

## **Resetting innovation agenda in Asia-Pacific: A bifurcated world order and new research opportunities in innovation**

### **Guest Editors**

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### **Objective**

Neo techno-nationalism is creating a bifurcated world order, with the western countries (led by the U.S.) placing a premium on international intellectual property rights (IPRs) protection as the basis of innovation capacity building, and other countries (especially China) being accused of acquiring technological capacity by circumventing such protection (Petricevic & Teece, 2019). With bifurcated governance at the macro level, new forms of protectionist policies and tools have been created, resulting in value-chain decoupling at the micro level. These grand changes have invalidated some core innovation logics in such areas as cooperation, investment, and technology transfer, resetting innovation agenda globally. The Asia Pacific region is at the center of this bifurcation process due to its geographic and economic connectedness with these major entities. Yet, the effect of such bifurcation on firm innovation strategies and outcomes in this region has not yet been sufficiently investigated, despite the critical importance of innovation to firms and nations.

The objective of this special issue is to broaden the innovation literature by revisiting old assumptions, explicating new logics, and identifying new opportunities for the field in the context of bifurcation, with a focus on firms in the broadly defined Asia Pacific region.

### **Background**

Innovation research has grown into one of the most important fields of business research. It has drawn upon and shed light on a wide range of management, international business, finance, policy, and economics literature, such as interfirm cooperation and competition (Cui, Yang, & Vertinsky, 2018; Gulati, 1995; Katila & Chen, 2008), organizational learning (March, 1991; Cohen & Levinthal, 1990; Zahra & George, 2002), merger and acquisitions (Makri, Hitt, & Lane, 2010; Zahra & Hashai, 2022), Strategic Human Resources Management (Wei, Liu, & Herndon, 2011), top management teams (Hambrick, Cho, & Chen, 1996; Qian, Cao, & Takeuchi, 2013), internal and external networks (Gulati, 1998), governance and incentives (Yanadori & Cui, 2013), location choices (Alcácer & Zhao, 2012; Chung & Alcaer, 2002), and IPR regimes (Brander, Cui, & Vertinsky, 2017; Vanacker, Zahra, & Holmes, 2021; Zhao, 2006).

Innovation has long been founded on a set of economic and social orders that promote the view of a homogenous, rule-of-law borderless world (Friedman, 2005), which are conducive to not only

innovation creation and acquisition, but also, of course inevitably, IPR violation, due to easy access to information, technology, talents, and capital. Bifurcation has been structurally and qualitatively transforming these orders, altering the conditions for the creation, transfer, and protection of innovation.

For example, some techno-nationalism policies have imposed more constraints on cross-country cooperation. To build a more resilient supply chain, the U.S. government is promoting value-based criteria in partner selection to engage like-minded foreign partners, rather than focusing on cost-imposition, anymore (The White House, 2021). The U.S. government has also advocated that U.S. firms move their global value chains out of China and back to the U.S. These initiatives may reshape the logic of international cooperation, and the type of technologies and talents channeled through the value chains.

Techno-nationalism has redefined the logics underlying R&D investment and IPR protection. For example, the pass of Foreign Investment Risk Review Modernization Act (FIRRMA) of 2018 (Title XVII, P.L. 115-232), through which Committee on Foreign Investment in the United States (CFIUS) is authorized to scrutinize, confidentially, foreign direct investments (FDIs) to protect U.S. technologies and security, may threaten or even illegitimate certain types of capital investment in the U.S. and knowledge flows out of the U.S. (Congress.gov, 2018), directly impacting the Asia Pacific firms. In fact, CFIUS has discouraged not only M&As targeting at U.S. firms by Chinese companies but also blocked JVs outside the U.S. between U.S. and Chinese firms (Marquardt, Kaniecki, & Kurcab, 2020).

In addition, techno-nationalism policies have also imposed constraints on information and data sharing. For example, on August 14, 2020, the Trump Administration, followed by other countries (e.g., U.K., Australia, India), banned the operation of TikTok, a China-based digital platform, accusing the company of sharing U.S. customer's data to China (Kolodny, 2020). Constraining information and data sharing conflicts with the innovation logics of the digital and sharing economies, which maintain that value is created by easing resource access and orchestration and facilitating interactions and trust (Markman, Lieberman, Leiblein, Wei, & Wang, 2021).

The bifurcation process has created both threats and opportunities for different companies on different side of the bifurcated world and in different aspects of innovation. There is a need for the wide range of innovation streams aforementioned to be updated to reflect these changing dynamics. Research is called upon to investigate the effect of bifurcation on the conditions for creation, acquisition, commercialization, and protection of innovation, how MNEs and domestic firms in the broad Asia Pacific Region adapt their R&D strategies to the changes, and the consequent impact on firm innovation performance.

## **Scope**

This special issue is interested in not only innovation in technologies, but also other types of innovation, such as in processes and business models, e.g., platform-based, new economy (Markman, et al., 2021). Theoretical and empirical papers are welcome, and both qualitative and quantitative research methods will be valued. For empirical studies, all valid approaches will be appreciated, and the natural-experiment approach to take advantage of the major bifurcation events might be of particular interest.

## Possible research themes and questions

Example themes and questions may include but are not limited to the following:

1. *Innovation-related interfirm cooperation*

What is the impact of bifurcation on interfirm cooperation: formation, management, and the interplay of cooperation and competition vis-à-vis innovation (Devarakonda & Reuer, 2018; Hoffman, Lavie, Reuer, & Shipilov, 2018; Ryu, McCann, & Reuer, 2018)? For example, how should U.S. and Chinese companies incorporate FIRRMA requirements in their deal-making? How would the bifurcation world order, which influences the supply of cooperation opportunities and sources of technologies, affect the cooperative orientation between partners, e.g., transaction- or relationship-based, and consequently the risk of opportunism in cooperation (Cui, et al., 2018)?

2. *Technology-related M&As*

What is the influence of bifurcation on firms' international and domestic M&A strategies and performance (Zahra & Hashai, 2022)? For instance, how will FIRRMA affect Asia-Pacific companies' outward FDIs to acquire technology ventures and other resources?

3. *Global value chain (GVC) strategy*

How does bifurcation influence firms' GVC strategies? How does bifurcation affect location specific (dis)advantages and consequently firms' location choices for innovation (Alcácer & Zhao, 2012; Shaver & Flyer, 2000)?

4. *IPR protection*

How does bifurcation influence firms' IPR protection strategies: e.g., patenting, litigation, as well as adaption to unlevelled and evolving international IPR regimes (Brander, et al., 2017; Vanacker, et al., 2021; Zhao, 2006)?

5. *Digital and platform-based economies*

What is the impact of techno-nationalism on innovation of digital and platform-based economies? For example, how does bifurcation influence the product, process, and business model innovation of the constituencies of sharing economy, e.g., platforms, asset providers, and users (Markman, et al., 2021), as well as the innovation structure and performance of ecommerce ecosystems?

6. *Intra-firm governance and R&D management*

How does bifurcation influence intra-firm governance systems and R&D management? For example, how would a bifurcated world order, which changes international and domestic competitive environments and the mobility of talents, affect internal incentive design for inventors and managers (Yanadori & Cui, 2013; Cui, Ding, & Yanadori, 2019), internal networks, cooperation, and competition between units and individual inventors (Tsai & Ghoshal, 1998; Toh & Polidori, 2013)?

7. *CEO/Top management team (TMT)*

How does bifurcation influence strategic leadership process and effectiveness such as TMT diversity, dynamics, and decision-making vis-à-vis innovation (Post, Muzio, Sarala, Wei, & Faems, 2021; Tang, Nadkarni, Wei, & Zhang, 2021)?

8. *Strategic human resource management (SHRM)*

How does bifurcation influence SHRM for innovation, such as talent recruitment in domestic and international markets (Mawdsley & Somaya, 2016), and post-hiring knowledge transfer (Slavova, Fosfuri, & De Castro, 2016; Song, Almeida, & Wu, 2003)?

### **Workshops and Symposium**

To help authors develop their papers, we will organize two paper development workshops in the winter of 2022 and the spring of 2024 respectively. The first workshop will be organized before the submission deadline. We will invite interested researchers to submit their proposals and provide feedback to their initial ideas. In the second workshop, we will invite papers that receive a “revise and resubmit” and assist the authors to improve their papers. Furthermore, we plan to have a symposium at a major academic conference (e.g., AOM, AAOM) in 2024 for the accepted papers, aiming to increase their visibility and impact.

### **Submission Process and Deadlines**

Proposals are welcomed for the pre-submission workshop. Please submit your proposal between Nov. 1 and Dec. 1, 2022 to [apjm.innov@gmail.com](mailto:apjm.innov@gmail.com). In the subject line of your email, please indicate “APJM SP”.

All manuscripts will be reviewed as a cohort for this Special Issue. Manuscripts must be submitted between Aug. 15 and Oct. 1, 2023 at <https://www.editorialmanager.com/apjm/default.aspx>. All submissions will go through the APJM regular double-blind review process and follow the standard norms and processes. For more information about this Call for Papers, please contact the Special Issue Guest Editors.

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