Abstract: International Relations scholars increasingly recognize multinational enterprises (MNEs) as relevant actors in world politics. Framed within the narrative of global governance, corporate actors assumingly became global governors, engage more actively in the provision of collective goods today, and hence need to be considered. For a discipline traditionally resting on the dichotomy between public and private, however, studying corporate actors implies certain challenges. By arguing that actor images are expressions of underlying ontological and epistemological assumptions as well as conventional wisdom, the paper focuses on how MNEs have been studied in IR. Reconstructing different corporate actor images advanced in research, it will be shown that MNEs are often portrayed as a homogeneous group of actors. While traditionally considered as driven by rationality, recent research supplements the the notion of corporate profit-seeking by considering the social dimension of corporate action. Ultimately though, despite being constitutive for any normative assessment, actor images and their underlying action-theoretical assumptions are seldom reflected or explicitly discussed within IR and IPE research on MNEs. The interdisciplinary nature of research, the dominant interest in structures of global governance, as well as difficulties assessing corporate documents further challenges MNE research. Based on the review of corporate actor images currently advanced to intellectually grasp the dynamic and complex phenomenon of multinational enterprises and their potentially changing roles in global governance, the paper suggests to a) become aware of the foundational impact of actor images and b) consider developing a broader range of alternative images when researching MNEs in global governance.

Keywords: (IR research on) multinational enterprises, actor images, global governance
1. Introduction

Although historically not new, multinational enterprises (MNEs) have recently received a large amount of attention, both publicly and academically.\(^1\) Due to the fact that these actors continue(d) to grow in numbers and size in a globalized economy, MNEs today indeed have become a subject of public and academic interest as well as scrutiny. Assuming the unwillingness or inability of state actors to provide governance in a globalized world by themselves, scholars and practitioners turned in particular to corporate actors in order to “reconstitute the global public domain” and discuss the potential of corporate contributions to closing instead of exploiting governance gaps (Ruggie 2004). Despite the contentious nature of the issue, we see a consensus emerging around the notion that corporate actors are (or at least should be) no longer limited to their economic responsibilities but rather become involved global governors (Avant et al. 2010). As such, MNEs and their cross-border activities have been established not only as a legitimate but indeed popular research subject in a field formerly defined by its state-centrism and a clear distinction between public and private (Cutler 2003, 2008). In fact, under the themes of global governance and corporate social responsibility (CSR), research on MNEs has found a new intellectual home and is currently not only alive and well but receives significantly more attention than in the past (Barnett/Sikkink 2008).

Given the complex nature of the phenomenon itself, decades of research advanced in different disciplines with different language games and diverging epistemological and ontological foundations, as well as the simple fact that each and everyone of us not only encounters corporate actors in our every-day lives but also holds normative beliefs towards them, it comes as no surprise that the intellectual engagement with MNEs and conclusions on their appropriate role within global governance are highly diverse and feature contradicting conclusions. In this context, the paper takes stock of diverging accounts discussing MNEs as actors in global governance and offers a (deliberately selective) literature review of past and present MNE research in IR. Since dealing with a substantive group of actors and topics of immediate relevance, it will be argued that the discourse on corporate actors in IR is often more empirical than theoretical in its argumentation and

\(^1\) Following Dunning (1971: 16) seminal definition, the article defines a multinational enterprise as “an enterprise which owns or controls producing facilities (i.e., factories, mines, oil, refineries, distribution outlets, offices, etc) in more than one country”. While this definition is widely accepted, various terms exist to identify the phenomenon. I use the term ‘enterprise’ because “all multinationals are enterprises but not all are incorporated” (Eden 1991: 219). The addition of ‘multinational’ is intended to indicate that the operations of these enterprises cross but do not transcend state borders as corporate activities still take place within – albeit multiple – nation states (Wilkins 2005: 45).
conclusion while at the same time advancing certain actor images of business in order to reach its conclusions. Put differently, while the assessment of MNEs and their corporate engagements in global governance – in whatever shape or form they may come – have become popular research objects and a plethora of publications discuss the impact and limits of CSR initiatives, underlying actor images and their assumptions on the nature of MNEs have rarely been explicitly reflected and discussed. As Woll (2008: 21) puts it, “action-theoretical assumptions at the heart of [...] firm-centered studies are less evident”.

However rarely explicated, the paper argues that research on MNEs in global governance and the insights it produces heavily rely on foundational actor images reflecting both conventional wisdom and intellectual shortcuts. Actor images in this context reflect substantive wagers scholars take on the nature of their subject of study as they advance theoretical assumptions about them and their environment to reach empirical conclusions and condense them to “scientific ontologies” then to be used to (implicitly or explicitly) justify the initial theoretical assumptions (Jackson/Nexon 2013). Simply put, underlying assumptions on the nature of MNEs as well as the conclusions one reaches differ whether we think of corporate actors as “empires of profit” (Litvin 2003) or as “norm entrepreneurs” (Flohr et al. 2010). Substantive claims about the nature, motivations, and behavior of MNEs in this context are derived from respective actor images and their essentializations as well as conceptually reproduce their validity prior to and to some extent independent of empirical engagements. As such, their importance for research lies in their foundational nature while they run the risk of turning arguments into tautological inferences. All in all, despite their tautological nature, actor images are indispensable when intellectually engaging with MNEs as they provide necessary theory-of-action assumptions and overall the foundational ontology needed to make empirical claims and assess their validity (Jackson 2011: 41). However, due to the empirical nature of the debate, they are not the subject of debate for the most part.\footnote{Shapiro (2004) elaborates the indispensable nature of theoretical assumptions as well as their plurality by concluding that not only all observation is theory-laden but also that multiple descriptions of the same subject can be valid as long as each of them is derived from within their own logic.}

Consequentially, due to the complexities and ambiguities surrounding corporate actors, their cross-border activities, and their recent attempts to not only consider economic but also social and political responsibilities, accounts of MNEs relying on a particular actor image without reflecting this reliance runs the danger of limiting themselves and ultimately misconstruing the phenomenon under consideration. Just as the political practice
of integrating MNEs in global governance is “still at the beginning of an era of experimentation in governance mechanisms at all levels” (Haufler 2003: 252), so are its academic reflections in IR and beyond, at least in terms of reflecting foundational actor assumptions on the nature of MNEs. Considering reflexivity of underlying assumptions as well as plurality of different ontological foundations within a discourse as indicators of maturing research, the paper reconstructs how research on MNEs has been conducted in IR and which actor images have predominantly been used in this endeavor. With this said, the review on MNE research in IR provided in this paper is argumentatively charged and in this sense deliberately selective. Based on the accounts considered, I argue that a certain awareness of assumptions advanced on the nature of corporate actors as well as conceptual openness to consider alternative claims potentially helps to further develop our understanding of corporate actors in global governance. In other words, allowing different stories derived from different actor images to compete within a self-aware and pluralistic discourse with competing images conceptualizing MNEs as “instrumentalist advantage-maximizing institutions” as well as “as complex organizations which exceed their goals and functions, but in non-utilitarian ways” (Palan 2000: 15) promises to overcome some of the challenges involved in studying MNEs and overall contributes to a more advanced discourse.

In order to reconstruct past actor images as well as those currently in use, the paper is structured as follows. In a first step, actor images and their constituting impact for any research are discussed in conceptual terms. This section will further expand on the notion of foundational ontologies necessary to engage in research and discusses how actor images as collectively shared shortcuts in this context provide foundations for empirical claims. At the same time, the tautological nature of these assumptions is discussed in more detail. Focusing on how MNEs were discovered as a research object, chapter 3 then discusses early contributions on MNEs in the 1960s and 1970s, while chapter 4 reconstructs current corporate actor images in IR. Based on these past and present actor images in IR research on MNEs, challenges ahead and promising avenues for further maturing the discourse on MNEs are discussed. Finally, the conclusion summarizes the findings and restates the importance of implicit, yet foundational corporate actor images since these not only determine research questions but also the answers we advance within our conclusions. Overall, reflecting upon different actor images, it is argued, hopefully provides space for new research questions as well as the development of answers beyond conventional wisdom in order to better capture as many facets of corporate realities and ambiguities in global governance as possible.
In line with its subject of interest, the discipline of International Relations traditionally discussed and concluded questions of agency in substantive ways (Wolfers 1959; Maull 1995). As such, in order to advance its empirical claims, each ‘grand theory’ in the canon not only championed a specific group of actors but also entailed strong assumptions about their nature, motivations, and behavior. Whether it is states rationally competing for power (Waltz 1979), institutions allowing states to cooperate in stable ways (Keohane 1988), risk-averse individuals exercising political influence (Moravcsik 1997) or states (again) constructing their own anarchy of friends or enemies (Wendt 1992), each seminal account of world politics stated (a) which actors are relevant, (b) what motivates them, and (c) what kind of behavior we should expect. This substantive take on agency allowed IR theories to not only establish their research subjects but also implied consequences for how one conceptualized world politics. In fact, one can argue that their seminal status of ‘grand theories’ originates from the fact that they each provided a comprehensive and clear actor image in the first place, constituting an inner logic of arguments flowing from it that not only allowed empirical research but also provided conditions under which certain claims could be ‘proven’ and others attacked (Lake 2011).

Assumptions concerning the dispositions and motivations of actors – whether it is states or MNEs – however are not substantive but rather the result of certain ontological commitments and wagers (Jackson 2011: 41f). Put differently, assumptions on the nature of an actor cannot logically be derived from said actor but rather, due to the indirect, second-hand nature of experiencing world politics, constitute the actor in the first place. Studying the rational behavior of states, for example, is based on the essentialization of state rationality in the first place. This tautological role of actor images in any research ultimately leads to reifying those actor assumptions. Initially advanced as heuristic tools to gauge the actor at hand, empirical investigation directed by these assumptions proves them and thereby restate their validity for further research (Meyer/Jepperson 2000).

While problematic due to their tautological nature, research by definition relies on these actor images no matter “whether or not [researchers and social theorists] are aware [that] their assumptions and the related conceptualization greatly affect their conclusions, interpretations, modes of explanations, procedures, and sometimes surely their choice of what phenomena to study” (Strauss 1993: 14). While not reflected, such ontological

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3 As such, Waltz (1979) impressively showed how far one can get with certain assumptions but never bothered to justify them in the first place.
commitments in terms of actor dispositions and motivations are still foundational to any research, which ultimately is only comprehensible because of its a priori claims:

“Ontological commitments, whether philosophical or scientific, logically precede substantive claims, and serve as the often-unacknowledged basis on which empirical claims are founded. In this sense, ontological commitments are ‘foundational’ – not in the sense that they provide unshakable grounds that universally guarantee the validity of claims that are founded on them, but ‘foundational’ in the sense that they provide the conditions of intelligibility for those claims.” (Jackson 2011: 41)

Given these preliminary remarks, the paper understands actor images as the condensed expression of substantive commitments which taken together have serious consequences for the research to be advanced since the entail ontological claims upon which empirical insights are reached. Not only do these images determine who we consider as relevant, they also provide guidance on how to conceptualize agency and thereby advance explanations for the behavior of said actors. As such, these images lie at the heart of any research conducted in social science which engages in abstraction and theorization (Joas 1996). While necessary in order to make empirical claims, these images at the same time are constitutive of the claims we make. As such, implying a certain actor image is consequential and far-reaching simply because it connects complex action-theoretical concepts such as interests, preferences, and identities in particular ways. These linkages not only provide justification for one’s own claims. At the same time, they disregard other conceptualizations of the subject at hand and its actions (Strauss 1993: 12ff). From this and their foundational nature for research follows not only the importance of these actor images but also their inherent danger of reaching tautological inferences as in ‘what we saw empirically is what we assumed theoretically’ (Shapiro 2004).

In this context and equally important, actor images also reflect epistemological believes and as such carry methodological implications. Ultimately, as argued above, the different wagers one takes in the process of research relate to each other and creates certain critical junctures which eliminate certain options in the later process (Jackson 2011). The notion of rational action for example rests in a Descartian epistemology, linking the idea of reason to the individual actor who is able to logically choose a course of action depending on his or her preferences. Whether or not one considers actors in this context to be motivated by rational interests and their action as teleologically explainable, influences how one studies these actors and at least narrows down the horizon of methods one can advance in their research (Joas 1996: 34-44). Again, the intellectual shortcut of evoking a particular actor

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4 Rational formal models in this context for example not only represent how we conceptualize actors but also how we should study them as well as the standards of evaluating their own heuristic usefulness (Barkin 2015). In terms of epistemological commitments, they represent a firm belief in a mind-world
image is both part of the question and the answer in our research as the consequences of favoring one actor image over another resonate through all steps of our research designs (Shapiro 2004).

Taken together, actor images provide the rationale to engage with certain actors in certain ways, the tools to conduct this research, and at least influences if not determines the insight said research concludes on (Hirschman 1970b). Closely interwoven, three dimensions – the substantive, the ontological, and the epistemological – and their convergence in certain actor images can be reconstructed. The importance to reconstruct them lies in the fact that, as socially shared and popular conventional wisdom, their assumptive nature is no longer discussed or reflected. No longer justified or logically argued for, these actor images become reified within research traditions and as ‘scientific ontologies’ proven in prior research are taken for granted to legitimize further research although they were initially based on assumptions worthy of discussion. In other words, implying a “world of meaning” to the initiated, actor images become intellectual shortcuts necessary to advance research but also liberates the scholar of the burden of proof or need to logically derive them as one can refer to the very paradigm that constituted the actor image in the first place. Despite (or maybe precisely because of) their foundational and constitutive nature within research – e.g. what questions can legitimately be asked and how answers can be developed – as well as the fact that they are tautologically derived and as such determine conclusions, specific actor images are rarely reflected upon and thus not recognized in their relevance for a particular field of research (Lake 2011: 467f).

In a nutshell, actor images tell us not only which actors are to be given analytical priority but also how and why these actors act as well as how the researcher should study them in order to produce valid knowledge claims on these actors (Jackson 2011). Moreover, one can reconstruct these images in their tautological impact on conclusions despite the fact that they are rarely explicitly stated. In fact, since much “writing and research” is conducted “without resorting or referring to any theory of action” (Strauss 1993: 48), recourse to certain actor images should be explicated as this not only reveals underlying commitments but also explains why certain conclusions are reached. Before current IR research on MNEs and its dominant actor images are reconstructed, the next section outlines how MNEs were invented as a research object and then entered the discipline of International Relations. As will be shown, the rational for discussing early dualism. These commitments ‘cash out’ in ontological implications as one conceptualizes actor’s dispositions to rest within the individual actor and not in his or her social context (Jackson 2011: 43ff).
research on MNEs lies in the fact that certain actor assumptions advanced in these initial contributions have become reified over time and continue to influence current research.

3. Discovering the multinational enterprise: early IR research on MNEs from 1960 to the early 1990s

Despite the fact that enterprises had operated across borders for a fairly long time (Wilkins 2005), both the term and the academic reflection on multinational enterprises in particular originates in the late 1950s and early 1960s (Sally 1995: 2). Focusing on individual enterprises operating in more than one country, David Lilienthal defined MNEs as those enterprises “which have their home in one country but which operate and live under the laws and customs of other countries” (Lilienthal 1960: 119) and thereby ‘discovered’ multinational enterprises as a new subject of study. Published in the same year, Stephen Hymer (1960) dissertation entitled “The International Operations of National Firms” marked the second initial work on MNEs. In both contributions, explanatory focus was for the first time placed on individual enterprises instead on aggregated foreign direct investments and macro-economic consequences thereof. Especially Hymer’s work became the “first attempt to systematically explain the activities of firms outside their national boundaries” (Dunning 2001: 37). Together with Lilienthal’s definition, MNE research was ready to become a thriving intellectual field of study:

“Endowed with a collective name and with an apparently universal rationale, the MNC was now ready for intellectual take-off.”(Fieldhouse 1986: 17)

Having ‘discovered’ a phenomenon which at that time had already gained momentum in terms of real-world developments, the 1960s were marked by a certain academic enthusiasm about MNEs. Almost as if in order to compensate for the late beginning, the decade witnessed an “enormous amount written by economists and other social scientists about multinationals” (Hertner/Jones 1986: 1). It is interesting to note that this initial research was not conducted in departments and publication outlets later to be associated with Political Science in general or International Relations in particular. Given the pres-
ence of economists among those who first published on MNEs, underlying actor images were firmly grounded in what Milton Friedman (1953) labeled as “Positive Economics”. In fact, the discovery of MNEs and the ensuing intellectual engagement with them became closely intertwined with the intention to establish economics as an “objective” science, in precisely the same sense as any of the physical sciences” (Friedman 1953: 4). Consequently, abstraction, quantification, and the development and testing of formal models and hypotheses were deemed to be scientifically superior to qualitative research which was ultimately assumed to be motivated by normative values. ‘Solid research’ on MNEs in the early years thus equated to developing generalized theories, models and hypotheses which could be tested against empirical facts out there. Once elaborated, these models were considered to correspond with reality and therefore allowed predictions of future developments. While this logic was extended to all economic issues, especially the phenomenon of multinational business activities were to be analyzed by using “abstracted, reductionistic, [and] static paradigms” (Toyne/Nigh 1997: 9).

In terms of foundational actor images, these early contributions on MNEs all firmly rested on the assumptions of Positive Economics without explicitly reflecting or questioning this. Advancing the same commitments to evaluate the quality of contributions, early research on MNEs was judged based on its parsimony, rating those models and theories best which aimed to explain the phenomenon “in the simplest possible way” (Buckley/Casson 2003: 220). Thus, MNEs were commonly perceived and conceptualized as a “uniform phenomenon” while observable differences and differentiations concerning corporate activity were not discussed (Fieldhouse 1986: 23f). Despite being aware of the problem that “all generalizations on the subject of corporate behavior represent a heroic simplification of reality” (Vernon 1971: 114), consensus on how companies act emerged among economists and MNE researchers. Based in the belief of the superiority of natural sciences and its potential application to social phenomena, these assumptions solidified themselves into unquestionable corporate actor images despite the fact that they already then failed to capture the realities and ambiguities of enterprises operating across borders:

“In contrast to the business reality of the 1980s and 1990s, the reality of the 1950s, 1960s, and even the 1970s, could be represented as simple, straight forward and stable, and conceptualized using Newtonian principles (unidirectional cause-effect, atomistic phenomena.)”(Toyne/Nigh 1997: 7)

Given that IR experienced the same trend of scientification at around the same time – one “actual result of the debates [between traditionalists and scientists and the ensuing victory of the latter] was to link ‘science’ with quantification, formal models, and general propositions” (Jackson 2011: 6) – it should come as no surprise that IR was eager to adapt
both tools as well as quality standards derived from economists as they began to intellectually engage with MNEs (Hirschman 1970a).\footnote{Hirschman (1970a: 19) goes on to explain this practice by IR’s “inferiority complex vis-à-vis the tool-rich economist is equaled only by that of the economist vis-à-vis the physicist”.} Adding the fact that economics discovered MNEs roughly a decade earlier than IR did and the notorious “concept picking”-identity of a substantive discipline dominated by “the practices of a magpie, a bird always in pursuit of the most shining tools [...] it finds in other habitats regardless of their actual value within their original habitat” (Wiener 2006: 21), IR research on MNEs in terms of its ontological and epistemological commitments was set on a clear track when it finally emerged in the 1970s.\footnote{The fact that MNEs did not catch the attention of IR scholars as early as those in other disciplines was lamented on by Strange (1993: 101) who raised the question why it took “so long for the study of international relations to embrace and incorporate big business into the analysis of the international system”. Potential answers to this probably resolve around (a) the fact that the discipline and its theorization of world politics overall at this point in time was still in its the incipient stages as well as (b) the discipline’s heavy reliance in its early stages on “states-as-the-sole-actors’ approach” (Wolfers 1959: 83). As was discussed above, beyond substantive differences and delineations, all so-called canonical IR theories still considered the state to be of crucial importance to their explanations of international politics (Waltz 1979: 95ff; Keohane 1988: 380ff; Wendt 1992: 424; Moravcsik 1997: 518) and thereby “relegated [research on MNEs and transnational actors in general] to the sidelines of theorizing on either side of the Atlantic” (Risse 2002: 257).}

Among the first to publish on MNEs in IR were Galloway (1970), Modelski (1972), Morse (1973), Wells (1973), Nye (1974), and Gilpin (1975), who focused on corporate influence on world politics as well as the relation between states and MNEs. Much of that research was framed in and related to the discussion on transnationalism initiated by Keohane/Nye (1973) at around the same time. However, while this “particular research agenda did not prosper in the short term”, scholars still in particular gave “increased attention to transnational corporations in world politics” (Barnett/Sikkink 2008: 71). Originating in a “critical economy attacking transnational economic relations in general and the role of multinational corporations in particular” (Risse 2002: 258), analytical focus of early MNE research in IR was placed on macroeconomic consequences of their activities. As such, instead of being conceptualized as individual actors, MNEs were considered as a “structural force” (Deitelhoff/Wolf 2010: 5f). At the same time, since the constructivist criticism on rationalism and positivism had not yet hit mainstream IR, MNEs were conceptualized as rational actors advancing fixed interests and maximizing those strategically. In a nutshell, early IR research advanced a “view of the firm as a coherent and identifiable actor in world politics [which had] many parallels with the neorealist view of the state as atomised, unitary and essentially rational” (Amoore 2000: 7).
In line with research on MNEs originating in economics, a rather heterogeneous actor group was reduced to clear and absolute interests as the development of simple and generalizable models of corporate behavior were considered to be the silver bullet to produce knowledge (Ruggie 2004: 502f).

However, despite the common conceptual frame, early MNE research in IR ironically did not agree on how to evaluate corporate influence. While Wells (1973: 97) emphasized the relevance of private business actors in general, Nye (1974: 153) considered MNEs to be influential only through international organizations such as the UN General Assembly, the ILO, and the OECD. Gilpin (1975) on the other hand disagreed with both and instead described MNEs as instruments of US foreign policy to maintain its hegemony. While this is not the place to settle this debate, the disagreement between these authors indicates that MNE research in IR had from its very beginning an instrumental function, namely to vindicate one’s own canonical theory: while Nye (1974: 154ff) understood MNEs as an expression of an increasing interdependence between state actors and thus argued in favor of a liberal-institutionalist theory, Gilpin (1975) among others represents the “counter-attack of realism” (Risse 2002: 258) questioning such assumptions. All in all, one can conclude that early contributions were motivated to prove one’s own theoretical standpoint rather than to steep into the complexity of corporate activities across borders. Due to the strong influence of positivist ideals within IR, MNEs were considered to be just another way to falsify (or, as it happened to be in most cases, verify) one’s own hypotheses in order to “vindicat[e one’s] pet approach” as Shapiro (2004: 19) bluntly puts it. In terms of actor images, early research on MNEs not only completely lacked any conceptual debate on what constitutes MNEs as MNEs and thus failed to develop alternative actor images. More importantly it reified dominant corporate actor images imported from economics which, for the most part, were not carefully developed by treating MNEs as a phenomenon sui generis. The next section will outline how this early research influences IR’s current engagement with MNEs and its dominant actor images.

4. Between “empires of profit” and “norm-entrepreneurs” – MNEs and their current actor images in IR

Having argued that MNEs entered IR as a research object in the 1970s carrying with them specific understandings of science imported from economics as well as replicating the then prevailing theory debates, this section focuses in detail on current actor images in IR research on MNEs. Despite Eden’s call to “bring the firm back in” and focus
on individual enterprises, current research on MNEs for the most part is related to and framed within the structural notion of global governance. Given the notion’s emphasis on the role of non-state actors in world politics and its rise to intellectual prominence in IR (Hofferberth 2015), the strong connection between global governance and MNE research comes as no surprise. In fact, as Ruggie (2004: 501) argued, “it was but a short analytical step to conclude that [MNEs] had come to play a role in global governance”. Within this discussion, MNEs are featured as showcase examples of how the provision of governance in a globalized world has changed and no longer only features states (Wolf 2008; Kobrin 2008). According to this narrative, MNEs today are much more involved in the provision of collective goods and the distinction between private and public becomes increasingly blurred. Whether through self-regulatory initiatives or in multi-stakeholder partnerships, MNEs are no longer confined to economic responsibilities but play (or at least should play) a more engaged role in and vis-à-vis society (Holzer 2010; Scherer/Palazzo 2006).

Given the notion’s focus on order and governance, MNEs are for the most part discussed in their interaction with state and other private actors and assessed in terms of their public good contributions. While this restated the importance of considering MNEs as relevant actors in world politics and reestablished them as prominent research subjects, focus on the design of governance arrangements, on corporate compliance, and on corporate provisions of public goods also limits research on MNEs. As Whelan (2012: 709) recently put it, MNE research in IR “has been hamstrung” in its development despite being otherwise “notable for both its conceptual novelty and practical importance”. For the most part, MNEs are only considered to the extent that they participate in governance arrangements but are less often featured as actors in their own right (Deitelhoff/Wolf 2010). Corporate involvement in global governance is discussed in detail yet we only have a limited understanding what constitutes these actors and their agency in the first place and how they sustain their agency in light of changing expectations. To paraphrase Woll (2010: 138), MNEs are “used to do the explaining; they are not what needs to be explained”.

“What all these approaches share in common” Sally (1995: 2) critically points out is that they mark “at worst a disregard, and at best a glaring underemphasis, of the individual firm”. Moreover, in terms of actor images, the structural focus of global governance tends to further reify existing corporate actor images since it simply does not reflect the
underlying assumptions constituting these images in the first place. In this vein, MNEs are assumed to follow a different dominant logic and legitimizing rationality than other actors (Harrod 2006). This distinction rests on and reproduces the ubiquitous and determining influence the profit motive has on MNEs and their behavior (Amoore 2000: 184-85). Despite being a legal entity in the first place and serving different purposes in the past (Cutler 2008: 192-94), this economic motive is often used to define MNEs as actors: While MNEs “are primarily motivated by instrumental goals”, NGOs and other civil society groups “are primarily motivated by promoting a perceived ‘common good’” (Risse 2002: 256).10 Among others, the following two recent contributions illustrate this practice of reifying MNEs through the profit motive:

“Profit-maximising behavior, and the interests of shareholders, mandates that firms avoid competitive disadvantage vis-à-vis their competitors. No amount of good will or leadership can change this logic.”(Auld 2008: 426)

“Unlike states, and civil society actors, firms are not committed to the public good but the pursuit of private interests. Their business is to maximize profits, not social welfare.”(Börzel 2013: 5)

While it is not the intention of the paper to question the overall constitutive effect profit has on private business, one should note that placing the assumption of the profit motive at the very core of one’s corporate actor image and using it to define MNEs can be considered as problematic, specifically when researching corporate motives why MNEs contribute to global governance. For one, its precise meaning and, more importantly, its implication for corporate actions remains contested and undertheorized (Brown et al. 2010). While the strive for profit clearly reflects a sedimented and hence very stable social routine for MNEs, it appears of limited value when encountering novel situations and experiencing crises. In such situations, profit-maximisation only marks a viable yet abstract and therefore ultimately unassertive aspect of what it means to be an enterprise and how to act as such. In the end, the notion of profit remains “only loosely defined at any given moment and is constantly being redefined” (Sabel/Zeitlin 1997: 15). Despite marking the ‘default option’ for corporate behavior, it does not translate into specific action and must be actualized and given meaning through corporate agency in any given situation as it remains but one business interest among many (Woll 2008: 20-39).

In terms of further actor assumptions, the profit motive is conventionally supplemented by the notion of corporate rationality. As such, a heterogeneous group of diverse actors

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10 Note that Risse already qualifies his distinction by using the word “primarily”. He adds that “it is useful to think of this distinction as a continuum rather than sharply divided classes of actors” (Risse 2002: 256).
is not only conceptually essentialized in their meanings (i.e. profit) but also rationalized in their mode of action (Palan 2000: 6-8). In other words, large parts of IR research on MNEs take for granted that corporate actors not only know precisely what profit is but also assumes that these actors know how to realize it despite the fact that this might sometimes “entail juggling apples and oranges” (Kobrin 2008: 269). As Haufier (2010: 106) puts it, “[c]orporations are often theorized in a simple way: they are the ultimate rational actors, driven by profits alone”. Taken together, the two-fold foundation of corporate actor images – profit drivenness and corporate rationality – originates in the rather old-fashioned and crude account of business actors provided by Milton Friedman which deliberately essentializes an “as if”-logic in order to be able to predict corporate action:

“[U]nder a wide range of circumstances, individual firms behave as if the were seeking rationally to maximise their expected returns [...] and had full knowledge of the data needed to succeed in this attempt;”(Friedman 1953: 21)

It is precisely this “as if”-actor image that is conjured when Korten (1995) describes MNEs as “invisible empires” and Litvin (2003) picks up on that to present MNEs as “profits of empire”. While these two contributions are targeted at a larger audience and to some extent argue in popular scientific ways, the same actor images of MNEs resonate within other contributions which view MNEs as rational actors able to advance “straightforward cost-benefit analysis”, permanently being self-aware of their interests, and having the necessary information how to realize them (Cutler 2008: 197). As “apriori and asocial egoists” (Fierke 2007: 171), MNEs are imagined to rationally exploit every governance gaps that is available to them as well as being able to consider social and reputational considerations. Revealing the tautological nature of the actor images at play, corporate governance contributions are either viewed as ‘cheap talk’ and ‘public relation ploys’ or integrated into a rational logic of profit-maximization by defining corporate reputation as an asset (Hofferberth et al. 2011). As such, the tautology lies in the fact that no matter what corporate actions we observe, we assume them to be rational due to the rational nature of MNEs – “[i]n retrospect, it is always possible to reconstruct the economic rationality that firms were apparently pursuing” (Woll 2008: 4). Put differently, corporate

11 Writing almost 20 years later, but still drawing from the same “as if”-logic, Raymond Vernon emphasized the same behavioral assumption towards MNEs. However, at the same time, he forecasted likely criticism from disciplines less focused on simplifying reality: “Economists, as a rule, have no trouble with [...] abstractions; the idea of the firm, singlemindedly devoted to maximising profits, fits neatly into the framework of economic theory. Practically everyone else, however, will recognize that an institution as complex and diverse as a multinational enterprise cannot be said to have a clear, unambiguous will.” (Vernon 1971: 6)
rationality is a priori assumed and then post hoc reported. Instead of being identified in research, rationality and the notion that an unambiguous notion of profit drives MNEs are derived from specific actor images and their ‘substantive wagers’, implying that changes in corporate behavior only indicate different strategies but not different interests or overall roles vis-à-vis society (Amoore 2000: 184-85).

Advancing the rational actor image of MNEs in such a tautological fashion, critically discussed by Zeitlin as “hyper-rationality” (Zeitlin 2007), does suffice neither for an enterprise to purposely choose between different alternatives and act in light of uncertain and indeterminate economic situations nor for the social scientist to explain such action (Beckert 2003: 782-83). Consequentially, it has for a long time been criticized in various ways and disciplines and recently, within the IR discourse, emerged in alternative actor images which, for lack of a better label, reflect non-rational, more constructivist approaches (Kollman 2008).12 Sharing an interest in the changing dynamics of the normative environment of MNEs and collectively questioning the “myopic view of business actors as simple profit seekers” (Kollman 2008: 397), this research emphasizes the social nature of MNEs and their embeddedness in and responsiveness to norms and expectations. Instead of following certain scripts, MNEs in this image rely on “interpretative acts by which actors construct perceptions of rationality intersubjectively in the action process itself” (Beckert 2003: 770). As globalization and global governance pose “very basic questions about the social definition of a corporation” (Kobrin 2008: 267), MNEs today engage “in a range of activities that would have been unthinkable two decades ago” (Haufler 2003: 226). Discussing the emergence of new corporate practices in the fields of human rights, the environment, and labor standards (Cutler 2006) and advancing an alternative narrative developed from a different actor image (Flohr et al. 2010), both the research questions, corporate conceptualizations, and consequentially the conclusions reached differ from conventional, rational MNE research:

“[M]ultinational enterprises are viewed no longer simply as instrumentalist advantage-maximizing institutions, but as complex organizations which exceed their goals and functions, but in non-utilitarian ways. Their language, their scripts, their histories, their technostuctures and artefacts matter; analysis of which reveals them to be trapped in their own evolutionary logic but also constantly at work to renew themselves.”(Palan 2000: 15)

Despite the fact that these contributions complement IR research on MNEs in important ways by adding new perspectives and advancing alternative actor images, it is noteworthy

12 Other non-rational, constructivist MNE research, either self-labeled or otherwise depicted as such, would include, among many others, in chronological order (Conzelmann/Wolf 2007), (Cutler 2008), (Brown et al. 2010), (Flohr et al. 2010), (Gillies 2010), (Hofferberth et al. 2011), (Dashwood 2012), and (Brühl/Hofferberth 2013).
to remember that, compared to constructivist research in IR in general, they have only been rather recently applied to MNEs. As Kollman (2008: 416) argues, “theorists and political scientists in general have been reluctant to apply the idea of socialization [or other constructivist ideas for that matter] to market actors”. The delay in constructivism – otherwise known to be rather open to the idea to claim new intellectual stakes and issues (Hofferberth 2015) – reveals (a) the strong influence rational actor images have in MNE research and (b) show that the ‘burden of proof’ still lies with approaches diverging from notions of corporate rationality and profit. Moreover, while offering new insights, constructivist research on MNEs will run into the same conceptual issues as social constructivism did if its assumptions and posits are not reflected upon, further elaborated, and ultimately justified.\textsuperscript{13} Put differently, alternative actor images of MNEs have not yet been convincingly developed by drawing on social theory and action-theoretical arguments. As explicitly stated by Flohr et al. (2010), previous actor assumptions on MNEs so far have simply been replaced with others (i.e. social responsiveness and the ability to engage in complex learning) to outline to different “explanatory paths”. What remains to be done is to develop corporate actor images that are less demanding in terms of their \emph{a priori} actor assumptions or at least explicitly reflect upon those to justify them.\textsuperscript{13}

Overall, after considering recent research on MNEs in IR, one can conclude that the lack of reflection on foundational actor images has left the discourse limited in two ways. For one, diverging stories of MNEs and their integration into global governance cannot be assessed and compared in their conclusions because there are no shared standards of evaluation. As different contributions rely on different actor images to develop their questions, arguments, and conclusions, MNE are simultaneously described as “rational market actors” and “good corporate citizens” (Flohr et al. 2010: 244f). Not being able to connect to each other by discussing their respective foundational assumptions, both actor images remain unrelated despite implying very different policy recommendations. As such, the discourse on MNEs in global governance has become alienated from politics, leaving a lot of space to figures such as Ruggie and Kell who serve both as scholars and practitioners.\textsuperscript{14} More importantly from an academic’s perspective, both rational as well as non-rational MNE research tends to cluster in-between what Sil (2000: 519) described as the nomothetic and the ideographic ideal-type of social science research. As figure one

\textsuperscript{13} See Sending (2002) for comprehensive a discussion of conceptual issues revolving around the logic of appropriateness. For a more general criticism of social constructivist research and its focus on norms in particular see Hofferberth (2015).

\textsuperscript{14} While Ruggie serves as the \textit{UN Secretary-General’s Special Representative for Business and Human Rights}, Kell is \textit{Executive Director} of the UN Global Compact.
below shows, the full spectrum of potential approaches to MNEs has not been explored.

Figure 1: MNE research in IR, *(adapted from Sil 2000: 519)*

As has been argued before, this current state of a limited breadth of different epistemological and methodological accounts of MNEs at least is partially caused by the lack of reflecting underlying actor images. The affinity to rationalist actor assumptions on the one hand and the fact that constructivist research has not yet embraced alternative, more radical (in terms of methods applied and not in terms of normative values advanced) stances on MNEs on the other hand overall have contributed to a discourse that might be novel and innovative but has not yet fully considered its potential. Reducing complexity for the sake of parsimony, rational contributions on MNEs often advance small-n studies while non-rational contributions have not yet ventured into thick ethnographic descriptions of MNEs in global governance. By considering other challenges ahead, the conclusion will discuss how embracing plurality might help to further mature the discourse and establish MNE research as a strong interdisciplinary field which is consciously aware of the
actor images it advances without becoming self-absorbed in abstract, meta-theoretical discussions unrelated to the subject of interest at hand.

5. Conclusions

In his introduction, Cohen (2007: 11) provocatively describes research on MNEs by referring to the tale of blind men coming into contact with an elephant for the first time. Limited in their perception, each of the blind men touches upon a different part and as such only experience a certain sensation of the elephant. Ultimately, all of them confuse the elephant with something else as they conclude that they have touched a pillar (leg), a rope (tail), a wall (belly), or a tree branch (trunk). Due to the complexity and versatility of corporate actors operating in more than one country, he continues, accounts of MNEs are likely to represent limited perceptions such as these of the blind men. Arguing that actor images are the expression of foundational and thus necessary ‘wagers’, the paper looked at how MNEs have been discussed in IR. Despite the foundational character of these wagers, few contributions on MNEs reflect their commitments and thereby unintentionally reify certain actor dispositions, both in order to generate their questions, develop their arguments, and reach their conclusions. Given this lack of reflection, diverging and in fact contradicting accounts of MNEs in global governance – from “empires of profit” to “norm-entrepreneurs” – currently exist and there seems to be little hope to relate them and reach a consensus (Whelan 2012: 730).

Comparing this state of the debate to blind men unable to perceive their subject at hand in total, however, seems to be an exaggeration. Overall, the review of MNE scholarship in IR has shown that it is not blind in a concrete sense as countless publications engage with MNEs and produce important insights. Nevertheless, the analogy reveals some truth as the discourse to some extent remains substantive and empirical in its focus. Implications of different commitments on the “ontology and conceptualization of the corporate form” (Cutler 2008: 195) on the other hand are not as much as reflected as necessary. In other words, multinational enterprises are an even more complicated beast than an elephant and as “the beast is growing and changing and will keep doing so” in the future (Hart 2010: 186), assessments of MNEs and their integration into global governance need to be aware of their underlying commitments and actor assumptions and develop justifications why certain ‘wagers’ are more likely to cash out within certain interests. Greater awareness on actor images in particular can advance the study of MNEs in IR in five ways.

First, a conscious debate on actor images could contribute to connecting different fields
and disciplines which currently each discuss MNEs based on their own dominant images and in their own language games. Whether it is business ethics (Scherer/Palazzo 2006), economic sociology (Beckert 2003), international business studies (Geppert/Dörrenbächer 2014; Kostova/Roth 2008), organization studies (Soule 2012; Kristensen/Zeitlin 2005), geography (O’Neill/Graham-Gibson 1999), or more ordonomic, rational-choice based approaches originating in economics (Pies/Hielscher 2009), scholars from very different backgrounds currently investigate the role of MNEs in world politics and thereby bring different actor images to the subject. While economics are more likely to relate to methodological individualism and corporate rationality, more recent research in IR brought its own discussions on constructivism and non-rational approaches to the table. Discussing these actor assumptions and their substantive wagers holds the potential to connect different discourses and conceptually relate them in order to discuss whether they help advance our understanding or not. It is very unlikely that such dialogue ultimately produces a single account of corporate agency (nor should it) but it would nevertheless reveal differences and similarities and help advance MNE scholarship.

Second, discussing underlying actor images could in particular advance IR’s debate on MNEs in global governance as it would reveal both its structural and its functional bias. Overall, we tend to think of global governance in structural rather than agential terms. As argued in this paper, the lack of a debate on agency and actor assumptions in this context is telling. Instead of engaging with agency in theoretical terms, we tend to exogenises processes which constitute actors in their agency and assume them to be unified, bounded, and self-directed entities Finnemore (2014: 221-24). Being predominantly viewed as “structural force”, MNEs only recently “received attention within academic debates in international relations – at least as an actor in its own right” (Deitelhoff/Wolf 2010: 5). In addition, studying MNEs is oftentimes based in the notion that governance is most efficient when all stakeholders involved deliberate and cooperate (Börzel/Risse 2010: 126-28). Buying into this functional logic, parts of IR research on MNEs assumes that corporate integration in governance arrangements, given their resources and organizational advantages, is a necessary and logical consequence of globalization and thus appears to be normatively biased towards the integration of MNEs or at least possibly too optimistic in its conclusions about the role of business and the potential of ‘moralizing the corporation’ (Holzer 2010; Ruggie 2004). Explicating the assumptions one needs to make in order to reach such conclusions would again help relate them to other positions and might overall even improve the discourse on global governance.15

15 Whelan (2012: 715-16) elaborates this criticism by pointing out that the current integration of MNEs
Third, relating to this, the reconstruction of dominant actor images has shown that the intellectual engagement with MNEs, whether it is rational or non-rational, relies on a rather clear distinction between ‘private’ and ‘public’ which currently becomes blurred and no longer suffices to define MNEs (Wolf 2008). As Harrod (2006: 32) puts it, “past theories of [corporate] behavior, theories offering predictions and prescriptions, […] have limited value in helping, understanding, or dealing with this new situation [and] have impeded the development of a more accurate perception of the corporation”. To account for the potential changes of the corporate role that Harrod is indicating, IR scholarship needs to “shift from structure to agency within research on private business” (Deitelhoff/Wolf 2010: 5). Such a shift can only be achieved by engaging with the assumptions we make when we conceptualize MNEs as actors in world politics. In other words, a dynamic subject such as MNEs and their integration in global governance cannot be studied relying on a static distinction between public and private, no matter how foundational this assumption might have been for the discipline in the past. Explicating assumptions on the nature of actors involved in our conceptualizations of world politics help to avoid conclusions which are based on the notion that private actors act on private interests and as such are unable to perform public roles (Barnett/Sikkink 2008).

Fourth, IR recently began to open the notorious black box and consider managerial dynamics behind decisions to engage in global governance. Obviously, it is not the enterprise itself who acts but individuals like CEOs and operational managers (Thauer 2014). However, important as it is, engaging with MNEs on different levels of analysis alone does not substitute an action-theoretical debate on actor images. Rather, on each of the different levels, we can apply and advance very different actor images such as the rational profiteer vs. the philanthropic entrepreneur. Picking up on the momentum to engage with MNEs on different levels and thereby adding complexity and reducing parsimony to our explanations, further reflection as to what kind of assumption one advances and how far they take one could help the discourse understand corporate strategies and behavior, whether they originate in collective or individual action (Prakash 2002).

Fifth and finally, while “[t]he unitary rational actor theory” and its “monopoly on the political theory of the firm” may have recently been questioned (Hart 2010: 178), discussing actor assumptions might help to further level the playing field between rational and non-rational approaches in IR (Palan 2000). As far as “[c]omplexity and novelty are endemic features of modern, dynamic economies that create genuine uncertainty in into global governance represents only one form and not a logical consequence of globalization.
economic action”, it appears to be too demanding on MNEs and their actor dispositions to be able to identify and select “optimizing strategies” in situations which do not possess “the characteristics presupposed by an action theory that is based on the identification of the causal relationship between the application of means (strategies) and outcomes” (Beckert 2003: 770). However, complacently questioning rationalist accounts by simply referring to the constructed nature of MNEs and their rationality cannot be an end in and of itself since this practice would simply replace wagers of one kind with those of another. Rather, constructivist and other approaches recently engaging with MNEs should realize their full potential by discussing their actor assumptions and thereby more holistically outline how and where they differ from conventional approaches. Should they do so and succeed to develop convincing claims, there is potential for new and complementing language games to (re-)conceptualize MNEs as social actors constituted in multi-level interaction processes. Self-aware discussions of corporate actor images thus could lead to new and important questions beyond the familiar ones (Brown et al. 2010). IR research on MNEs for example could consider more explicitly the social expectations held towards MNEs simply because it is important to understand how these expectations influence and shape what it means to be a successful enterprise (Woll 2008).

Taken together, discussing underlying actor images of MNEs would reveal those assumptions that influence our “definition[s] of what it means to be a successful firm” which so strongly influence our argumentations and conclusions (Kollman 2008: 415). It would also allow us to connect our research to those of others without only offering alternative claims and different narratives. The challenge ahead thus is to engage with our foundational assumptions condensed in actor images in order to embrace plurality and make our research more reflective without becoming self-absorbed, losing touch with the subject matter at hand, or entering a stage of ‘anything goes’ in terms of potential conclusions on MNEs in global governance. Instead of considering enterprises as a homogeneous actor group by defining them as either rational and driven by profit or as social and motivated by norms, research should be more reflective of its action-theoretical baggage it brings to the study of MNEs and develop its assumptions in dialogue with the subject itself. Such a reconstructive and agential discussion of enterprises aware of the assumptions it advances might help to understand current developments and thus link research back to real-world events such as the increasing engagement of MNEs in the provision of global public goods and their discursive reproduction of self-proclaimed meanings to justify this (O’Neill/Graham-Gibson 1999: 11ff). In doing so, while we would still be blind in many regards, we would at least not be silent about our assumptions and engage in dialogue to
explore their usefulness as well as their limitations. In the end, scholars surely get a better
impression of an elephant if only they talk to each other and reflect all the assumptions
they advance, implicitly or explicitly.
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