***Journal of Business Research***

**Call for Papers – Special Issue on**

**What is still emerging about EMNEs?**

**Setting the agenda for future research**

**Extended abstract submission deadline: 31 July 2020**

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**Guest Editors:**

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**Background and Rationale for the Special Issue**

Over the last two decades emerging market multinationals (EMNEs) have been persistently internationalizing by undertaking foreign direct investment (FDI) in developing and advanced markets. Their FDI often involves acquisition of major industry players in host markets. The phenomenon of EMNE internationalization has stimulated a lively debate among international business scholars. The main points of this debate concern EMNEs catching up and competing with global peers (Awate et al., 2012, Contractor, 2013, Munjal et al. 2019), the asset augmentation strategies adopted for rapid internationalization (e.g. Luo and Tung, 2007; Madhok and Keyhani, 2012; Özcan et al, 2018, Ramamurti and Singh, 2009; Rabbiosi, Elia and Bertoni, 2012), the validity of internalization theory (e.g. Buckley et al. 2007; Hennart, 2012) and the relevance of ownership advantages (e.g., Hashai and Buckley, 2014; Contractor, 2013; Mathews, 2006; Narula, 2012), the role of the home country and institutional context (e.g. Buckley et al., 2012; Cavusgil and Buckley, 2016, Cavusgil et al., 2018; Corredoira and McDermott, 2014; De Beule, Elia and Piscitello 2014; Han et a;., 2018), the impact on the host country (e.g. Buckley, Elia and Kafouros, 2014; He and Zhang, 2018), and the characteristics of innovation in and from emerging economies (e.g. Govindarajan and Ramamurti, 2011; Mudambi, 2008; Fu, Pietrobelli, and Soete, 2011).

After two decades, this debate continues. The evolution of emerging economies drastically changes the rationale underlying the most recent acquisitions undertaken by EMNEs. The patterns of internationalization of emerging and advanced economy firms seem to be converging (Wang and Li-Ying, 2014). In emerging economies, a set of modern high-tech and knowledge-intensive sectors - highly capital-intensive and skill-dependent - have grown in parallel with sectors that traditionally rely on labor-intensive activities and natural resources, and the next wave of investments from emerging markets, in particular from China and India, is expected in these industries (Narula, 2015). These macroeconomic changes are the result of the strategies of firms. As EMNEs become more experienced, their *modus operandi* does not greatly differ from those of advanced MNEs (Cuervo-Cazurra, 2012). They increasingly rely on cross-border acquisitions to augment their technological, innovation, and managerial capabilities (Meyer, 2015; Buckley et al. 2016). Moreover, in recent years, EMNEs have increasingly been able to rely on more advanced assets as a result of the co-evolution of their ownership advantage and home-country national innovation systems, and their asset-seeking strategies are now supported by (rather than being a compensation for) the assets available in their home economies (Elia and Santangelo, 2017). The development of a knowledge and institutional infrastructure in emerging markets has fostered country-specific advantage and, as a result, has augmented domestic firms’ ownership advantage (Laursen & Santangelo, 2017) allowing these countries to participate more fully in the global division of labor of knowledge production.

In addition, the increasing exploitation of new digital technologies opens further opportunities - but also challenges - for EMNEs. Indeed, on the one hand, the access to digital technologies (e.g. E-commerce, 3D printing, Internet of things, Big Data, Additive manufacturing, Smart Supply chains, Robotics)  enable EMNEs to increase both their productivity in manufacturing activities and their effectiveness in accessing new markets, making them more competitive in the global arena. On the other hand, multinational companies from advanced economies can not only benefit from the same advantages, but also can exploit new technologies to reduce production costs (Strange & Zucchella, 2017), enabling them to challenge EMNEs on their own ground, given that EMNEs have largely developed their competitive advantage using the lower production costs offered by their home countries.

These developments seem to suggest that, while inquiries into EMNEs must continue, there is a need for an agenda-setting effort to identify trends and topics that deserve further scholarly attention. In particular, we suggest the need to explore an overarching research question, i.e. “What is still ‘emerging’ about EMNEs?” This special issue aims to extend the research agenda on EMNE internationalization. We propose some specific key questions to stimulate research on critical, yet unexplored issues related to EMNEs.

1. Ownership advantage: What types of ownership advantages are leveraged by EMNEs for their internationalization in the contemporary environment? Are they different from those of the early waves of internationalization? Are they still different from those possessed by MNEs from advanced economies? Are traditional ownership advantages still relevant for the internationalization of EMNEs?
2. Host countries: What type of host country and entry mode choice do EMNEs prefer today? Do EMNEs still prefer more risky host locations? How does the host country context (in terms of institutions, policies, industrial setting, culture, national innovation systems) play a role in attracting a new wave of investments from EMNEs? Why are EMNEs investing in other emerging markets?
3. Home countries: How does the home country context (in terms of market, consumers, institutions, policies, industrial development, national innovation system etc.) of EMNEs evolve? Does the home country support internationalization of its EMNEs in a different way from the past? What industries will future EMNEs come from? What are the new geographies (e.g. Africa) from whence EMNEs are emerging?
4. Distance: Do EMNEs still face large institutional distances in investing abroad? If so, does the direction of institutional difference matter? (from emerging to advanced economies rather than vice-versa). Do EMNEs still face a strong liability of emergingness and outsidership? What is the contribution of the diaspora from the emerging source country to reducing (or augmenting) cultural and institutional distances?
5. Governance: Do EMNEs (and in particular Chinese and Indian companies) still utilize different management practices than advanced MNEs (e.g., as regards the transparency, the use of tax havens, capital flight)? Do State-Owned Enterprises, Business Groups and Sovereign Wealth Funds display different strategic behaviors from traditional MNEs? How can we disentangle the heterogeneity within each of these groups?
6. Performance of the acquired firms: What is the impact on the medium and long-run financial and innovation performance of firms acquired by EMNEs? Have they expanded their sales or increased their internationalization (especially towards the EMNEs’ home countries)? Are they gaining or losing employees?
7. Performance of the EMNEs: What is the impact of EMNEs’ portfolio of investments on their financial and innovation performance? Are they performing worse or better than MNEs from advanced economies? Did they manage to catch-up in terms of technology and productivity? Is the effect of cultural and institutional diversity on performance similar to their early investments?
8. Knowledge and capabilities: How does internationalization contribute to enhancing the knowledge and capabilities of EMNEs? Have EMNEs been able to climb the value chain? If yes, what type of path and trajectories are they following? Are EMNEs still using a knowledge-utilization (i.e. more imitation-oriented) approach or are they increasingly adopting a knowledge-creation (i.e. more innovation-oriented) strategy? Are EMNEs capable of integrating and orchestrating knowledge and resources stemming from their portfolio of investments?
9. Digital technologies: What are the challenges and the opportunities offered by digital technologies to EMNEs? Are they different with respect to those faced by traditional MNEs from advanced economies? Will digital technologies change the internationalization patterns and strategies of EMNEs? Will they help EMNEs to accelerate and catch-up with traditional MNEs, thus making the former less and less “emerging”? Will the “fourth industrial revolution” benefit mainly the advanced MNEs, e.g. in terms of lower production costs, thus weakening some of EMNEs’ traditional competitive advantages?
10. How will EMNEs deal with the forthcoming uncertainty and turbulent environment arising from the Worldwide Pandemic and from other recent phenomena like Brexit, the rise of Nationalisms and Populisms, the Trade war between USA and China and the effects of the Climate Change? Will EMNEs gain or lose competitiveness and market shares? Will advanced MNEs reshore some activities to decrease uncertainty, thus turning global into regional value chains and downsizing the role of EMNEs? How will EMNEs adapt and change their internationalization strategies to cope with these contingencies?

These research questions do not intend to be exhaustive. Rather they lay the foundations for fertilizing the international business and management literature by initiating thought-provoking research. To achieve this goal, the special issue aims at attracting contributions from a variety of disciplines such as international business and management, corporate governance, strategy and economic geography, with the aim of making multi-disciplinarily a hallmark of the special issue.

**Paper Submission**

Authors intending to submit a full manuscript for this special issue must submit an extended abstract, not more than 1,000 words (excluding references) via email to Stefano Elia ([stefano.elia@polimi.it](mailto:stefano.elia@polimi.it)) no later 31 July 2020. Authors shortlisted will be required to submit a full manuscript by31 January 2021.

The guest editors intend to host a paper development workshop for authors shortlisted sometimes in October/November 2020 in Leeds, U.K. or Atlanta, USA. This will assist authors in making progress on their manuscript and receive consultation from the guest editors.

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