



Department of Business Administration Bachelor's Thesis

Populistic Politics and Corporate Power: confrontation, adaptation and influence.

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ABSTRACT

This paper analyzes the complex and dynamic relationship between populism and foreign investment, focusing on multinational firms' perceptions, reactions, and, in some cases, shaping of the populist political environments. Using qualitative interviews with senior decision-makers in firms of various sizes, industries, and geographic reach, this research explores the strategic reactions employed by multinational enterprises under rising populist regimes. This thesis aims to discover how populism can affect the investment climate not only in terms of policy shift but also in terms of rhetorical ambiguity, institutional uncertainty, and ideological thinking. Although some firms tend to show and maintain a political neutrality, the research discovers that such neutrality can be a source of political disengagement or passive complicity, particularly as globalization increases local economic grievance. A variety of opinions among interviewees that range from denial of corporate responsibility to arguments of causality imply the controversial business role in multinational strategy in the populist period.

1. Introduction

1.1 Historical introduction

The political landscape of a specific region, State, or empire has always been a clear driver and guide for investments throughout history. From ancient empires to modern nation-states, firms and capital have favoured stability and consistency, following the path dictated by the country's political condition. The market was frequently guided and able to adapt to the various structures and economic doctrines, as well as the political frameworks, which reshaped how states and markets interacted and, consequently, how corporations invested their capital in foreign markets. Observing the major economic powers in Europe during the mercantilist era, we can notice, for example, that the strength of Renaissance Venice and Florence flourished not only due to financial innovations and the initiatives of individual traders, but also from the political stability and institutional continuity guaranteed by the families and communes which governed the cities, in addition to political regulations that heavily supported investments. As Reinert (2007) explains, “Italian city-states like Venice and Florence developed early financial systems and rules that made commerce predictable, contracts enforceable, and investment worthwhile.” This aspect is also discussed by North (1990), which illustrates that the presence of stable institutions and organisations fostered the development of standardised weights and measures, units of account, mediums of exchange, merchant law courts, and protected enclaves for foreign merchants that, often supported by local rulers in exchange for revenue, created the possibility to conduct transactions more safely and engage in long-distance trade.

1.2 The Global Rise of Populism

In the current era we are witnessing a new defining shift, which is not the emergence of a new economic system or social order, but the rise of the phenomenon of populism as a political force that can touch different ideologies, that without replacing the current economic frameworks challenge its functions, contrasting the current elites, institutions, and the current status quo, a counter-elite composed by the exploited, that view the oppressed as the truly virtuous, wise and the blessed (Mills, C. W., 1956). Acknowledge as a thin-centered ideology, which has come to the fore not only in different historical moments and parts of the world, but also in very different shapes or subtypes (Mudde, C., & Rovira Kaltwasser, C., 2017), it is considered by many as a syndrome, a combination of political demagoguery, organizational instability, economic irresponsibility, and excessive distributive generosity (Weyland, 2001), often accused of transmitting threatening aspects for liberal democracy as well as possessing extremist and authoritarian attributes (Schwörer, J., 2021), and to a large extent, defined as a movement that draws its strength from the confused and often opportunistic democratic promises of the political elites (Mudde, 2004). In the last decades, many populist parties obtained government positions in numerous States of the western hemisphere, relying on charismatic leaders to make their policies palatable to the electors (Mudde, 2004). Populists assert that ‘true’ or ‘genuine’ democracy is composed and should be controlled by ordinary people (‘the silent majority’), throwing out the corrupt, self-serving elites, fostering the critique of institutions such as political parties, big organizations, and bureaucracies, accused of distorting the “truthful” links between populist leaders and “the common people” (Mudde, C., & Rovira Kaltwasser, C., 2017; Rodrik, 2018) : “I will give voice to the people, because in democracy only the people can be right, and none can be right against them” (National Front founder Jean-Marie Le Pen, 2007). They are usually accompanied by policy unpredictability,

legal uncertainty, or anti-globalist stances, and therefore, it is imperative to comprehend this new phenomenon, which is rapidly spreading worldwide, creating political uncertainty, and damaging economic relationships and long-term investments (Devinney & Hartwell, 2020).

1.3 Economic reaction to populism

Understanding the connection and relationships between populist politics and corporate investment is crucial in our current, volatile global network. This is supported by the research of Funke, Manuel, Moritz Schularick, and Christoph Trebesch (2020), which elaborated that the macroeconomic history of populism since 1900 leads to the conclusion that populist leaders are typically ineffective in improving the economy, leaving a long-lasting negative imprint on countries' economic and political pathways. In the medium and long run, they discovered with their model that virtually all countries governed by populists witness subpar economic outcomes, evidenced by a substantial decline in real Gross Domestic Product. Similar research was conducted by Mei, Jianping, and Limin Guo (2004), which found a significant relationship between political uncertainty and financial crises after controlling for market contagion and differences in economic conditions. Other researchers confirm this, as the paper from Bloom, Bond, and Van Reenen (2007), who also empirically developed the implication that investment will respond more cautiously to a given demand shock at higher levels of uncertainty, with a convex response to positive demand shocks. It is also important to consider that in an authoritarian populist regime, corruption and lobbying make the rules of the game unfair, with bargains between leaders and business elites that allow the amassing of economic power via a tightly controlled marketplace and the distortion of the market (Christopher A. Hartwell, Timothy M. Devinney, 2024).

1.4 Research questions and corporate responsibility

The studies of Bloom, Bond, and Van Reenen (2007), Mei, Jianping, and Limin Guo (2004), and Funke, Manuel, Moritz Schularick, and Christoph Trebesch (2020), underline perfectly the need to comprehend more deeply this new political upheaval, and how multinational corporations can adapt or react to it. Having demonstrated how institutional uncertainty changes entrepreneurs' relative costs in their typical abiding activities, it is important to understand when these costs become exorbitant, giving entrepreneurs little choice but to evade institutions, alter them through action at a different institutional level, or exit the market (Bylund, P. L., & McCaffrey, M., 2017). This study furthermore aspires to inquire into international firms' social and political role, analyzing how much of this steady and sustained growth of populist policies worldwide, destined to persist and influence the economic and political environment in the future (Mudde, 2019), is due to the inability of both markets and governments, aggravated by growing threats from mass immigration and globalization. This research investigates what fostered the economic insecurity that affected the demand for populist policies (Guiso L, Herrera H, Morelli M, Sonno T., 2024), and to what extent multinational firms are responsible.

2. Literature Review

2.1 The Challenge of Defining Populism

One of the first obstacle to overcome while analysing the populism movement to assign a clear definition to this phenomenon is the confusion from the fact that the populism label is rarely claimed by people or organizations themselves (Mudde, C., & Rovira Kaltwasser, C.,2017), being instead assigned by other parties, most often accompanied by a negative connotation. In some of the few almost consensual cases of populist leaders between experts, as the president of Argentina, Juan Domingo Perón, and the Dutch politician Pim Fortuyn, we do not find a self-identification. One of the first instances of political theorists organizing an academic conference on populism was in 1967, when international experts gathered at the London School of Economics to define this phenomenon. Baker, P. C. (2019), explain that the word came from the “prairie populists”, an 1890s movement of US farmers who supported more robust regulation of capitalism, being used in the following decades to describe different phenomena around the world, as the McCarthyite anti-communist witch-hunts in the US and the Latin American revolutions. The conference proceedings were, however, incapable of clarifying clearly its definition and key aspects, but was however able to understand and signal its importance.

2.2 Core Populist Frameworks in Theory

For this reason, in the last decades, experts and researchers have given different definitions and shapes to the populism phenomenon, analysing its intrinsic key characteristics and origins. Surveying the many perspective present in different studies we are able to find in almost all

theories the idea of populism as an ideology that considers society to be ultimately separated into two homogeneous and antagonistic groups, “the pure people” versus “the corrupt elite,” which argues that politics should be an expression of the *volonté générale* (general will) of the people (Mudde, 2004), with the presence of two distant spheres of society separated by social and economic barriers (Ionescu & Gellner, 1969). In this ideology it is introduced the figure of the protopolustist, a nascent form of populist, where the leader can rally the masses, advocating against discrimination and the perceived injustices of the ruling establishment. This division creates a boundary that serves two important functions, separating the world into “us” and “them”, and in doing so, they also identify an “us”, which can establish a clear and marked identity (Mudambi, 2018). This ideology, while presenting characteristics typical of populist doctrines, as the emotional appeal and themes of social justice and empowerment of the masses, lacks a cohesive political organisation that the populists adopt. While linking separate struggles and issues together in a bundle, the protopopulist and subsequently the populist can unite and construct a united group, uniting “the people” against a common enemy (Laclau, 2005). Mukand & Rodrik (2018) also analyse how an increase in inequality can be also able to reward politically the higher income class with successful ideational politics, appealing to the median voter, enforcing for example the idea that that lower taxes are in the interests of not only the rich, but also the low-income median voter.

2.3 Populism in Historical Perspective

Following this idea of a dynamic between two groups, composed of a corrupt elite and a virtuous mass of people suppressed by the elite, we can find numerous examples of this phenomenon throughout history. In this introduction, we decided to use examples present in a historical period that most students and professionals researched and studied, using events from its history as a cue. Therefore, one of the most well-known cases of a clear social cleavage can

be seen already in Ancient Rome, where this opposition was visible in the two main social groups: the Optimates, who represented the landowners, senators and Roman elites defending the senatorial status quo, and the Populares, represented for example by the Gracchi brothers. The Populares opposed the political and economic dominance of the Optimates and created political platforms that sought support from the Roman populace to reform Roman society, demanding land redistribution, grain subsidies, and new political mechanisms to empower lower-income citizens (Mouritsen, 2017). As Mackie (1992) explains, the term *popularis* was not consistently tied to a specific political ideology or faction but was instead used strategically by Roman politicians to associate themselves with the interests of the people (*populus*), often in opposition to the elite interests defended by the Optimates. Cicero, a renowned and distinguished orator and politician, often manipulated in his famous speeches the term *popularis* depending on his political convenience: he praised a figure as *popularis* when they supported what he considered the public good, but condemned others as demagogues when they used the same title for state matters, he considered fallacious and unjust. Furthermore, the Gracchi ideology is coherent and can be used to explain the economic definition of populism of Rode, M., Revuelta, J (2015), which shares social conditions as the origin of populism. Rather than investigating the origins, it centers on the policy output of populist governments, specifying economic populism as a set of short-sighted policies that are supposed to appeal to the economically weaker classes. Dornbusch and Edwards (1991) identify economic populism as a perspective that emphasizes growth and income redistribution, while deemphasizing the risk of inflation, deficit finance, and external constraints. The idea that economic insecurity are at the centre of the populist doctrines receive the support of the researches of Ivanov D.(2023), who analyse that, without economic insecurity, the probability of voting for a populist party decreases with institutional trust, but as economic insecurity increases, the effect of institutional trust on populist voting progressively weakens, with the institutional trust

becoming gradually irrelevant to their voting decisions as the economic insecurity grows. His conclusion contributes to a better understanding of how both right and left-wing populist voters are driven by economic insecurity and moderated by a lack of trust in institutions, with numerous populist movements using economic discontent as a political tool to gain popular support.

Another important example of seeking the support of the masses can be found in **Julius Caesar**, who constantly presented himself, through propaganda and public appearances, as the protector of the people against the oppressive Senate and the corrupt elites.

2.4 Populism as Political Strategy

This populist posture was also visible in later emperors, such as **Nero**, who, despite being widely opposed by the Senate, continually sought the favour of the Roman people to maintain popular support. In this new political-strategic approach, populism can be best defined as a political strategy through which a personalistic leader seeks or exercises government power based on direct, unmediated, institutionalized support from large numbers of mostly unorganized followers (Weyland, 2001). To be in the position to ensure this manoeuvrability, populist leaders, in this political view of populism, tend to avoid committing to a single discourse, worldview, or ideology, avoiding associating their political fate with ideocratic visions. Instead, the orientation of the populist movement is entirely subject to the leader's arbitrary decisions, with “the people” who automatically delegate their sovereignty to a personalistic leader (Weyland, Kurt, 2017). Representation is, therefore, wholly based on the identity of the people, seen as a unity with one voice and interest, with the leader embodying national and democratic values. In identifying the people as a united group composed of virtuous citizens blindly following the instructions of a revered commander, those who are not included in the leader's vision of the people, their values are relegated to the anti-nation or do not exist in these constructs (De la Torre, 2007).

One of the international leaders who most predominantly used the populist rhetoric of a division between “us” and the enemy is Vladimir Vladimirovich Putin, who commonly use the divisions between Russia and the West to install in his citizens the idea of him as a protector of the nation against his adversaries, utilizing topics as the lack of respect for sovereignty in Ukraine’s Orange Revolution and implementing policies as the Foreign Agents Law (Gricius, G. 2019) to implement further this separation. The Putin government frequently accused political dissidents and badly behaving oligarchs of being corrupted traitors and serving foreign masters, having sold their loyalty to foreign governments that seek to undermine Russia’s independence (Evans, A. B.,2008). This separation from the traitors who “need a weak, sick state, a disoriented, divided society, so that behind its back they can get up to their dirty deed” (Putin, December 2017), and general Russian audience, further united with the additional division between Russia and the decadent western world, sustain Putin claim of acting as a delegate of the Russian nation, appointed as protector of the true patriotic values. In this environment there is no place for political dissent and opposition, and you can be either for or against Putin (Mudde, C., 2004).

2.5 Cultural Dimensions of Populism

This new wave of populism that we are currently observing can also be catalogued and observed in the socio-cultural view of populism analysed by Ostiguy, Pierre (2017). In this view, the differentiation in political appeals that the author refers to as “high” and “low” is introduced. This characterization of the phenomenon is characterized by a particular form of political relationship between political leaders and a social basis, seeing themselves as authentic voices of "the low," claiming to challenge corrupt, distant, or self-serving elites. The public discourse in this view assumes the shape of a spectacle, a show, a performance, distancing from the cold and bureaucratic self-closed administration of the arrogant elites, reassuring the masses that the populist leader in by all definitions “one of us”. This approach

is thus also a performative one, in which physical and more coded gestures of transgression and closeness figure re central in generating and perpetuating populism's distinctive bonds and antagonisms. One of the most common denominators of the modern populist leader is therefore the ability to exploit the idea of a unite and clear identity challenged by obstacles such as gay marriage, women's rights and immigration, accompanied with a nationalism rhetoric directed against minorities or foreigners, that gives low-income voters a reason to vote for the high-income party (Mukand & Rodrik, 2018).

One of the most recent and prominent instances of a mass-oriented, anti-establishment candidate achieving electoral victory through democratic means is the election of the 47th President of the United States, Donald J. Trump, on November 5, 2024. His election marked probably the epicentre of the populist earthquake, with a campaign that was able to convince the majority of the country, using a conservative rhetoric on social issues, attacking the minorities and foreigners (Rodrik, 2018), openly clashing with the LGBTQ community and everything that was referred to as “woke”, and rejecting the notion of a legitimate opposition, who are discarded for being part of ‘the elite’ (Rummens, 2017). “We are transferring power from Washington, DC and giving it back to you, the people... the establishment protected itself, but not the citizens of our country.” His nationalist and protectionist economic rhetoric, with the implementation of tariffs on foreign goods at the centre, generated significant uncertainty for domestic and international firms, with companies forced to delay investments, change supply chains, and restructure operations. This can be summarised by a comment of Martin Wolf, Chief Economics Commentator at the *Financial Times*, who wrote:

“Beyond the fragilities bequeathed by previous turmoil and the usual ignorance of how our complex global economy operates, we all face the huge difficulty that we have no idea what Trump will do next or, for that matter, how others will act in reply... the biggest reality we can

identify, apart from the prohibitive tariffs imposed by the US and China on each other, is the elevated uncertainty. This is itself economically paralysing.”

Again, this shows how populist governments, with their rapid and unpredictable doctrine and policy changes, can create dangerous uncertainty that can disrupt investor trust and delay long-term investments, making economic planning unfeasible.

2.6 Populism and Globalization: An Economic Backlash

Having introduced the different shades of populism present in our society, and having demonstrated how this phenomenon is capable of creating an increased institutional uncertainty, which causes significant levels of unpredictability in terms of regulative, normative and cultural-cognitive elements of institutional environment (Laine, Igor & Galkina, Tamara, 2017), it is also important to consider the role of the multinational corporation in creating the substrate that enable the growth of populist movement. This concept was thoroughly analysed in his work by Betz (1994), who was among the first to research and investigate the new development and challenges that the labour force experienced with the dawn of globalization, defined by the decline of the industrial sector and the blossoming of the service sector. He investigated and assessed that with the start of the modern era the workers who were not able to adapt to a new flexible and competitive new global environment, the unemployed, the underemployed, the unskilled, and those whose jobs are threatened by advancing technology, succumbing under the weight of change, can be considered as the “losers” of globalization. Feeling resentful and inadequately represented by the traditional mainstream parties, which have implemented the market-oriented policies undergirding globalization, these individuals are inevitably more predisposed and committed to turn to the populist parties. (Rovira Kaltwasser, Taggart, Espejo, & Ostiguy, 2017). De facto economic globalization has been researched to be indeed positively and significantly correlated with

right-wing populism (Bergh, A., & Kärnä, A.,2019), with different studies suggesting and providing evidence on how the low-cost import shock, by imposing uneven adjustment costs across regions, has caused a surge in support for nationalist and radical-right political parties in Europe (Colantone & Stanig, 2018), and studies have analysed and examined that workers' wages have been found to be negatively affected by the amount of foreign low-cost imports (Malgouyres, 2017). This line of research suggests that the nationalist backlash against globalization at the ballot boxes may partly be a direct consequence of the economic transformations caused by globalization itself, with a study on European countries that revealed that higher import shocks tend to be associated with positive region effects on nationalist attitudes and negative region effects on support for EU membership (Steiner, N. D., & Harms, P.,2023). Colantone I. and Stanig P. (2018) provided also compelling indication on how the Chinese import shock, by imposing uneven adjustment costs across regions, has caused a surge in support for nationalist and radical-right political parties in Europe, estimating that the existence of this strong level of political reactions implies that globalization might not be sustainable in the long run if the welfare gains and the economic advantages that international trade deliver are not equally shared within society.

3. Methodology and Research Design

3.1 Interview Methodology and Rationale

We decided to obtain our qualitative information using a semi-structured interview methodology, which is extremely beneficial because it allows increased flexibility compared with the more structured interviews while still providing a framework to guide the conversation. Semi-structured interviews are a flexible format that can blend a core set of open-ended questions with probing follow-ups, allowing both comparability and depth (Magaldi, D., Berler, M., 2020). It helped us to discuss the topic and obtain information with the different managers and experts interviewed, maintaining a similar style and set of questions while interacting with personalities of different backgrounds, mansions, and nationalities. For this reason, we decided to avoid using a fixed order of questions that required the interviewer to stick to a script that is not adaptable to different personalities. Therefore, while the structured interview has a formalized, limited set of questions, the semi-structured interview, as we said, has a flexible and adaptable characteristic of interviewing, allowing new questions to be brought forward during the interview as a consequence of what the interviewees have said (Ruslin, Ruslin & Mashuri, Saepudin & Sarib, Muhammad & Alhabsyi, Firdiansyah & Syam, Hijrah, 2022).

3.2 Structure and Process of the Interviews

The general framework we decided to adopt for our interviews follows a similar constant path in all the conversations, and the exchanges were divided equally between online discussions conducted and held on video call, with which it was possible to reach out to the busier and more distant participants, and live interviews, held in the place of work of the respondents and

preferred, when possible, instead of the online exchanges for the possibility to have a more direct and open confrontation. Before the start of every interview, participants were informed about the nature and objectives of the research, the use of their responses, and their right to withdraw at any point of the discussion, ensuring that the anonymity of the interviewee concerning the information provided is strictly maintained (Dicicco-Bloom, B., & Crabtree, B. F., 2006). Furthermore, all the conversations were transcribed shortly after the end of the interview, to ensure that the main reflections would remain fresh, reviewing their field notes and expanding on their initial impressions of the interaction with more considered comments and perceptions, as suggested by Halcomb, E. J., & Davidson, P. M. (2006). In addition, the use of a consistent interview framework across all participants improved the thematic comparability of the paper, while still allowing room for different deepen analyses on different issues and specific topics. When choosing the experts and managers of multinational companies to interview, we tried to make the sample as wide and variable as possible. For this main reason, we divided the participants into four distinct groups:

- In the first group we opted to have meetings with two local Italian entrepreneurs with businesses that are expanding internationally to see how a small undertaking can adapt himself and react to the populist policies of his own country and the ones he is investing, observing what Key Performance Index (KPI) they decide to analyse when exploring the possible nations to invest in. One of the two participants is a partner in a company that operates in the water sector, specifically in water treatment, with a production and operational site in Italy, focusing specifically on building water purification plants and prefabricated volatilization plants that are then sold in Italy and abroad, particularly in developing countries. With more than thirty years of experience in the sector, we considered this interviewee essential to understand how established local companies face the challenges of expanding in the South American developing countries, where

populist policies tend to be predominant (Rosenberg, M.,2023), bringing uncertainty and rapid shifts in policies. The second local entrepreneur we had a conversation with is a partner of a vertical company, specializing in cybersecurity, network security, and cyber engineering. Created in 2019, focused on providing cybersecurity targeting primarily large to medium-sized businesses, it has clients mainly in Europe, with growing customers and partners in the United States, and a couple of customers in the UAE. The goal of this interview was to research and highlight the cultural limitations of many Italian SMEs, particularly their reluctance to adopt structured managerial models, and criticize how populist-influenced political processes and chronic delays in decision-making severely obstruct innovation and investment, both nationally and across the EU.

- In the second group, we decided to have a discussion with the CEO and CFO of a prominent firm with presence in more than twenty-five countries, analyzing how the main decision makers of a multinational business with more than four billion in yearly revenues foresee the populist evolution worldwide and its influence on the company's future. With the headquarters located in a capital city in Central Europe, the undertaking is active in the construction materials sector and boasts a long-standing international presence, with more than we have more than 150 plants in the EU. While grounded in a European context, the conversations expressed an increased concern for the European Union's policies, accused of regulatory instability when guiding the sustainable investment choices, in particular in a time when the populist rhetoric across parts of Europe tend to divert the focus from long-term competitiveness toward short-term political gains, expressing the interest in a shift toward North America, driven by more predictable energy costs and clearer long-term policy frameworks.

- In the third group, we interviewed a Russian entrepreneur who leads a 25-year-old small enterprise that deals in the electrical and technical equipment sector, with an annual turnover of approximately €3 million. This discussion was crucial to better understand how a business is capable of surviving in Russia's wartime populist climate, despite the impact of international sanctions. We discussed how the business forced her company to continually reshape its strategy and operations, with the additional domestic populist pressures demanding a zealous display of patriotism and loyalty from an authoritarian-leaning regime. The interview was conducted with the contribution of a Russian real-time translator, who translated my questions in Russian and the answers in English, with the transcript later cross-verified by a native Russian-speaking individual to ensure additional accuracy of the transcript, to better grasp and preserve the right context, tone, and subtle linguistic inflections.
- In the fourth group, we wanted to converse with an experienced individual who held a managing position in various businesses, to gain a wider knowledge of how historically the phenomenon of populism influenced and evolved. We chose to interview a senior Italian executive with extensive cross-sectoral experience, with a past in both multinational corporations and major national enterprises. He started his career in the merchandise sector, with a strong focus on sales and marketing, moving into the sales departments in the food industry until he achieved the position of sales director at a leading telecommunications provider. His professional background also includes experience in trade marketing and large-scale retail, managing contracts with the country's top supermarket chains. This track record allowed him to observe how populist ideology, analysed in Latin America, Europe, and the U.S, can influence a

company's strategy, affecting its market entry decisions, and undermining the institutional trust in a nation

3.3 Interview Framework and Key Themes

Even if there were not structured fixed questions, the conversations followed a similar pattern to be able to obtain comparable results. As it was anticipated in the introduction, the main targets of the discussions were the understanding of the main dynamics that influence the decision plans when entering a new market and inquiring into how the manager consulted dealt with the populist ideologies and reacted to them when choosing to enter or leave a new market. In addition, the other main objective of the interviews was to ask the recipients their opinion on the possibility that the multinational companies were themselves one of the parties involved in the proliferation of the populist phenomenon, analysing their opinion on corporate responsibility. The interviews commonly began with questions that allowed the participants to introduce themselves and describe their role within the company, providing an overview of their firm's international operations, including key markets, industries, and main activities abroad. The interviewee, after introducing themselves and their role, explained what key factors influenced their company's decisions to enter, expand, or maintain operations in foreign markets and how their companies evaluated the political risks when considering or sustaining operations in different countries. The introduction was longer and more confidential when interacting with the local Italian managers, where the advantages of sharing the same language, and the possibility of an in-person interaction created the possibility of a more open conversation, while in the cases of the major multi-national managers the introductions were shorter and more direct to the main points of the interview. After the introductions, the recipients explained their awareness and perception of populism, with questions generally inquiring about the extent to which their companies are and were aware of populist movements

and political figures in both their home country and international markets. The interview framework generally included questions on how actively firms monitor government policies, particularly those shaped by populist leaders or parties, and posed questions about the personal views on what challenges and opportunities are represented by the populist movements for their businesses, asking for personal examples. The participants, after sharing their personal experiences, were asked about the numerous effects of populist policies on international business, with questions that contained references to modern struggles that the manager was facing at the time the interview was conducted and in the past years of their careers. The interviewee then shared their personal experience on the direct or indirect impact that populist policies, such as trade restrictions, tax changes, labour laws, or nationalistic rhetoric had on their activities, and shared how these policies influenced their company's decisions regarding investment, expansion, and day-to-day operations. They additionally shared instances of regulatory changes due to populist policies they noticed in their experience and explained their firm's adaptation to these shifts, and in some conversations, they also recalled instances of changes in the consumer sentiment or market dynamics because of populist narratives. Examining then the different responses of businesses to the populist changes, the goal of the discussion became the understanding of which key factors were mainly considered when selecting new markets for expansion, and to what extent the political climate was crucial in the decisional process. A common question that was raised in all the discussions regarded cases of populist policies, experienced or observed by the participants, that spurred firms to adjust their international strategy, such as relocating production, modifying supply chains, or altering hiring policies, and in what measures the enterprises managed the several risks associated with populist policies, such as lobbying efforts, public relations initiatives, or collaborations with local businesses.

3.4 Firms' Role in Shaping Populist Dynamics

The second main objective of this paper, the individuation of the main drivers and foundations of the populist rhetoric, was addressed during the interviews with direct inquiries on the reciprocal influence between business and populism. It targeted in particular to the executives of the larger-scale and highly internationalized firms, as the Central Europe construction giant's managers and the Russian entrepreneur, as well as to the experienced Italian executive with a diverse and cross-industries background. To analyse the topic more deeply, it was decided to raise questions about the firm's role in the political and social dynamics to the decision-makers of enterprises who could have had a greater impact on the populist narrative, while still examining the personal perspective and consideration of the more local business managers. In the questions, it was asked to the interviewee to argue on the role that international corporations can play in the rise of populism by making corporate decisions as offshoring jobs or restructuring operations abroad, requesting a personal perspective about the topic. Some participants were asked to share instances of cases when they encountered political backlash or criticism due to their company's international activities coming from political parties, the media, or public opinion. They were later asked to share their personal view on how and if they believed international firms should engage with or counteract populist narratives that impact business and economic stability. During the interviews, the participants were also asked to share their opinions on different matters regarding the populist topic, as their opinion on the evolution of populist movements and policies in the coming years, and the implications they could have for international businesses, sharing their personal opinion of the relationship between populism and international firms in other industries and giving insight on the global political climate.

4. Interview Analysis and Findings

4.1 Strategic Market Entry and Political Stability

One of the first questions addressed to the respondents, which inquired about the main aspect a multinational enterprise must consider while entering a new market, received different responses while maintaining a constant theme. The small local firms, having significantly lower political and market power, expressed the need for a detailed market analysis, searching for a place where their services were not already met by larger corporations. They also both expressed the need for a stable political landscape:

“We’re focusing on growth in smaller countries where political stability greatly influences the internationalization process. Moreover, because it takes several years to develop a company, you have to bet on the country’s future. Then there are certain considerations about a company’s core values, whether the country is politically stable, if there is real democracy, and other factors.”

The Russian entrepreneur, while noticing that the sanctions against the country are limiting the available market for expansion, recalled in the conversation the need for alignment between the company's equipment and the energy system requirements of the country in which it plans to invest, explaining the need to a strategic decision-making process. More detailed is the exploring process, explained during the discussion, by the executives of the construction undertaking. They stated that while for countries where there is already a precedent investment, you mainly look at growth rates and market potential, researching the main macro KPI, in countries with no prior investment, they firstly look to big KPIs like political stability, as competitive landscape, to decide the investment strategies, analyzing the political spectrum, considering that

“ we live in a specific time where many countries are turning to populism and are turning to views that that could end their big investment in favour of smaller companies”. The

experienced manager expressed very similar concepts, mentioning the need to analyze the market potential, researching the necessary approvals from ministries or municipal authorities for the location itself, which is subject to inspections and regulations, and studying the local political landscape.

This convergence of opinion of businesses of different dimensions and geographical locations shows that political risk is not an abstract concept, but it is a crucial aspect to analyse, and it is invested in operational and strategic planning. The keyword in all the conversions was therefore *stability*: not just defined as the absence of conflict, but also considered as the predictability of policies, transparency of regulation, and experience of continuity of government. It is also enlightening the characterization of populism as a risk factor, not just as a traditionally conceived anti-globalization argument, but as a driver of policy unpredictability, coherent with the research cited in the introduction. The executive's constant mention of populist governments as a destabilizing force that would potentially prefer domestic over foreign firms shows that even ideologically neutral or economically liberal companies are positioning themselves in response to this phenomenon. Moreover, the emphasis on "betting on the country's future" harmonizes with themes in political economy theory about institutional trust. Multinationals not only act like investors but also as long-term players, and populism, in repeatedly demolishing institutional continuity, destroys the bet. The Russian answer could be an exception, considering firstly the technical compatibility with domestic infrastructure and geopolitical considerations inform entry decisions, but later in the interview, the political environment was explored and considered of vital importance; this showed that the political or legal barriers to entry are sometimes technical and systemic. Overall, this chapter confirms that strategy entry today is as much a matter of reading political sentiment as it is reading the way

of the market. Populism doesn't just change rhetoric, but it is able to change the structural incentives and disincentives facing international companies.

4.2 Awareness and Perception of Populism

Shifting to the core theme of the paper, the mutual confrontation, adaptation, and influence of populism and the corporate sphere, this paper starts by examining how the decision makers interviewed, and their businesses perceive and are aware of the populist wave. The cybersecurity manager of the local firm, analysing the topic, started his reasoning expressing his dissatisfaction with the current length of the Italian decisional processes, having to “*wait five years to get authorized to do something*”, and the inefficiency of the governmental bodies on key societal issues “*Look at unhandled problems like immigration: do you remember a clear decision taken by the European Union on this?* “. He explained that this lack of effectiveness can be one of the main drivers of populist propaganda, and that “*populism is simply used, it's used to take votes*”. He additionally showed scepticism in the decisional capabilities of the common people on key economic issues: “*democracy is great, but people must be ready. How can you ask people to make a long-term decision when most don't know, for example, what the cost of energy will be?*”. This sentiment is also shared by the other local entrepreneur, who narrated a valid example he faced during his research for the right place to bring investments to illustrate the influence of populism:

“Our business isn't directly tied to politics, but we've been trying for about a year and a half to see if we could invest by creating a commercial structure in Bolivia, a country where, at the moment, the head of state is somewhat populist, which affects how companies operate. As we explored the possibility of establishing ourselves in that country, we noticed that many Bolivian companies were leaving because there was a policy, maybe in an attempt to follow certain ideologies, that compelled them to convert all dollars belonging to citizens at the official rate

into local currency at a fixed rate, even though the market rate is different, leading to a loss of purchasing power.

They're becoming poorer, so populist decisions strongly influence the stability of a country and of those who do business there. We reached the point where they told us, we want your plants, we need them, but we can't pay you in dollars because we don't have them."

This is a valid example of the new wave of populist leaders in South America that, with the promise to toss out a corrupt political class and the ruling economic cast, replaced it with direct and personal contact with claims to represent the popular will in government (Sabatini, C. 2021), causing a lack of trust in institutions and economic uncertainty for foreign investors.

Crucial is also the testimony of the Russian entrepreneur, which gave a clear clarification of the populist influence during the war period. She explained that to stay on the market, *"we have to constantly manipulate the consciousness of our employees, by proclaiming clear slogans that the whole country is together, we are working in the same direction, we want to achieve complete independence from the outside world, and that is why we are joining forces"*.

In the interview, the manager stated the difficulties faced when a government tends to change its position often, explaining the importance of monitoring it actively, to avoid making any move against the mainstream in the country: *"everything changes with any decision of the government, financial conditions change, logistics change, tax laws change. We have to stay on top of it all the time and adapt to those changes."*

The importance of monitoring the possibility of populist governments and stability is additionally confirmed by the main decision makers of the Central European giant. In the discussions, they clearly stated how they can observe a decisive trend in the direction of populism, often tied to the right wing of society.

The CFO in the interview expresses his opinion that while populism is often reflected in issues related to migration or nationalism, it can also extend to a broader political narratives that include the green transition, noticing that initiatives like the European Green Deal, while

receiving a considerable support by the institutions, sometimes are leveraged using populist rhetoric, which complicates the task of separating genuine policy evaluation from populist communication strategies, and create economic complications for the businesses. Of the same opinion is the CEO, who reflected that, in his personal point of view, populism usually arises when people feel left behind by the system, or they think the traditional political system isn't working for them. *"If it's a signal that people need to be heard, concerns like migration, security, healthcare, and so forth are not being addressed, then the remedy is open dialogue and real action, not just ignoring the issues."* Finally, the experienced manager shared his opinion on the impact of populism on splitting companies into "friends" or "enemies." He narrated how, in many instances he observed in his life, when a populist government was elected, everyone tried to be a "friend," even if they were considered and perceived as "enemies" in the past, being scared of facing retaliations by the populist government. He stated that *"populism does influence businesses and their decisions. It affects domestic companies even more, because leadership is chosen by the government. Who heads RAI is decided by the Minister of the Economy, who leads ENI is picked by the relevant minister. So obviously, if that government is populist, it'll be more intrusive and have a stronger impact"*.

What emerges from this chapter of the interviews is not a single, coherent definition of populism, but a plectrum of perceptions guided by personal experience, institutional role, and national context. Populism is expressed in the interviews and framed alternately as:

- A consequence of democratic dysfunction (Italy),
- A driver of economic irrationality (Bolivia),

- A repressive communicative regime (Russia),
- And a distortionary rhetorical tool (EU Green Deal).

This multifaceted nature allows us to witness the flexibility of populism as an instrument of politics and to its business-world chameleon. And the Russian case is particularly illuminating, showing how, when paired with nationalism and autocracy, populism is not only an election strategy but a regime-level ordering principle that governs economic discourse, supply chains, and even internal communication between employees. The multinational manager's insights provide an additional layer to the definition, depicting populism as an economic danger, often very right-wing and backwoods, but by no means illegitimate. Their report indicates that populism can, at times, voice valid complaints, though its solutions are unrealistic or disastrous. This is a more complex reading than viewing populism as judged in an overly simplistic way as either always good or always harmful, and instead, it makes the reader consider how firms respond to populism based on whether it is viewed as a threat, signal, or an opportunity. Even more suggestive is the theme of a strategic silence, with the idea that, in populist governments, commercial success comes more from appearing to be cooperative or politically correct than from being efficient or innovative. This chapter makes a strong case for understanding populism not just as a political phenomenon but as a structural context, one that can alter the way businesses communicate, invest, and plan. It challenges conventional business risk frameworks, which underestimate ideological and rhetorical uncertainty as a factor in the political risk index.

4.3 Effects of Populist Policies on International Business

Extremely insightful were the reflections on the effects of populist policies on international business, considered by the local businessmen as irrational measures that the masses of people embraced with demagogic rhetoric. During the interview, he used as an example the contested decision of the United States president of wanting to relocate all the non-documented workers to their country of origin, without considering the economic damages this populist decision could cause to the construction and agricultural environment: *“Who will work? It will be an economic danger; does it have sense? In this way of populism, you have to consider a different way, not to relocate people, but to help and support the income of workers, controlled, in a controlled way, not in an uncontrolled way”*. For this reason, he stated that he will never choose a populist country to invest in, clarifying, however that what he considers more important is the stability, stating that it is determined by people. *“So, unfortunately, I have to tell you that I will invest in a country with a higher level of education. rather than in the opposite, in a country with a low education.”*

The decision makers of the major enterprise additionally narrated how populist policies can translate into increased bureaucracy and unfriendly economic behavior, with definitive hindering effects for the enterprises, but they could also be beneficial in some cases if the populist rhetoric follows the specific business model of the company. He made the example of a rebuilding or renovation activity, which, with the possible heatwaves that could reach the European continent in the next decades, could exploit the need for more insulated houses, using the populist tendency of negligence for the climate emergency.

One of the main testimonies of the danger of populist, nationalistic and isolationist measures is the case of modern Russia, narrated by the entrepreneur as a *“monstrous line of such”*. She explained crucial problematics as the blocking of settlements, the inability for goods to cross

the border and the considerable number of restrictions. The main problems she exposed is the high risk of operating abroad, to avoid the accusation of *“wasting the resources needed for our country”*.

“Here is a concrete example of the last two days, when our company was refused to be connected to the gas supply because our company declined to support the war and be a participant in the war, so if you don't support the war and the populist decisions, you are likely to be excluded”.

She additionally described the difficulties of having to constantly change the business model to adjust to the rapid government changes.

“When we create patents, we put production in China, we put a lot of money into it. And then our government decides that only equipment made in Russia can be used inside Russia. All our efforts turned to zero. We need to urgently move our production to Russia. The decision is purely populist because there are no facilities in Russia that can cover the needs for this particular equipment. In reality, there are none. And yet, following the slogan that long live all domestic products! They ban imports. And this often leads to acute shortages in some areas of equipment”.

She also outlines the main disadvantages of all national production caused by these policies, using as an example the purely populist decision of introducing a scrappage tax on agricultural equipment, which made it impossible to import agricultural equipment from abroad. That is extremely damaging for the small agrarian sector, a decision that *“kills agriculture, domestic Russian agriculture”*. This decision is, however, presented using a populist and nationalistic rhetoric to the population as a patriotic action that allows domestic producers to make these tractors.

“It is very difficult to adapt. That is why many enterprises, both in our sphere and in other spheres, are now in a deplorable state. But the main task is to keep up the image. Here, I have the feeling that the most important thing for all Russian businesses right now is to smile. How does it smile? We smile and wave in every possible way to demonstrate optimism, to demonstrate this optimism in front of our employees, this is right here in Moscow. Otherwise, they will run away. Demonstrate this optimism in the face of the authorities. Demonstrate. This optimism in front of their competitors. Because everyone realizes that it's bad for everyone, and they're waiting to see who will fall first. You see, yesterday it felt down. I also wanted to say. The whole country has turned into a screen showing that everything is fine.

Today I received another request from our city administration that they sent request to show them how we will develop for next year, show us that you are making more investment in development than you did last year in Russia”.

She finally explained how this populist propaganda can efficiently deceive and convince the population, describing the e numerous direct blackmails that she received in the light of these slogans, which she describes *“you will give us a discount, you will provide us with equipment at cost price because we. We work for the defence of the country. You have to forget about any profit at this point”*. Considering the vital importance that politics has in her business, and its sure importance in the future, she expressed the hope to move the main operations I the European countries, considered by her as more stable politically.

This chapter researches and analyses the real-world costs of populist policymaking, particularly when populism is institutionalized into governance. Rather than acting solely as a political narrative, populism in the conversation is described as an operational hazard, one that is able to distort markets, override meritocratic decision-making, and weaponize regulation. Particularly in Russia, the entrepreneur’s testimony illustrates a disturbing shift, with the testimony of economic patriotism, that with the slogans of focusing on favouring local

producers, it reinforces ideological conformity at the cost of profitability and functionality. The need to “smile and wave” to maintain the appearance of corporate optimism and patriotic ideologies evokes authoritarian corporate environments where emotional labour and political signalling replace strategy and innovation. More generally, this chapter focuses on revealing how populist policies often externalize economic costs onto businesses, expecting them to absorb inefficiencies, manage shortages, and comply with economically unguided mandates under the excuse of nationalism. This reflects numerous cases from institutional economics, when states abandon rule-based governance for a harmful populist agenda, and when firms must either become political actors or exit the market. The commentary from the multinational executives deepens the discussion, because while populism is largely treated as disruptive, he suggested the possibility that certain sectors might exploit populist blind spots or urgencies, acting as a reminder that businesses are not passive victims, but they are able to react to these shifts. They additionally exposed their considerations on how they are able to find strategic advantage in selective populist ignorance, for instance, promoting green construction in regions with populist denial of climate change, while still capitalizing on growing public concern for resilience.

Overall, this chapter exposes a dangerous tension: populism often claims to act in the interest of a nation's wealth and prosperity in its rhetoric, but its actual policies, driven by emotional appeal, nationalistic slogans, or reactionary mandates, may undermine the market mechanisms that business relies on. In the most extreme cases, populism not only disrupts market logic but also replaces it with ideological loyalty tests.

4.4 Corporate Responsibility and the Origins of Populism

The second main objective of the interviews, understanding the effect of globalization and corporatism on populist influence, sparked considerable debate and solicited a wide range of

responses and perspectives. The most vivid criticism of this possible relationship came from the CEO of the construction giant, who denied the responsibility of multinational businesses, and on the contrary, he emphasised and highlighted the role that corporations have on the welfare of a country: *“If you look at Italy, for instance, after World War II many successful Italian companies emerged and ‘Made in Italy’ was a pride. I think that was positive”*. In his opinion, likely influenced by his professional role and biased toward defending his company’s actions, the big modern corporations do not have the power to influence political life: *“I don’t really see it that way. The largest influential companies now are in services or IT, not traditional industry. They certainly dominate parts of daily life, so they need monitoring or regulation for privacy/security, but that’s separate from populism”*. He additionally added that in his opinion, *“It’s more about whether political and social systems provide equal opportunities to people”*, emphasising on the responsibility of institutions and bureaucracy. He furthermore expressed doubts about the automatic consideration of populism as intrinsically damaging: *“I don’t consider populism automatically bad. If someone is proud of their country and wants to defend its interests, that’s not necessarily radical or nationalistic in a negative sense. We need to be careful with labels like populism or nationalism. The real issue is whether political leaders still respect democratic principles. If they do, we should respect that as voters. It’s only a problem if they start undermining democracy”*.

Of a similar opinion is the manager from Russia, who explained how, in her industry, the international division of labour is, on the contrary, a step forward, considering the idea of a national economy confined within its borders just a slogan. In her opinion, the businesses have no political and social responsibility to invest exclusively in the nation of origin and should instead focus on what can make the enterprise more productive. *“I know for a fact that the average Russian assembler works twice as slowly as the Uzbek assemblers we use, and*

Russia's labour productivity on assembling small parts is five times lower than China's. It would be a sin not to use this advantage. We don't have workers in Russia who want to work with their hands. There aren't any. Let's use what we have. Russia has a very good engineering school since the Soviet era—Soviet engineers were very strong... Why try to artificially keep people in roles they aren't suited for? Working on an assembly line is not Russia's strength".

She believes that populists just exploit globalisation as an excuse to justify the country's weaknesses, and for this reason, the multinational corporations, in her opinion, are not directly responsible but are just used as an easy target to point the people against an enemy. She concluded the interview explaining the impossibility of companies to react effectively to these policies, with the only solution being a strong and effective adaptability: "We have to adjust, we have to try to promote our interests, ..., just to ignore it is a dead end. They will crush us".

Of a different opinion is the local businessman who, looking at the modern political and business environment, creates a distinction between multinational enterprises based on the type of industry, company size, and leadership philosophy, opening up to the possibility of corporate responsibility. He outlines and recognises the possible corporate influence on politics and society through lobbying, Corporate Social Responsibility (CSR) initiatives, and public stances on social issues, explaining however how some companies can have a positive impact on society actively engaging in political change, advocating for environmental policies, social justice, or business-friendly regulations. He then considered the firms that choose to remain neutral to avoid backlash from consumers or governments. Discussing the theme of multinational corporations being the constructed antagonist of populist ideologies, he agreed with the previous participants on how large corporations, multinational businesses, and financial institutions often feel targeted by populist movements. In his point of view, populism, whether from the left or right, tends to frame large companies as part of the "elite" that exploits ordinary people, with the specific concern depending on the political ideology of the populists:

“Right-wing populists may attack firms for supporting globalization, outsourcing jobs, or engaging in socially progressive policies”.

“Left-wing populists may criticize firms for corporate greed, tax avoidance, and income inequality”.

“Tech companies, financial institutions, and pharmaceutical firms often face significant scrutiny”.

The CFO of the construction multinational business, differently from his colleague, considered the effects of corporate activities as one of the possible drivers of the populism phenomenon in the long run, while being sceptic about the effects in the short term, explaining that usually people tend to follow a certain populist leader or trends for a few years. He considered the fact that a massive, uncontrolled, and unregulated expansion and the substitution of small local industries could create a new wave of populism, with a visible connection in the long run. In addition, he expressed scepticism on the possible strength and stability of the connection between populism and corporate instability in the long run, stating that with a stable framework, considering although the fact that populism could temporarily redirect financial resources to alternative channels, a well-functioning institutional and economic structure can overcome shifts over time.

These perspectives, which could be influenced by the desire to avoid direct responsibility and the professional commitments to maintain alignment with corporate interests, are challenged by the retired manager, who avoids career-related constraints in his declarations. During the interviews, he stated:

“Offshoring to cheaper labour markets creates a social powder keg, because not only do you lose existing jobs, but you also fail to create new ones, and factories are closing. So that fosters total shutdowns. Fiat, for instance, just told its furloughed workers, “Please move to our

factories in Serbia.” So, as a worker, if I hear Salvini (Italian right-wing populist leader) saying, “We need fewer constraints from Europe, Italians first (pure populism), naturally, I’d lean populist with my vote. It’s rising in Germany because carmakers, once export powerhouses, can’t compete anymore. In France, it’s on the rise because Macron’s pension reform angered pensioners, who turn to Le Pen. In Spain as well, in Italy, the working class lacks the industry-provided protections it once had, and unions are largely absent, so of course populism becomes the go-to. Whether they actually deliver on their promises is another matter, but to your point: yes, absolutely. It’s happening”.

His strong opinions are coherent with the research and papers analysed during the introduction, but clash with the ideas exposed in the other interviews, which view the corporate world as not one of the prime responsible for the populist rhetoric but as a scapegoat to attack and to indicate as the “enemy”.

While still considering the populist uncertainty a danger to the worldwide economic environment, he discourages “going head-to-head” against the populist parties in power. He believes that firms need to engage with the elected populist governments even if they disagree, explaining how a company that tries to stand against them is “going to hurt itself”, because strategic companies need institutional support. He narrated the example of Fiat and Tavares to support his idea of the necessity of harmony between corporations and governments:

“Look at Fiat: Tavares clashed with the government, and in the end, Fiat had to dismiss its CEO so as to maintain relations with that government. Otherwise, you’re out. You’re already in trouble, and if you take it too far, they’ll finish you. That’s how it is with a populist government. So rather than “fight” or “oppose” you engage. That doesn’t mean aligning with everything, especially if you’re a multinational, because you also operate in countries that aren’t populist. But open conflict helps no one; you have to interact.”

This chapter is crucial to understanding the different perspective of this paper: rather than treating populism as an external disruptor, it reflects on the possibility and on the role that corporate globalization has played in its rise. The conflicting answers reflect not only ideological divisions but also positional, with those still active in global firms that tend to deflect blame, while the retired manager offers a more structural critique. The CEO's rejection of corporate causality and his reclassification of the problem as "democratic" or "institutional", is a valid example of narrative boundary-setting, isolating firms from systemic critique and reinforcing the belief of business as apolitical entities. His emphasis on "Made in Italy" pride also obscures the complex relationship between economic nationalism and populism, both of which trade on similar emotional appeals. The Russian manager's defence of offshoring as economic realism is persuasive but ethically challenging, and in her view, businesses have no social duty to "keep people in roles they're not suited for" raises questions about the social consequences of labour arbitrage. It's a viewpoint shaped by operational efficiency, without focusing to its political and social externalities. The local entrepreneur and CFO serve as bridges between extremes, with their recognition of corporate influence, but not full responsibility, that suggests a growing awareness that corporations operate not in a vacuum but within ecosystems that include workers, voters and public opinion. Their openness to a more deepened reading, where corporations can both contribute and hurt society, reflects the reality of today's complex political economy. Most significantly, the retired manager's critique aligns with major findings in political science: that globalization's uneven benefits, paired with institutional neglect, create a fertile soil in which populism grows. His call for cautious corporate diplomacy, "*don't oppose, engage*", and his pragmatic but not passive viewpoint suggests that engagement without appeasement may be the only viable path forward in a fragmented world. Overall, this chapter highlights a deep disagreement over corporate responsibility in action and narrative ownership. While some interviewees appeal to a vision

of business as a neutral entity, others implicitly or explicitly acknowledge that corporations are political actors whose decisions shape, and are shaped by, the populist wave.

5. Conclusions and Implications

This paper sought to investigate the different and fluid relationship between populism and foreign investment. Grounded in intellectuals' prior research and supported by qualitative interviews with decision-makers of varied firm size, sector, and geopolitical context, this research provides an understanding of businesses' grasp of populist politics, their management, and, in certain cases, how they can inadvertently fuel it. The information gathered confirms that populism is not monolithic and one-dimensional, but rather an evolving political arrangement, continuously reshaping the institutional landscape within which businesses operate. It affects investment climates not only through policy regime, but also with more harmful means, such as ideological interpretation, rhetorical volatility, and narrative control. In this environment, enterprises are compelled to respond with not only a traditional political risk analysis but with adaptive messaging, compliance strategy, and even political positioning at times. One of the takeaways from the interviews is the central role of stability, not as a political necessity, but as a foundation for economic planning. Populist regimes commonly tend to introduce an unstable, high degree of uncertainty. This obscurity comes in various forms, as regulatory changes, uneven enforcement, and spasmodic changes in policies. As the testimony of the Russian businesswoman shows, this may become a threat to survival in business, particularly in countries where populism is blended with authoritarianism and nationalist economic necessities. At the same time, the research captures the polarized views of corporate responsibility that characterized the age of populist resurgence. While some interviewees, particularly those that are still active in executive roles, that seek to absolve multinationals from accusations, blaming institutional bureaucracy and electoral disenchantment, while others, most notably the retired executive, exhibit a more structural explanation, blaming the rise of populism directly on the dislocation induced by globalization, offshoring, and corporate

disengagement from local social environments. Populist rhetoric tendentially blame multinational corporations as the enemies of the people, but it is usually them who, through adjustment, lobbying, or realignment, often succeed in navigating the populist storms. This throws up normative questions of fairness, legitimacy, and the sustainability of such business models, particularly when viewed against the backdrop of democratic resilience over the long term. Ultimately, this work contributes to the growing literature calling for a reframing of political risk during the age of populism. No longer can the classic tools of market prediction, macroeconomic modelling, or legal due diligence suffice. Instead, this paper aims to serve as a call for greater political sensitivity, narrative empathy, and moral positioning. For multinational corporations, this implies moving beyond passive adaptation and toward deliberate, forward-looking engagement, with inclusive labour practices, open governance, and genuine community partnerships. As populism grows, companies need to understand that their role is not solely economic, but increasingly political and social. The issue isn't whether or not companies are impacted by politics, but how they respond, and what world those responses create.

6. Future research suggestions

Future studies and research would benefit from broadening the focus beyond business decision-makers to include citizens who endorse or vote for these populist movements, as well as conducting interviews with political figures, particularly leaders or representatives of populist parties. Understanding the populism-investment relationship requires insight into how populist adherents perceive the role of multinational firms, the global economy, and institutional trust. Their perspectives may help to clear the grievances expressed by populist leaders and assess if business conduct is genuinely perceived as the source of anger or merely a convenient scapegoat. The following researchers are advised to expand the interview sample to increase the geographic diversity and scale, facilitating more profound, region-specific insights into the manifestations of populism across various political, institutional, and cultural contexts. This would facilitate comparisons between industrialized economies and emerging markets, as well as between nations governed by populist regimes and those with more traditional governance, aiding in the assessment of various influences on international business strategies and risk perceptions.

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