Norway

## FROM VULNERABILITY TO SUSTAINABILITY? THE ENFORCED COOLING DOWN OF AN OVERHEATED WORLD

Thomas Hylland Eriksen

#### INTRODUCTION

Who would have thought, in January 2020, that a coughing, unwell man in a crowded market in central China would set off a global state of emergency, where air travel plummeted, hotels went bankrupt, schools and universities closed, people who were already struggling became desperately poor, and the facemask became an accessory almost as ubiquitous as the smartphone, from Tokyo to Berlin, from Gaborone to La Paz? We are currently experiencing an ongoing



David Zilberman

Professor, Department of
Agricultural and Resource
Economics, UC Berkeley, USA

## THE POLITICAL ECONOMY OF COVID-19

David Zilberman

The Spanish flu of 1918–1920 raised concerns among policymakers and public health professionals for the emergence of a pandemic that may kill millions and destabilize the global economy and societies. Medical and policy interventions controlled several terrifying epidemics during the last 30 years, including SARS, H1N1 and MERS, but in early 2020 a new pandemic dawned in Wuhan in China, COVID-19. In this chapter, I present an analysis of the outcome and impacts of COVID-19 thus far from a political-economic perspective.

Political economy is a branch of economics based on the idea that the economic and political systems are interwoven; politicians are economic agents that establish policies to get elected and increase their own benefits. To be elected, they need to improve the wellbeing of their constituency in order to get votes and monetary contributions. As a result, policy choices give different weights to the



**John Hassler** 

Professor of Economics, IIES,
Stockholm University, Sweden. He is a
Member of the Prize Committee for
the Prize in Economic Sciences in
Memory of Alfred Nobel.

#### **CHAPTER 4**

#### MACROECONOMIC PERSPECTIVES ON THE CORONA CRISIS

John Hassler

#### INTRODUCTION

On January 30, 2020 WHO announced a Public Health Emergency of International Concern (PHEIC). On March 12, the virus had spread enough for WHO to declare it a Pandemic. At the time this is written, September 2020, some signs of recovery can be seen but the crisis is clearly not over.

This chapter is built on a speech I held at the 5<sup>th</sup> EMIC 2020. I will focus on how the economy has responded to the pandemic and the policies introduced to contain the virus. I will also discuss what I believe is the right economic policy to deal with the current crisis. Being an economist, not an epidemiologist, I will largely take the measures taken to reduce contagion as given when discussing the economic policy options. I will, however, present some simple back-of-the-envelope calculations addressing the ques-



Hans Ingvar Roth
Professor of Human Rights,
Department of Asian, Middle
Eastern and Turkish Studies,
Stockholm University, Sweden

#### HUMAN RIGHTS: FOUR LESSONS FROM THE PANDEMIC IN A POST-PANDEMIC WORLD

Hans Ingvar Roth

#### INTRODUCTION

Fundamental changes to our societies present various political challenges. Roughly one can distinguish between changes and events that are "man made" in the sense that they were more or less created through human action such as wars, revolutions and ethnic and religious conflicts – and – those changes that were primarily created by "nature" such as tsunamis, earthquakes, climate change, pandemics and epidemics.

However, human responsibility could be applied in both cases and hence, be evaluated in moral terms. The ethical perspective that is assumed in this essay is mainly the Universal Declaration of Human Rights (1948) and its rights, free-



**Rickard Grassman**Assistant Professor, SBS,
Stockholm University, Sweden

#### PROSPERITY AND DISEASE: LESSONS FROM HISTORY

Rickard Grassman

#### **INTRODUCTION**

The COVID-19 virus is wreaking havoc in every facet of our social and economic landscapes. This chapter takes a historical view of the dynamic relations between prosperity and disease, through which we can better understand the virtues and symptoms of our deeply interconnected world. The chapter considers the way trade on the one hand and the virality of human disease on the other has followed the history of human advancement since time immemorial. What is more, they are not as unrelated as one might think. In fact, we can start to discern a pattern that has already been hinted at by globalization scholars fleshing out a number of social and economic effects of international trade that include the apparent vulnerabilities around contagion and disease (Eriksen, 2007).



Qiang Pan-Hammarström
Professor of Clinical Immunology,
Karolinska Institutet, Sweden. She is a
Member of the Nobel Assembly.

#### COVID-19 AND ITS IMPACT ON MEDICAL RESEARCH AND SOCIETY

Qiang Pan-Hammarström

#### INTRODUCTION

The emergence and spread of a novel coronavirus, SARS-CoV-2 has led to a pandemic with a major impact on global health, world economy, and social behavior. The disease caused by the virus, first described in Wuhan, China, was later named as coronavirus disease (COVID)-19 by the World Health Organization (WHO). It exhibits a wide spectrum of clinical manifestations, ranging from asymptomatic to severe (~15%) infections and the latter may develop into a critical condition that requires admission to an intensive care unit (Garcia, 2020; Hu, Guo, Zhou, & Shi, 2020). As of April 7, 2021, more than 133 million individuals had been infected world-wide and close to 2.89 million had succumbed to the disease (from



Klaus E. Meyer
Professor of International Business
at Ivey Business School, Canada

#### THINKING STRATEGICALLY DURING THE GLOBAL PAN(DEM)IC

Klaus E. Meyer

#### INTRODUCTION

When a major crisis hits, the immediate challenges are often so daunting that we lose focus on what we want to achieve in the long run. Early in the COVID-19 crisis, many businesses were preoccupied with short-term challenges such as employee safety and cash flow. However, a major disruption also is an opportunity for entrepreneurship: Entrepreneurs who can imagine the world beyond the light at the end of the tunnel may be able to lay foundations for future prosperity. Thus, even faced with short-term adversity, businesses need to think long term, which means thinking strategically (Meyer, 2009).



Mike Peng
Jindal Chair Professor of Global Strategy
Jindal School of Management, University
of Texas at Dallas, USA



Nishant Kathuria

PhD Candidate, Jindal School of
Management, University of Texas at
Dallas, USA

## POST-COVID DEBATES IN GLOBAL STRATEGY

Mike W. Peng and Nishant Kathuria

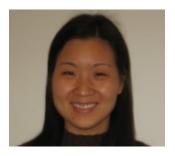
#### INTRODUCTION

A hallmark for the field of global strategy research and practice is the number and ferocity of debates (Peng, 2006, 2022; Peng & Pleggenkuhle-Miles, 2009; Pleggenkuhle-Miles & Peng, 2009). It is through debates that strategic thinking skills are fostered, options clarified, and decisions made. In short, debates drive the field forward.

Given the enormous impact of the COVID-19 coronavirus (hereafter "Covid") on the global economy, the post-Covid debates are likely to be more wide-ranging and more significant. This chapter identifies three debates that have started a long time ago and that have been largely unresolved. However, Covid is likely to propel these debates to the forefront of the existing knowledge. They are: (1) strategic



**Sigbjørn Landazuri Tveteraas**Professor in Industrial Economics, University of Stavanger, Norway



Jinghua Xie

Associate Professor, Norwegian School of
Hotel Management, University of Stavanger
and School of Business and Economics,
UiT/The Arctic University of Norway

## THE EFFECTS OF COVID-19 ON TOURISM IN NORDIC COUNTRIES

Sigbjørn Landazuri Tveteraas and Jinghua Xie

#### INTRODUCTION

The COVID-19 crises have severely choked the international activities linked to travel and tourism (Gössling, Scott, & Hall, 2021). The virus spread in a domino-like manner between countries and hit the Nordics for real at the end of February, with ski tourists returning from the Italian and Austrian Alps. The returning tourists carried COVID-19 and made the outbreaks of the pandemic in Denmark, Iceland, Norway and Sweden. To hinder the virus from spreading, the countries took lock-down measures, which quickly caused most international travel activities to a halt. Although Sweden employed less severe measures in its strategy to combat COVID-19, the tourism industry there nevertheless suffered similar consequences as in the other Nordic countries. This can also be seen from Fig. 10.1, which shows the accommodation guest nights spent by non-resident tourists



Claes G. Alvstam

Professor Emeritus in International
Economic Geography, School of Business,
Economics and Law at the University of
Gothenburg, Sweden



**Tony Fang**Professor of Business Administration,
Stockholm Business School, Stockholm
University, Sweden

#### GLOBAL VALUE CHAIN STRATEGIES BEFORE AND AFTER THE PANDEMIC CRISIS: THE CASE OF VOLVO CARS

Claes G. Alvstam and Tony Fang

#### INTRODUCTION

The purpose of this chapter is to examine how the supply chain within a complex global production network is affected by the "regionalization-turn" that has been further accelerated through perceived and real disturbances in deliveries of crucial inputs when governments partly or completely closed their borders for goods and services as a consequence of the COVID-19 pandemic outbreak during the Spring of 2020. We use the theoretical platform that has been laid in the globalization/regionalization discourse (Rugman & Oh, 2008; Rugman & Verbeke, 2008)



Maria Fors Brandebo
Associate Professor at the Department of Security, Strategy and Leadership, Swedish Defense University, Sweden

#### SWEDEN'S COVID-19 STRATEGY FROM A LEADERSHIP PERSPECTIVE: IMPORTANCE OF TRUST AND ROLE MODELS

Maria Fors Brandebo

#### INTRODUCTION

Leadership in the event of accidents and public crises means leading under pressure. In these situations, leaders move from an everyday context to a riskier zone characterized by uncertainty and ambiguity. Effective leaders who are able to manage both these contexts form a vital prerequisite for success. During severe crises, expectations are high on leaders, and as stated in the Guardian, "crisis has defined political leaders" (Smee, 2020). Crisis management "is an ongoing process to prevent or reduce negative consequences involving activities before, during



**Lena Zander** 

Professor Emeritus in International Economic Geography, School of Business, Economics and Law at the University of Gothenburg, Sweden



Olivia Kang

Assistant Professor in Organization and Leadership at Department of Business and Economic Studies, University of Gävle, Sweden



Audra I. Mockaitis

Professor of International Business at Maynooth University School of Business, Ireland



**Peter Zettinig** 

Research Fellow and Adjunct Professor in International Business at the University of Turku, Finland

#### CHAPTER 13

# THE DUAL ROLE OF TRUST IN CREATIVE GLOBAL VIRTUAL TEAMS: IMPLICATIONS FOR LEADERSHIP IN TIMES OF CRISIS

Lena Zander, Olivia Kang, Audra I. Mockaitis and Peter Zettinig\*

#### INTRODUCTION

When the harsh reality of the COVID-19 crisis became painfully evident, daily work operations were moved out of the workplace. All types of work, including creative team-based projects and tasks (but excluding those which were necessary to keep society functioning), were to be carried out from home, what we have come to know as the "new normal." When a crisis like this suddenly imposes



Marina Latukha
Professor of Organizational Behavior and
Human Resources Management, Graduate
School of Management,
St Petersburg State University, Russia

#### Mariia Shagalkina

PhD Student Graduate School of Management, St. Petersburg State University, Russia

#### CHAPTER 14

## HUMAN CAPITAL MOBILITY IN DEVELOPING COUNTRIES UNDER THE PANDEMIC TIMES: LOSSES OR OPPORTUNITIES?

Mariia Shagalkina and Marina Latukha

#### INTRODUCTION

In today's globalized and knowledge-driven economy, countries recognize the importance of human capital for their growth and development (Chand & Tung, 2019). Highly skilled migrants represent a strategic asset for organizations and countries due to the human capital they possess, i.e., knowledge, skills, experience, and skills (Becker, 1993; Collings, 2014; Schultz, 1981). This particular asset is considered a drive for technological development, innovativeness, and the economic and non-economic performance of both organizations and countries (Coff, 1997;



Elizabeth Yi Wang
Associate Professor of International
Business, University of Leeds, UK

#### AT THE CROSSROADS: INTERNATIONAL STUDENT EXCHANGES DURING THE COVID-19 PANDEMIC

Elizabeth Yi Wang

#### INTRODUCTION

An estimated over 5.3 million international students worldwide (UNESCO, 2019) have persevered during the current COVID-19 Pandemic, withstanding outbreaks, lockdowns, border closures and travel disruptions. Despite some student exemptions (OECD, 2020), they have faced administrative hurdles and the loss of learning through face-to-face teaching and on-site practices (Yıldırım, Bostancı, Yıldırım, & Erdoğan, 2021). The Pandemic has forced out most social aspects of the international student life, which is compounded by rising racial divide and



**Suisheng Zhao** 

Professor and the Director of the Center for China-US Cooperation at Josef Korbel School of International Studies,
University of Denver, USA

#### CHAPTER 16

#### CHINA'S DIPLOMATIC OFFENSIVE AND RIVALRY WITH THE US IN RESPONSE TO COVID-19

Suisheng Zhao

#### **INTRODUCTION**

In the good old days, America would have taken a leadership and teamed up with its allies and multilateral institutions to coordinate the response to the COVID-19 pandemic. But the United States under president Trump's "America First" in effect abandoned global leadership. Parroting the talking points that the virus was under control and predicting a magically good ending for the United States, the Trump administration was unprepared and ill-equipped, bringing the United States to the global epic-center of the pandemic. Doing a worse job of protecting its citizens than many other countries, the administration focused the bulk of its efforts on blaming the WHO and China rather than coordinating with its allies



Peter Ping Li
Li Dak Sum Chair Professor of International
Business at the University of Nottingham at

Business Studies at Copenhagen Business School, Denmark

Ningbo, China, and a Professor of Chinese

#### CHAPTER 17

## THE NEW CHALLENGES IN THE EMERGING CONTEXT OF GLOBAL DECOUPLING

Peter Ping Li

#### INTRODUCTION

The COVID-19 pandemic has been dramatically accelerating and exacerbating the *dual trends* toward both de-globalization and decoupling in the business domain (O'Neil, 2020; Schell, 2020a), analogous to the practices of "social distancing" and voluntary quarantine. Such dual trends reflect a shift toward a new pattern of global network as a loosely coupled ecosystem (Li, 2020). This new global ecosystem seems to fall between the contrasting perspectives of liberalism and realism concerning de-globalization (Witt, 2019a, 2019b), but these perspectives are short of recognizing the full extent of *global divide*, especially in the form of decoupling as delineated by the "bifurcated governance" with two contrasting



**Patrik Ström** 

Associate Professor of Economic Geography and the Director of the European Institute of Japanese Studies (EIJS), Stockholm School of Economics, Sweden



**Marie Söderberg** 

Professor and the Former Director of the European Institute of Japanese Studies (EIJS), Stockholm School of Economics, Sweden



Åsa Malmström-Rognes

Research Fellow at the European Institute of Japanese Studies (EIJS) at Stockholm school of Economics, Sweden

#### CHAPTER 18

# THE EU-JAPAN STRATEGIC PARTNERSHIP AGREEMENT: A TOOL TO TACKLE THE COVID-19 CRISIS AND OTHER GLOBAL ISSUES?

Patrik Ström, Marie Söderberg and Åsa Malmström-Rognes

#### INTRODUCTION

COVID-19 is a global pandemic, and this calls for a global response. So far, the responses have mainly been national, but the EU has begun to act on behalf of the union as a whole by setting aside funds for the recovery. The United States has largely relinquished its leadership role in this global crisis, and while China has taken a step forward and shipped medical supplies to a number of countries, it does not have the aspiration to lead. We live in a changing world order where four years of leadership by President Donald Trump has led to a loss of trust in



**Ilan Alon**Professor of International Business at the University of Agder, Norway



Vanessa Bretas

Postdoctoral Researcher at the J.E. Cairnes School of Business & Economics, National University of Ireland, Galway, and Research Associate at University of Agder, Norway.

#### CHAPTER 19

## COVID-19 AND INTERNATIONAL BUSINESS

Ilan Alon and Vanessa Bretas

#### INTRODUCTION

COVID-19 pandemic is considered one of the major challenges the world has faced. The disease can be traced back to December 2019, when the first cases were reported in Wuhan, China. The World Health Organization (WHO) declared a pandemic in March 2020, meaning that the disease was spreading worldwide. The pandemic effects were felt on all levels: individuals, businesses, countries, and supranational institutions have to deal with this new reality and the devastating impacts of COVID-19.

The British historian Eric Hobsbawm asserted that the nineteenth century only ended in 1918, after World War I (Hobsbawm, 2010). Centuries do not finish according to the calendar. They end when great crises challenge consolidated truths. Following the same reasoning, another historian, Lilia Moritz Schwarcz, now proposes that the COVID-19 pandemic marks the end of the twentieth century (Schwarcz, 2020). The great feature of the twentieth century was technology. It was the century in which the technology has gained worldwide scale,



#### **Andrei Panibratov**

Professor of Strategic and International Management and the Director of the Center of Russian Multinational Enterprises and International Business Strategies at St Petersburg State University, Russia

#### Liana Rysakova

PhD Student Graduate School of Management, St. Petersburg State University, Russia

#### **Yunxin Luo**

PhD Student Graduate School of Management, St. Petersburg State University, Russia

#### CHAPTER 20

#### NEW CONFIGURATIONS OF THE IB THEORIES: DYNAMIC RESPONSE TO THE ENVIRONMENTAL CHALLENGES

Andrei Panibratov, Liana Rysakova and Yunxin Luo

#### INTRODUCTION

The COVID-19 caused significant configuration in different management fields, including the international business (IB) (Ratten, 2020). Companies have undergone many serious social and environmental changes caused by the pandemic (Alon, 2020; Panibratov, 2020). This business transformation requires specific organizational capabilities, enabling companies to preserve business continuity (Batat, 2020; Yallop & Aliasghar, 2020). This has increased the demand to develop the essential organizational dynamic capabilities (DC) to survive and regulate firms' costs.

Although there is a need to explore firms' performance during the pandemic through the DC perspective, there is little research devoted to that issue (Batat,



Rosalie L. Tung
The Ming & Stella Wong Professor of
International Business, Simon Fraser
University, Canada

#### A CROSS-CULTURAL RESEARCH AGENDA IN THE TIME OF COVID-19

Rosalie L. Tung

#### INTRODUCTION

In 2018, the United States, under the Trump Administration, imposed tariffs and sanctions on China to punish the latter for alleged unfair trade practices and intellectual property theft. In response, the Chinese introduced retaliatory counter-measures. Given the interdependence between the world's two largest economies, the two countries finally agreed to the Phase 1 agreement on January 15, 2020. Unfortunately, the ink on the Phase 1 trade agreement between the United States and China was barely dry when the COVID-19 pandemic engulfed the world and signaled a precipitous downward spiral in the already tense relationships between the world's two largest economies.

The coronavirus outbreaks and deaths in the United States have contributed to the almost free fall in relations between the United States and China. The introduction of racial/ethnic slurs by Trump and Pompeo, former US Secretary

### Professor Fredrik Tell



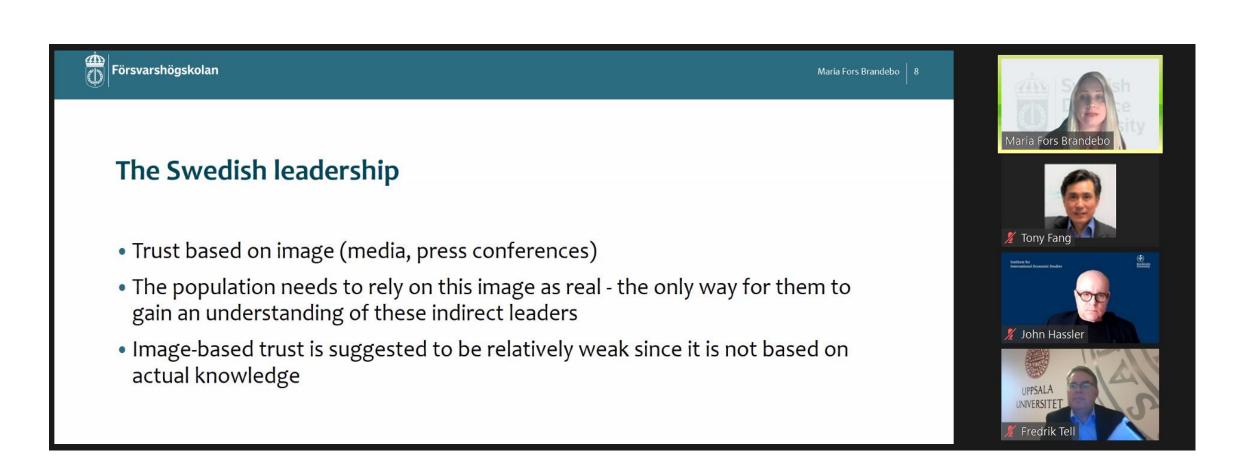
### Professor David Zilberman



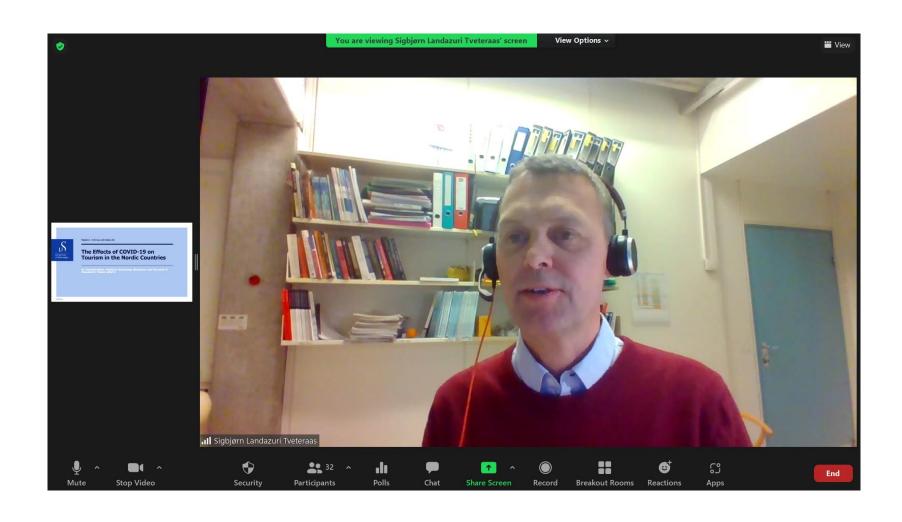
## Professor Rosalie Tung



#### Associate Professor Maria Fors Brandebo



## Professor Sigbjørn Landazuri Tveteraas



## Professor Suisheng Zhao



## Professor Klaus Meyer



Thirty-three persons participated in the book launch seminar.

Thanks!

## emerald insight

Discover Journals, Books & Case Studies

Globalization, Political Economy, Business and Society in Pandemic Times: Vol. 36 | Emerald Insight

The Book Project is Now Finished, Congratulations to All!

Best Wishes for the Coming New Year of 2022!

