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**Title:** Advancing the sociopolitical view of supply chain management

**Year:** 2025

**Version:** Accepted manuscript

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**Please cite the original version:**

Golgeci, I., Roscoe, S., Gligor, D. M., Oh, C. H. (2025). Advancing the sociopolitical view of supply chain management. *International Journal of Operations & Production Management* 45(5), 955-984. <https://doi.org/10.1108/IJOPM-03-2025-0175>

## **Advancing the Sociopolitical View of Supply Chain Management**

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## Abstract

**Purpose** - World trade and global supply chains are undergoing seismic shifts due to rapidly shifting social trends, changing cultural norms, and heightened geopolitical tensions among nation-states, including tariffs, trade wars, and armed conflicts. This paper explores how political, social, and cultural forces affect supply chains (SCs) and how SCs respond to these influences. It aims to define and promote a sociopolitical view of supply chain management (SCM). We achieve this by synthesizing insights from existing literature and examining emerging trends to develop a comprehensive framework that incorporates macro-, meso-, and micro-level forces. The paper concludes by outlining a future research agenda to further the sociopolitical view of SCM.

**Design/methodology/approach**- We conduct a comprehensive text-mining exercise to explore the impact of sociopolitical forces, including government trade policies, tariffs, and legislation, on the placement of SC infrastructure and trade flows. Our data sources comprise news databases, company websites, and media outlets. Our analysis has identified multinational enterprises that relocated facilities or changed suppliers from China to other countries between 2018 and 2024, a timeframe characterized by significant sociopolitical upheaval due to the U.S.-China trade war and the COVID-19 pandemic.

**Findings**- Our findings reveal a significant shift in production facilities and sub-tier suppliers away from China to countries such as Bangladesh, India, Vietnam, and Mexico. Our analysis highlights not only the political factors, such as tariffs and trade wars, but also the social unrest that has driven these changes in SC designs. The findings inform a framework for advancing the sociopolitical view of SCM.

**Practical implications**- Policymakers can use the provided framing to support businesses and their global supply chains (GSCs) during periods of extreme social and political upheaval. Policy levers can include facilitating trade relationships with friendly nations, reducing trade barriers, and supporting businesses with SC mapping analysis and visibility tools. Business managers are provided with a holistic understanding of the interactions between sociopolitical factors and GSCs to better prepare for future disruption events.

**Originality/value**- The mainstream SCM literature has viewed the impact of social trends, cultural norms, and geopolitical tensions on SC flows in a piecemeal fashion. In an era characterized by geopolitical tensions, cultural shifts, and regulatory changes, we argue that scholars must adopt a comprehensive, multilevel perspective to better analyze the sociopolitical forces at play in GSCs. This paper defines and advances a sociopolitical view of SCM to create a foundation for further research.

**Keywords:** *Geopolitics, geopolitical disruptions, sociopolitical view, tariffs, trade wars, supply chain management*

## 1. Introduction

Modern supply chains (SCs) operate across micro, meso, and macro levels, facilitating global trade flows while being shaped by ever-changing social, cultural, and political forces (Bednarski *et al.*, 2025; Coe *et al.*, 2019; Speier *et al.*, 2011; Ferdows *et al.*, 2016). Early studies of supply chain management (SCM) occurred at the micro-level, where scholars attempted to optimize the flow of materials, information, and finances to meet customer demands efficiently and effectively (Cooper *et al.*, 1997; Lambert & Cooper, 2000; Lambert *et al.*, 1998; Mentzer *et al.*, 2001). Scholars then broadened their studies to the meso-level, examining how SCs compete against each other (Christopher, 2000) and how external stakeholders (shareholders, customers, NGOs) influence sustainability and SC decision-making (Co & Barro, 2009; Sarkis, 2012; Walker *et al.*, 2014). These studies expanded our understanding of SCM within the prevailing social and political narrative of the time: promote free trade by lowering tariff barriers and globalize SCs to gain comparative and competitive advantage (Gereffi & Lee, 2012). However, due to the rapidly evolving global sociopolitical landscape, it is no longer sufficient to view SCs through a purely operational or competitive lens. Broader geopolitical and societal forces are now reshaping their very foundations.

In the wake of an impending new world order that will likely follow the Bretton Woods system and the ensuing neoliberal world order (Helleiner, 2019), global trade is splintering under the weight of geopolitical rivalries. Policymakers are reshuffling global economic and trade policies, while firms buckle up and are compelled to dramatically re-examine their SC structures. The free-trade agenda was challenged in 2016, as nationalism and protectionism gained traction in many Western countries (Dent *et al.*, 2020; Roscoe *et al.*, 2022). The UK voted to leave the largest trading bloc in the world – the European Union (EU), and the U.S. elected Donald Trump, who subsequently instigated a trade war with China (Moradlou *et al.*, 2021; 2024; Witt *et al.*, 2023). The COVID-19 pandemic then swept across the world, resulting in further barriers to trade, including export controls on critical medicines and vaccine nationalism (Handfield *et al.*, 2020). Tensions between nations have intensified as governments deploy tariffs and trade barriers as geopolitical and economic instruments. A case in point is US President Donald Trump’s proposed ‘reciprocal’ 10% import tariffs levied on almost every country in the world and over 100% tariffs for China. The US administration is instituting a new world order where tariffs are used as a blunt weapon to protect domestic jobs and prompt the onshoring of manufacturing. Other countries use tariffs to protect strategic sectors such as semiconductors, critical minerals, and electric vehicles. For example, the EU Chips Act, and Canada’s 100% surtax on Chinese EVs reflect a broader trend toward “de-risking” SCs from perceived adversarial nations (Luo, 2025). These trade policies have created widespread turbulence in the global

marketplace and will likely result in seismic shifts in the location of SC assets and the configuration of global trade flows. Heightened geopolitical tensions have been exacerbated by armed conflicts in Ukraine, Palestine, Syria, and the Red Sea, causing the diversion of air, ocean, and road shipments (iiss.org, 2025). In this volatile landscape, global trade is no longer merely a neutral conduit for commerce but a battlefield for geopolitical rivalries.

At the same time, rapidly changing social structures and cultural norms are prompting SC managers to pay greater attention to the social context in which SCs are embedded and be more environmentally and socially conscious when designing products and processes (Vanpoucke and Klassen, 2024). In tandem with rapid economic and technological development, social values are fast changing and leading to major shifts in not only how people live and consume but also the demographic structures and outlooks of many countries (Wadley, 2021), including developing ones, in the world. Consumers in the Western world are price sensitive while expecting major brands to use fair trade practices and to minimize environmental harm when extracting and processing materials (Yu *et al.*, 2024). Instances of modern slavery in SCs, such as BooHoo paying UK workers below minimum wage, or Schein's reported exploitation of Chinese factory workers, quickly lead to brand boycotts on social media and negatively impact sales (Stephens *et al.* 2025). This new landscape demands that SCs not only deliver efficiently but also ethically and transparently or risk being confronted by public scrutiny.

These social and political forces are present at the macro-level and critically reshape global supply chains (GSCs) (Oh & Oetzel, 2022). However, many scholars continue to treat SCs as deterministic and mechanistic systems, easily isolated from their sociopolitical environment (Madonna *et al.*, 2024; Wieland, 2021). The traditional view of SCs as insulated economic systems is no longer tenable (Wieland, 2021). There is a pressing need to identify the interactive effects of social and political forces across macro, meso-, and micro-levels to better comprehend how such forces influence SC decision-making and shape global trade (Ahlstrom *et al.*, 2020; Röell *et al.*, 2022).

Some SCM scholars have attempted to study these interactive effects by borrowing frameworks from adjacent fields such as international business and economic geography, including Global Value Chains (GVC) and Global Production Networks (GPN) (Cohen & Kouvelis, 2021; Ferdows *et al.*, 2016; Gölgeci *et al.*, 2021). Other scholars have examined the impact of geopolitical tensions on global SC design by drawing on international business and general management theories, including Institutional Theory (Roscoe *et al.*, 2022), Dunning's Eclectic Paradigm (Moradlou *et al.*, 2021), and Resource Dependency Theory (Zhu *et al.*, 2024).

While these frameworks and theories provide valuable insights into the broader governance structures of global trade, SCM research has yet to establish its own theoretical lens to examine the interplay between sociopolitical forces and SC processes. This special issue addresses these empirical and theoretical gaps by exploring how sociopolitical factors affect GSCs and how managers can anticipate and mitigate these issues. To do so, we put forward 7 original articles and 2 impact pathway papers. We present an analysis of secondary data using an innovative text-mining technique to quantify how sociopolitical forces, including the U.S.-China Trade War, COVID-19, and the Russia-Ukraine conflict, have prompted firms to shift production locations or switch suppliers. Based on the findings, we posit that a sociopolitical view of SCM encompasses a broad range of social, cultural, and political forces that affect and are affected by global SC flows. Political forces include armed conflict between nation-states, geopolitical tensions, trade barriers (tariffs, export controls), regulation, and legislation. Cultural and social forces include changing cultural norms and new consumer trends, demographic shifts, intercultural relations, deviations in national sentiment towards protectionism and nationalism, labor dynamics, and social aspects of new technologies, all of which are increasingly reshaping SC strategies and decision-making. We aim to establish a comprehensive framework that integrates macro-, meso-, and micro-level perspectives by synthesizing insights from existing literature and exploring emerging trends. The paper concludes by outlining a future research agenda to address existing knowledge gaps and advance a sociopolitical view of SCM.

## **2. Defining the sociopolitical view of SCM**

GSCs do not operate in isolation (Wieland, 2021). Instead, the location of SC assets, including raw material extraction, factories, and suppliers, is deliberate and motivated by the social, cultural, and political contexts in which SC operates. The social context encompasses the groups and institutions to which we belong, including our families, communities, schools, and workplaces. Being a part of these groups gives us a sense of belonging while establishing expectations and norms that influence our beliefs and values (Lawrence, 2006). The cultural context encompasses shared beliefs, values, and practices that define a society. Culture provides a lens through which we interpret the world and influences our perceptions, behaviors, and the ways we communicate (Schwartz, 2006). Cultural forces inform consumer decision-making and the products and services that we buy (Lawrence, 2006). The political context refers to the structures of power and authority within a society, including government institutions, political parties, and non-governmental organizations (Lasswell, 2017).

Policy decisions, legislation, and regulation affect access to resources, where firms source materials, locate production, and move products worldwide.

Social, cultural, and political factors are in a continuous interplay, reinforcing and challenging each other and ultimately shaping the environment in which we live, interact, and make decisions. Sociopolitical factors affect the decision-making logic of SC managers by influencing an individual's perceptions of risk and the severity of institutional pressures (Roscoe *et al.*, 2022). The escalating geopolitical tensions between major global powers such as the U.S. and China (Witt *et al.*, 2023), the imposition of sanctions and tariffs (Meyer *et al.*, 2023), and the rise of protectionism and economic decoupling (Zahoor *et al.*, 2023) illustrate the pervasive influence of sociopolitical dynamics on GSCs today. Similarly, legislative measures like the Modern Slavery Act in the UK and Germany's Supply Chain Due Diligence Act emphasize how SC managers are being prompted by legislation to comply with social and environmental standards (Rühl, 2020). In accordance with this understanding, we propose the following definition of the sociopolitical view of SCM:

The sociopolitical view of SCM is defined as *a perspective that strategically and holistically considers the interactive effects of social, cultural, and political factors on end-to-end supply chain design, processes, and decision-making.*

When phenomena are viewed through the sociopolitical lens, the interconnectedness of social norms, political structures, economic conditions, and power dynamics becomes visible, as does their impact on SC designs and global trade flows.

### **3. Understanding increased flux in global supply chains due to sociopolitical forces**

We conducted an in-depth text-mining exercise to understand the effect of sociopolitical forces, including government trade policy, tariffs, and legislation, on the location of SC infrastructure and trade flows (Hassan *et al.*, 2023a, 2023b). Our analysis identified Multinational Enterprises (MNEs) that moved facilities, switched suppliers, or facilitated the movement of supplier facilities between 2018 and 2024. This period was selected because it includes major geopolitical, social, and cultural upheavals witnessed during the US-China trade war, the COVID-19 pandemic, and the Russia-Ukraine War. Significant SC disruptions have been evident throughout the U.S.-China trade war (2018 to present), which were further compounded by the COVID-19 pandemic, which spread globally between 2019 and 2022. The Russia-Ukraine war (2022 to present) only exacerbated disruptions to global trade flows, prompting many Western firms to either stop selling products within Russia or shift manufacturing out of the region.

The text-mining exercise was conducted using the following search terms: “Supplier AND Relocation,” “Supply Chain AND Redesign”, “U.S.-China Trade War,” “U.S. CHIPS and Science Act”, “EU CHIPS Act” “COVID-19 AND supply chains”, “Pandemic AND supply chains”, “Russia-Ukraine war AND supply chain”, “Modern Slavery AND supply chains”, “Labor Exploitation AND supply chains”, “Workers’ Rights AND Suppliers”, “Consumer boycotts AND Supply Chain changes”, “Social media campaigns AND supply chain changes”.

The keyword combinations were chosen to identify the political, social, and cultural forces that prompted firms to move internal production facilities or find new suppliers between 2018 and 2024. We looked for instances of firms moving internal production facilities or changing suppliers because of political, social, or cultural forces, as stated in the news article or company website. The identified firms are representative of broader SC dynamics, illustrating how tariffs, social pressure, and changing cultural norms prompt firms to change the location of suppliers and SC assets. Data sources included news databases (i.e., Reuters, Factiva, Bloomberg, and ThomasNet), company websites and global media websites that provide coverage of business news and shifts in SC assets (i.e., South China Morning Post, Economic Times, CNBC, Asia Nikkei, and France 24).

In our analysis, MNEs with significant brand recognition were the ‘focal firms’. The final assembler is categorized as Tier-1, subassembly suppliers as Tier-2, component suppliers as Tier-3, and raw material processors and extractors as Tier-4 and 5, respectively. The study's context was the response of MNEs and their sub-tier suppliers to trade policies associated with the U.S.-China trade war and their responses to the political and societal forces at play during the COVID-19 pandemic.

Overall, our analysis reveals an unprecedented flux in GSCs due to sociopolitical forces. A telling example is Apple, a firm that was confronted with both political and social forces during the pandemic. China's Zero-COVID policy led to the rolling closure of manufacturing facilities and ports, while government-imposed labor restrictions (i.e., COVID-distancing policies) reduced manufacturing output and constrained supply. Apple was exposed to a social media backlash when videos circulated online of factory workers being refused exit from Foxconn facilities by Chinese police due to suspected COVID-19 infections amongst employees (The Guardian.com, 2022). This was the final straw for CEO Tim Cook, who had attempted to influence policymakers and navigate tariff barriers until 2022 but finally had to concede that retaining the majority of production in China was no longer feasible (The Economist, 2023). Apple collaborated with its final assembly suppliers, Foxconn and Pegatron, to relocate production primarily to India and Vietnam (See Table 1).

Tier	Supplier	Details	Original Location	Relocated to	Year(s) planned for relocation	Cause of Relocation
Tier-1 - Final Assembly	Foxconn	Final assembly of iPhones, iPads, and other Apple products	China/Taiwan	India (Tamil Nadu, Karnataka)	2023/2024	<b>Social &amp; Political Forces:</b> The Chinese government's zero-COVID policy led to social unrest in Chinese Factories, while the U.S.-China trade-war tariffs increased import costs when selling Chinese-made goods into the U.S. market
	Luxshare		China	Vietnam	2023/2024	
	BYD		China	Vietnam	2023/2024	
	Pegatron	MacBook production	China	India	2023/2024	
	Sunny Optical	Supplies high-tech camera lenses and components.	China	India	2023/2024	
	Desay	Chinese producer of batteries used for iPhone	China	India	2023/2024	
Tier-2 - Subassembly Suppliers	Foxlink	Cable and connectors manufacturer for Apple	China	India	2023/2024	
	Corning	Set up a new facility in India to supply Gorilla Glass to Foxconn for iPhone screens	U.S.	India (Tamil Nadu)	2023/2024	
	Goertek	Produces audio components (microphones and speakers) used in AirPods and iPhones	China	Vietnam	2023/2024	
	BOE Technology Group	Vietnam Smart Terminal Phase II will produce TVs, displays, and electronic components	China	Vietnam (Ba Ria-Vung Tau)	2023/2024	
	Luxshare	Manufacturing AirPods for Apple in Vietnam	China	Vietnam	2023/2024	
Tier-4 - Raw Material Processors	YMTC	Planned to provide NAND flash memory, processing raw materials for use in Apple's components, but collaboration was affected by trade restrictions.	China	No Longer Used	n/a	

**Table 1: Apple supplier relocation out of China**

Sources: Authors own creation.

In addition to Apple, several U.S.-based firms relocated their internal manufacturing or supplier facilities out of China between 2019 and 2024, with the reasons cited as U.S.-China trade war-related tariffs or COVID-19-related policies. Table 2 illustrates some of these SC relocations.<sup>1</sup> Most moved facilities are classified as Tier-1 – final assembly or Tier-2 – subassembly/manufacturing plants. This includes a diverse range of industries, from sports apparel to fashion, consumer electronics, household goods, and retail suppliers. Table 2 indicates that supplier relocations were not limited to a single industry but happened across various sectors and on a truly global level. The primary beneficiaries of these relocations included countries such as Vietnam, India, Taiwan, Thailand, Indonesia, and Mexico. The following tables show the year(s) of relocation or the planned year of relocation as stated in media sources used during the text mining process.

<sup>1</sup> It should be noted that the results shown in Tables 1 through 5 are examples of selective cases and do not represent a full survey of relocation activities.

<b>Firm Name</b>	<b>Industry</b>	<b>Type of Facility Moved</b>	<b>Tier of Supply Chain</b>	<b>Relocated to</b>	<b>Year(s) of relocation</b>	<b>Cause of Relocation</b>
Brooks Running Calvin Klein	Sportswear Fashion	Manufacturing Manufacturing	Tier-1 - Final Assembly Tier-1 - Final Assembly Tier-2 – Garment Manufacturing	Vietnam, Indonesia India and Vietnam Bangladesh, India, and Vietnam	2019 2019/2020 2019/2020	<b>Political Forces:</b> including geopolitical tensions and tariffs between the US and China
Crocs	Shoes	Manufacturing	Tier-1 - Final Assembly	Bangladesh	2019/2020	
Dell Technologies	Technology (PCs, Servers)	Manufacturing (Laptops, servers)	Tier-1 - Final Assembly	Taiwan, Vietnam, India	2019/2020	
Foxconn	Electronics Manufacturing Services	Manufacturing (Electronics)	Tier-1 - Final Assembly	India, Vietnam	2023/2024	
GoPro	Consumer Electronics	Manufacturing (Cameras)	Tier-1 - Final Assembly	Mexico	2019/2020	
Google	Technology	Manufacturing Manufacturing (Hardware, e.g., Pixel phones)	Tier-1 - Final Assembly	Thailand, Vietnam Taiwan	2020/2021	
Hasbro	Consumer Goods	Manufacturing (Toys)	Tier-1 - Final Assembly	India, Vietnam	2020/2021	
HP Inc.	Technology (PCs, printers)	Manufacturing (PCs, printers)	Tier-1 - Final Assembly	Thailand, Singapore	2020/2021	
IBM	Technology (IT services)	R&D, Manufacturing	Tier-1 - Final Assembly	India, U.S.	2020/2021	
Intel	Technology	Manufacturing	Tier-2 – Subassembly Manufacturing	Vietnam	2021/2022	
iRobot corps	Consumer electronics (Smart home devices)	Manufacturing	Tier-1 - Final Assembly	Malaysia	2021/2022	
Juicy Conture	Fashion	Manufacturing	Tier-2 – Subassembly Manufacturing	Bangladesh, India, and Vietnam	2021/2022	
Microsoft	Technology	Manufacturing R&D	Tier-1 - Final Assembly Research and Development	Vietnam Canada, U.S., Ireland, Australia, and New Zealand	2021/2022	
Misco	Technology	Component sourcing	Tier-3 – Component Manufacturing	Philippines	2021/2022	
Nest (owned by Google)	Technology	Manufacturing (Smart home products)	Tier-1 - Final Assembly	Malaysia, Taiwan	2021/2022	
Nike	Sportswear	Manufacturing	Tier-1 - Final Assembly	Vietnam, Indonesia, U.S.	2021/2022	
Stanley Black&Decker	Tools and Equipment	Manufacturing	Tier-1 - Final Assembly	U.S.	2021/2022	
Under Armour	Sportswear	Manufacturing	Tier-1 - Final Assembly	Vietnam, Indonesia, Cambodia	2021/2022	
Walmart	Retail	Sourcing (no physical facility, move-switched suppliers)		India, Bangladesh, Vietnam	2023/2024	
Whirpool	Home Appliances	Manufacturing	Tier-1 - Final Assembly	Mexico, U.S.	2021/2022	

**Table 2: U.S.-headquartered firms' relocation out of China**

Sources: Authors own creation.

While our text mining exercise revealed that many U.S.-headquartered firms relocated primary and/or Tier-1 facilities out of China, secondary data sources suggest that many sub-tier suppliers remained. Specifically, analysis by the Bank for International Settlements revealed that between 2021 and 2023, American firms' share of China's overall customer base decreased by ten percentage points (The Economist, 2023). However, Chinese suppliers did not ultimately stop selling to American firms. Instead, firms in Asia were acting as 'middlemen,' particularly those in India and Vietnam, which were buying more from Chinese suppliers (+13.5%) and selling more to American firms (+5%) (The Economist, 2023). This suggests that many U.S.-headquartered firms did not 'decouple' from China at all but instead relocated some internal and Tier-1 manufacturing facilities while retaining the bulk of their sub-tier SC in China. The net result is that trade tensions between the U.S. and China have resulted in longer and more complex SCs with reduced visibility and transparency in the sub-tiers of the SC (The Economist, 2023).

A further repercussion of the U.S.-China Trade War and COVID-19 policies is that Chinese-headquartered firms moved internal manufacturing and found new sourcing locations outside of China to sell into the U.S. (See Table 3). Chinese firms attempting to avoid tariffs saw Mexico as a viable near-shore alternative due to its affordable labor, decent infrastructure, and, most importantly, its free-trade agreement with the U.S. (The Economist, 2025). In 2023, Mexico overtook China as the largest exporter to the U.S., as Chinese firms in the sub-tiers of the automotive and electronics SCs established component manufacturing and higher-tech software production facilities south of the U.S. border (The Economist, 2025). By relocating to Mexico, Chinese car manufacturers such as BYD can now comply with the U.S., Mexico, and Canada Agreement (USMCA), which mandates that 75% of a car must be made in at least one of the signatory countries (The Economist, 2025). These firms can now ship directly into the US market from Mexico while paying lower tariffs, either the USMCA rate or by trading under Mexico's Most Favored Nation (MFN) status. The US-China trade war has driven Chinese investors to relocate production to Southeast Asia, especially Thailand. In 2019, Chinese direct investment in Thailand rose fivefold to USD 8.6 billion, as firms like Chery and Haier moved to sidestep US tariffs. India has also emerged as a key destination for Chinese firms due to Narendra Modi's 'Made in India' policy, which lowers taxes and streamlines regulations. In 2024, Xiaomi set up a new assembly plant in India to tap into the second-largest mobile phone market and benefit from a 15% corporate tax rate for new manufacturers. Table 3 shows that political forces, whether tariffs or industrial policy, are motivating the relocation of SC assets.

Firm Name	Industry	Type of Facility Moved	Tier of Supply Chain	Relocated to	Year(s) of relocation	Cause of Relocation
Alibaba Cloud	E-commerce, Cloud computing	Data centers, Logistics department	Focal Firm - Cloud Intelligence Group	Mexico, Malaysia, South Korea	2024	<b>Political Forces:</b> Chinese firms moved out of China due to tariffs on Chinese imports into U.S., and a desire to maintain access to U.S. market. India's "Made in India" industrial policy attracted firms by reducing corporate taxes and cutting red tape.
BOE Technology	Electronics	Manufacturing	Tier-2 - Subassembly	Vietnam	2023/2024	
BYD	Automotive	Manufacturing	Tier-1 - Final Assembly, Tier-3 (component and battery manufacturing)	Thailand, Brazil, Hungary	2024	
Chery	Automotive	Manufacturing	Tier-1 - Final Assembly	Spain, Thailand	2020/2021	
Goertek	Electronics	Manufacturing	Tier-2 - Subassembly	Vietnam	2023/2024	
Haier	Home Appliances	Manufacturing	Tier-1 - Final Assembly	Philippines, Egypt, Thailand	2019/2020	
Hisense	Home Appliances	Manufacturing	Tier-1 - Final Assembly	Mexico	2023/2024	
Huawei	Technology	Manufacturing	Tier-1 - Final Assembly	France	2024	
		Data Center Innovation Center	Data Center Tier-1 - Final Assembly	Nigeria South Africa	2024 2024	
Lingong	Machinery	Manufacturing	Tier-1 - Final Assembly	Mexico	2024	
Luxshare	Technology	Manufacturing	Tier-2 - Subassembly	Vietnam	2024	
Man Wah	Furniture	Manufacturing	Tier-1 - Final Assembly	Mexico	2024	
Midea Group	Home Appliances	Manufacturing	Tier-1 - Final Assembly	Thailand	2023/2024	
Oppo Mobile	Electronics	R&D	Research and Development	India	2023/2024	
Sunny Opotech	Electronics	Manufacturing	Tier-2 - Subassembly	India	2023/2024	
TCL	Electronics	Manufacturing	Tier-1 - Final Assembly	India, Mexico	2023/2024	
Trina Solar	Photovoltaics	Manufacturing	Tier-1 - Subassembly	Vietnam	2023/2024	
Xiaomi	Electronics	Manufacturing	Tier-1 - Final Assembly	India	2023/2024	

**Table 3: Chinese-headquartered firms' relocation out of China**

Sources: Authors own creation.

Indeed, much of the industrial policy developed during the study period was driven by a desire to protect critical industries (semiconductors, EV batteries, and pharmaceuticals) or to onshore manufacturing. In the U.S., the CHIPS and Science Act allocated \$52b for semiconductor firms to establish foundries domestically, along with \$24b in manufacturing tax credits (Financial Times, 2023). U.S. firms Intel and Micron secured the largest portions of these grants but were prohibited from using Chinese-made equipment in factories subsidized by the U.S. government (Bloomberg.com, 2024). The Biden administration-imposed export controls on U.S.-designed software and manufacturing equipment to prevent China from producing advanced semiconductor chips. Reports indicate that Apple has paused plans to source memory chips from Chinese suppliers, citing geopolitical pressure and criticism from U.S. policymakers (CSIS.org, 2025). In response,

China, the world's leading processor of rare earths, introduced export permits for key chip-making materials, including gallium and germanium, while also imposing bans on the technology used to extract and separate these critical elements (CSIS.org, 2025). Table 4 summarizes firms that benefited from subsidies related to protectionist industrial policies in the U.S. and EU and the new manufacturing footprint created. It illustrates that political intervention in GSCs directly impacts sourcing decisions and the location of SC infrastructure.

<b>Firm Name</b>	<b>Details</b>	<b>Location</b>	<b>Tier of Supply Chain</b>	<b>Planned date of new facility</b>	<b>Cause of new facility creation</b>
Intel	Semiconductor fabrication plant 52 and Semiconductor fabrication plant 62 for logic chips	Arizona, U.S.	Tier-2 - Subassembly Supplier	2024	<b>Political Forces:</b> US industrial policy (US CHIPS Act) aimed at building a self-sustaining supply chain for critical goods
Intel	Advanced packaging facilities	New Mexico, U.S.	Tier-1 - Final Assembly	2024	
Intel	New semiconductor fabrication plants	Ohio, U.S.	Tier-2 - Subassembly Supplier	2024	
Intel	R&D hub for process innovation	Oregon, U.S.	Focal Firm (R&D)	2024	
TSMC	3 new semiconductor fabrication plants for advanced chip tech	Arizona, U.S.	Tier-2 - Subassembly Supplier	2024	
Micron Technology	Memory manufacturing facilities	Idaho and New York, U.S.	Tier-2 - Subassembly Supplier	2024	
GlobalFoundries	State-of-the-art semiconductor fabrication plant	Malta, New York, and Vermont, U.S.	Tier-2 - Subassembly Supplier	2024	
Qualcomm	Extension of SC with FinFET for 5G	Dresden (Germany), Crolles (France), U.S.	Tier-2 - Subassembly Supplier	2022	
Texas Instruments	Multiple semiconductor fabrication plants for 300mm analog and embedded chips	Texas and Utah, U.S.	Tier-2 - Subassembly Supplier	2024	
STMicroelectronics	Expansion of semiconductor manufacturing	France (Crolles), Italy (Catania)	Tier-2 - Subassembly Supplier	2024	
Infineon Technologies	New facility for power semiconductors	Villach, Austria	Tier-2 - Subassembly Supplier	2021	
	Manufacturing of semiconductors	Germany (Dresden)	Tier-2 - Subassembly Supplier		
Bosch	Advanced facility expansion for automotive chip production	Germany (Dresden)	Tier-2 - Subassembly Supplier	2023	
NXP Semiconductors	Increased capacity for automotive and industrial chip production	Germany (Dresden)	Tier-2 - Subassembly Supplier	2023	

**Table 4: Firms' relocation to the U.S. or EU**

Sources: Authors own creation.

In addition to political forces, we found evidence of firms relocating production facilities or switching suppliers due to armed conflict and social forces. Table 5 provides examples of firms that

relocated their facilities due to social forces and the armed conflict during the Russia-Ukraine War. While political forces influenced firms to move facilities at the start of the war, there was also significant social pressure on Western brands to exit Russia, especially on social media sites. Firms were reluctant to be associated with manufacturing in Russia, as it would likely damage their brand image. Table 5 shows that major automotive brands such as Renault and Volkswagen decided to leave Russia shortly after the war began. IKEA and DTEK Energy were also under immense social pressure to shift raw material extraction out of Russia. IKEA turned to Sweden, Poland, and Germany for its wood materials, while DTEK transitioned its energy SC to the U.S. The table also shows that during COVID-19, major Western brands, including Mattel and Apple, chose to move supplier facilities out of China due to labor unrest at factories, factory shutdowns, or employee lock-ins caused by China's zero COVID-19 policy. In 2023/2024, apparel brands SHEIN and Benetton responded to social pressures to halt production in China, India, and Bangladesh due to allegations of labor exploitation. Benetton has since established facilities in Serbia, Croatia, Egypt, and Turkey to serve the European market, while SHEIN has decided to move most of its production to Vietnam for global sales (see Table 5).

These cases discussed above and depicted in Tables 1 through 5 underscore how the changing sociopolitical landscape drives unprecedented shifts and flux in GSCs, compelling firms to substantially restructure/reconfigure their SCs or risk fallout in an increasingly volatile world. In the next section, we introduce the articles in the special issue and their contributions to the sociopolitical view of SCM.

Firm Name	Details	Type of Facility Moved	Tier of Supply Chain	Relocated From/To	Planned date of new facility	Cause of new facility creation
IPG Photonics	Photonics/ Lasers	Laser component manufacturing	Tier-1- Final Assembly	Russia to Germany/U.S.	2023/2024	<b>Armed Conflict:</b> Russia-Ukraine War
Volkswagen	Automotive	Wire harness production	Tier-1- Component Assembly	Ukraine to North Africa and Eastern Europe	2023/2024	
Renault	Automotive	Vehicle manufacturing and assembly	Tier-1 -Final Assembly	Russia to Morocco	2023/2024	
Mattel	Toys and Entertainment	Toy Manufacturing	Tier-1 -Final Assembly	China to Mexico and Vietnam	2023/2024	<b>Social/ Political Forces:</b> Labor Unrest due to China's zero-COVID policy
Apple	Consumer Electronics	iPhone Manufacturing	Tier-1-Final Assembly	China to India and Vietnam	2023	
Benetton	Fashion/ Apparel	Apparel Manufacturing	Tier-1-Final Assembly	Asia to Tunisia, Serbia, Croatia, Egypt, Turkey	2023/2024	<b>Social Forces:</b> Allegations of forced labor
SHEIN	Fashion/ Apparel	Apparel Manufacturing	Tier-1-Final Assembly	China to Vietnam	2023/2024	
Sony, Panasonic	Consumer Electronics	Components	Tier-2- Component Manufacturing	Dropped Malaysian Suppliers	2023/2024	
DTEK	Energy	Gas Supply Chain	Tier-1- Energy Procurement	Russia to U.S.	2023/2024	<b>Political Forces:</b> Geopolitics and security risk
IKEA	Furniture	Wood Supply Sourcing	Tier-3- Raw Material Supply	Russia & Belarus to Sweden, Baltics, Poland, Germany	2023/2024	
Norilsk Nickel	Metals & Mining	Copper Smelting	Tier-1- Final Processing	Russia to China	2024	

**Table 5: Other relocation activities**

Sources: Authors own creation.

#### 4. Contributions to the special issue

This special issue features seven research papers and two impact pathways papers that present pioneering research at the intersection of SCM and sociopolitical factors. The studies range from examining illegal SCs in conflict zones to assessing the resilience of temporary healthcare SCs. They present innovative frameworks, robust data analysis, and practical insights. This work deepens our comprehension of the complex and often overlooked sociopolitical factors influencing GSCs. Each paper reflects the growing need to consider sociopolitical factors to navigate the evolving global SCM landscape effectively.

The study by Charpin and Cousineau (2024) examines how geopolitical tensions, interpreted as political disparities among states, influence global sourcing strategies and the structure of supply networks. Through panel data regression analyses of 2,858 U.S. firms sourcing from 99 countries

over a 16-year period, the authors demonstrate that increased political divergence prompts firms to streamline their supply bases in affected nations. However, these adjustments raise the complexity of supply bases and encourage collaboration with tier-2 suppliers, which in turn introduces new disruption risks. Grounded in transaction cost economics (TCE) and resource dependence theory (RDT), this research deepens the understanding of geopolitical tensions as a crucial factor in transforming SCs.

Duong *et al.*'s (2024) paper investigates the resilience of temporary healthcare supply chains (HSCs) amid geopolitical disruptions, highlighting an important yet often overlooked aspect of the sociopolitical view on global SCM. Through two case studies—one involving potable water and the other blood products—conducted in unstable environments, the authors reveal the obstacles to managing temporary HSCs, including limited flexibility, perishability, and stringent regulations. The research highlights the limitations of conventional resilience strategies, such as redundancy and flexibility, in these situations and emphasizes the vital importance of collaboration and agility for the effective delivery of essential healthcare products.

The paper by Zhu *et al.* (2024) examines how geopolitical risk (GPR) influences supply chain concentration (SCC) and how firms can leverage operational capabilities and resources to mitigate these risks. Grounded in resource dependence theory, the study analyzes over 11,800 firm-year observations from Chinese firms (2018- 2022). Findings reveal that GPR significantly reduces SCC, prompting firms to adopt diversified SC bases. This effect is lessened for firms with higher resilience, operational slack, and cash holdings, underscoring the importance of internal resources in managing geopolitical uncertainty. Maintaining a diversified SC base during increased GPR correlates with improved financial performance.

The study by Ranasinghe *et al.* (2024) examines the complex relationship between SMEs' involvement in GVCs and their implementation of environmental management practices, focusing on the moderating role of trade facilitation policies. By analyzing data from 1,462 SMEs across 18 countries, the authors discover that SMEs adopt environmental practices when entering GVCs but often abandon them upon exit. Notably, the study reveals how trade facilitation policies can lessen this negative sustainability impact, with SMEs in environments characterized by either low or high trade facilitation more likely to sustain these practices after disengaging from GVCs. The study highlights “environmental management option value” and illustrates how SMEs strategically maintain environmental practices to manage institutional constraints and improve their chances for future GVC re-entry.

The paper by Paulraj *et al.* (2024) examines how sociopolitical factors—specifically populism, state fragility, and political constraints—shape global SC decisions. Using institutional economics theory (IET), the authors analyze panel data from 2003 to 2018, spanning U.S.-listed firms with suppliers in 34 countries, to uncover how these factors influence supply base concentration. Their findings reveal that populism and state fragility reduce the number of suppliers in a country, while political constraints attenuate the adverse impact of state fragility but not populism.

The paper by El Baz *et al.* (2024) explores the emergence and structure of illegal supply chains (ISCs) in conflict regions, focusing on the grain SC in Ukraine during the Russia-Ukraine war. Drawing on the Fraud Diamond theory (FDT) and SC design principles, the study identifies two distinct ISCs—fraudulent grain and looted grain SCs—and examines the enablers of their operations, such as geopolitical instability, logistical inefficiencies, and infrastructural vulnerabilities. With an innovative integration of criminology, logistics, and sociopolitical view, the authors propose an interdisciplinary framework for understanding the dynamics of ISCs and their evolution in high-risk environments.

The paper by Islam *et al.* (2025) explores how multinational SMEs navigate geopolitical disruptions like the China–US trade war. Using an inductive case study approach with grounded theory methods and drawing on organizational information processing theory (OIPT), the study develops a four-stage process model that outlines how firms can build resilience amid shifting political and economic landscapes. The authors introduce a value proposition framework aligned with each stage of SC risk management, highlighting how firms recalibrate, communicate, customize, and sustain value amid disruption.

Our special issue also features two valuable contributions in the form of impact pathway papers. The first, by Bhamra *et al.*, demonstrates how geopolitics, risk, and ethics influence critical mineral SCs and provides opportunities for SCM scholars to advance this understudied business. They demonstrate that the critical mineral industry is instrumental in the decarbonization agenda, but differs from traditional SCs, exhibits multifaceted challenges, and will likely benefit from new approaches. They also highlight that their pathways can be explored through multiple theories, including actor network theory, factor market rivalry theory, enactment theory, resource advantage theory, and paradox theory. The second, by Day *et al.* (2024), drawing on institutional theory, explores how SCM scholars can study multinational corporations' attempts to reduce risk in China and provides research possibilities for SCM researchers to analyze the risk factors, de-risking strategies, and de-risking outcomes of foreign enterprises in China. To this end, they identify and discuss six specific risk factors

driving foreign corporations to pursue "China+1" (diversification and multi-sourcing) or "In-China-For-China" (localization with possible bifurcation) strategies and discuss nine specific de-risking practices to counter these risk factors. Table 6 summarizes the papers featured in our special issue.

The insights from these studies collectively emphasize the critical role of sociopolitical dynamics in shaping global SC strategies and operations. These studies highlight that geopolitical tension, risk, and disruptions emerge as significant drivers of SC reconfigurations, compelling firms to navigate the dual challenges of mitigating political risks while managing the unintended consequences, such as increased complexity and disruption exposure. The findings of the studies in our SI highlight the importance of balancing political and operational risks in dynamic environments and not overlooking external factors beyond the direct control of businesses.

Another recurring theme is the pivotal role of collaboration, agility, and internal resources in addressing sociopolitical factors. Traditional approaches, such as redundancy and flexibility, often fall short in volatile contexts, particularly for temporary or high-risk SCs. Instead, adaptive strategies that prioritize collaboration, diversification, and resource management prove more effective in addressing sociopolitical instability. Finally, the studies featured in our SI underscore the importance of institutional and policy frameworks, revealing how trade facilitation and institutional constraints influence sustainability and resilience practices. Taken together, the insights provided by the contributions to our SI advance a sociopolitical view of SCM by offering a nuanced understanding of how firms can better incorporate a sociopolitical view of SCM into their SC strategies and operations and adapt to and thrive in an increasingly volatile and interconnected world.

Paper	Key Focus	Sample & Methods	Theoretical Lens	Findings	Contributions
Charpin and Cousineau (2024)	Geopolitical tensions and supply network reconfiguration	2,858 U.S. firms sourcing from 99 countries and SC structures of 853 U.S. firms; Panel data regression over the period 2003–2019	TCE and RDT	Geopolitical tensions lead to a reduced supply base in affected countries but result in increased complexity and tier-2 supplier sharing, introducing new disruption risks.	Highlights geopolitical tensions as a root cause of SC reconfiguration and dual risks of political risk mitigation and increased complexity.
Duong <i>et al.</i> (2024)	Resilience of temporary HSCs during geopolitical disruptions	Potable water and blood HSCs; 12 expert workshops and 41 interviews	N/A	Traditional resilience strategies like redundancy and flexibility are limited in temporary HSCs, with collaboration and agility emerging as critical for delivering healthcare products amid volatility.	Provides new insights into managing temporary HSCs under geopolitical disruptions, emphasizing agility and collaboration.
Zhu <i>et al.</i> (2024)	GPR and SCC	Secondary longitudinal data on 2,408 unique firms with 11,807 firm-year observations from multiple sources; Fixed-effect regression models	RDT	GPR reduces SCC, prompting firms to diversify; firms with operational slack and cash holdings can mitigate risks and maintain their financial performance.	Advances understanding of how internal resources support SC resilience in volatile geopolitical environments.
Ranasinghe <i>et al.</i> (2024)	SMEs' participation in GVCs and environmental management practices	Several publicly available data sources on 1,462 SMEs in 18 countries; Regression analysis with bootstrapping techniques	N/A	SMEs adopt environmental practices upon GVC entry but often abandon them upon exit; trade facilitation policies encourage sustained environmental practices.	Introduces the "environmental management option value" concept, linking GVC dynamics and institutional influences on environmental practices
Paulraj <i>et al.</i> (2024)	Sociopolitical factors and SC decisions	Panel data of global U.S.-listed firms spanning 2003–2018; Poisson models with fixed effects	IET	Populism and state fragility reduce supplier base concentration; however, political constraints mitigate the impact of fragility but not the effects of populism.	Explores how sociopolitical factors shape SCC and SC resilience within institutional frameworks.
El Baz <i>et al.</i> (2024)	ISCs in conflict regions	Documentary sources on grain ISCs in Ukraine and nine interviews with experts; Qualitative analysis	FDT	Identifies two ISCs in Ukraine (fraudulent grain and looted-grain SCs). Proposes an ISC framework based on the FDT and SC design principles.	Offers a sociopolitical lens on ISCs, highlighting geopolitical instability and logistical inefficiencies as enablers.
Islam <i>et al.</i> (2025)	A process model of Supply Chain Risk Management (SCRM)	8 multinational SMEs affected by the China–US trade war; Grounded theory and process approach	OIPT	Identifies a SCRM process model of decoding disruption dynamics, synergizing the information ecosystem, catalyzing adaptive transformation, and architecting resilient adaptation. Aligns each stage with value proposition development.	Introduces a dynamic SCRM model for SMEs facing geopolitical risk, connects risk management to value proposition, and enhances the sociopolitical view on SCM, stressing strategic adaptation to disruptions.
Bhamra <i>et al.</i> (2024)	Geopolitics, risk, and ethics in critical minerals (CMs) SCs	Senior industry leaders from across CMs SCs; qualitative analysis of expert interviews	N/A	CMs SCs differ from conventional SCs and require unique management approaches, including managing geopolitical and operational risks, addressing SC opacity, navigating resource scarcity and geopolitical tensions, and ensuring responsible sourcing.	Bridges operations and SCM theory with CMs research and highlights the role of SC transparency and governance in supporting the global decarbonization agenda.
Day <i>et al.</i> (2024)	Firms from the Global West in China navigating deglobalization risks	Managers from foreign subsidiaries and joint ventures in China; Qualitative interviews analyzed using institutional theory	Institutional theory	Identifies six risk factors driving foreign firms to reconfigure their SC strategies. Proposes four research pathways for analyzing de-risking strategies, including politics, locations, technologies, and people	Analyzes foreign firms in China perceive and respond to deglobalization risks. Provides a conceptual framework linking institutional pressures with de-risking strategies.

**Table 6: Summary of the papers featured in the special issue**

Sources: Authors own creation.

## **5. Research agenda: Advancing the sociopolitical view**

The preceding discussion and the SI contributions lead to the conclusion that, in an era characterized by geopolitical tensions, cultural shifts, and regulatory changes, SCM scholars must adopt a more holistic, multilevel perspective that incorporates macro-, meso-, and micro-level forces. Thus, we propose a sociopolitical view of SCM that reconceptualizes governance mechanisms, risk management strategies, and theoretical frameworks to reflect the changing GSC landscape. Our future research agenda broadens the field in five areas. First, sociopolitical governance must go beyond economic rationality to consider power dynamics, regulatory changes, and institutional influences on SC decisions. Second, more focus on cultural and social dimensions is needed, moving SCM past its firm-centric view. Third, heightening geopolitical disruptions necessitate a paradigm shift in global SC risk management. Fourth, an integrated multilevel approach connects macro-level political economy with firm and individual decision-making. Fifth, temporal and spatial factors must capture the long-term effects of demographic and political shifts on SCM. Finally, advancing this perspective requires theoretical and methodological innovations that integrate interdisciplinary insights to capture the complexity of sociopolitical forces in SCM. We articulate each area below.

### ***5.1. Sociopolitical governance of supply chains: A new outlook to SCM that truly accounts for sociopolitical forces at play***

As we illustrated in this paper, GSCs are becoming increasingly intertwined with sociopolitical dynamics. As such, future research should focus on developing a comprehensive framework for sociopolitical governance in SCM. It has been recognized that “the governance of supply chains has come to have a broad scope—it is the (formal or informal) institutions and relationships that shape the behavior of actors participating in the supply chain” (Steinberg 2023, p. 414). Contemporary SC governance is complex due to the coexistence of multiple institutional frameworks, including national regulations, international agreements, certification schemes, and private codes of conduct, all operating at different levels simultaneously (Steinberg, 2023).

Traditional SCM models primarily emphasize cost reduction, efficiency, and operational resilience, often overlooking the profound influence of sociopolitical forces such as government policies, trade regulations, labor rights, and geopolitical tensions (Paulraj *et al.*, 2024). Advancing a sociopolitical outlook in SCM requires an interdisciplinary approach that integrates political economy, regulatory studies, and social impact analysis into SC governance. Some potential future directions can be identified.

One key research avenue is exploring how firms can adapt governance structures to navigate sociopolitical uncertainties while maintaining operational stability. Existing literature indicates that SCs are increasingly shaped by political interventions, such as protectionist trade policies and sustainability regulations (Meyer *et al.*, 2023; Liu and Heugens, 2023). However, there is a need to examine the extent to which firms can proactively design SC strategies that align with evolving sociopolitical landscapes, including multi-stakeholder collaborations and adaptive regulatory compliance paradigms. To strengthen theoretical grounding, institutional theory could be employed to analyze multi-stakeholder collaborations.

Another critical research gap concerns the role of power asymmetries in SC governance, particularly among multinational corporations, local suppliers, and government entities. Future studies should explore how sociopolitical forces impact power dynamics within supply networks and whether firms can leverage governance mechanisms to achieve more sustainable and equitable SCs (Mueller *et al.*, 2009). Systems theory can help conceptualize the nested structures and power asymmetries inherent in interdependent networks.

Further, the nexus of corporate social responsibility (CSR) and sociopolitical governance in SCM presents a promising research area. While CSR initiatives have gained significant traction, there is limited understanding of how sociopolitical governance frameworks can promote ethical sourcing, labor rights protection, and compliance with environmental regulations beyond voluntary corporate commitments (Zaman *et al.*, 2022).

Moreover, SC governance approaches for developing desirable SC capabilities, such as agility, adaptability, or alignment (Lee, 2004), need to be reexamined through the lenses of sociopolitical factors. These factors can significantly constrain and shape firms' structure-related decisions within their SCs. To illustrate, firms' relocation of facilities due to dynamic tariffs can hinder their SC agility and, consequently, their ability to quickly respond to customers' changing needs. As such, further insights are needed into how firms can best govern their SC amid today's increasingly unstable sociopolitical environment.

In conclusion, a sociopolitical governance perspective on SCM can provide a new outlook that extends beyond economic efficiency and customer effectiveness to encompass broader societal and political forces. Future research should adopt a multidisciplinary lens, juxtaposing insights from political science, sociology, and international relations to develop governance mechanisms that ensure SCs remain resilient, agile, and socially responsible in an era of heightened global sociopolitical uncertainties.

## ***5.2. Cultural and social dimensions of SCM: Beyond the firm-centric view of SCM***

SC scholars have demonstrated a significant interest in the cultural and social dimensions of SCM, given their recognized impact on various performance-related outcomes (El Baz *et al.*, 2022; Zhang *et al.*, 2024). However, as SCs increasingly operate within volatile sociopolitical environments, there is an urgent need to move beyond firm-centric perspectives and integrate broader cultural and social dimensions into SCM research.

Cultural factors do not exist in isolation within firms or SCs; they are deeply embedded in the political and social structures in which firms and SCs function. Future studies should investigate how broader sociopolitical shifts, such as rising protectionism, shifting geopolitical alliances, and nationalistic trade policies, alter the culture within GSCs (Luo, 2024). Such shifts can have a profound impact on how various SC members, located in different regions worldwide, co-create a new culture and social dynamics. For instance, the U.S.-China trade war can create animosity between members of the same SC located in the U.S. and those in China. Such changes can affect the level of collaboration within the SC. Given the critical role of collaboration in SCM (Newman *et al.*, 2023), such shifts can ultimately harm the SC's ability to meet its obligations to stakeholders, including customers. Therefore, it is recommended that future studies investigate how the interplay of sociopolitical forces affects culture within SCs and, ultimately, their ability to collaborate and coordinate.

It is also essential to address the impact on other relevant phenomena. For example, SC agility is often limited by national regulations reflecting unique cultural attitudes toward corporate governance, labor laws, and environmental protections (Soundararajan *et al.*, 2021). Research should investigate how sociopolitical forces mediate cultural influences in SCM, ensuring firms develop adaptive strategies that align with the realities of an increasingly fragmented global economy.

Importantly, labor-related sociopolitical forces—such as minimum wage legislation, union activity, labor migration policy, and labor rights enforcement—can play a critical yet underexplored role in shaping SC design and dynamics (LeBaron, 2021). These factors can influence both the location of production and sourcing for firms and how they organize labor relations across borders. For instance, the push for more transparent and ethical labor standards, driven by both regulatory bodies and civil society (Rühl, 2020), can fundamentally reshape supplier relationships and the social fabric of SC networks. As such, future studies should examine how global labor politics intersect with cultural expectations, especially in contexts where firms must navigate conflicting norms around worker treatment, productivity, and social accountability.

Another critical yet underexamined aspect of sociopolitical influence in SCM is the cultural misalignment among global SC partners. As SCs extend across borders, they become intertwined with a variety of local cultural norms and business practices. These differences can escalate during geopolitical tensions, eroding trust and straining relationships. For example, a decline in diplomatic relations can disrupt trade and erode the trust that underpins collaboration. Future research should investigate how sociopolitical shocks (e.g., trade wars, nationalism, diplomatic breakdowns) alter perceptions of cultural ‘others’ in SC ecosystems. Do managers distrust partners from politically opposed countries? How do these shifts affect daily operations and negotiations? These questions call for longitudinal and ethnographic studies on how trust and social capital evolve during periods of political disruption.

Moreover, researchers should investigate the strategies firms employ to bridge cultural divides under geopolitical pressure. As firms attempt to impose their home culture within their respective GSCs, various challenges can arise (Roehrich *et al.*, 2024). Under such circumstances, are certain forms of relational governance, such as cultural brokers, embedded intermediaries, or joint ventures, more resilient to political turbulence? Future work could also examine the potential conflicts between established cultures within SCs and the evolving, dynamic local cultures influenced by volatile sociopolitical forces. To theorize these phenomena, institutional theory provides explanatory power in examining how coercive, normative, and mimetic pressures shape cultural convergence or resistance across SCs embedded in different national systems. Future research should investigate how these influences can be effectively integrated with existing SC cultures to mitigate potential conflicts.

### ***5.3. Geopolitical tensions/disruptions and the new paradigm for global SC risk management***

In today’s world, geopolitical tensions and disruptions have increasingly become defining factors in global SC risk management (Bednarski *et al.*, 2025; Roscoe *et al.*, 2022; Tse *et al.*, 2024). Trade wars, economic sanctions, political instability, and shifting geopolitical alliances are now, more than ever, critical factors in determining SC resilience, often leading to supply shortages, amplified operational costs, and strategic realignments (Gereffi *et al.*, 2022). Given this heightened sociopolitical uncertainty, there is a pressing need for SCM scholars to reconceptualize risk management frameworks by integrating geopolitical considerations into traditional SC resilience strategies that view SC resilience through mechanistic and insular perspectives (Wieland, 2021).

A key research priority involves exploring how firms can proactively assess and mitigate geopolitical risks through new and relevant approaches, such as scenario planning, dynamic

risk mapping, and real-time intelligence systems, beyond traditional approaches such as risk mitigation, hedging, and buffering. While traditional risk management models emphasize financial, operational, and environmental risks, emergent geopolitical risks (Zhu *et al.*, 2024) require new predictive analytics tools that integrate macro-political indicators, policy shifts, and international trade dynamics. Political risk theory could offer useful frameworks to assess how uncertainty in political institutions and regulatory stability shapes SC exposure and strategic responses. Future research should investigate how firms can develop early-warning systems to anticipate political disruptions and minimize SC vulnerabilities.

Another promising avenue involves studying reshoring, nearshoring, and friendshoring strategies as firms attempt to de-risk SCs from volatile regions (Day *et al.* 2024). However, such strategies present challenges, including higher production costs, workforce limitations, and complex regulatory compliance. Future studies should examine the trade-offs and unintended consequences of these restructuring efforts, considering both economic and sociopolitical dimensions.

A paradox that warrants further exploration is that strategies intended to reduce geopolitical exposure, such as decoupling from adversarial states or relocating suppliers, may unintentionally create new risks by increasing SC complexity and decreasing visibility, particularly in sub-tier networks (The Economist, 2023). Such moves may result in extended, multi-tiered SCs with “shadow dependencies”—unseen or poorly governed sub-suppliers that elude conventional oversight mechanisms. Future research should investigate how firms address these unintended outcomes, including the role of regulatory support and governance platforms in regaining control and transparency. There is also an opportunity to investigate how different sectors manage the visibility-complexity trade-off when decoupling, and to theorize how geopolitical strategies intersect with fundamental SCM constructs like network transparency, operational complexity, and multi-tier risk propagation. Here, RDT could inform investigations into how firms manage asymmetric interdependencies and seek alternative partners in politically fragmented environments. This inquiry could lead to frameworks that better capture the systemic nature of modern SC disruptions and expand visibility models into politically volatile environments.

Finally, scholars should investigate how key SC capabilities like SC agility and adaptability can be redefined in a geopolitically volatile world. Research should assess how firms can balance cost efficiency with geopolitical resilience, leveraging multi-sourcing, digitalization, and regionalized supply networks to mitigate disruptions while maintaining competitiveness.

#### ***5.4. Temporal and spatial accounts of the sociopolitical view of SCM***

The sociopolitical forces shaping global SCM are not static; they evolve across both time and space due to shifting demographic trends, geopolitical transformations, and regulatory developments. Future research should adopt a temporal and spatial lens to better understand how these evolving forces influence the management of SCs.

From a temporal perspective, research should examine how long-term political, economic, and social changes shape SCM strategies. For example, demographic shifts—such as aging populations in developed economies and a growing workforce in emerging markets—are transforming labor availability, consumer demand, and supplier networks (Wadley, 2021). In addition, the rise of populism, protectionist policies, and sustainability regulations suggests that firms must continuously adapt their SC strategies to align with changing sociopolitical landscapes (Zhu & Morgan, 2018). Future studies should investigate how firms develop adaptive mechanisms that enable them to respond to shifting political ideologies, labor market changes, and social movements, such as those focused on social injustice and inequality. The path dependence theory, which argues that the historical evolution of a system or process can significantly shape its present condition and future trajectory (Eitan & Hekkert, 2023), could be valuable in explaining how historical institutional arrangements constrain or enable future SC configurations.

From a spatial perspective, sociopolitical forces manifest differently across regions, requiring localized strategies to manage the particularities of each region. For example, SCs operating in politically unstable regions face risks related to government intervention, trade restrictions, and infrastructure volatility, whereas those in politically stable regions may encounter stringent regulatory compliance pressures (Wang *et al.*, 2024). Future research should explore how firms navigate these spatial variations by customizing their SCM approaches, fostering local partnerships, and leveraging geopolitical intelligence.

Finally, the intersection of temporal and spatial factors in SCM remains an underexplored area. How do firms reconcile long-term global SC strategies with the short-term sociopolitical fluctuations in different regions? How do demographic transformations across multiple geographies shape firms' decisions regarding supplier diversification and labor sourcing? A spatiotemporal perspective in SCM can offer deeper insights into how firms proactively manage this plethora of sociopolitical uncertainties.

#### ***5.5. Methodological considerations for studying sociopolitical forces in SCM***

To advance a sociopolitical view of SCM, researchers must adopt methodological approaches that capture the complex, dynamic, and multi-level nature of sociopolitical influences on SCs. Traditional, firm-centric methods often fall short in addressing the intricate interplay between macro-level geopolitical shifts, meso-level network dynamics, and micro-level decision-making within firms. Therefore, future research should adopt multi-level research designs that can trace how macro-level policies (e.g., tariffs, sanctions) cascade through SC networks to shape operational decisions at the firm level. For instance, multi-level modeling techniques provide powerful tools for statistically analyzing the nested nature of these effects, enabling researchers to disentangle how national-level policy environments, industry-level governance, and organizational-level strategies interact over time.

In parallel, comparative case studies (Zhu & Morgan, 2018) and longitudinal ethnographies (Tucker, 2010) provide valuable qualitative depth, particularly for exploring the lived experiences of firms and workers embedded in SCs undergoing sociopolitical disruption. These approaches are well-suited to uncovering the cultural, institutional, and relational aspects of sociopolitical change, which often remain invisible in large-N studies. Moreover, the game-theoretic approach provides a rigorous framework for modeling strategic behavior among SC actors operating in uncertain political environments, such as trade wars or sudden regulatory shifts. By simulating how firms respond to policy shocks or anticipate rival reactions, such models can shed light on the decision logics underlying SC realignments. Researchers may also draw on RDT and institutional theory to guide the selection of variables and levels of analysis in multilevel models, particularly in examining institutional asymmetries or dependency structures across countries. Ultimately, a pluralistic methodological orientation—combining quantitative modeling with rich, context-sensitive qualitative inquiry—can be vital in capturing the full spectrum of sociopolitical dynamics shaping contemporary SCs. Table 7 below summarizes the discussion of future research avenues across the five themes we identified concerning theoretical and contextual/empirical contribution opportunities, along with representative citations.

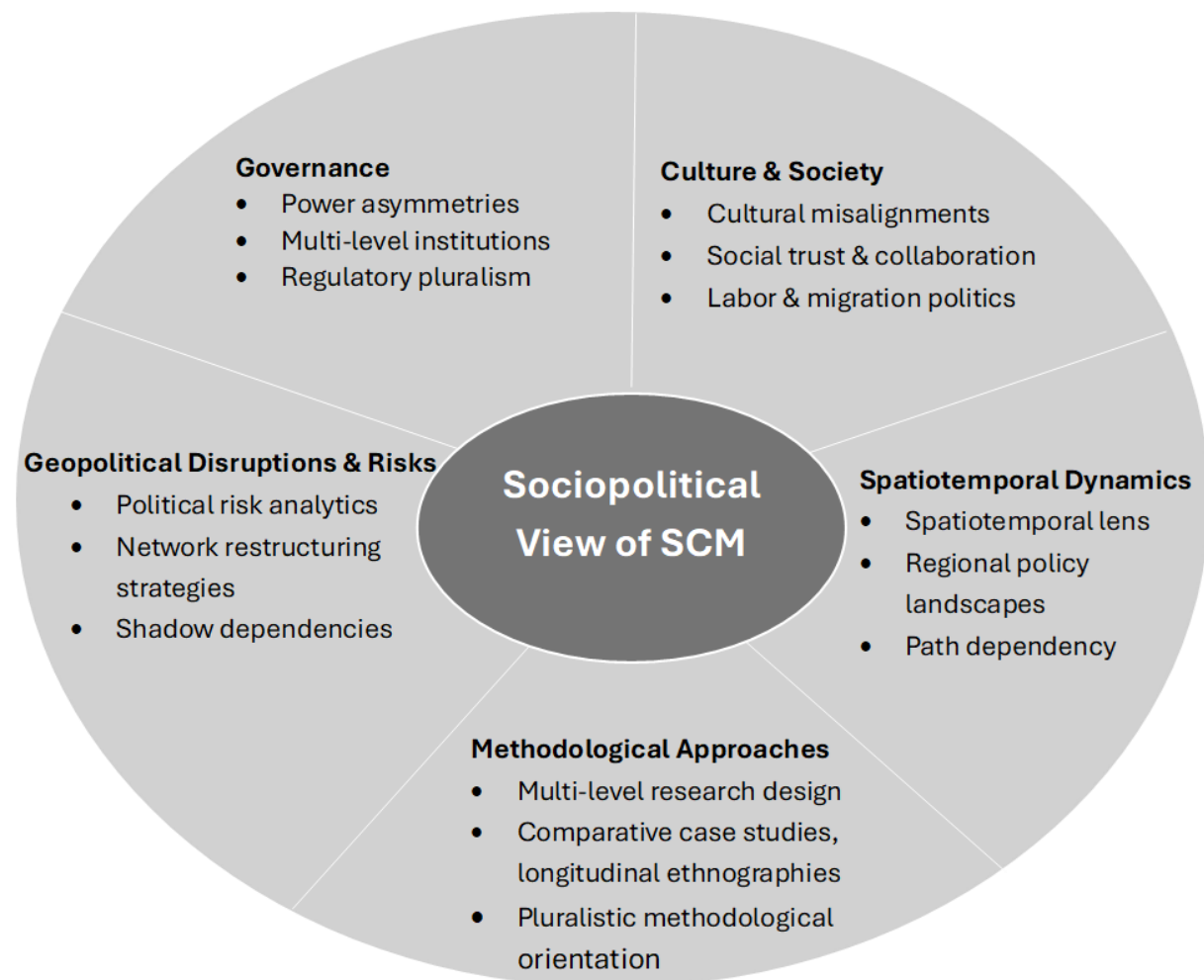
Research Themes	Theoretical Contribution Opportunities	Contextual/Empirical Contribution Opportunities	Representative Citations
<i>1. Sociopolitical governance of SCs</i>	<ul style="list-style-type: none"> <li>- Integration of political economy and power asymmetry into SCM governance frameworks via systems theory</li> <li>- Institutional theory-based examination of multistakeholder collaborations</li> <li>- Reconceptualizing SC governance beyond efficiency-centric models</li> </ul>	<ul style="list-style-type: none"> <li>- Trade protectionism</li> <li>- National sustainability regulations</li> <li>- Power dynamics among MNEs, suppliers, and governments</li> <li>- Cross-border CSR enforcement practices</li> </ul>	Lee (2004); Liu & Heugens (2023); Meyer <i>et al.</i> (2023); Mueller <i>et al.</i> (2009); Zaman <i>et al.</i> (2022);
<i>2. Cultural and social dimensions of SCM</i>	<ul style="list-style-type: none"> <li>- Bridging institutional theory and cultural sociology</li> <li>- Theorizing trust, collaboration, and social capital under geopolitical stress</li> </ul>	<ul style="list-style-type: none"> <li>- National labor regulations</li> <li>- Geopolitical conflict-induced cultural mistrust</li> <li>- Local vs. global cultural tension in SCs</li> </ul>	LeBaron (2021); Newman <i>et al.</i> (2023); Roehrich <i>et al.</i> (2024); Rühl (2020)
<i>3. Geopolitical disruptions and SC risk management</i>	<ul style="list-style-type: none"> <li>- Reframing resilience research and political risk theory to analyze political volatility</li> <li>- RDT to explore behavior in politically fragmented environments</li> <li>- Strategies intended to mitigate geopolitical exposure</li> </ul>	<ul style="list-style-type: none"> <li>- Trade wars, sanctions</li> <li>- Regional instability</li> <li>- Reshoring/friend-shoring practices</li> <li>- Trade-offs in restructuring decisions</li> <li>- Systemic nature of modern SC disruptions</li> </ul>	Bednarski <i>et al.</i> (2025); Roscoe <i>et al.</i> (2022); Tse <i>et al.</i> (2024); Wieland (2021); Zhu <i>et al.</i> (2024)
<i>4. Temporal and spatial perspectives in SCM</i>	<ul style="list-style-type: none"> <li>- Path dependence theory applications in SCM</li> <li>- Intersections of demographic and geopolitical trends with SC configuration</li> </ul>	<ul style="list-style-type: none"> <li>- Aging populations in developed markets</li> <li>- Regionalized regulatory landscapes</li> <li>- SC adaptation across political regimes and demographic change</li> </ul>	Wadley (2021); Wang <i>et al.</i> (2024); Zhu and Morgan (2018)
<i>5. Methodological considerations for studying sociopolitical forces</i>	<ul style="list-style-type: none"> <li>- Development of multilevel SCM frameworks integrating macro-meso-micro dynamics</li> <li>- RDT and institutional theory for multilevel analysis</li> </ul>	<ul style="list-style-type: none"> <li>- Political policy cascades (e.g., tariffs, sanctions) affecting firm decisions</li> <li>- Nested multi-level research designs to trace policy impacts.</li> </ul>	Tucker (2010); Zhu and Morgan (2018)

**Table 7: Future research avenues**

Sources: Authors own creation.

## 6. The Sociopolitical View of SCM Framework

Drawing on the points presented in the section above, we advance the case for a sociopolitical view of SCM -one that captures the deeply embedded, multidimensional, and evolving political, social, and cultural forces shaping GSCs. We posit that the long-standing economic and firm-centric paradigms of SCM are no longer sufficient for addressing today's global challenges. Instead, we advocate for the reconceptualization of SCM as a sociopolitically entangled process - dynamic, interdependent, and constantly shaped by power relations, institutional shifts, and sociocultural forces that transcend firm boundaries. The sociopolitical view we propose rests on five foundational pillars and represents more than an extension of traditional governance or risk management approaches. It calls for a paradigmatic shift toward a structurally embedded, politically aware, and culturally attuned understanding of SCs. In this view, SCs are not apolitical conduits for value transfer but contested spaces where global labor standards, national interests, cultural logics, and institutional power converge and conflict. The central themes within this sociopolitical view of SCM are captured in Figure 1.



**Figure 1: Framework: The Sociopolitical View of Supply Chain Management**

Sources: Authors own creation.

First, governance emerges as a central theme in the sociopolitical view of SCM. Traditional notions of governance - centered on efficiency, coordination, and contractual compliance - fall short in the face of increasingly politicized and institutionally complex GSCs. In today's environment, governance must be understood as a process embedded within asymmetrical power structures, layered institutional arrangements, and diverse regulatory regimes. Power asymmetries are inherent in GSCs, where dominant firms, influential governments, and transnational bodies often shape the rules of engagement (Gereffi *et al.*, 2022). These imbalances affect how value is distributed, whose voices are heard, and what risks are absorbed or displaced. At the same time, governance is mediated by multi-level institutional environments, ranging from local policy frameworks to regional trade agreements and global norms. This institutional layering creates a dynamic and often fragmented governance landscape that SC actors must continuously navigate. Adding to this complexity is regulatory pluralism: the coexistence of formal regulations, voluntary standards, and soft law mechanisms issued by both public and private actors. These overlapping and sometimes conflicting frameworks require firms to dynamically and judiciously engage in ongoing interpretation, negotiation, and legitimation processes. Reframing governance in these terms shifts the conversation from technical optimization to political navigation. It demands that SCM scholars and practitioners view governance as a contested, dynamic, and multi-level process - one that is essential for understanding how power, legitimacy, and accountability are constructed and exercised in GSCs.

Second, this sociopolitical view of SCM recognizes the cultural and social dynamics at play in GSCs. As SCs interact with diverse stakeholders, ranging from governments to civil societies, they must navigate complex webs of cultural identities, social norms, and histories (Co & Barro, 2009; Sarkis, 2012; Walker *et al.*, 2014). Cultural and societal forces shape labor and migration policies, which in turn significantly impact SCM, as these policies directly affect the availability of human resources. Moreover, cultural misalignments among global SC partners, especially in today's climate of trade disputes, can exacerbate trust issues within SC relationships. This perspective highlights the importance of SC collaboration and trust in a world where cross-cultural interactions are the norm rather than the exception.

Third, a central theme in the sociopolitical view of SCM is the reconceptualization of risk. Specifically, the growing prominence of geopolitical dynamics is integral, not incidental, to SC strategy. In today's fractured global landscape, geopolitical disruptions such as trade wars, sanctions, regional conflicts, and shifting alliances are no longer isolated or temporary; rather, they are structural conditions that shape the logic of global production and distribution

(Bednarski *et al.*, 2025; Roscoe *et al.*, 2022; Tse *et al.*, 2024). As such, risk can no longer be treated as a technocratic issue of mitigation or buffering; it must be understood as politically constituted and strategically embedded in the very architecture of SCs.

This reconceptualization begins with advanced political risk analytics. Traditional models often overlook political volatility, focusing instead on operational or financial disruptions. However, emergent approaches emphasize dynamic risk sensing, real-time geopolitical intelligence, and integrating macro-political variables like policy shifts and institutional instability into core decision-making (Zhu *et al.*, 2024). Moreover, in response to escalating geopolitical threats, firms are increasingly adopting network restructuring strategies such as reshoring, nearshoring, and friendshoring to mitigate political exposure (Day *et al.*, 2024). While these strategies can enhance resilience and control, they also present challenges like increased production costs and limited labor pools. Additionally, these strategic shifts are paradoxical. In de-risking, firms often face shadow dependencies -hidden or poorly governed relationships in deep-tier networks vulnerable to disruption (The Economist, 2023). These opaque supply layers can undermine visibility, weaken accountability, and reintroduce political risks through the back door. Managing these SC shadow dependencies requires renewed focus on transparency tools, regulatory frameworks, and governance platforms, overseeing the farthest reaches of the SC. Together, these developments signal a new era of politically attuned risk management, urging SCM scholars to theorize models that consider complexity, visibility, and strategic adaptation in a fragmented world.

Fourth, a deeper understanding of SC dynamics under sociopolitical pressure requires sensitivity to how these forces evolve over time and space. SCs do not exist in a vacuum; they are shaped by history, geography, and institutional legacies that vary widely across contexts. To that end, the sociopolitical view of SCM must incorporate a spatiotemporal lens, attend to the diversity of regional policy landscapes, and recognize the enduring effects of path dependence on strategic SC decisions. A spatiotemporal lens reveals that sociopolitical forces are dynamic, uneven, and often interdependent across geographies and history. Demographic transitions, shifting labor patterns, and evolving political ideologies unfold over time while also manifesting differently across regions (Wadley, 2021). These demographic trends intersect with political movements like protectionism, creating constraints and opportunities for SC actors. Firms must therefore consider how past, present, and projected sociopolitical trends influence their global strategies, not only across long-term horizons but also in real-time responsiveness to regional volatility (Zhu & Morgan, 2018).

Embedded within this spatiotemporal complexity is the critical role of regional policy landscapes. Political regulation, industrial policy, and trade regimes vary significantly across contexts (Wang *et al.*, 2024). In some regions, weak rule of law and erratic governance create exposure to political risk, while others impose stringent standards around labor, environmental impact, or data security. Firms must navigate variations with adaptive SC strategies, leveraging local intelligence and aligning with domestic policy to reduce exposure and enhance legitimacy. Additionally, the concept of path dependency provides a useful framework for understanding how historical decisions and institutional arrangements influence SC configurations over time. Strategic SC decisions about sourcing locations, partner networks, or compliance regimes are rarely made from scratch. They are shaped by established practices, existing relationships, and power dynamics that influence future actions (Eitan & Hekkert, 2023). A firm's legacy in a region can foster institutional trust and operational familiarity but may also hinder adaptation to new regulations or political demands. Recognizing these historical trajectories is essential for understanding how firms evolve within changing sociopolitical contexts and their varied reactions to similar external shocks. Incorporating three dimensions (spatiotemporal lens, regional policy variation, and path dependence) enhances SCM beyond static models, offering nuanced insights into how SCs adapt to complex sociopolitical realities.

Fifth, advancing a sociopolitical view of SCM necessitates methodological approaches that reflect the complexity and multi-level nature of political, institutional, and cultural forces. Traditional firm-centric methods often fail to capture the interplay between macro-level geopolitical shifts, meso-level supply network structures, and micro-level firm decision-making. Multi-level research designs, such as hierarchical modeling and nested case studies, provide effective means to trace how policy shifts like tariffs or sanctions cascade through global networks and influence firm strategies over time. Concurrently, comparative case studies and longitudinal ethnographies provide the depth needed to examine how firms and workers experience sociopolitical disruptions on the ground (Zhu & Morgan, 2018; Tucker, 2010). These qualitative approaches are essential for uncovering cultural logics, institutional frictions, and power dynamics that remain hidden in large-scale models. Ultimately, pluralistic methodological orientation is vital. By integrating statistical modeling, in-depth qualitative inquiry, and even game-theoretic simulations, researchers can more effectively study the strategic behaviors, institutional dependencies, and cultural negotiations that define today's sociopolitically entangled SCs.

In summary, these five pillars reframe SCM as a field embedded in and responsive to the sociohistorical and geopolitical fabric of the world. This framework shifts the discipline toward a more holistic, inclusive, and reality-aligned orientation that can tackle the escalating sociopolitical disruptions increasingly defining GSCs. Most crucially, it positions SCs not only as economic infrastructures but also as political institutions, cultural bridges, and societal actors. The sociopolitical perspective is thus not merely a call for conceptual expansion, but a necessary repositioning of the field to meet the complex demands of the 21st century.

## **7. Practical and policy implications**

As geopolitical tensions, protectionist policies, and SC decoupling continue to reshape GSCs, managers must consider a multilevel governance approach to effectively manage risks, enhance resilience, and safeguard competitiveness. Traditional SC governance models operate within distinct levels—macro (global and institutional factors), meso (industry and network-level dynamics), and micro (firm-specific strategies and operations). However, in today's increasingly volatile sociopolitical environment, integrating these multilevel perspectives would be crucial to reduce the negative impacts of SC disruptions on firms as well as various stakeholders, including investors, employees, affiliates, consumers, and communities.

At the macro level, firms must navigate rising protectionism and geopolitical tensions by adopting strategies that address regulatory shifts. This involves robust geopolitical intelligence, scenario planning, and active engagement with policymakers to mitigate risks from trade barriers (Zhu *et al.*, 2024). For instance, Samsung has diversified its manufacturing footprint beyond China to India and Vietnam due to increased geopolitical risks, including unfavorable Chinese policies toward Korean firms and U.S.-China tensions. This strategic relocation has been mirrored by Apple to enhance its SC resilience (Lim & Ferguson, 2019; Yang & Chan, 2023). Regionalized SC networks, such as nearshoring and friend-shoring, can also be a strategy to balance operational flexibility and risk mitigation. Additionally, incorporating sustainability and compliance measures ensures both regulatory adherence and long-term viability (e.g., Hasan *et al.*, 2021). Digital tools and adaptive risk management frameworks are also crucial in helping firms remain agile and resilient while navigating shifting trade landscapes. Accordingly, we recommend that SCM scholars move beyond a siloed conception of “risk” or “resilience” and instead develop integrative frameworks that acknowledge the co-evolution of political economy, cultural legitimacy, and labor dynamics in shaping global value creation and distribution.

At the meso level, industries need to work together to mitigate geopolitical risks. Collective risk mitigation efforts, including industry-wide standards, multi-sector partnerships, joint lobbying, and shared contingency planning, can help firms manage trade restrictions and regulatory changes. For example, the electronics industry has reacted to U.S. export controls on semiconductor technology to China with joint lobbying, cross-border R&D, and regional consortia. A key initiative is the EU's Important Projects of Common European Interest (IPCEI) on Microelectronics, uniting governments and firms to create resilient semiconductor ecosystems (Huggins *et al.*, 2023). Meanwhile, Asian countries like Japan, South Korea, and Taiwan are forming tech agreements to stabilize chip SCs (Aoyama *et al.*, 2024). These actions aim to enhance regional capabilities, improve SC transparency, and reduce reliance on sensitive regions. Transparent governance, third-party audits, and regulatory partnerships further strengthen supplier engagement, ensuring ethical sourcing and operational stability (Zaman *et al.*, 2022). Embracing digital transformation through AI-driven risk analytics, blockchain tracking, and automated compliance tools enhances SC visibility, which improves the ability to respond to sociopolitical and environmental disruptions (Oh & Oetzel, 2023).

At the micro level, firms must embed geopolitical risk assessments and cultural intelligence into their procurement and supplier selection processes to anticipate disruptions (Murphy *et al.*, 2020). Adaptive strategies, such as multi-sourcing and regulatory compliance, are necessary to navigate trade barriers and labor regulations while maintaining SC agility. For instance, in India and Vietnam, Samsung Electronics tailors training, communication, and HR practices to local contexts. It engages in supplier co-development programs, offering training and tech transfer to local suppliers to ensure quality and foster loyalty—mitigating risks of disruptions or non-compliance (Sheldon & Kwon, 2023). Additionally, it integrates geopolitical risk monitoring into its procurement systems to quickly reroute sourcing during events like trade sanctions or cross-border logistics breakdowns (Samsung, 2016). Fostering cultural intelligence through cross-cultural training, multilingual communication, and mediation mechanisms helps maintain collaboration in geographically dispersed and politically fragmented SCs. These micro-level strategies enable firms to create flexible, resilient, reliable, and cooperative SC networks amidst growing global uncertainties (Kano & Oh, 2020).

From a policy perspective, governments should recognize the importance of enhancing global SC resilience and stability through trade policies and international agreements. Policies that incentivize collaboration, promote transparency, and encourage the adoption of digital technologies can help firms manage risks while adhering to sustainability and compliance standards. Studies indicate that government effectiveness is key in strengthening SC resilience

by improving digital adaptability and agility (Dubey *et al.*, 2023). Governments should also consider frameworks for international cooperation that mitigate the negative effects of protectionism, such as through multilateral trade agreements and shared risk management strategies. These agreements should focus on promoting a more predictable and transparent environment for firms to operate globally rather than increasing trade barriers.

Additionally, policymakers should promote industry-specific standards and regulations around ethical sourcing, labor rights, environmental protection, and corporate governance. These regulations will shape how firms align their practices with global and local sustainability goals and societal expectations. Governments may also facilitate public-private partnerships to enhance SC resilience by fostering innovation and knowledge sharing between businesses, governments, research institutions, and NGOs. Examples include the European Union's Conflict Minerals Regulation and the collaboration between the Fair Labor Association and various governments. Governments can incentivize firms to build more resilient, adaptable, and ethically sound SCs by creating a supportive policy framework that promotes responsible business practices. In turn, these efforts will both safeguard the interests of businesses and benefit workers, consumers, and communities, ensuring their long-term stability and shared prosperity.

Managing SCs in this era of heightened geopolitical and sociopolitical complexity necessitates that firms integrate macro, meso, and micro-level strategies. By aligning SC governance with global trade shifts, strengthening industry-wide risk-sharing mechanisms, and embedding geopolitical and cultural intelligence into firm-level decision-making, managers can build SCs that are not only resilient and adaptive but also ethically and strategically sound. A multilevel governance approach is essential to mitigating the negative impacts of protectionism and SC decoupling, ensuring that firms maintain competitive advantage, and ultimately, safeguarding the well-being of society.

## **8. Concluding remarks**

The evolving geopolitical landscape has fundamentally reshaped global SCM, demanding a more nuanced understanding of the interplay between macro-level sociopolitical forces, meso-level SC structures, and micro-level operational decisions. This paper advances the sociopolitical view of SCM by integrating insights from existing literature and empirical evidence, culminating in a multi-level conceptual framework. We highlight how trade wars, regulatory changes, cultural shifts, and armed conflicts influence sourcing, manufacturing, and governance decisions in SCs, reinforcing the need for firms to account for sociopolitical forces

at play when designing and managing their SCs. As traditional free-trade paradigms give way to protectionist and nationalist agendas, the imperative for SC leaders is no longer just about cost efficiency but also about strategic risk mitigation, supplier diversification, and digital transformation to navigate an increasingly volatile global environment.

The framework presented in Figure 1 is useful for governments and intergovernmental agencies (i.e., the UN, World Trade Organization) when setting trade or industrial policies that affect global trade flows. It is also beneficial for business managers, as it illustrates that decisions made at the micro (firm) and meso (industry and network) levels are directly or indirectly influenced by political, social, and cultural forces. A key limitation of the framework is that it is conceptual in nature and requires testing across various SCs and diverse industries. In its current form, the framework does not adequately address the boundary conditions or contextual limitations that may arise within different industries or geographic regions. For example, its applicability may vary significantly between emerging and developed markets, or between highly regulated sectors and those that are more loosely governed. This presents an important area for future research, and we encourage scholars to test the validity of our framework in a variety of contexts.

Looking ahead, future research must bridge theoretical and practical gaps by exploring how firms can proactively anticipate and counteract geopolitical risks through robust SCM strategies. Our paper advocates interdisciplinary approaches that integrate theories from international business, political economy, and institutional governance to enhance our understanding of SCM in the context of sociopolitical factors. New pathways and tools -some of which are discussed here and in papers featured in our special issue, but much remains to be explored- are required to map sociopolitical forces and their implications for SCs.

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