Call for Papers for a Special Issue in the ***Journal of Business Research***

**Corruptive Practices, Digitalization, and International Business**

**Submission:** Between May 1 and July 31, 2020

**Guest Editors:**

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**Purpose and Research Questions:**

Although the corruptive behaviors have been explained in several ways (Farrales, 2005; Kouznetsov, Kim, & Wright, 2019), the widely-accepted definition of such behavior is the abuse of power for private benefits (Gorsira et al., 2018). Interestingly, without exception, corruption and bribery are rampant in many less developed and emerging economies (Petrou & Thanos, 2014; Wang et al., 2018) as well as in some developed markets. The major oil companies in Brazil have bribed politicians through their secret subsidiaries, in addition to both Indian and Russian organizations who have used slush funds in Mauritius and Cyprus for the same purpose. For reference, Brazil was 105th, India was 78th, and Russia was 138th out of 180 countries in the list of the world’s corruption rankings in 2018.

Some scholars are questioning whether bribery (i.e., one aspect of corruption) paid by multinational corporations (MNCs) in several economies is entirely unethical behavior or simply unavoidable ‘grease’, which is necessary to promote subsidiary performance and elongate survival in foreign markets. Although greasing the wheels of business is inevitable in some economies, MNCs’ corruptive behaviors impact the host countries’ socio-cultural and economic environments, thus hampering them from reforming institutional frameworks (Shleifer & Vishny, 1993). While powerful MNCs run operations, unethical practices often occur from governments, suppliers, business partners, and even civil society and judiciary functions; thus, sometimes these unethical practices trigger considerable dilemmas for MNCs as well as for these countries (Doh et al., 2012). Can MNCs’ strategic responses to such dilemmas be justified as ‘non-market strategy’ (see Brouthers et al., 2008; Uhlenbruck et al., 2006)? Or do we have to blame both the givers and the receivers as being equally guilty? In reality, we have witnessed MNCs’ unethical behaviors and their enormous economic and social consequences in several countries such as Enron’s Dabhol power plant case in 1990s (*The Economist*, 2001) and more recently Reckitt Benckiser’s toxic humidifier sterilizer scandal in South Korea (BBC, 2016).

Indeed, corruption is not a new phenomenon, but it has a long history (Barkemeyer, Preuss, & Ohana, 2018; Kouznetsov et al., 2019; Steidlmeier, 1999). Very recently, the rapid spread of information and communication technology (ICT) and its tools has paved the way to support anti-corruption initiatives by enhancing public scrutiny (Adam and Fazekas, 2018). Six types of ICT-based anti-corruption interventions (i.e., digital public services and e-government, crowdsourcing platforms, whistleblowing tools, transparency portals and big data, distributed ledger technology [DLT] and blockchain, and artificial intelligence [AI]) “serve the fight against corruption by enhancing access to public information, monitoring officials’ activities, digitalizing public services and encouraging corruption reporting” (Adam & Fazekas, 2018, p. 4; Davies & Fumega, 2014; Subhajyoti 2012). For example, Kenya’s and Indonesia’s whistleblowing platforms, which have facilitated corruption case management and anonymous interactions with whistleblowers, have received about 2,000 corruption reports annually (Kossow & Dykes, 2018). According to Indian Prime Minister Modi, the Digital India initiative[[1]](#footnote-1) helped to reduce corruption in India and made citizens’ lives more convenient (Prakash, 2016). The digital media can thus play a critical role to reduce corruption and enhance corporate social responsibility (CSR) in influencing MNCs’ engagement in a private as well as public sector (e.g., Ghoul et al., 2019).

Nevertheless, ICT and its tools can have potential to be used as dark-side inventories via new corruption opportunities that are linked to the dark web, cryptocurrencies, or simply through the misuse of well-intended technologies, e.g., digital public services and centralized databases. For example, authorities in Iran have confiscated around 1,000 units of bitcoin mining machines from two defunct factories. Iranians are increasingly turning to cryptocurrencies as a remedy to volative local currency due to sanctions (BBC, 2019). Therefore, the success of using ICT to reduce corruption hinges on its appropriateness “for local contexts and needs technological skills and experience” (Adam & Fazekas, 2018, p. 27).

In sum, international business (IB) scholars have long tried to explore the foreign direct investment (FDI) phenomenon from the perspective of MNCs, and thus they have often turned their focus away from unethical attitudes in less developed and emerging markets. In other words, IB discussions have focused on solving queries, such as why MNCs conduct FDI, under which circumstances MNCs choose certain entry modes and what are the critical conditions for MNCs for profit maximization, and how they tackle the liability of foreignness by overlooking their business ethics and CSR, as well as the implications of digitalization (Rodriguez et al., 2005). Due to this, we do not yet know enough about the cause and effect relationship between MNC corruption and digitalization abroad. In this regard, the aim of this special issue is to bring together theoretical and empirical advancements examining corruptive practices and to highlight what role digitalization is playing in that in both domestic and foreign markets. We seek both theoretical and empirical papers, as well as literature reviews and meta analyses, including interdisciplinary and intersectoral researches, that may address, but are not limited to, the following list of potential research questions:

* How do we extend leading theories of the firm by utilizing corruption and digitalization as laboratories challenging the assumptions of our theories, etc. (Cuervo-Cazurra, 2016)?
* Do corruptive environments in host economies impact MNCs’ unethical behaviors or vice versa? Does digitalization and ICT prevent and/or facilitate these MNCs’ unethical behaviors?
* How do MNCs strategically respond to corruptive environments in less developed and emerging economies; or what is the effect of MNC corruption on business environments and economic development in local economies? What roles of digitalization and ICT tools may play in this context?
* Is there a particular relationship between MNCs’ entry mode choice and the level of corruption and CSR, as well as the level of digitalization, in host economies?
* How do MNCs behave differently when they operate in home and host markets in terms of ethical aspects? How do e-government, crowdsourcing, whistleblowing tools, big data, blockchain, and AI influence these ethical behaviors?
* Are ethical behaviors and standards different between developed country MNCs and emerging economy MNCs? Do digitalization and ICT interventions affect these different ethical behaviors and standards?
* How can host country governments effectively regulate corrupted firms, including developed economy MNCs? Any corporate governance solution? Or do digitalization and ICT interventions by host country governments have a positive impact on this?
* What is the impact of corrupt MNCs on the intensification/alleviation of poverty and inequality in local economies? Do e-government and digital media improve or aggravate this phenomenon?
* Which local stakeholders do function as vehicles regarding MNC corruption in emerging economies? Can ICT preventions against corruption be effective in this case?
* What are the areas where corruption poses a particular problem for MNCs’ non-market strategy for dealing with issues such as political lobbying, extortion by public officials, bribery by its agents and other intermediaries? How do digitalization and ICT preventions affect in this case?

**Special Issue Workshop:**

In order to facilitate revisions of selected papers, the authors of selected submitted papers to this special issue will be invited to a special issue paper development workshop (PDW), which will be held in **December** **2020**. One author per each paper, which will be under R&R, will be particularly invited to make a presentation of his/her paper at PDW, and a hosting university will cover two-nights hotel accommodations and all other local expenses (e.g., meals) during PDW. Guest editors and *Journal of Business Research* (JBR) editorial board members will give the presenters constructive comments on developing their papers under R&R. However, the participation in PDW is not obligatory, and the presentation cannot guarantee the acceptance of presenters’ papers.

**Submission Instructions:**

**Between** **May 1 and July 31, 2020**, authors should submit their manuscripts online via <https://www.journals.elsevier.com/journal-of-business-research>. Submissions should be prepared in accordance with the JBR style guidelines, so before a submission, please visit the website at: <https://www.elsevier.com/journals/journal-of-business-research/0148-2963/guide-for-authors>. All submissions will be subject to the regular blind peer review process at the JBR*.*

**More Information:**

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**Special Issue Editors:**

**Prof. Pervez Ghauri, PhD**,is Professor in International Business at Birmingham Business School, The University of Birmingham (UK). He is Editor in Chief for *International Business Review* and Consulting Editor for *Journal of International Business Studies*. He has been conducting research on international marketing and international business topics, with focus on the internationalization process and entry strategies. In the last seven years his research focus has shifted towards the externalities of international business, specifically the activities of multinational enterprises (MNEs) in emerging markets. His latest projects include social entrepreneurship, the role of multinational enterprises in poverty alleviation, developing a digital business model for the benefit of the poor and female segments, and exploring how MNEs can create a competitive position through ethical behavior in emerging markets. The majority of the projects above have been funded by organizations such as the European Commission, Economic and Social Sciences Research Council (ESRC) UK, Handelsbanken, Riksbankens Jubileumsfond and Soderbergs foundation in Sweden. He has published 30+ books and 100+ journal articles in top level journals. Some of his books have been translated in several languages and are used globally, including the USA, across Europe, and China.

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1. The Digital India initiative refers to the Indian Government’s services are made Indian citizens be benefited electronically by improved online infrastructure or by allowing India digitally empowered in the field of digitalization (Prakash, 2016). [↑](#footnote-ref-1)