



De-globalization, International Trade Protectionism, and the Reconfigurations of Global Value Chains

Nadia Zahoor¹ · Jie Wu² · Huda Khan^{2,3} · Zaheer Khan^{2,4}

© The Author(s) 2023

Abstract

By presenting an investigation of the impact of international trade protectionism on the reconfigurations of the global value chains (GVCs), this paper challenges the perceived assumption of ongoing globalization and the free flow of goods and services. Building on the de-globalization and GVCs' literature, we performed a historical content analysis on 174 articles from 2016 to 2020 published in leading and major national and international newspapers. Our findings suggest that international trade protectionism has altered the landscape of GVCs by causing widespread disruption to their functioning, thus making them prone to future external policy risks. Such disruption is having a varying impact on various industries, whereby it is causing greater harm to those industries that are more global in nature and thus rely on global suppliers. We draw implications of our findings for research and practice.

Keywords De-globalization · Protectionism · Global value chains · Trade war · United States · China · Historical content analysis

✉ Nadia Zahoor
n.zahoor@qmul.ac.uk

Jie Wu
jie.wu@abdn.ac.uk

Huda Khan
huda.khan@abdn.ac.uk

Zaheer Khan
zaheer.khan@abdn.ac.uk

¹ School of Business and Management, Queen Mary University of London, London E1 4NS, UK

² University of Aberdeen Business School, King's College, University of Aberdeen, Aberdeen AB24 5UA, UK

³ Africa-Asia Centre for Sustainability, University of Aberdeen, Aberdeen, UK

⁴ Innolab, University of Vaasa, Vaasa, Finland

1 Introduction

There has been an increasing interest in understanding the impact of international trade protectionism on the global organization and adaptive reconfigurations of value chain activities (e.g., Evenett, 2019; Gereffi et al., 2021). The move towards protectionism started in the wake of the 2008 financial crisis, with many economically developed governments enacting populist policies and measures encouraging the local sourcing of supplies in order to protect their local industries and jobs (cf. Constantinescu et al., 2020a, 2020b). Such policy interventions have attracted significant interest, which was stimulated by the attempt made by the 45th President of the United States, Donald Trump, to surrender the US's global leadership and replace it with a more inward-looking and fortress-like mentality (Prasad, 2021), which led to the US-China trade war. This significant shift of globalization toward international trade protectionism emphasizes the implicit assumption - made by the international business (IB) literature over the past decades - that globalization is ongoing and accelerating (Contractor, 2021; Williamson, 2021). Under this assumption, the dominant IB studies have examined the causes of globalization and its effects on the activities of multinational enterprises (MNEs) (cf. Buckley & Ghauri, 2004; Petricevic & Teece, 2019). In contrast, relatively limited studies have paid attention to the reverse processes - i.e., 'de-globalization' or 'anti-globalization' related protectionism measures - and their implications for the reconfiguration of GVCs (Casadei & Iammarino, 2021; Schrage & Rasche, 2022). As some estimates suggest that around 80% of global trade is undertaken through GVCs (e.g., UNCTAD, 2013), and in such a context protectionism measures and trade wars between the USA and China can have significant consequences for the GVCs. Rising protectionism also reflects the slowing down of globalization, suggesting far reaching implications for firms (cf. Evenett, 2019).

This research gap is amplified by the significant numbers of pro-market and pro-globalization reforms that many of the emerging Asian and Latin American economies have enacted in the early twenty-first century with the aim of providing MNEs with significant opportunities to fine slice their GVC activities in terms of integrating, coordinating, and communicating with geographically dispersed partners to co-create value (Benito et al., 2019) and of effectively competing in the global marketplace (Buckley & Ghauri, 2004; Buckley et al., 2017; Khan et al., 2018). The organization of global economic activities under GVCs has enabled global learning and the rapid expansion of ideas through the exchange of technology and human capital, thus contributing to lower production costs, higher specialization levels, and more innovative products and services (Cuervo-Cazurra et al., 2020; Umar et al., 2021). The resulting vibrant international economic activities have also promoted societal welfare and fostered wealth and job creation (Bonfanti et al., 2018; Pitelis & Teece, 2018). Furthermore, GVCs' role is becoming extremely important in achieving sustainable economic growth and development and given these benefit, several international organizations have made GVCs as part of their policymaking agenda (cf. Gereffi, 2019). Various countries from Asia to Latin America have benefited through their insertion into

GVCs. For instance, the participation of southern-based small suppliers in GVCs has been noted to be crucial in improving their so-called economic upgrading prospects through the flow of valuable knowledge from lead firms - MNEs (Ernst & Kim, 2002; Gereffi, 1999; Gereffi & Frederick, 2010). Economic upgrading refers to a process whereby economic actors - countries and firms - move to higher value activities in GVCs (Gereffi, 2005, p. 171). It is also considered to be their passport to entry into international markets (Gereffi & Lee, 2016; Humphrey & Schmitz, 2002; Ponte & Sturgeon, 2014).

To address the aforementioned gaps in the extant literature, our study built on the nexus between the de-globalization and GVCs literature to investigate the impact of international trade protectionism on the reconfiguration of GVCs and further explore its boundary conditions. Specifically, we aimed at answering the following two fundamental questions: (1) "What are the implications of international trade protectionism for GVCs?" and (2) "What risk mitigation response strategies are suited to manage trade protectionism and develop resilient GVCs?" In answering these two questions, we focused on a set of US protectionism measures enacted during the Trump era and maintained by the current administration of President Biden, and discussed their implications for the reconfiguration of GVCs in terms of their control and coordination. This context is important in light of the aggressive protectionist measures enacted by the US against China and other trading partner countries - which have led to the decoupling of value chain activities (Casadei & Iammarino, 2021). For instance, the USA has withdrawn from the Trans-Pacific Partnership agreement, renegotiated free trade agreements with Mexico and Canada under the umbrella of NAFTA, and enacted a range of new tariffs on goods and services (Noland, 2018). In addition, MNEs, as lead firms from the US, are the major actors behind the global organization and coordination of GVCs; thus, such context provides important insights into the changing geography of GVCs as well as their resilience. To understand the US trade protectionism measures and their implications for GVCs, we examined 174 newspaper articles published between 2016 and 2020 in broadsheet newspapers (*The New York Post*, *The New York Times*, and *Newsday*) and specialist business publications (*The Financial Times*, *The Wall Street Journal*, and *Bloomberg*). In doing so, we made three contributions to the international business literature. Equally importantly, given that the extant IB studies have rarely employed historical accounts to research important IB topics (cf. Buckley, 2020; Kotabe & Kothari, 2016), we deployed unique historical research methods, thus compiling and reconciling empirical evidence relating to US trade protectionism and the reconfiguration of GVCs.

Our findings contribute to the IB, de-globalization, and the GVCs literature in several important ways. First, the IB literature makes the implicit assumption that globalization is relentlessly accelerating (Kim et al., 2020; Wu et al., 2021). Conversely, our study drew on the de-globalization literature to challenge this implicit assumption. We conceptualized international trade protectionism as a specific form of de-globalization (Luo et al., 2021) and proposed that it acts as a driver to shape policy reforms and tariffs in order to control the activities of GVCs and spur local economic activities for low-skilled workers, thus leading to the reconfiguration of GVCs from the global to the regional and local scale. Our efforts to identify this

link have significant implications for both theory and practice. Our other important contribution to the IB literature is that we took a step toward exploring the potential influence of international trade protectionism on GVCs by taking into account various industries as a boundary condition, as more globalized industries rely far more on global suppliers of components, which certainly poses both more opportunities for and threats to the functioning and coordination of GVCs (Kobrin, 2017; Pangarkar & Wu, 2013), an aspect that is virtually neglected in the IB literature. We, therefore, filled this gap in the dominant IB studies.

Second, our study makes important contributions to both the de-globalization and GVCs literature. The de-globalization literature suggests that changes in the global structural and political systems to protect national economies from immigrants have serious implications for IB and the vulnerability of GVCs (Ciravegna & Michailova, 2022; Witt, 2019). Relatedly, the international trade protectionism measures enacted by governments are expected to limit the international transfer of the tacit knowledge that resides in global excellence centers (Buckley et al., 2017), restrict the free movement of goods and shift production to geographically dispersed locations to reduce costs (Cuervo-Cazurra et al., 2020), and disharmonize those international trade policies that foster inequality and industrial decay (Hoffmann et al., 2020). Unfortunately, we lack a systematic understanding of the nature and extent of international trade protectionism and its impact on GVCs (Kano et al., 2020; Meyer et al., 2020). This has been echoed by those scholars who have called for more research on “*the potential impact of various expressions of the renewed protectionism, such as Brexit and Trumpism, on GVCs*” (Kano et al., 2020, p. 615). Our study hence responds to this call by exploring the potential impacts of trade protectionism on GVCs, with the core argument that trade protectionism poses serious challenges to their activities. It thereby advances the de-globalization literature by not only placing de-globalization in the context of international trade protectionism, which has been little explored but also exploring the consequences of such protectionism.

On the other hand, our study also contributes to the GVCs’ literature, which suggests that a clear pattern of dispersed and fragmented international MNE business activities emerges where offshore production sites located in low-cost developing countries are closely linked with consumers in developed markets (Kano et al., 2020; Sinkovics et al., 2019). The critical role played by GVCs in international business, alongside the populist and nationalist rhetoric that is emerging from developed markets (e.g., the US), has generated a severe backlash against globalization and the very nature of GVCs due to the disappearance of local companies and firing of workers resulting from increased foreign competition (Ambos et al., 2020). The global integration of value chain activities is disrupted by import tariffs, anti-globalization policies, and restrictions on the migration of skilled labor for the free flow of ideas and knowledge through GVCs (Epede & Wang, 2022). Institutional changes have reversed the globalization trend, with governments implementing protectionist measures and weakening global institutions such as the World Trade Organization (Glaister et al., 2020; Kobrin, 2017). Globalized industries are increasingly more likely to be severely affected by trade protectionism - in the form of increased tariffs and trade restrictions to reduce imports in an attempt to protect domestic sectors and boost local employment (Li & Whalley, 2020), which limits the trade activities of MNEs and restrains the free flow

of goods, services, and capital across borders (Evenett, 2019). This situation has been made more complicated, for example, by the US's 'America First' policy (Kazin, 2016) stance, resulting in the initiation of strict industrial policies and tariff wars aimed at curtailing imports from Canada, Mexico, Europe, and China. We advance the GVCs literature by connecting it with the de-globalization literature (Buckley, 2009; Czinkota, 1986), which had hitherto been largely viewed as separate despite being closely associated. We synthesize the key insights and establish the link between the two streams of literature, proposing that trade protectionism plays a key role in shaping policy reforms and tariffs in order to control GVC activities and spur local economic activities for low-skilled workers.

Besides contributing to knowledge, our study has practical and policy implications. First, it provides insights to MNEs' decision-makers about changing global market environment. Given the fact that the trade protectionist measures by governments are increasing trade barriers for MNEs and disrupting GVCs, it is vital for MNEs to consider macro-economic factors including protectionism policies that undoubtedly determine the effectiveness of GVCs (Casadei & Iammarino, 2021). This high-level consideration is particularly relevant for those decision-makers of MNEs who are doing the cost–benefit analysis of developing and nurturing GVCs. The consequence of protectionism having disrupted GVCs is that the over-reliance on global partners affected the operations of MNEs, thereby reducing their profitability. Therefore, decision-makers must determine which activities should be outsourced to global partners and which should be assigned to regional partners. By doing this, MNEs can diversify their outsourcing activities at both regional and global levels, therefore achieving profit gains even during disruptive events. Moreover, this study has important implications for policies and policy-makers. On the one hand, there is an urgency for policies that should reduce trade deficits and cut the import tariff revenue losses suffered by MNEs in order to improve their competitiveness. On the other hand, it is vital for policy-makers to pay greater attention to the populace with low education levels and low skill sets, who are vulnerable to ever-changing job environments, since these marginalized low-skilled workers who forced the de-globalization movement desperately need their governments to take actions by, for instance, creating favorable policies to help and protect them as well as providing them with training opportunities (Cha et al., 2021).

The remainder of this paper is structured as follows. Next, we review the literature on GVCs and trade protectionism. We then detail our methodology with an explanation of the data collection and analysis process. Subsequently, we present our findings on how US trade protectionism affects the GVC activities of MNEs. Before concluding, we present the theoretical and practical implications of our study as well as its limitations.

2 Literature Review

2.1 The Nexus of International Business and Global Value Chains

GVCs, which refer to the complex linkages between geographically dispersed firms for the production of different goods (Gereffi, 1996; Nadvi & Halder, 2005), have attracted significant scholarly interest for over two decades (Contractor et al., 2015; Dindial et al., 2020; Humphrey & Schmitz, 2002; Wieland et al., 2020). The GVCs approach has been utilized to understand the potential enabling role played by sourcing linkages in the upgrading of companies located in developing economies (Humphrey & Schmitz, 2002; Pietrobelli & Rabellotti, 2011). One of the central elements of the GVCs framework is that it points out how value is created through upgrading in supplier-customer constellations (Boder, 2006). However, despite their similar issues and complementarity of ideas, the GVCs and IB literature has been developed from different perspectives and advanced along separate streams. This is evident from the debates ongoing within the IB community, which suggest that the IB domain “*has evolved almost independently from research on the very same phenomena in other disciplines*” (Buckley et al., 2017, p. 1050). There are many complementarities between the IB and GVCs fields as the former emphasizes the orchestrator of the firms and the governance of the GVCs (Buckley et al., 2017), and the latter is concerned with the maintenance or improvement of supplier positions and their insertion into GVCs (Boder, 2006; Danskin et al., 2005). Against this background, our study integrates IB and GVCs streams of research in order to understand the impact of international trade protectionism on the global reconfiguration of GVCs, thus enhancing our understanding of an important global phenomenon.

2.2 The Degeneration of Global Value Chains

As ‘lead firms’, MNEs are increasingly involved in international trade through geographically dispersed value chains that involve both global factories and independent contractors providing production facilities at different stages of the production process (Murphree & Anderson, 2018). Such linkages offer the advantages of superior scale, spatial flexibility, and lower costs through a combination of different factors, such as access to cheap and well-trained labor, closeness to natural resources, increasing efficiency of global logistics providers, and the innovation and marketing ability of partners (Dicken, 2015; Gereffi, 2018). From the knowledge perspective, scholars argue that connectivity with global value chain partners allows MNEs to acquire knowledge from host countries and transfer it back to headquarters for innovation and competitiveness (Ferraris et al., 2020; Ganguly et al., 2019). Accordingly, MNEs continuously reconfigure their GVCs to exploit enduring variations in competencies and labor markets in order to seize value from their overall operations (Buckley et al., 2019).

Participation in GVCs enables MNEs to concentrate on tasks that provide sustainable competitive advantages (Magnani et al., 2019; Sinkovics et al., 2019) while outsourcing any non-essential activities (Bertrand, 2011). Specifically,

MNEs engage in GVCs to buy inputs or components from foreign suppliers characterized by lower costs, particularly labor costs (Ryan et al., 2020). In addition to this cost advantage, GVCs enhance the capabilities and knowledge of MNEs by providing them with foreign location-specific advantages (De Marchi et al., 2020; Kim & Aguilera, 2016). Participation in GVCs also has an effect on organizational learning and product innovation that promote MNEs' position in the global economy (Gereffi & Lee, 2012; Scuotto et al., 2020). This line of reasoning has led international organizations [e.g., World Bank, International Monetary Fund (IMF)] to increasingly pressure countries to integrate within GVCs as a means to achieve inclusive and sustainable economic growth and develop local capabilities (Gereffi & Frederick, 2010; IMF, 2019b).

Despite the potential benefits of GVCs, geographically dispersed and complex global networks increase risk - this, in turn, makes GVCs more vulnerable to disruption (Park et al., 2016). GVC disruption can be defined as any interruption caused by unplanned and unforeseen events in the normal flow of materials across dispersed value chains (Craighead et al., 2007). Scholars and practitioners argue that GVCs - being long, complex, and dispersed - have become more susceptible to disruption over the last few years (Fartaj et al., 2020; Gaur et al., 2020; Scheibe & Blackhurst, 2018). As a consequence, GVC disruption exposes firms to potential financial and operating risks. For example, prior studies have shown that GVC disruption can cause a 33% to 40% decline in the stock market price of a firm (Baghersad & Zobel, 2021; Hendricks & Singhal, 2003; Li et al., 2016). In addition, disruption in a GVC can affect the functionality of other value chain elements, such as downstream or upstream value activities (Habermann et al., 2015). Thus, it is vital to understand the factors that affect the proliferation of disruption and fragmentation in GVCs (Park et al., 2016; Scheibe & Blackhurst, 2018).

In this regard, some previous studies have investigated GVC disruption factors by classifying them as inbound and outbound (Svensson, 2002), whereas others have categorized them based on their nature, such as natural disasters, intellectual property, inventory, and supply risks (as summarized in Table 1) (Arto et al., 2015; Chopra & Sodhi, 2004; Crestanello & Tattara, 2011). Furthermore, there are limited insights into the potential impacts of industrial risks - such as the collapse of sales due to competition (Hendricks et al., 2009) - or political risks, including red tape, expropriation, and non-fulfillment of contracts by governments (Lee et al., 2020). Remarkably, to date, little research has paid attention to trade protectionism - which is a backlash against globalization - as a cause of GVC disruption, and the area remains underexplored (Kano et al., 2020). This is an important shortcoming in the literature because the idea of liberal democracy and free markets is being questioned (e.g., Brexit in the UK or the disclaiming of trade agreements in the US), leading to catastrophic global conflicts and GVC tensions (Casadei & Iammarino, 2021; Kobrin, 2017). Protectionist policies may disrupt the functioning of GVCs (McWilliam et al., 2020); for example, they may cause the retrenchment of manufacturing activities in low-cost offshore countries (Kano et al., 2020; Luo et al., 2021). As a result of their far-reaching consequences, it becomes even more critical to develop

Table 1 Key research on GVCs disruption

Article	Source of GVC disruption	Method	Key findings
Arto et al. (2015)	Japanese Earthquake of 2011	Input–output model; global automotive industry	The findings show that the global economic effect of Japan's earthquake disruption amounted to US\$139 billion
Bader et al. (2020)	Terrorism	Conceptual	Terrorism resilience theory can help MNEs to alter GVCs to avoid any disruption resulting from terrorism
Clarke and Boersma (2017)	Unresolved human rights, environmental and ethical dilemmas	Case study of Apple Inc. in Asian GVCs; secondary data	The implementation of social and environmental standards can enable MNEs to address any governance challenges in GVCs
Cuervo-Cazurra et al. (2020)	Skepticism of globalization	Conceptual	To avoid GVC disruption, MNEs need to design strategies that counterbalance the regulations resulting from the skepticism of globalization
Gereffi (2020)	COVID-19 outbreak	U.S. healthcare case study; secondary data	A misalignment between US government officials and MNEs resulted in delays in healthcare outcomes during the COVID-19 pandemic
Jandhyala (2013)	Property right protection	Panel data on 152 firm investments made between 2002 and 2006	Property right protection increases the likelihood of locating services offshore
Loh et al. (2017)	Transport failure	Survey data collected from port-operators worldwide	Terminal congestion, shortage of equipment or facilities, inadequate port handling, and port equipment breakdown cause GVC disruption
Yang et al. (2020)	Intellectual property right protection	Panel data on MNEs from 55 countries from 2005 to 2015	Intellectual property rights protection promotes an economy's status in GVCs
This study	Trade protectionism	Documented newspaper articles published between 2016 and 2020	Our findings suggest that trade protectionist measures have disrupted GVCs and caused a shift to regional and local ones. The disruption effect was contingent upon the type of industries; as such, these measures caused more harm to high-tech firms, which rely on global components suppliers more than other industries

resilient GVCs in order to sustain the impact of trade protectionism. Accordingly, our study took the aforementioned research gaps as the departure point from which to consider the implications of trade protectionism for GVC disruption and future resilience. Table 1 shows key research on GVCs' disruption.

2.3 De-globalization: The Rise of Trade Protectionism

De-globalization - i.e., the process of weakening interdependency between countries (Petricevic & Teece, 2019; Witt, 2019) - has been ongoing for several years. The process is being underpinned by trade protectionism; government-level initiatives aimed at protecting domestic markets by imposing import tariffs, the strict enforcement of product standards, and policy regimes (Evenett, 2019; Grundke & Moser, 2019). The proponents of de-globalization argue that trade protectionism safeguards the sovereignty of countries (Enderwick, 2011). For example, some countries place restrictions on the foreign ownership of their airlines to protect their national and cultural integrity (Williams, 2017). However, several scholars have voiced their concerns that trade protectionism can affect MNEs by increasing the costs of GVCs and those linked to the exchange of tacit knowledge (Abboushi, 2010; Bown & Irwin, 2019). With trade protectionism measures, a government can restrict the exchange of products, which leads to a decrease in the financial returns on foreign direct investment (FDI) because of disruption in GVCs (Evenett, 2019). Protectionism can offset any gains linked to cross-border sourcing and encourage firms to source locally, consequently fostering de-globalization (James, 2018). This state of affairs was also acknowledged by The Economist in its January 2017 cover story, which averred that global companies are “*in retreat*” during the “*era of protectionism*” and “*the advantages of scale and ... arbitrage have worn away.*” In addition, the CEOs of world-leading firms have expressed their views on the globally changing business landscape and its implications for GVCs. For example, Jeff Immelt, CEO of General Electric (GE), said that “*In the face of a protectionist global environment, companies must navigate the world on their own. We must level the playing field, without government engagement. This requires dramatic transformation. Going forward: We will localize*” (Immelt, 2016); this was further reinforced by Joe Kaeser, CEO of Siemens, who stated that “*localization will matter more*” (Bradsher, 2019). However, there is a lack of evidence in support of the argument that trade protectionism has changed the international business landscape by disrupting GVCs (De Marchi et al., 2020; Kano et al., 2020). Our study, therefore, was aimed at understanding the extent to which GVCs are being disrupted by the introduction of trade protectionism measures by governments.

IB scholars have been calling for work integrating international business and GVCs (De Marchi et al., 2020). The IB literature stream argues that trade regulations are diverting international cooperation toward the exploration of local solutions. The situation is compounded by the trade protectionism emerging in numerous countries, the US among them. Trade protectionism policies are underpinned by systematic competition for economic powers, which may lead to a widespread global economic divide (Kobrin, 2020; Petricevic & Teece, 2019). Despite some speculations made

regarding the negative consequences of protectionism, the IB literature has failed to provide empirical evidence for its influence on GVCs. Thus, this field specifically demands scholarly research aimed at bridging this gap and providing solutions for the protection of GVCs (McWilliam et al., 2020). This line of enquiry is critical because the GVCs of global firms may suffer serious consequences as a result of trade protection. As the IB literature assumes that globalization will keep surging (Contractor, 2021; Kim et al., 2020; Wu et al., 2021), our study contributes to it by considering trade-protectionism as a de-globalization activity.

At the same time, the literature stream on GVCs also points out that these may suffer negative consequences due to trade protectionism mainly because they are relation-specific investments, which require the flow of information and power asymmetries between partners (Strange & Humphrey, 2019) in relationships that are often sensitive to policy uncertainty (Constantinescu et al., 2020a, 2020b). A recent multidisciplinary review of the literature on GVCs also pointed out the need to understand the influence of protectionism in this context (Kano et al., 2020). Hence, consistent with the demand for scholarly work on economic-government realignment in the IB and GVC literature, the examination of trade protectionism and GVC relationships is deemed critical (Zhan, 2021). Although recent research has posulated that protectionism may disrupt GVCs and should therefore be investigated (McWilliam et al., 2020), hardly any scholarly work has yielded response strategies suited to manage protectionism and develop resilient GVCs. Hence, our study fills the gap by answering two research questions - one pertaining to our understanding of the implications of trade protectionism on GVCs, and the other aimed at yielding possible risk-mitigation response strategies suited to managing trade protectionism and developing GVC resilience - and considering the industry effects. Thus, our study contributes to theoretical knowledge in the multi-disciplinary area of GVC and IB.

3 Methodology

3.1 Empirical Setting and Research Methods

The US initiated trade protectionism provides an excellent empirical setting for this study due to several reasons. First, the U.S. had hitherto been the world's biggest supporter of open trade (Czinkota & Ronkainen, 2009; Feinberg, 2003), and remains one of the most important players in the World Trading System. However, during his 2016 presidential election campaign, Mr. Trump criticized China and other trading partners for stealing American jobs (Huang & Kim, 2019). Accordingly, the myth of free trade has come crashing down in the US, with the rise of a focus on de-globalization (Gande et al., 2020; Witt, 2019). As part of the 'America First' policy (Kazin, 2016), a series of tariffs have been imposed to reduce the trade deficit, thus moving away from free trade agreements to bilateral trade deals. This scenario is ideal for the study of US trade protectionism (Sinkovics et al., 2018). Second, the US is an important hub of complex global GVCs (OECD, 2019). The looming trade

wars between the US and its major trading partners, especially China, have raised uncertainty in regard to the global economic recovery process (Gereffi, 2019). Third, although US protectionism is aimed at protecting domestic firms from externality problems and cost disadvantages in their competition with foreign counterparts, global integration offers a rich variety of knowledge and perspectives from diverse geographic regions (Harrison et al., 2018). It is therefore vital to explore the implications of US trade protectionism for GVC reconfiguration. To do so, we took a historical approach using secondary data, as we now discuss in further detail.

3.2 Data Collection

In order to explore the US-China trade protectionism measures and their implications for GVCs, we utilized secondary data sourced from internationally published newspaper articles. While newspaper articles are often used in conjunction with other types of primary data for triangulation purposes (cf. Bluhm et al., 2011), they can also serve as a stand-alone data source - particularly in cross-cultural or historical research (Barkemeyer et al., 2020; Nguyen & Özçaglar-Toulouse, 2021). For example, Chen (2016) analyzed 314 newspaper articles to define a framework for the marketing and positioning of cultural products. Similarly, Murphy et al. (2020) performed document analysis to examine system-wide issues - such as the Northern Ireland Conflict and Peace Process - and the actions contextually appropriate to the achievement of the desired outcomes. This method was also used by Frig and Sorsa (2020) to study the national branding of Denmark and Finland for the legitimization of business sustainability and people's aspirations associated with sustainable business practices. With specific reference to the IB literature, Ancarani et al. (2019) used data drawn from newspapers to understand the competitive priorities that lead backshoring companies to adopt new technologies. IB scholars suggest that, given the lack of traditional datasets suited to provide sufficient information on protectionism, the examination of newspaper articles can provide unique insights into this phenomenon (Aguinis et al., 2020; Nippa & Reuer, 2019). Also, newspaper data - as opposed to primary ones - can reduce researcher and respondent bias, enable the collection of large amounts of information, and facilitate replication (Rabinovich & Cheon, 2011).

We focused on newspaper articles published between 2016 and 2020; this time-frame was ideal because the trade protectionism measures that had been announced during the US presidential election campaign were then implemented after Mr. Trump's victory. It was also during this period that a range of tariffs, quotas, and policies was implemented to protect domestic companies and the labor market from foreign competition. The inclusion criteria for our sample newspapers were as follows: (1) they needed to be available electronically for systematic analysis through coding; (2) they had to be quality international newspapers with high global circulation; (3) they had to be published on a daily basis to enable the controversy to be followed in an uninterrupted fashion; (4) they needed to present the US trade protection measures in a balanced manner; and (5) they had to cover the US-China trade war. We excluded printed newspapers due to their lower accessibility, and local state

newspapers (e.g., the Bedford Gazette, the Cherokee Phoenix) because of their lack of international recognition and lack of focus on the US-China trade war. Based on these criteria, we identified a list of newspapers such as *The New York Post*, *The New York Times*, *Newsday*, and specialist business publications such as *The Financial Times*, *The Wall Street Journal*, and *Bloomberg*. Our selection of newspapers was consistent with those of previous studies (Zietsma et al., 2018). We searched for newspaper articles published between January 2016 and December 2020 using a range of expressions including ‘trade protectionism’, ‘tariffs’, ‘America first’, ‘China trade protection’ and ‘US trade protection’ - this search yielded 736 articles. We read all the articles to ensure that they were related to the US-China trade protectionism measures and their implications for GVCs. This resulted in a set of only 174 relevant articles.

Mere reliance on newspaper articles could have raised reliability and validity concerns. In an attempt to overcome any such issues, we adopted the following procedures. First, we carefully inspected and compared all the collected articles. When we found inconsistencies, we removed the information and relevant articles from our dataset. Second, we obtained information from the websites of companies (like Huawei, Apple, Intel, and so on) and international organizations (such as the WTO, World Bank, IMF, and US Census data, among others). This enabled us to triangulate the information sourced from newspaper articles with company and international organization data in order to clarify dates and facts (Amankwah-Amoah & Osabutey, 2020; Lange et al., 2015).

3.3 Analysis

For the data analysis, we took an inductive content-based qualitative approach consisting three stages (Miles & Huberman, 1994). First, we used our sample newspaper articles to build a record of key events, through which we identified key issues and turning points. This analysis highlighted that the US trade protectionism appeared to have significantly affected international trade and GVC activities; we thus organized our subsequent analysis around trade protection regimes. Second, one of the authors coded the articles to identify first-order categories within all the 174 articles using the NVivo software. For example, trade protectionism and its challenges for GVCs were coded as ‘tariffs’, ‘export activities’, ‘import activities’, ‘trade deficit’, ‘political tensions’, ‘GVCs disruption’, and ‘regionalization’. The coding scheme was revised by the co-authors to check its consistency. Once the coding had been judged reliable and robust, the related codes were grouped together in second-order categories. Third, we reviewed the articles’ data and literature to group the first- and second-order categories that explained how US trade protectionism was affecting the GVCs.

4 Findings

4.1 The 'America First' Trade Protection Regime

Protectionism has been prevalent throughout the history of international trade, particularly in the US. In 1930, the US government implemented the Smoot Hawley Act to increase its revenues by raising import tariffs and protecting domestic businesses and jobs. This had led to an upsurge of international retaliation and had accentuated the depression. For example, in 1933, the gross domestic product (GDP) of the US had dropped by 45% compared to that of 1929, and the contribution made by trade to the GDP had dropped from 11 to 6.6% (Liu, 2018). Despite the historical challenges, President Trump pushed the 'America First' mantra by adopting a protectionist approach as a cornerstone of his presidency. He declared that "*protection will lead to great prosperity and strength*", at least for the US (Wolf, 2019). His aim was to repatriate GVCs and remove US trade deficits (Bloomberg, 2018) because he viewed global agreements as a threat to US domestic growth. In addition, the public perception that trade had been lucrative for MNEs while leaving small firms behind, and the widening economic inequality, had further driven the fraying of international trading agreements. Accordingly, a regime was started that put stock in the unrivaled level of the American economy in seeking favorable trade agreements and boosted the advantages in bilateral trade negotiations by tilting the rules toward the interests of Americans (Goodman, 2019). In this endeavor, President Trump removed the US from the Trans-Pacific Partnership¹ (TPP) - which contained measures for lowering non-tariff and tariff barriers to trade and establishing an investor-state dispute settlement (ISDS) mechanism - as he feared that it would undermine the US economy and its independence.

A series of tariffs were imposed by the US administration on billions of dollars' worth of global products - with a particular focus on Chinese goods. In January 2018, tariffs of 30–50% were imposed on solar products and washing machines to protect American manufacturing from China and South Korea respectively (Swanson, 2018). In March 2018, this was followed by new tariffs on steel (25%) and aluminum (10%) from various countries, which were later extended to Mexico, the European Union (EU), and Canada in June 2018. A 10% tariff was also imposed on US\$200 billion worth of Chinese goods, with plans to impose a 25% tariff on US\$325 billion worth of other Chinese products. This decision was made by President Trump to cut the US trade deficit with China, which had increased from US\$6 billion in 1985 to US\$345 billion in 2018 (see Fig. 1). Furthermore, US companies were protected from Chinese competition by the administration of trade deals. For example, to protect the exploitation of America's technological ability by China, President Trump ended the US\$117 billion joint venture deal between Qualcomm

¹ The TPP, which is also called the Trans-Pacific Partnership Agreement, was set up between Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam, and the US, and signed on 4 February 2016. President Trump withdrew the US from the TPP due to unratified changes in the agreement. Other countries negotiated a new trade agreement as the Comprehensive and Progressive Agreement for the Trans-Pacific Partnership, which came into force on 30 December 2018.

and the Singapore-based Broadcom company (Rappeport et al., 2018; Swanson et al., 2018). Qualcomm, which is based in San Diego, is considered an industry leader in the next-generation high-speed mobile network technology known as 5G, which will be critical for the development of future industries, including driverless cars and artificial intelligence (Swanson et al., 2018).

4.2 Implications of the US-China Trade War for International Trade

The introduction of tariffs and increasing trade conflict between the US and China impacted international trade by causing geopolitical tensions, disruption in GVCs, and trade imbalance. More importantly, some industries were more adversely impacted than others by the trade war.

The increasing protection measures enacted by the US led to trade wars between trading partner countries. Although India and the US were close trading and defense partners, the US withdrew the trading privilege of duty-free access from US\$6 billion worth of Indian goods (Kazmin, 2019). In return, India imposed tariffs on more than 20 items from the US, including apples, walnuts, pulses, and almonds, worth about US\$1.4 billion. Furthermore, the threat of U.S. sanctions forced India to stop purchasing oil from Iran, and the US also objected to India's decision to purchase Russia's S-400 air defense system (Viñals, 2019).

The US and China jointly account for more than a third of the global economy. However, the US started a tariff war against China (as shown in Table 2) with the introduction of a 25% tariff on 818 Chinese imports worth about US\$34 billion. To counter this, China imposed a 25% tariff on agricultural products, automobiles, and aquatic products from the US (Fredericks & Morgan, 2019). Then, another US\$16 billion worth of tariffs were imposed by the US and China in August 2018, signaling that the trade war had entered a more serious phase. In early estimates, the impacts of China's tariffs on US exports were expected to be more severe than those of US tariffs on China's exports. According to the US Trade Representative (2019), US exports to China declined by 11.5% (US\$13.8 billion) to US\$106.4 billion in 2019, and imports from China declined by 16.2% (US\$87.6 billion) to US\$451.7 billion in 2019. This figure is representative of the competitiveness of Chinese companies, which, despite the substantial tariffs, maintained their exports to the US. Furthermore, the US trade deficit with China adversely affected the US economy by reducing GDP by about 0.7% (Hass & Denmark, 2020) and causing the loss of 300,000 jobs, 75% of which were in the manufacturing sector (Byrne, 2018).

4.2.1 Disruptions in GVCs

Over the decades, MNEs have increasingly been exploiting their international competitive advantage by fine slicing value chain activities and relocating their production facilities to optimal locations to benefit from economies of scale (Buckley et al., 2019; He et al., 2018). Given the significance of integrated global markets, it makes sense to locate value chain activities in “*countries with optimal activity-specific*

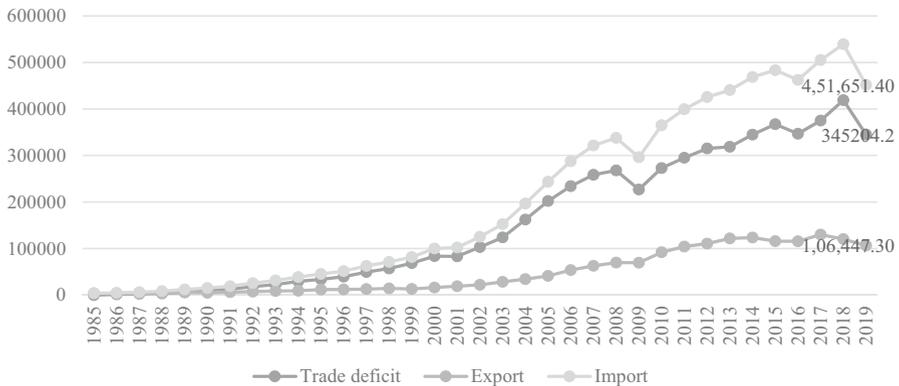


Fig. 1 US trade with China since 1985. Source: Based on authors' calculations from U.S. Census data

productive efficiency" (Foss et al., 2019, p. 1646). In this way, MNEs in developed countries, including the US, benefit from the cheap labor costs found in developing and emerging markets, while maintaining R&D at home - which enables the efficient utilization of proprietary knowledge and improves competitiveness (Luo et al., 2019). However, the complex nature of GVCs spread over geographically dispersed countries implies that any disruption in these supply networks generates amplified effects (Schmitt & Singh, 2012). As Frohm and Gunnella (2017) estimated, a change of 1% in the real added value of an industry's GVCs can translate into an impact on the industry of around 0.3%. In fact, the US-China trade war created uncertainty for many companies not only in the US and China but also in other countries, which caused and escalated disruption in GVCs. As JPMorgan CEO Jamie Dimon said, a trade tariff *"adds to the risk of pushing into a downturn ... it's just raising the risk of a bad outcome. That's all it does"*; this was further supported by Cummins Inc. CEO Tom Linebarger, who opined that: *"Trade tariffs are a significant burden on US companies and farms. I'm really concerned about that impact it has on our economy and the Chinese economy."* (PYMNTS, 2019).

4.2.2 Trade Imbalance

The GVC disruption between the US and China was quite costly - causing significant contractions in the economic activities of both countries. On the US side, the overall 2019 imports were reduced by US\$44.33 billion compared to 2018 (see Fig. 2). A sharp drop in imports from China was also observed due to import tariffs on US\$370 billion worth of US-bound Chinese goods. This decline in US imports from China was the largest since the 2009 recession year. In fact, the reported data might have overstated the true rate of decline because of transshipment (Naderi et al., 2020). To avoid tariffs, companies can trade goods via third countries, such as Vietnam, Mexico, or Canada. For instance, a Chinese courier company - YTO Express Group - established a cooperative agreement with VietJet Air to establish a

Table 2 US and China tariff war

Timeframe	US tariffs	Chinese tariffs
January 2018	Announced tariffs on solar panels and washing machines	–
March 2018	25% tariffs on steel imports and 10% charge on aluminum	–
April 2018	–	Retaliatory tariffs on goods ranging from steel pipes to pork
May 2018	Tariff plans 'on hold' after talks	–
July 2018	25% tariffs on US\$34 billion (list 1)	Retaliatory tariffs of 25% against US\$34
August 2018	25% tariffs on US\$16 billion (list 2)	Retaliatory tariffs of 25% against US\$16 billion
September 2018	10% tariffs on US\$200 billion (list 3) at 10%	Custom duties on US\$60 billion
December 2018	Suspension of tariffs from 10 to 25% on US\$200 billion	Suspension of tariffs on US made cars and car parts for three months from January 1
May 2019	25% tariffs (up from 10%) on US\$200 billion	Retaliatory tariffs against US\$60 billion
September 2019	15% tariffs on US\$125 billion (list 4a)	Retaliatory tariffs against US\$75 billion
February 2020	7.5% tariffs (reduced from 15%) on US\$120 billion (list 4a)	Retaliatory tariffs cut to half imposed on September 2019 against US\$75 billion
May 2020	–	Tariff exemption covering 79 US products
July 2020	Tariff exemption for imports appearing on list 4a	–

transshipment hub to export Chinese products to the US, the EU, and other countries via Vietnam (Liao, 2019b).

However, the drop in US imports from China merely reduced the country's reliance on China because substitutes were imported from other countries. In Asia, the prominent winner was Vietnam, which saw a 29% (US\$67.9 billion) increase in its exports to the US in 2019 (United States Trade Representatives, 2020). This was due to a manufacturing shift from China to Vietnam by American MNEs. An example is Nintendo Co., which switched its production to Vietnam to avoid the possible impact of US tariffs on Chinese-made electronics (Inagaki, 2019). Similarly, Foxconn invested US\$270 million to set up a new subsidiary called FuKang Technology Co Ltd in Vietnam (Lee, 2020), which was intended to assemble Apple products - including iPads and MacBooks - based on Apple's requirement to diversify its production and minimize the impacts of the trade war (Vega, 2020), and to make television sets for clients including Japan's Sony Corp (Lee, 2020). On the US global exports side, there was a decline of US\$23.12 billion from 2018 to 2019. The export revenue from China and Canada also dropped by US\$13.71 billion and US\$6.31 billion respectively due to high tariffs on steel and aluminum (Busch, 2019; Swanson & Eavis, 2020).

Figure 3 suggests that China's exports to the US declined significantly from US\$480.69 billion in 2018 to US\$418.58 billion in 2019 (IMF, 2019a). However, this loss was compensated by expanding the country's exports to other trading partners in Europe and sub-Saharan Africa. The exports to Asian and Middle Eastern countries also rose by US\$13.18 billion in 2019 (IMF, 2019a). China's overall exports to the rest of the world were contracted by a small amount of US\$2.784 billion in 2019, compared with the US's export loss of US\$23.12 billion in 2019. Concerning imports, China's imports contracted by US\$65.08 billion from the rest of the world and by US\$33.02 billion from the US in 2019. The trade war also affected China's imports from Taiwan, Japan, and Korea because of US restrictions on these countries' ability to obtain trading licenses to do business with China (Song, 2018). Despite the trade war, China's trade balance was US\$421.93 billion in 2019 (Statista, 2019), suggesting the multilateral - not bilateral - nature of the trade phenomenon.

4.2.3 The Industries Most Impacted by the US-China Trade War

Although our analysis suggests that the escalating trade war between the US and China disrupted the GVCs of several industries, its effects were most severe for the automotive, equipment and machinery, and technology industries due to the over-reliance of these industries on global suppliers of key components. Besides profiting from the sale of downstream final products, the US automotive sector heavily depends on China for the upstream activities of procuring raw materials and semi-finished products (Howlett, 2019). The United States Census Bureau (2020) database shows that the US imported US\$16.37 billion worth of motor vehicle parts and accessories from China in 2018 and exported US\$6.67 billion worth of cars to China in 2018. The trade war affected the production and revenues of both lead MNEs and key component suppliers due to the high tariffs on steel and aluminum (Woodhouse & Feng, 2018). An example was Tesla, Inc., which relies on China for most of its

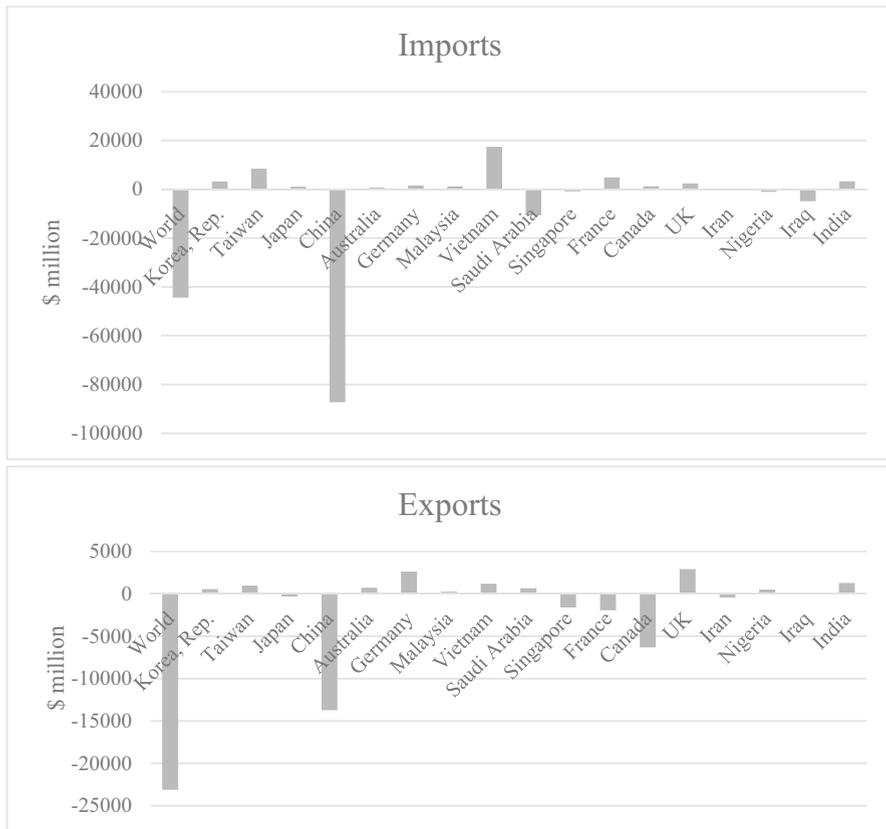


Fig. 2 US trade: 2019 versus 2018. Source: Based on authors' calculations from IMF - Direction of Trade Statistics

revenue (Boudette, 2018); the company's revenue from China dropped by 13% to around US\$1.8 billion in 2018 due to higher import taxes (Huang, 2019). On the one hand, Tesla asked the suppliers to return a “*meaningful amount of money of its payments since 2016*” (Higgins, 2018, p. 1). On the other hand, Tesla dropped the prices of its Model S and Model X cars in China by 12% and 26% respectively to regain its market position and increase sales; however, this decision was reversed when the company raised its prices by about 20% due to the new tariffs (Woodhouse & Feng, 2018). To maintain the smooth and efficient functioning of the GVCs (Kano et al., 2020), Tesla coordinated and led the network by following a localization strategy. Specifically, the company opened the Tesla Giga Shanghai factory both to avoid tariff wars and to serve Chinese customers directly from the domestic supply chain (Manskar, 2020). At the same time, the Ford Motor Company lost US\$1 billion in profits, which forced the company to adopt a localized strategy. Ford's former CEO James Hackett said that, “*We're clearly not satisfied with our standing in China and the team is working exhaustively to return to profitable growth in this important*

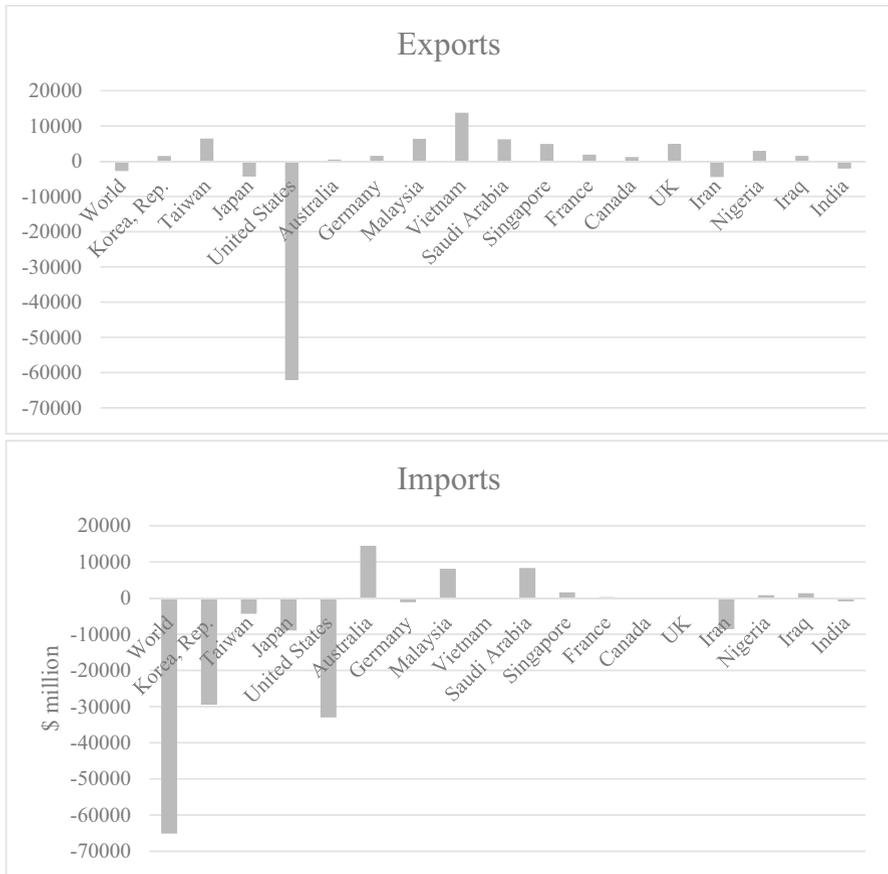


Fig. 3 China trade: 2019 versus 2018. Source: Based on authors' calculations from IMF - Direction of Trade Statistics

market. We're working to stabilize the business and are now launching new products that are tailored to the needs of Chinese customers" (Kubota, 2020).

The equipment and machinery industry has also been affected by the US-China trade war. As shown in Fig. 4, trade in machinery and equipment declined due to higher tariffs, which, in turn, adversely affected the upstream and downstream GVCs of MNEs. For example, the upsurge in import tariffs made it difficult for Deere & Co - the world's largest tractor manufacturer - to import machinery and equipment from China, on which it relies (Rovnick, 2019), and production slowed down by about 20%. Also, local demand for tractors contracted, as opined by Deere's former CEO Samuel Allen, "Ongoing concerns about export-market access, near-term demand for commodities such as soybeans, and a delayed planting season in much of North America are causing farmers to become much more cautious about making major purchases" (Ajmera, 2019). This ultimately led to the dismissal of 163 Deere employees and a 3.8% sales drop from 2018 to \$8.97 billion in 2019 (Rovnick,

2019). Likewise, Chinese suppliers experienced higher unemployment and factory closures due to deteriorating US demand for export orders (Zhang & Woo, 2019). In addition, other countries experienced deterioration in GVCs that had forward or backward integration with Chinese suppliers. One example is Japan's machinery manufacturing industry, which had accounted for 20% of the total country's exports due to Chinese demand (Tomisawa, 2018). Specifically, Japanese machinery makers had hitherto enjoyed increasing gains as the suppliers of the Chinese electronics and semiconductors industry. However, due to the trade war, the Japanese machinery sector slumped by 5.6% in 2019 (Takeo, 2020). Hong Kong's supply chain was also adversely affected because the US-bound goods re-exported through Hong Kong were caught up in the trade war.

Furthermore, the technology industry was at the center of the escalating trade war. US and Chinese technology companies are linked by close supply networks that extend to other Asian countries (Markman, 2019). The trade dispute with China was supposed to benefit US technology companies through the establishment of joint partnerships with local firms. However, the dispute intensified with the blacklisting of Huawei - the world's second-biggest smartphone maker and a leading developer of 5G technology (Huawei, 2020). About half of the components and chips in Huawei products are supplied by leading American companies - including Micron, Broadcom, and Qualcomm. These suppliers make over US\$1 billion from Huawei, as shown in Fig. 5. In addition, Google has a big stake in Huawei as the company's phones utilize its Android operating system. However, the US-China trade war forced American suppliers and Google to stop doing business with Huawei. Also, the Taiwan Semiconductor Manufacturing Company (TSMC) had to stop supplying semiconductors to Huawei because it needed to obtain a license from US regulators (Frumusanu, 2020). According to Huawei founder, Ren Zhengfei: "*We cannot be isolated from the world, we can also make the same chips the US makes, but it doesn't mean we won't buy them [the US ones]*" (Huawei, 2019).

South Korean companies such as LG Display and Samsung Display supplied display panels to Huawei, but had to cease doing so because they are dependent on US equipment and software for the manufacturing of the panels (Kim, 2020). It was estimated that the trade restrictions would cause Huawei's revenue to drop by US\$30 billion and its shipments would drop by 40% (Liao, 2019a); however, Huawei actually shipped 55.7 million phones in the second quarter of 2020, beating Samsung's 53.7 million (Sin, 2020). This was made possible by the supply of old models with Google-compatible services to Europe. However, this was a short-term strategy and could have required alternative GVC reforms to keep pace with the increasing demand and technological changes. At the same time, Huawei's US chipmakers experienced a financial hit from the trading bans. According to Clark (2019), Broadcom faced a loss of US\$2 billion against its forecast sales due to the Huawei sales ban. The financial loss for small companies was even more severe than that faced by MNEs. For example, NeoPhotonics, an optical component maker for Huawei, estimated a drop of 40% in its revenues (Clark, 2019).

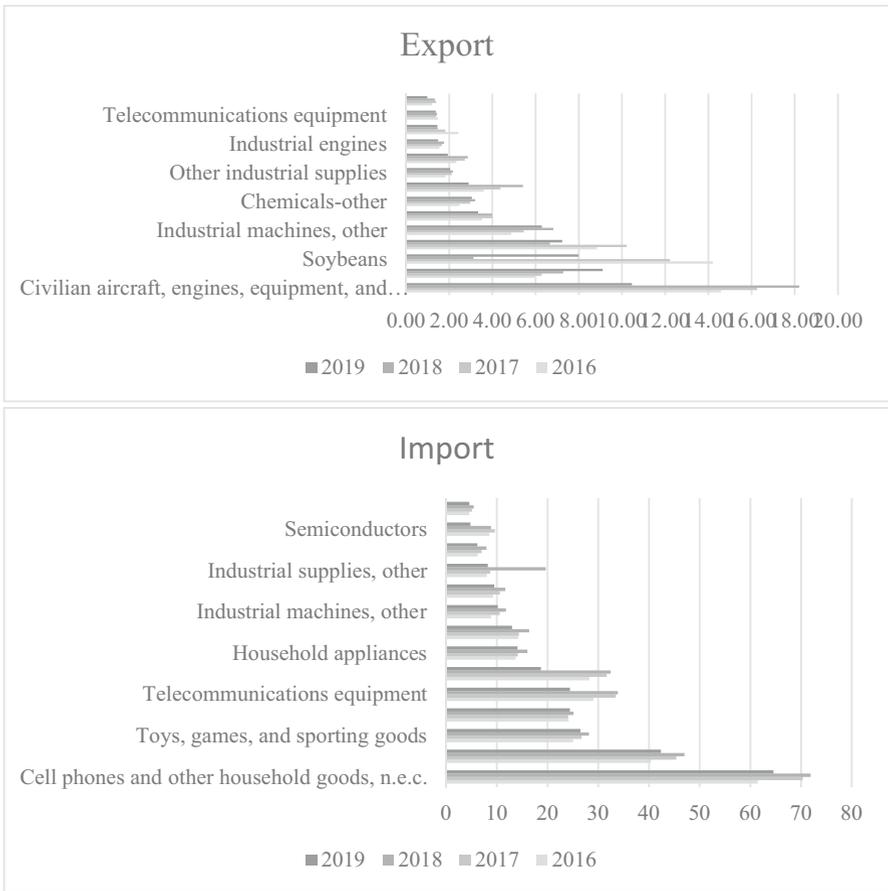


Fig. 4 Industries’ contribution to US-China trade from 2016 to 2019. Source: Based on authors’ calculations from U.S. Census data

4.3 Risk Mitigation Response Strategies to the US-China Trade War

While the trade war between the US and China disrupted global commerce, the push for diversified GVCs was sustained by MNEs in many other countries (Noonan, 2020). Singapore’s Official Committee on the Future Economy stated that “Globalization through trade, capital, and knowledge flows is still the future, as far as Singapore is concerned. And even in countries much less dependent on exports than Singapore is, a wholesale pullback from globalization would be counterproductive” (Ghemawat, 2017). A study by Standard Chartered, Trade 20, shows that a wide range of economies in the Asia–Pacific region, Africa, and the Middle East improved their potential for international trade by opening up their trade markets, diversifying their export markets, strengthening their digital and physical infrastructure, and improving their economic outlook (Cha et al., 2022; Viñals, 2019).

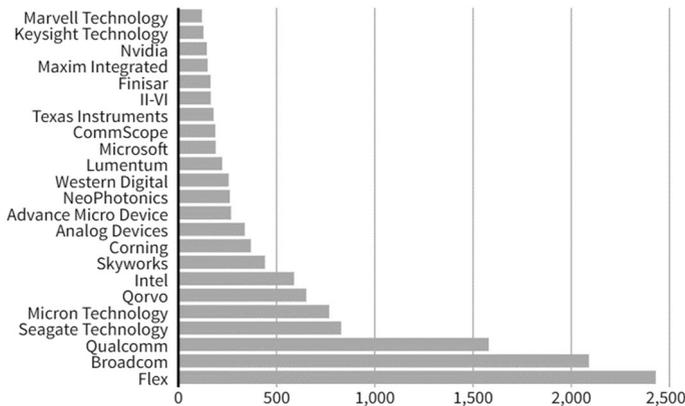


Fig. 5 Revenue (millions of Yuan) of US suppliers from Huawei. Source: Reuters

Several members of the Association of Southeast Asian Nations - Vietnam, Indonesia, and Thailand - made strong progress in opening up for trade, as did India. The EU negotiated numerous trade deals and reached agreements with Japan, Vietnam, and the South American trade bloc Mercosur. Furthermore, Russia and China cultivated trade ties whereby bilateral trade increased by 3.4% in 2019, amounting to US\$110.79 billion (Steinbuch, 2020). The strengthening of trading ties between other countries threatens the US with losing its value in the global marketplace (Reuters, 2018).

Due to increased protectionism, regional value chains have also gained prominence by bringing manufacturing and trade together within the same region. An example is the US-Mexico-Canada Agreement (USMCA) which not only eliminates most of the trade tariffs between these countries but also protects intellectual property through side agreements. This agreement preserves and strengthens the benefits of trade ties in the same region. As shown in Fig. 6, most of the trade comes from the US-Canada trade, which totaled US\$292.7 billion in 2019. This is followed by the US-Mexico trade, with a total of US\$256.6 billion in 2019 (Bureau of Transportation Statistic, 2019).

While the strategy of regionalizing investment and production was first adopted by America and Europe, a number of Asian countries subsequently set up their own regional value chains. Due to the increase in their technology and value chains, South Korea, Hong Kong, Singapore, and Taiwan invested in other emerging countries, such as Vietnam and Indonesia. Among these trading partners, South Korea is the biggest investor, with a significant stake in the Chinese market. The growing regional value chains in Asia suggest the reduced dependency of these countries' companies on their American trading partners. China has made progress with its militarization of the South China Sea capturing over 3200 acres of land on reefs and outcrops and constructing runways, ports, and hangars (Mishra, 2018). These developments are regional value chain efforts aimed at driving Asia away from the trade-protective US. Also, China's Belt and Road Initiative is leading to a significant restructuring of international GVCs to more regional ones, where China wants to

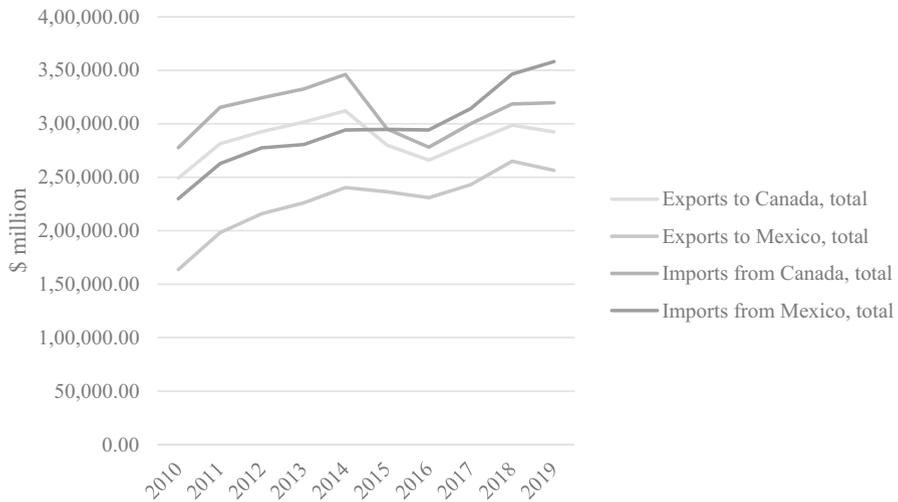


Fig. 6 Regional trade between US-Canada-Mexico. Source: Based on authors' calculations from Bureau of Transportation Statistic (2019)

lead the global world order. Thus, future GVCs will be different from the ones currently observed, being potentially led and coordinated by lead firms from China.

A move away from globalization and toward the localization and rebuilding of local economies has also started (Hines, 2013). GVCs are being shortened to avoid supply chain disruptions and to enable increased local control of the economy. This localization can safeguard national and regional economies against imports of products that can be sourced locally (Wu & Jia, 2018). As Ulf Mark Schneider, CEO of Nestle, opined, “*We are a company that tries very hard to take root in the countries in which we do business ... That means that, very early on, we establish local manufacturing for the largest majority of what we sell. We are a company that very much tries to make locally what is consumed locally. Trade benefits everyone*” (Qian, 2018). The building of local value chains can help local businesses to grow and to provide flexibility in localized production (Ben-Ner & Siemsen, 2017).

5 Discussion and Conclusion

Our study set out to investigate the implications of trade protectionism for GVCs and understand the risk-mitigation response strategies required to develop their resilience. In doing so, we considered the case of the US, where import policies involving increased tariffs have played a pivotal role in recent years. This trade protectionism was a consequence of the 2016 election of a president who critically endangered the US trade balance. Therefore, we took a qualitative historical document analysis approach to capture the GVC disruption caused by US trade protectionism and the mitigation response strategies adopted by MNEs. We analyzed a sample of 174

newspaper articles published between 2016 and 2020. Our study findings have several important implications, as explained next.

5.1 Theoretical Implications

The findings of our study have several theoretical implications, as summarized in Fig. 7. First, the IB literature increasingly recognizes that globalization is steadily increasing (Contractor, 2021; Kim & Aguilera, 2016; Kobrin, 2017). The recent scholarly debate challenges this assumption by suggesting that nations are seeking less mutual interdependency - de-globalization - to build up their own capabilities (Witt, 2019). Our study contributes to this line of research by focusing on trade protectionism as a typical type of de-globalization that drives policy and tariff transformation to control GVC activities. Specifically, we considered the case of the US-China trade war as a decoupling phenomenon between two countries. We identified and discussed the range of protectionist measures that were introduced by both countries. In doing so, we made an important contribution to the IB literature on de-globalization.

Second, our study contributes to the GVC literature by explaining the implications of trade protectionism (as a type of de-globalization) for GVCs. At the global level, structural and political reforms have been put in place to protect national economies from competition from abroad by relying less on foreign goods and services or investment (Enderwick, 2011; Evenett, 2019). However, the literature has not fully appreciated the implications of international trade protectionism for the complexity of GVCs. Our study is a response to scholarly calls (Kano et al., 2020; Luo & Witt, 2021) made to explore the potential impacts of US-China trade protectionism on GVCs. While tariffs and trade policies are introduced to protect local economies, our findings suggest that such measures reduce the growth opportunities for both Chinese and US MNEs by making it too difficult or costly for them to access the critical resources owned by global partners. In addition, we found that high-tech industries (e.g., automotive, equipment and machinery, and technology) have faced severe GVC disruption due to their overreliance on geographically distant partners. This suggests that, although some industries may have a more sustained advantage through international involvement, trade protectionism not only restrains MNE accessibility to critical resources in global open markets but also breaks down the GVC systems in which they participate (Luo & Witt, 2021). As such, our study contributes to the GVC literature by exploring the determinants of GVC disruption.

Third, and relatedly, this study contributes to the recent discussion on the integration of the GVC and IB literature by confirming that trade protectionism disrupts GVCs (Buckley et al., 2017; de Oliveira et al., 2021). The GVC literature asserts that cross-border value chain activities are vital to the attainment of economic upgrading opportunities (Dindial et al., 2020; Pananond et al., 2020). Also, the knowledge perspective suggests that global partners provide access to resources and knowledge that are vital to developing innovation capabilities and shaping product innovation cycles (Clarke & Boersma, 2017; Ganguly et al., 2019). The recent advocates of

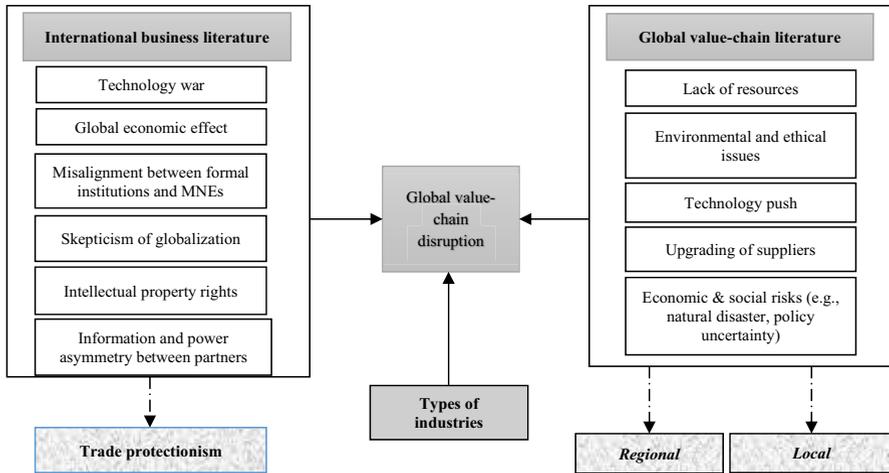


Fig. 7 Theoretical findings and contributions

populism and nationalism from developed markets have criticized the idea of GVCs due to increasing local disconnectedness and uneven economic opportunities (Lorzen et al., 2020; Witt, 2019). In this regard, the IB literature suggests the adoption of trade protectionism measures aimed at offsetting the adverse effects of global connectedness (Enderwick, 2011). However, the implications of trade protectionism for GVCs have hitherto been underexplored (cf. Kano et al., 2020). Our study, therefore, cross-fertilize IB and GVC research by linking convictions of de-globalization with GVC disruption via trade protectionism.

Fourth, the need for MNEs to have effective response strategies to GVC disruption is reinforced. Those MNEs that heavily depend on GVCs need to have viable and pragmatic responses to value chain discontinuities, such as those emanating from international trade protectionism (Dindial et al., 2020; Gereffi, 2019). Our findings suggest that the pre-positioning of inventories, backup suppliers, and protected suppliers can help to mitigate any negative disruption outcomes (Kamalahmadi & Parast, 2017). However, for long-term competitiveness, MNEs need to reconcile their global, regional, and local value chains. International protectionism measures target inter-regional trade; we thus provide evidence that they have weaker implications for regional and local trading blocs, thereby promoting the economic welfare of their members (Hartland-Thunberg, 2019). The primary challenge for MNEs involves the establishment of a basic manufacturing capability by nurturing local networks of suppliers capable of meeting quality standards. An example is GE, which has partnered with local Chinese companies and formed joint ventures (e.g., AVIAGE) aimed at production and meeting customer needs. Hence, we contribute to the IB and GVC literature by exploring the mitigation approaches taken by MNEs in response to de-globalization-related structural and policy reforms.

5.2 Practical Implications

Our study has three practical implications for overcoming the disruptive effects of trade protectionism challenges on GVCs, as shown in Fig. 8. First, although GVCs have been at the center of policy agendas, they do not automatically produce growth benefits, as local firms with limited capabilities fail to move up within them. Thus, MNE managers, especially in the US and China, should consider macro-economic factors - such as government trade protection policies - for success in GVC participation. A similar implication can be drawn regarding the easing of import regulations that were introduced as part of protectionism. While it is hard for a single firm to force the local government to ease import regulations, international organizations, such as the WTO and IMF, can help firms in this effort.

Second, decision-makers should analyze the trade-off between the costs and benefits of GVCs to determine the impact of disruptions. They could determine how dependent they need to be on suppliers and how complex the GVCs should be. Investing in programs suited to aid managers in gathering information on GVCs and quickly implementing decisions will reduce disruption impacts. Also, depending on the information gathered, managers could decide to work toward less complex and dependent value chains to avoid the risk of disruption. A context suited to this kind of decision may be the automotive industry, as our analysis showed that it faced high costs due to GVC disruption. This is affirmed by the case of the Ford Motor Company, which assembles and manufactures most of its vehicles in the US to avoid disruption risks.

Third, our findings suggest that the managers of MNEs should consider alternative strategies for GVC resilience. The use of regional and local value chains is a strategy with the potential to avoid any significant losses from GVC disruption. However, MNEs should evaluate the knowledge and innovation potential of regional blocs to decide on whether to offshore their R&D activities to other developed markets. Also, firms should set up networks aimed at achieving location-specific advantages in local value chains.

Finally, our study has important implications for public policies. The observed de-globalization trends are a manifestation of the heightened frustration of those people who have been negatively affected by the developed countries' governments' incessant pursuit of free trade, aggressive promotion of inward and outward FDI, mobility of money, and mobility of labor. These people strongly believe that de-globalization coupled with strict protectionist measures helps increase working-class jobs. This narrow-minded belief spreads from America to Europe and becomes a major force working against globalization (Casadei & Iammarino, 2021). This anti-globalization force has been strengthened by the COVID-19 crisis that has hindered flexible movements across countries (Ciravegna & Michailova, 2022; Williamson, 2021). Thus, it is important for policy-makers to pay greater attention to this section of the populace, especially those having low education levels and low skill sets and being vulnerable to ever-changing job environments. Policy-makers should consider policies appropriate to reduce trade deficits to cut the import tariff revenue losses suffered by MNEs and improve their economic footholds, and policies suited for the

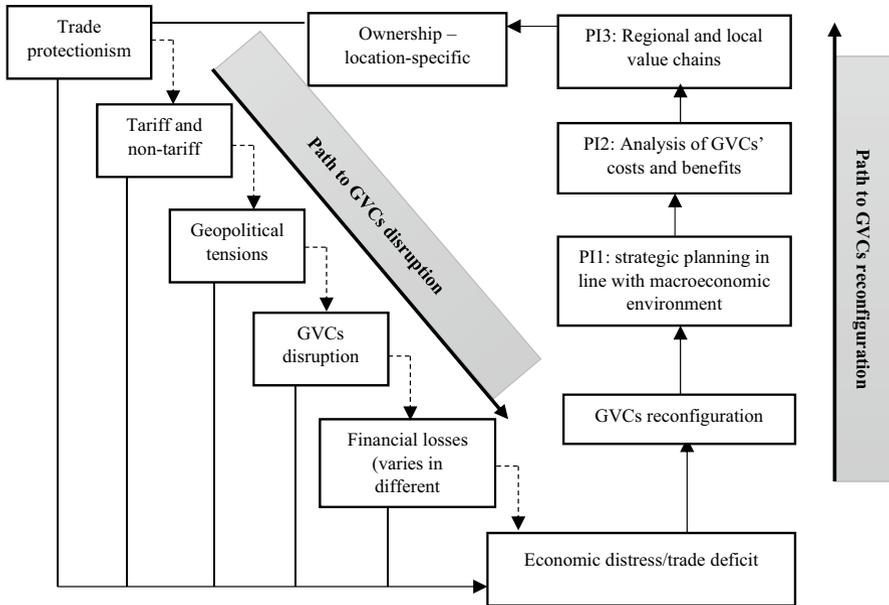


Fig. 8 Trade protectionism: GVC disruption and reconfiguration. Note: PI denotes practical implication

improvement of market standards, the strengthening of international organizations, and the easing of labor market regulations (Pietrobelli et al., 2021).

5.3 Research Gaps, Limitations, and Future Agenda

As is the case for other studies, this study also has some limitations that warrant future attention. First, to address the gap that exists in IB literature with the assumption that globalization is relentlessly accelerating, we performed a historical content analysis to extract information from secondary sources to reveal the impact of international trade protectionism on the reconfigurations of the GVCs. Given that the use of newspaper articles, despite being clearly evident, entails a certain degree of heterogeneity in the information they provide, we were unable to measure the concrete effect of the US protectionist measures on GVC disruption, which is certainly worthy of more studies. As such, future studies could conduct primary research to understand the impact of GVC disruption on specific industries and MNEs, and to explore the actual response strategies adopted to shed light on their interplay. Researchers could attempt to answer questions like: (1) “Do MNEs start their GVC alteration from the local or regional level, or both?”, and (2) “What is the linkage between firm structure, organizational decision-making processes, and GVCs’ resilience?” To distinguish between global, regional, and local effects, such attempts would require drawing data from MNE decision-makers about the relocation of GVCs.

Second, this study makes important contributions to the de-globalization and GVCs literature that suggests the changes in global structural and political systems to protect national economies from immigrants, our current study is not able to explore how the presence of global professional teams and expatriates enable MNEs to respond to global market changes through organizational learning and tacit knowledge accumulation (Borini et al., 2022; Guo et al., 2020) that have serious implications for IB and the vulnerability of GVCs. The fact that protectionist measures can restrict the free movement of global teams, thereby hampering knowledge flows to local subsidiaries and local partners (Gaur et al., 2019) thus provides an interesting avenue for future research to investigate the implications of protectionism for global teams, innovation, and knowledge transfers across subsidiaries and suppliers' networks (Lai et al., 2020).

Third, while the findings of our study contribute to the GVCs' literature that suggests that a clear pattern of dispersed and fragmented international MNE business activities emerges by revealing that MNEs are moving from GVC to regional value chains, it is equally important to notice the critical role of non-market strategies of MNEs in knowledge regions that might benefit them to seek support from regional government (González-Piñero et al., 2021). Although our historical analysis did not allow us to examine these interesting concepts, we will thus urge future studies to investigate the role of non-market strategies in driving regional knowledge transfer in the context of protectionism.

Finally, our findings contribute to the de-globalization and GVCs literature by suggesting that the US-China tariff wars ended up being destructive for the first-tier suppliers of both countries. The generalizability of this study is tempered by our focus on the single case of the US-China trade war. Although the US-China case represents the most important one in the world, it does not rule out the necessity of investigating other cases, for instance, many countries (e.g., Japan, India, and the UK) have introduced FDI screening measures. Future studies could consider these countries in an effort to understand the implications of such measures on the control and coordination of GVCs. In addition, due to the unavailability of primary data, we were unable to measure the impact of the related protectionist measures on upstream second- and third-tier suppliers, which overly depend on extended GVCs (Narula, 2019). Future research could therefore investigate the impact of protectionist policies on the operations of such suppliers and their resilience strategies. Relatedly, the rising tensions and conflicts around the world such as Ukraine-Russia war demands future scholarly attention to understand the implications for GVCs. As Simons (2022) argued, the Russia's invasion of the Ukraine has caused geo-political tension and tumbled the global supply chain, which is leading to a question *how GVCs can or cannot be or should not be a means to pursue national security*.

Data availability Data will be made available on request.

Open Access This article is licensed under a Creative Commons Attribution 4.0 International License, which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons licence, and indicate if changes were made. The images or other third party material in this article

are included in the article's Creative Commons licence, unless indicated otherwise in a credit line to the material. If material is not included in the article's Creative Commons licence and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/4.0/>.

References

- Abboushi, S. (2010). Trade protectionism: Reasons and outcomes. *Competitiveness Review: An International Business Journal*, 20(5), 384–394.
- Aguinis, H., Ramani, R. S., & Cascio, W. F. (2020). Methodological practices in international business research: An after-action review of challenges and solutions. *Journal of International Business Studies*, 51(9), 1593–1608.
- Ajmera, A. (2019). Deere blames escalating trade war for worsening outlook. *Reuters*. Retrieved January 01, 2021, from <https://www.reuters.com/article/idUSKCN1SN13A>
- Amankwah-Amoah, J., & Osabutey, E. L. C. (2020). New challenges and opportunities in the global marketplace: Learning from developed-country multinationals' failures. *International Studies of Management and Organization*, 50(1), 43–56.
- Ambos, T. C., Cesinger, B., Eggers, F., & Kraus, S. (2020). How does de-globalization affect location decisions? A study of managerial perceptions of risk and return. *Global Strategy Journal*, 10(1), 210–236.
- Ancarani, A., Di Mauro, C., & Mascali, F. (2019). Backshoring strategy and the adoption of Industry 4.0: Evidence from Europe. *Journal of World Business*, 54(4), 360–371.
- Arto, I., Andreoni, V., & Rueda Cantuche, J. M. (2015). Global impacts of the automotive supply chain disruption following the Japanese earthquake of 2011. *Economic Systems Research*, 27(3), 306–323.
- Bader, B., Suder, G., & Grosse, R. (2020). Terrorism as an external threat factor in global value chains. *Thunderbird International Business Review*, 62(2), 135–148.
- Baghersad, M., & Zobel, C. W. (2021). Assessing the extended impacts of supply chain disruptions on firms: An empirical study. *International Journal of Production Economics*, 231, 107862.
- Barkemeyer, R., Faugère, C., Gergaud, O., & Preuss, L. (2020). Media attention to large-scale corporate scandals: Hype and boredom in the age of social media. *Journal of Business Research*, 109(March), 385–398.
- Ben-Ner, A., & Siemsen, E. (2017). Decentralization and localization of production: The organizational and economic consequences of additive manufacturing (3d printing). *California Management Review*, 59(2), 5–23.
- Benito, G. R. G., Petersen, B., & Welch, L. S. (2019). The global value chain and internalization theory. *Journal of International Business Studies*, 50(8), 1414–1423.
- Bertrand, O. (2011). What goes around, comes around: Effects of offshore outsourcing on the export performance of firms. *Journal of International Business Studies*, 42(2), 334–344.
- Bloomberg. (2018). The threat of a trade war to the global economy. *Financial Times*. Retrieved January 02, 2021, from <https://www.ft.com/content/bc651dc2-88ef-11e8-b18d-0181731a0340>
- Bluhm, D. J., Harman, W., Lee, T. W., & Mitchell, T. R. (2011). Qualitative research in management: A decade of progress. *Journal of Management Studies*, 48(8), 1866–1891.
- Boder, A. (2006). Collective intelligence: A keystone in knowledge management. *Journal of Knowledge Management*, 10(1), 81–93.
- Bonfanti, A., Del Giudice, M., & Papa, A. (2018). Italian craft firms between digital manufacturing, open innovation, and servitization. *Journal of the Knowledge Economy*, 9(1), 136–149.
- Borini, F. M., Santos, L. L., Raziq, M. M., Pereira, R. M., & Brunhara, A. J. (2022). The differentiated role of organizational ambidexterity and organizational innovation in the subsidiary reverse knowledge transfer process. *Journal of Knowledge Management*, 26(1), 146–164.
- Boudette, N. E. (2018). Tesla's latest aim: Build 500,000 cars a year in China. *The New York Times*. Retrieved January 02, 2021, from <https://www.nytimes.com/2018/07/10/business/tesla-china-shanghai.html>

- Bown, C. P., & Irwin, D. A. (2019). Trump's assault on the global trading system: And why decoupling from China will change everything. *Foreign Affairs*, 98, 125.
- Bradsher, K. (2019). One Trump victory: Companies rethink China. *The New York Times*. Retrieved January 02, 2021, from <https://www.nytimes.com/2019/04/05/business/china-trade-trump-jobs-decoupling.html>
- Buckley, P. J. (2009). The impact of the global factory on economic development. *Journal of World Business*, 44(2), 131–143.
- Buckley, P. J. (2020). The role of history in international business: Evidence, research practices, methods and theory. *British Journal of Management*, 32(3), 797–811.
- Buckley, P. J., Craig, T. D., & Mudambi, R. (2019). Time to learn? Assignment duration in global value chain organization. *Journal of Business Research*, 103, 508–518.
- Buckley, P. J., Doh, J. P., & Benischke, M. H. (2017). Towards a renaissance in international business research? Big questions, grand challenges, and the future of IB scholarship. *Journal of International Business Studies*, 48(9), 1045–1064.
- Buckley, P. J., & Ghauri, P. N. (2004). Globalisation, economic geography and the strategy of multinational enterprises. *Journal of International Business Studies*, 35(2), 81–98.
- Bureau of Transportation Statistic. (2019). Value of U.S. Exports to and Imports from Canada and Mexico by Transportation Mode. Retrieved January 01, 2021, from <https://www.bts.gov/content/value-us-land-exports-and-imports-canada-and-mexico-mode>
- Busch, M. L. (2019). Trump's tariffs on Canada are about more than aluminum. *Atlantic Council*. Retrieved January 01, 2021, from <https://www.atlanticcouncil.org/blogs/new-atlanticist/trumps-tariffs-on-canada-are-about-more-than-aluminum/>
- Byrne, J. A. (2018). Blue-collar workforce shrinks as more jobs go to China. *New York Post*. Retrieved January 01, 2021, from <https://nypost.com/2018/11/04/blue-collar-workforce-shrinks-as-more-jobs-go-to-china/>
- Casadei, P., & Iammarino, S. (2021). Trade policy shocks in the UK textile and apparel value chain. Firm perceptions of Brexit uncertainty. *Journal of International Business Policy*, 4(2), 262–285.
- Cha, H., Kotabe, M., & Wu, J., (2022). Reshaping internationalization strategy and control for global e-commerce and digital transactions: A Hayekian perspective. *Management International Review* (accepted).
- Cha, H., Wu, J., & Kotabe, M. (2021). The vulnerability problem of business ecosystems under global decoupling. *Management and Organization Review*, 17(3), 617–623.
- Chen, S. (2016). Cultural technology: A framework for marketing cultural exports - Analysis of Hallyu (the Korean wave). *International Marketing Review*, 33(1), 25–50.
- Chopra, S., & Sodhi, M. (2004). Supply-chain breakdown. *MIT Sloan Management Review*, 46(1), 53–61.
- Ciravegna, L., & Michailova, S. (2022). Why the world economy needs, but will not get, more globalization in the post-COVID-19 decade. *Journal of International Business Studies*, 53(1), 172–186.
- Clark, D. (2019). Trade war has damaged U.S. Chip industry in ways a deal may never fix. *The New York Times*. Retrieved January 02, 2021, from <https://www.nytimes.com/2019/06/27/technology/trade-war-chipmakers.html>
- Clarke, T., & Boersma, M. (2017). The governance of global value chains: Unresolved human rights, environmental and ethical dilemmas in the Apple supply chain. *Journal of Business Ethics*, 143(1), 111–131.
- Constantinescu, C., Mattoo, A., & Ruta, M. (2020a). Policy uncertainty, trade and global value chains: Some facts, many questions. *Review of Industrial Organization*, 57(2), 285–308.
- Constantinescu, C., Mattoo, A., & Ruta, M. (2020b). The global trade slowdown: Cyclical or structural? *The World Bank Economic Review*, 34(1), 121–142.
- Contractor, F. J. (2021). The world economy will need even more globalization in the post-pandemic 2021 decade. *Journal of International Business Studies*, 53(1), 156–171.
- Contractor, F. J., Kumar, V., & Dhanaraj, C. (2015). Leveraging India: Global interconnectedness and locational competitive advantage. *Management International Review*, 55(2), 159–179.
- Craighead, C. W., Blackhurst, J., Rungtusanatham, M. J., & Handfield, R. B. (2007). The severity of supply chain disruptions: Design characteristics and mitigation capabilities. *Decision Sciences*, 38(1), 131–156.
- Crestanello, P., & Tattara, G. (2011). Industrial clusters and the governance of the global value chain: The Romania-Veneto network in footwear and clothing. *Regional Studies*, 45(2), 187–203.
- Cuervo-Cazurra, A., Doz, Y., & Gaur, A. (2020). Skepticism of globalization and global strategy: Increasing regulations and countervailing strategies. *Global Strategy Journal*, 10(1), 3–31.

- Czinkota, M. R. (1986). International trade and business in the late 1980s: An integrated U.S. perspective. *Journal of International Business Studies*, 17(1), 127–134.
- Czinkota, M. R., & Ronkainen, I. A. (2009). Trends and indications in international business. *Management International Review*, 49(2), 249–265.
- Danskin, P., Englis, B. G., Solomon, M. R., Goldsmith, M., & Davey, J. (2005). Knowledge management as competitive advantage: Lessons from the textile and apparel value chain. *Journal of Knowledge Management*, 9(2), 91–102.
- De Marchi, V., Di Maria, E., Golini, R., & Perri, A. (2020). Nurturing international business research through global value chains literature: A review and discussion of future research opportunities. *International Business Review*, 29(5), 101708.
- de Oliveira, R. T., Nguyen, T., Liesch, P., Verreyne, M.-L., & Indulska, M. (2021). Exporting to escape and learn: Vietnamese manufacturers in global value chains. *Journal of World Business*, 56(4), 101227.
- Dicken, P. (2015). *Global shift: Mapping the changing contours of the world economy*. Guilford Press.
- Dindial, M., Clegg, J., & Voss, H. (2020). Between a rock and a hard place: A critique of economic upgrading in global value chains. *Global Strategy Journal*, 10(3), 473–495.
- Enderwick, P. (2011). Understanding the rise of global protectionism. *Thunderbird International Business Review*, 53(3), 325–336.
- Epede, M. B., & Wang, D. (2022). Global value chain linkages: An integrative review of the opportunities and challenges for SMEs in developing countries. *International Business Review*, 31, 101993. <https://doi.org/10.1016/j.ibusrev.2022.101993>
- Ernst, D., & Kim, L. (2002). Global production networks, knowledge diffusion, and local capability formation. *Research Policy*, 31(8), 1417–1429.
- Evenett, S. J. (2019). Protectionism, state discrimination, and international business since the onset of the Global Financial Crisis. *Journal of International Business Policy*, 2(1), 9–36.
- Fartaj, S.-R., Kabir, G., Eghujovbo, V., Ali, S. M., & Paul, S. K. (2020). Modeling transportation disruptions in the supply chain of automotive parts manufacturing company. *International Journal of Production Economics*, 222, 107511.
- Feinberg, R. E. (2003). The political economy of United States' free trade arrangements. *World Economy*, 26(7), 1019–1040.
- Ferraris, A., Santoro, G., & Scuotto, V. (2020). Dual relational embeddedness and knowledge transfer in European multinational corporations and subsidiaries. *Journal of Knowledge Management*, 24(3), 519–533.
- Foss, N. J., Mudambi, R., & Murtinu, S. (2019). Taxing the multinational enterprise: On the forced redesign of global value chains and other inefficiencies. *Journal of International Business Studies*, 50(9), 1644–1655.
- Fredericks, B., & Morgan, R. (2019). Trump announces new deal with China to end grueling trade war. *New York Post*. Retrieved January 02, 2021, from <https://nypost.com/2019/12/13/trump-announces-new-deal-with-china-to-end-grueling-trade-war/>
- Frig, M., & Sorsa, V.-P. (2020). Nation branding as sustainability governance: A comparative case analysis. *Business and Society*, 59(6), 1151–1180.
- Froh, E., & Gunnella, V. (2017). Sectoral interlinkages in global value chains: Spillovers and network effects. *ECB Working Paper No. 2064*. Available at SSRN: <https://ssrn.com/abstract=3382284>
- Frumusanu, A. (2020). TSMC confirms halt to Huawei shipments in September. *AnandTech*. Retrieved January 02, 2021, from <https://www.anandtech.com/show/15915/tsmc-confirms-halt-to-huawei-shipments-in-september#:~:text=TSMC%20on%20Thursday%20has%20confirmed,back%20on%20May%2015th.&text=Under%20the%20rule%20change%2C%20Taiwan,unlikely%20license%20from%20US%20regulators>
- Gande, A., John, K., Nair, V. B., & Senbet, L. W. (2020). Taxes, institutions, and innovation: Theory and international evidence. *Journal of International Business Studies*, 51(9), 1413–1442.
- Ganguly, A., Talukdar, A., & Chatterjee, D. (2019). Evaluating the role of social capital, tacit knowledge sharing, knowledge quality and reciprocity in determining innovation capability of an organization. *Journal of Knowledge Management*, 23(6), 1105–1135.
- Gaur, A. S., Ma, H., & Ge, B. (2019). MNC strategy, knowledge transfer context, and knowledge flow in MNEs. *Journal of Knowledge Management*, 23(9), 1885–1900.
- Gaur, J., Amini, M., & Rao, A. K. (2020). The impact of supply chain disruption on the closed-loop supply chain configuration profit: A study of sourcing policies. *International Journal of Production Research*, 58(17), 5380–5400.

- Gereffi, G. (1996). Commodity chains and regional divisions of labor in East Asia. *Journal of Asian Business*, 12, 75–112.
- Gereffi, G. (1999). International trade and industrial upgrading in the apparel commodity chain. *Journal of International Economics*, 48(1), 37–70.
- Gereffi, G. (2005). The global economy: Organization, governance, and development. In N. Smelser & R. Swedberg (Eds.), *Handbook of economic sociology* (pp. 160–182). Princeton University Press.
- Gereffi, G. (2018). *Global value chains and development: Redefining the contours of 21st century capitalism*. Cambridge University Press.
- Gereffi, G. (2019). Global value chains and international development policy: Bringing firms, networks and policy-engaged scholarship back in. *Journal of International Business Policy*, 2(3), 195–210.
- Gereffi, G. (2020). What does the COVID-19 pandemic teach us about global value chains? The case of medical supplies. *Journal of International Business Policy*, 3(3), 287–301.
- Gereffi, G., & Frederick, S. (2010). The global apparel value chain, trade and the crisis: Challenges and opportunities for developing countries. In O. Cattaneo, G. Gereffi, & C. Staritz (Eds.), *Global value chains in a postcrisis world: A development perspective* (pp. 157–208). The World Bank Press. <https://doi.org/10.1596/1813-9450-5281>
- Gereffi, G., & Lee, J. (2012). Why the world suddenly cares about global supply chains. *Journal of Supply Chain Management*, 48(3), 24–32.
- Gereffi, G., & Lee, J. (2016). Economic and social upgrading in global value chains and industrial clusters: Why governance matters. *Journal of Business Ethics*, 133(1), 25–38.
- Gereffi, G., Lim, H.-C., & Lee, J. (2021). Trade policies, firm strategies, and adaptive reconfigurations of global value chains. *Journal of International Business Policy*, 4(4), 506–522.
- Ghemawat, P. (2017). Globalization in the Age of Trump. *Harvard Business Review*. Retrieved January 01, 2021, from <https://hbr.org/2017/07/globalization-in-the-age-of-trump>.
- Glaister, K. W., Driffield, N., & Lin, Y. (2020). Foreign direct investment to Africa: Is there a colonial legacy? *Management International Review*, 60(3), 315–349.
- González-Piñero, M., Páez-Avilés, C., Juanola-Feliu, E., & Samitier, J. (2021). Cross-fertilization of knowledge and technologies in collaborative research projects. *Journal of Knowledge Management*, 25(11), 34–59.
- Goodman, P. S. (2019). Brexit's advance opens a new trade era. *The New York Times*. Retrieved January 02, 2021, from <https://www.nytimes.com/2019/12/13/business/economy/uk-election-brexite-trade.html>
- Grundke, R., & Moser, C. (2019). Hidden protectionism? Evidence from non-tariff barriers to trade in the United States. *Journal of International Economics*, 117, 143–157.
- Guo, Y., Jasovska, P., Rammal, H. G., & Rose, E. L. (2020). Global mobility of professionals and the transfer of tacit knowledge in multinational service firms. *Journal of Knowledge Management*, 24(3), 553–567.
- Habermann, M., Blackhurst, J., & Metcalf, A. Y. (2015). Keep your friends close? Supply chain design and disruption risk. *Decision Sciences*, 46(3), 491–526.
- Harrison, D. A., Harrison, T., & Shaffer, M. A. (2018). Strangers in strained lands: Learning from workplace experiences of immigrant employees. *Journal of Management*, 45(2), 600–619.
- Hartland-Thunberg, P. (2019). *Trading blocs, US exports, and world trade*. Routledge.
- Hass, R., & Denmark, A. (2020). More pain than gain: How the US-China trade war hurt America. *Brookings*. Retrieved January 02, 2021, from <https://www.brookings.edu/blog/order-from-chaos/2020/08/07/more-pain-than-gain-how-the-us-china-trade-war-hurt-america/>
- He, S., Khan, Z., & Shenkar, O. (2018). Subsidiary capability upgrading under emerging market acquirers. *Journal of World Business*, 53(2), 248–262.
- Hendricks, K. B., & Singhal, V. R. (2003). The effect of supply chain glitches on shareholder wealth. *Journal of Operations Management*, 21(5), 501–522.
- Hendricks, K. B., Singhal, V. R., & Zhang, R. (2009). The effect of operational slack, diversification, and vertical relatedness on the stock market reaction to supply chain disruptions. *Journal of Operations Management*, 27(3), 233–246.
- Higgins, T. (2018). Tesla asks suppliers for cash back to help turn a profit. *The Wall Street Journal*. Retrieved January 02, 2021, from <https://www.wsj.com/articles/tesla-asks-suppliers-for-cash-back-to-help-turn-a-profit-1532301091>
- Hines, C. (2013). *Localization: A global manifesto*. Routledge.

- Hoffmann, N. C., Yin, J., & Hoffmann, S. (2020). Chain of blame: A multi-country study of consumer reactions towards supplier hypocrisy in global supply chains. *Management International Review*, 60(2), 247–286.
- Howlett, A. (2019). How does the US-China trade war hurt carmakers? *Financial Times*. Retrieved January 02, 2021, from <https://www.ft.com/content/18709830-82c8-11e9-a7f0-77d3101896ec>
- Huang, E. (2019). Tesla's China revenue dropped amid the trade war. *Quartz*. Retrieved January 01, 2021, from <https://qz.com/1554631/teslas-china-revenue-dropped-amid-the-us-china-trade-war/>
- Huang, Q., & Kim, R. (2019). Capital structure decisions along the supply chain: Evidence from import competition. *Journal of International Business Studies*, 50(6), 873–894.
- Huawei. (2019). *Ren Zhengfei's Interview with Chinese Media*. Retrieved January 03, 2021, from <https://m.huawei.com/it/facts/voices-of-huawei/ren-zhengfei-interview-with-china-media>
- Huawei. (2020). *IDC: Huawei world's second biggest smartphone maker*. Retrieved January 03, 2021, from <https://huawei.eu/news/idc-huawei-worlds-second-biggest-smartphone-maker>
- Humphrey, J., & Schmitz, H. (2002). How does insertion in global value chains affect upgrading in industrial clusters? *Regional Studies*, 36(9), 1017–1027.
- IMF. (2019a). Direction of Trade Statistics. *International Monetary Fund*. Retrieved January 03, 2021, from <https://data.imf.org/?sk=9d6028d4-f14a-464c-a2f2-59b2cd424b85&sid=1515619375491>
- IMF. (2019b). Value chains transform manufacturing - and distort the globalization debate (56 (2)). *International Monetary Fund*. Retrieved January 03, 2021, from <https://www.imf.org/external/pubs/ft/fandd/2019/06/global-value-chains-transforming-manufacturing-dollar.htm>
- Immelt, J. R. (2016). The World I See: Jeff Immelt's Advice To Win In Time Of Anger About Globalization. *General Electric*. Retrieved January 01, 2021, from <https://www.ge.com/news/reports/the-world-i-see-immelts-advice-to-win-in-the-time-of-globalization>
- Inagaki, K. (2019). Nintendo Switch to be made in Vietnam. *Financial Times*. Retrieved January 03, 2021, from <https://www.ft.com/content/c6e99e34-a221-11e9-974c-ad1c6ab5efd1>
- James, H. (2018). Deglobalization: The rise of disembedded unilateralism. *Annual Review of Financial Economics*, 10(1), 219–237.
- Jandhyala, S. (2013). Property rights and international investment in information technology services. *Strategic Management Journal*, 34(7), 877–889.
- Kamalahmadi, M., & Parast, M. M. (2017). An assessment of supply chain disruption mitigation strategies. *International Journal of Production Economics*, 184, 210–230.
- Kano, L., Tsang, E. W., & Yeung, H.W.-C. (2020). Global value chains: A review of the multi-disciplinary literature. *Journal of International Business Studies*, 51(4), 577–622.
- Kazin, M. (2016). Trump and American populism: Old whine, new bottles. *Foreign Affairs*, 95, 17–24.
- Kazmin, A. (2019). What is behind the tensions in US-India relations? *Financial Times*. Retrieved January 03, 2021, from <https://www.ft.com/content/dd246946-9406-11e9-b7ea-60e35ef678d2>
- Khan, Z., Rao-Nicholson, R., & Tarba, S. Y. (2018). Global networks as a mode of balance for exploratory innovations in a late liberalizing economy. *Journal of World Business*, 53(3), 392–402.
- Kim, E. (2020). South Korean display panel suppliers cut business relations with Huawei. *Business Korea*. Retrieved January 01, 2021, from <http://www.businesskorea.co.kr/news/articleView.html?idxno=51577>
- Kim, H., Wu, J., Schuler, D., & Hoskisson, R. (2020). Chinese multinationals' fast internationalization: Financial performance advantage in one region, disadvantage in another. *Journal of International Business Studies*, 51(7), 1076–1106.
- Kim, J. U., & Aguilera, R. V. (2016). Foreign location choice: Review and extensions. *International Journal of Management Reviews*, 18(2), 133–159.
- Kobrin, S. J. (2017). Bricks and Mortar in a borderless world: Globalization, the backlash, and the multinational enterprise. *Global Strategy Journal*, 7(2), 159–171.
- Kobrin, S. J. (2020). How globalization became a thing that goes bump in the night. *Journal of International Business Policy*, 3(3), 280–286.
- Kotabe, M., & Kothari, T. (2016). Emerging market multinational companies' evolutionary paths to building a competitive advantage from emerging markets to developed countries. *Journal of World Business*, 51(5), 729–743.
- Kubota, Y. (2020). Ford signals more China trouble on the road ahead. *The Wall Street Journal*. Retrieved January 03, 2021, from <https://www.wsj.com/articles/ford-motor-says-more-china-trouble-on-the-road-ahead-in-2020-11578885996>

- Lai, K. K., Chen, H. C., Chang, Y. H., Kumar, V., & Bhatt, P. C. (2020). A structured MPA approach to explore technological core competence, knowledge flow, and technology development through social network patentometrics. *Journal of Knowledge Management*, 25(2), 402–432.
- Lange, K., Geppert, M., Saka-Helmhout, A., & Becker-Ritterspach, F. (2015). Changing business models and employee representation in the airline industry: A comparison of British Airways and Deutsche Lufthansa. *British Journal of Management*, 26(3), 388–407.
- Lee, J. Y., Jiménez, A., Yang, Y. S., & Song, Y. (2020). Political risk, internal versus global value chain knowledge, and subsidiary operational integration. *Global Strategy Journal*, 10(3), 444–472.
- Lee, Y. (2020). Exclusive: Foxconn to shift some Apple production to Vietnam to minimise China risk. *Reuters*. Retrieved January 01, 2021, from <https://www.reuters.com/article/us-foxconn-vietnam-apple-exclusive-foxconn-to-shift-some-apple-production-to-vietnam-to-minimise-china-risk-idUSKBN2860VN>
- Li, C., & Whalley, J. (2020). Trade protectionism and US manufacturing employment. *Economic Modelling*, 96, 353–361.
- Li, Y., Zhen, X., Qi, X., & Cai, G. (2016). Penalty and financial assistance in a supply chain with supply disruption. *Omega*, 61, 167–181.
- Liao, R. (2019a). Huawei says US ban will cost it \$30B in lost revenue. *Techcrunch*. Retrieved January 01, 2021, from https://techcrunch.com/2019/06/17/trade-war-costs-huawei-30-billion/?guccounter=1&guce_referrer=aHR0cHM6Ly93d3cuZ29vZ2xlLmNvbS8&guce_referrer_sig=AQAAA Kz3jPB65fbU-pQ6If_LaCc53f2fwpZgkiZnYKX_Sgg2CFNKKMUjMsnkOsJd7TnN5otV8V o1LmX3j7LRz17kWL7DOr42VqKLX9keGK0rYUZjL0sGXLgGRhojWxp7yV992fjY iolgcAXb12QMFMc5jdk08beoPcl3wgrVOIXG
- Liao, S. (2019b). Chinese Express Giant YTO, VietJet Air Link Arms on Vietnam Logistics Hub. *Yicai Global*. Retrieved January 02, 2021, from <https://www.yicai.com/news/chinese-express-giant-yto-vietjet-air-pair-to-make-vietnam-logistics-hub>
- Liu, X. (2018). Europe and China must stand together against protectionism. *Financial Times*. Retrieved January 03, 2021, from <https://www.ft.com/content/5098a0f6-3119-11e8-b5f6-23cb17fd1498>
- Loh, H. S., Zhou, Q., Thai, V. V., Wong, Y. D., & Yuen, K. F. (2017). Fuzzy comprehensive evaluation of port-centric supply chain disruption threats. *Ocean and Coastal Management*, 148, 53–62.
- Lorenzen, M., Mudambi, R., & Schotter, A. (2020). International connectedness and local disconnectedness: MNE strategy, city-regions and disruption. *Journal of International Business Studies*, 51(8), 1199–1222.
- Luo, H., Liu, X., Wu, A., & Zhong, X. (2021). Is it possible to escape? Local protectionism and outward foreign direct investment by Chinese privately-owned enterprises. *Asia Pacific Journal of Management*, 38(4), 1499–1524.
- Luo, Y., & Witt, M. A. (2021). Springboard MNEs under de-globalization. *Journal of International Business Studies*. <https://doi.org/10.1057/s41267-021-00423-4>
- Luo, Y., Zhang, H., & Bu, J. (2019). Developed country MNEs investing in developing economies: Progress and prospect. *Journal of International Business Studies*, 50(4), 633–667.
- Magnani, G., Zucchella, A., & Strange, R. (2019). The dynamics of outsourcing relationships in global value chains: Perspectives from MNEs and their suppliers. *Journal of Business Research*, 103, 581–595.
- Manskar, N. (2020). Tesla reportedly exporting 7,000 Chinese-made cars to Europe. *New York Post*. Retrieved January 01, 2021, from <https://nypost.com/2020/10/26/tesla-reportedly-exporting-7000-chinese-made-cars-to-europe/>
- Markman, J. (2019). Trade war with China will hit U.S. tech companies hard. *Forbes*. Retrieved January 03, 2021, from <https://www.forbes.com/sites/jonmarkman/2019/09/30/trade-war-with-china-will-hit-u-s-tech-companies-hard/?sh=3e58737b6cca>
- McWilliam, S. E., Kim, J. K., Mudambi, R., & Nielsen, B. B. (2020). Global value chain governance: Intersections with international business. *Journal of World Business*, 55(4), 101067.
- Meyer, K. E., Li, C., & Schotter, A. P. J. (2020). Managing the MNE subsidiary: Advancing a multi-level and dynamic research agenda. *Journal of International Business Studies*, 51(4), 538–576.
- Miles, M. B., & Huberman, A. M. (1994). *Qualitative data analysis: An expanded sourcebook* (2nd ed.). Sage.
- Mishra, P. (2018). The rise of China and the Fall of the ‘Free Trade’ Myth. *The New York Times*. Retrieved January 02, 2021, from <https://www.nytimes.com/2018/02/07/magazine/the-rise-of-china-and-the-fall-of-the-free-trade-myth.html?auth=login-facebook>

- Murphree, M., & Anderson, J. (2018). Countering overseas power in global value chains: Information asymmetries and subcontracting in the plastics industry. *Journal of International Management*, 24(2), 123–136.
- Murphy, J., Denyer, D., & Pettigrew, A. (2020). The role of framing mechanisms in explaining system-wide change: The case of the Northern Ireland conflict and peace process. *British Journal of Management*, 32(2), 322–341.
- Naderi, S., Kilic, K., & Dasci, A. (2020). A deterministic model for the transshipment problem of a fast fashion retailer under capacity constraints. *International Journal of Production Economics*, 227, 107687.
- Nadvi, K., & Halder, G. (2005). Local clusters in global value chains: Exploring dynamic linkages between Germany and Pakistan. *Entrepreneurship and Regional Development*, 17(5), 339–363.
- Narula, R. (2019). Enforcing higher labor standards within developing country value chains: Consequences for MNEs and informal actors in a dual economy. *Journal of International Business Studies*, 50(9), 1622–1635.
- Nguyen, A., & Özçaglar-Toulouse, N. (2021). Nation branding as a market-shaping strategy: A study on South Korean products in Vietnam. *Journal of Business Research*, 122, 131–144.
- Nippa, M., & Reuer, J. J. (2019). On the future of international joint venture research. *Journal of International Business Studies*, 50(4), 555–597.
- Noland, M. (2018). US Trade Policy in the Trump Administration. *Asian Economic Policy Review*, 13(2), 262–278.
- Noonan, L. (2020). Bank regulators warned against protectionism in pandemic response. *Financial Times*. Retrieved January 01, 2021, from <https://www.ft.com/content/7cf896bc-6875-4fef-a7d4-c750d950a350>
- OECD. (2019). Global value chain development report 2019. *Organisation for Economic Co-operation and Development*. Retrieved January 03, 2021, from <https://www.oecd.org/dev/Global-Value-Chain-Development-Report-2019-Technological-Innovation-Supply-Chain-Trade-and-Workers-in-a-Globalized-World.pdf>
- Pananond, P., Gereffi, G., & Pedersen, T. (2020). An integrative typology of global strategy and global value chains: The management and organization of cross-border activities. *Global Strategy Journal*, 10(3), 421–443.
- Pangarkar, N., & Wu, J. (2013). Alliance formation, partner diversity, and performance of Singapore startups. *Asia Pacific Journal of Management*, 30(3), 791–807.
- Park, K., Min, H., & Min, S. (2016). Inter-relationship among risk taking propensity, supply chain security practices, and supply chain disruption occurrence. *Journal of Purchasing and Supply Management*, 22(2), 120–130.
- Petricevic, O., & Teece, D. J. (2019). The structural reshaping of globalization: Implications for strategic sectors, profiting from innovation, and the multinational enterprise. *Journal of International Business Studies*, 50(9), 1487–1512.
- Pietrobelli, C., & Rabellotti, R. (2011). Global value chains meet innovation systems: Are there learning opportunities for developing countries? *World Development*, 39(7), 1261–1269.
- Pietrobelli, C., Rabellotti, R., & Van Assche, A. (2021). Making sense of global value chain-oriented policies: The trifecta of tasks, linkages, and firms. *Journal of International Business Policy*, 4(3), 327–346.
- Pitelis, C. N., & Teece, D. J. (2018). The new MNE: ‘Orchestration’ theory as envelope of ‘internalisation’ theory. *Management International Review*, 58(4), 523–539.
- Ponte, S., & Sturgeon, T. (2014). Explaining governance in global value chains: A modular theory-building effort. *Review of International Political Economy*, 21(1), 195–223.
- Prasad, R. (2021). US historians on what Donald Trump’s legacy will be. *BBC News*. Retrieved January 01, 2021, from <https://www.bbc.co.uk/news/world-us-canada-55640427>
- PYMNTS. (2019). B2B payments chase, IBM CEOs speak out against trade tariffs. *Payments News and Mobile Payments Trends*. Retrieved January 01, 2021, from <https://www.pymnts.com/news/b2b-payments/2019/business-roundtable-ceo-trade-tariffs/>
- Qian, L. (2018). Nestle chief talks localization, strategy to develop the China market. *Global Times*. <https://www.globaltimes.cn/content/1131177.shtml>
- Rabinovich, E., & Cheon, S. (2011). Expanding horizons and deepening understanding via the use of secondary data sources. *Journal of Business Logistics*, 32(4), 303–316.

- Rappeport, A., Kang, C., & Bray, C. (2018). Trump administration stalls largest tech merger in new sign of protectionism. *The New York Times*. Retrieved January 01, 2021, from <https://www.nytimes.com/2018/03/05/business/dealbook/broadcom-qualcomm-cfius.html>
- Reuters. (2018). China retaliates with tariffs on \$60 billion of US goods. *New York Post*. Retrieved January 03, 2021, from <https://nypost.com/2018/09/18/china-retaliates-with-tariffs-on-60-billion-of-us-goods/>
- Rovnick, N. (2019). Deere cuts profit outlook again as trade war hits farmers. *Financial Times*. Retrieved January 03, 2021, from <https://www.ft.com/content/00970a70-c010-11e9-b350-db00d509634e>
- Ryan, P., Buciuni, G., Giblin, M., & Andersson, U. (2020). Subsidiary upgrading and global value chain governance in the multinational enterprise. *Global Strategy Journal*, 10(3), 496–519.
- Scheibe, K. P., & Blackhurst, J. (2018). Supply chain disruption propagation: A systemic risk and normal accident theory perspective. *International Journal of Production Research*, 56(1–2), 43–59.
- Schmitt, A. J., & Singh, M. (2012). A quantitative analysis of disruption risk in a multi-echelon supply chain. *International Journal of Production Economics*, 139(1), 22–32.
- Schrage, S., & Rasche, A. (2022). Inter-organizational paradox management: How national business systems affect responses to paradox along a global value chain. *Organization Studies*, 43(4), 547–571.
- Scuotto, V., Garcia-Perez, A., Nespoli, C., & Messeni Petruzzelli, A. (2020). A repositioning organizational knowledge dynamics by functional upgrading and downgrading strategy in global value chain. *Journal of International Management*, 26(4), 100795.
- Simons, T. (2022). How is the war in Ukraine affecting global trade and international supply chains? *Reuters*. Retrieved January 02, 2021, from <https://www.reuters.com/legal/transactional/how-is-war-ukraine-affecting-global-trade-international-supply-chains-2022-04-27/>
- Sin, B. (2020). How Huawei managed to sell the most phones in 2020 so far: Re-releases in Europe and Chinese consumers. *Forbes*. Retrieved January 01, 2021, from <https://www.forbes.com/sites/bensin/2020/07/30/how-huawei-managed-to-sell-the-most-phones-in-2020-so-far-re-releases-in-europe-and-chinese-consumers/?sh=5217095cb9a8>
- Sinkovics, N., Choksy, U. S., Sinkovics, R. R., & Mudambi, R. (2019). Knowledge connectivity in an adverse context: Global value chains and Pakistani offshore service providers. *Management International Review*, 59(1), 131–170.
- Sinkovics, R. R., Kurt, Y., & Sinkovics, N. (2018). The effect of matching on perceived export barriers and performance in an era of globalization discontents: Empirical evidence from UK SMEs. *International Business Review*, 27(5), 1065–1079.
- Song, J. (2018). Collateral damage predicted from US-China trade war. *Financial Times*. Retrieved January 02, 2021, from <https://www.ft.com/content/374e899e-8592-11e8-96dd-fa565ec55929>
- Statista. (2019). Merchandise trade balance of China 2009–2019. Retrieved January 02, 2021, from <https://www.statista.com/statistics/263632/trade-balance-of-china/>
- Steinbuch, Y. (2020). China's President Xi takes jabs at US in Korean War commemoration. *New York Post*. Retrieved January 04, 2021, from <https://nypost.com/2020/10/23/chinas-president-xi-takes-jabs-at-us-in-korean-war-commemoration/>
- Strange, R., & Humphrey, J. (2019). What lies between market and hierarchy? Insights from internalization theory and global value chain theory. *Journal of International Business Studies*, 50(8), 1401–1413.
- Svensson, G. (2002). A conceptual framework of vulnerability in firms' inbound and outbound logistics flows. *International Journal of Physical Distribution and Logistics Management*, 32(2), 110–134.
- Swanson, A. (2018). Will 2018 be the year of protectionism? Trump alone will decide. *The New York Times*. Retrieved January 04, 2021, from <https://www.nytimes.com/2018/01/03/us/politics/2018-trump-protectionism-tariffs.html>
- Swanson, A., & Eavis, P. (2020). Trump expands steel tariffs, saying they are short of aim. *The New York Times*. Retrieved January 04, 2021, from <https://www.nytimes.com/2020/01/27/business/economy/trump-steel-tariffs.html>
- Swanson, A., Kang, C., & Rappeport, A. (2018). Trump's killing of chip deal pushes protectionism as it invokes security. *The New York Times*. Retrieved January 02, 2021, from <https://www.nytimes.com/2018/03/13/business/trump-qualcomm-security.html>
- Takeo, Y. (2020). Japan's export slump grinds on despite better tech shipments. *Bloomberg*. Retrieved January 03, 2021, from <https://www.bloomberg.com/news/articles/2020-01-22/japan-s-exports-fall-more-than-forecast-in-december>
- Tomisawa, A. (2018). Japan machinery makers with China exposure take big hit amid trade war fears. *Reuters*. Retrieved January 02, 2021, from <https://www.reuters.com/article/idUSKBNIGZ0XZ>

- Umar, M., Wilson, M., & Heyl, J. (2021). The structure of knowledge management in inter-organisational exchanges for resilient supply chains. *Journal of Knowledge Management*, 25(4), 826–846.
- UNCTAD. (2013). Global value chains and development: Investment and value added trade in the global economy. United Nations, Geneva, Switzerland. http://unctad.org/en/PublicationsLibrary/diae2013d1_en.pdf
- United States Census Bureau. (2020). Foreign Trade. Retrieved January 03, 2021, from <https://www.census.gov/foreign-trade/statistics/product/enduse/exports/c5700.html>
- United States Trade Representatives. (2020). Countries & Regions: Vietnam. Executive Office of the President of the United States. Retrieved January 04, 2021, from <https://ustr.gov/countries-regions/southeast-asia-pacific/vietnam#:~:text=Vietnam%20is%20currently%20our%2013th,goods%20imports%20totalled%20%2466.6%20billion>
- Vega, N. (2020). Apple manufacturer Foxconn reportedly to make iPads, MacBooks in Vietnam. *New York Post*. Retrieved January 04, 2021, from <https://nypost.com/2020/11/27/apple-manufacturer-foxconn-reportedly-to-make-ipads-macbooks-in-vietnam/>
- Viñals, J. (2019). Trade will continue to grow despite US-China tensions. *Financial Times*. Retrieved January 04, 2021, from <https://www.ft.com/content/b7c8d400-f01a-11e9-a55a-30afa498db1b>
- Wieland, A., Bals, L., Mol, M. J., & Handfield, R. B. (2020). Overcoming blind spots in global sourcing research: Exploiting the cross-sections between supply chain management and international business. *Journal of International Management*, 26(1), 100709.
- Williams, G. (2017). *The airline industry and the impact of deregulation* (2nd ed.). Routledge.
- Williamson, P. (2021). De-globalisation and decoupling: Post-COVID-19 myths versus realities. *Management and Organization Review*, 17(1), 29–34.
- Witt, M. A. (2019). De-globalization: Theories, predictions, and opportunities for international business research. *Journal of International Business Studies*, 50(7), 1053–1077.
- Wolf, M. (2019). G20 meets as trade rifts heighten risks to global economy. *Financial Times*. Retrieved January 04, 2021, from <https://www.ft.com/content/8836a77e-4a4f-11e9-bde6-79eaea5acb64>
- Woodhouse, A., & Feng, E. (2018). Tesla cuts prices in China as trade war bites. *Financial Times*. Retrieved January 03, 2021, from <https://www.ft.com/content/847a4e02-ee19-11e8-89c8-d36339d835c0>
- Wu, J., Zhou, N., Park, S., Khan, Z., & Meyer, M. (2021). The role of FDI motives in the link between institutional distance and subsidiary ownership choice by emerging market multinational enterprises. *British Journal of Management*. <https://doi.org/10.1111/1467-8551.12508>
- Wu, Z., & Jia, F. (2018). Toward a theory of supply chain fields – understanding the institutional process of supply chain localization. *Journal of Operations Management*, 58–59(March), 27–41.
- Yang, G., Zhang, Y., & Yu, X. (2020). Intellectual property rights and the upgrading of the global value chain status. *Pacific Economic Review*, 25(2), 185–204.
- Zhan, J. X. (2021). GVC transformation and a new investment landscape in the 2020s: Driving forces, directions, and a forward-looking research and policy agenda. *Journal of International Business Policy*, 4(2), 206–220.
- Zhang, L., & Woo, R. (2019). Trade war keeps China's factories in reverse gear for third month. *Reuters*. Retrieved January 02, 2021, from <https://www.reuters.com/article/us-china-economy-pmi-manufacturing-offic/trade-war-keeps-chinas-factories-in-reverse-gear-for-third-month-idUKKCN1UQ04U>
- Zietsma, C., Ruebottom, T., & Slade Shantz, A. (2018). Unobtrusive maintenance: Temporal complexity, latent category control and the stalled emergence of the cleantech sector. *Journal of Management Studies*, 55(7), 1242–1277.