

Offshoring Strategies & Governance of Global Value Chains

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Abstract

This paper aims to analyze the extent to which exercising offshoring options could still continue to be appropriate, given a great deal of renewed talk of economic sovereignty. To answer this question, we first look at the sources of a firm's value creation and the strategic governance of its value chain. Secondly, we examine the key success factors in offshoring strategies and their implications in terms of organization, coordination and control, as well as in terms of how expertise is transferred between partners to cope with an increasingly hostile and uncertain environment.

Keywords: internationalization, offshoring, value chain, coordination and control

1. Introduction

Offshoring is a particular form of internationalization, defined as the transfer of a company's activities, capital and jobs to a new geographical area in order to benefit from competitive advantages (Hervé Boulhol, 2004). It often covers multiple realities: simple relocation, transfer within a region or a country, 'outsourcing' of a business or service, closure of a factory or the transfer of activities to another country. It is often described, or even opposed, by certain company stakeholders and especially by trade unions and public authorities and is associated implicitly with unfair competition between countries.

Based on the work of Bernard and Van Sebreeck (1994), we can identify a certain number of factors from which offshoring originated. Structural factors due to economic globalization along with the development of emerging countries, factors relating to globalization strategies adopted by companies as well as those relating to tax incentive policies, in particular, adopted by countries to attract foreign investors.

The main benefits for a company out of an offshoring strategy are: low labor costs, as well as public aid obtainable in the host country (tax, subsidies, etc.). In exchange, the host country usually benefits from a transfer of technological and/or managerial know-how that can have a knock-on effect in its economy. The aim of this article is to study the relevance of offshoring strategies in the face of talk about economic sovereignty, aimed at relocating supply chains for political reasons. In order to overcome this contradiction between delocalization and relocation issues, we will first examine the strategic levers of value creation and governance within a value chain. Secondly, we will highlight the different forms of value chain relocation and their partnership implications, in an environment of increasing uncertainty and unpredictability.

2. Strategic Governance of a Value Chain

2.1 Strategic Levers of Value Creation: Market, Hierarchy, Network

According to the work of Gereffi and Korzeniewicz (1994), there are several possible strategies for managing a value chain. For a lead firm, the first option is to subcontract the activity out onto the market using competition between suppliers to obtain the best price. This option takes the form of contract negotiation, without the supplier being able to take advantage of its position. When the level of coordination between the supplier and the lead firm is higher, the subcontracting relationship can be transformed into co-contracting. This means that the client firm and the supplier firm are able to conclude a partnership, either because the level of trust is sufficiently high or because the level of interdependence justifies it. A partnership makes it possible to obtain more contractual flexibility and risk distribution than subcontracting to the market, in three situations: the partnership is modular, it is based on a first-tier partner in charge of selecting second-tier suppliers on the market, the roles being interchangeable; the partnership is relational, with power well balanced. It is based on joint design of customer/partner supplier specifications before applying these specifications to select the best subcontractors; the partnership is captive, which means that the client partner is

dependent on the resources or skills held by the partner company. This is justified when the supplier partner has bargaining power over the customer due to the scarcity or not substitutability of the resources it holds. When the level of dependence becomes very high and the nature of the goods is strategic for the client company, it becomes strategically preferable to take the supplier's activity onboard and carry it out in-house thereby holding property rights, so as to manage the activity through its own hierarchy (management structure) - this is known as integration. In the terms of this theoretical framework, it is accepted that each company possesses distinctive skills that cannot be imitated, and rare resources that cannot be transferred, within the confines of a vocation or "trade". As a result, it has a competitive advantage over its competitors in its core, integrated business; other activities are considered secondary and are outsourced to the market or carried out in partnership. More precisely, we can consider, as Williamson (1985) stipulates, that any partnership situation between the market and a hierarchy (management structure) corresponds to a network logic, i.e. a situation of cooperation based on trust between a client and several suppliers, given there is mutual dependence. The figure below summarizes the situations we have examined (see Figure 1).

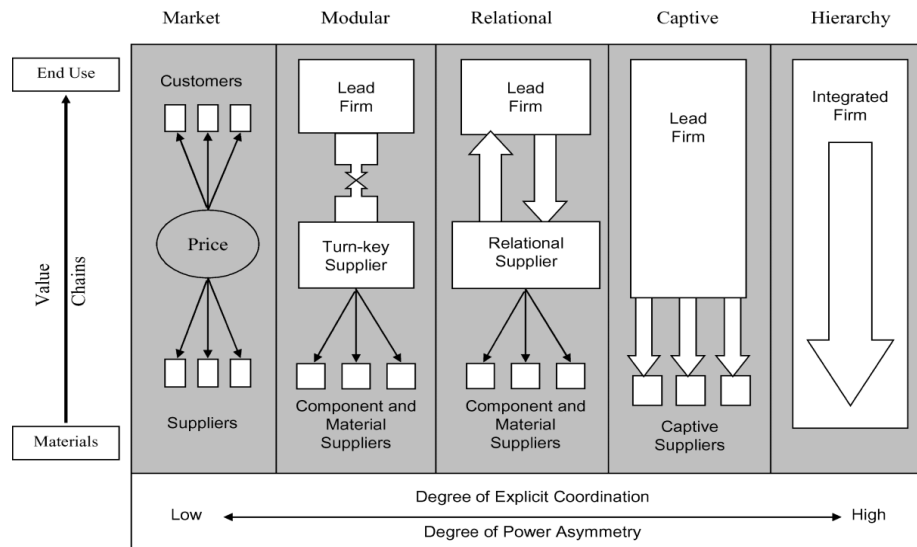


Figure 1. Strategic levers for value creation. Source: Gereffi, G. and Korzeniewicz, M. (1994) *Commodity Chains and Global Capitalism*, Westport, CT: Praeger)

According to Williamson's theory of transaction costs, networks lie somewhere between markets and hierarchy. They are the result of a careful mix, sometimes along a continuum from one to the other, sometimes, as Williamson (1985) himself proposes, they occupy a place between the market model and the hierarchy model, according to a discrete classification that has yet to be established. "Previously, I thought that intermediate type transactions were more difficult to organize and therefore unstable [...] I am now convinced that intermediate type transactions are much more common [...] Paying more attention to transactions of the intermediate type will help to clarify our understanding of complex organizations. If such transactions tend towards the extremes, what are the reasons? If such transactions can be stabilized, what are the governance processes? (Williamson, 1994, p.111).

A network is built up initially through an anonymous market transaction which gradually becomes recurrent and reciprocal, for which a contract of trust then replaces the legal contract as illustrated in the figure below. A firm begins by working with an anonymous subcontractor, entrusting it with the performance of a low-level task with low added value. The subcontractor is chosen for their economic performance. The relationship is repeated over time, until the firm decides to entrust the performance of a higher value-added task to the subcontractor, who then becomes a supplier and has to comply with a specification set. The nature of the transaction changes as the supplier is chosen for their competence. Over time, as results continue to be obtained, the client firm decides to involve the supplier in drawing up the specifications. The supplier then changes status and becomes a partner. They perform as a network co-contractor where mutual aid and trust replace the old formal and legal control mechanisms.

Having completed this theoretical discussion, we can now summarize the three ways of organizing resources and competences for a company (see figure 2):

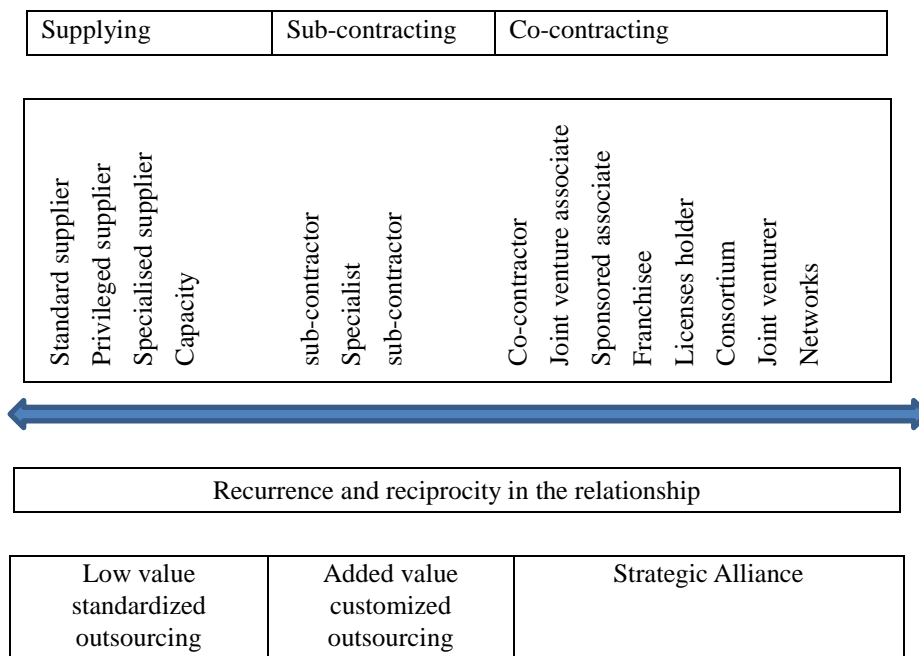


Figure 2. Ways of organizing resources and skills for a company

- (1) Do it: the company decides to do everything itself, incorporating the various links in the value chain into its environment. Mergers and acquisitions contribute to this phenomenon, which leads to a concentration of supply. Inter-organizational relations are then managed according to the hierarchy model.
- (2) Have it done: the company decides to subcontract part of its activities out to the market, negotiating the contract terms, selecting partners according to price criteria, and obtaining information through intermediaries. Inter-organizational relations are then managed according to the market model.
- (3) Do it together: the company decides to collaborate with independent partners to access extra resources. These partners are chosen on the basis of affinity, trust and reciprocity. Co-contracting then replaces integration and subcontracting. Inter-organizational relations are then managed according to the network model.

After assessing transaction costs, a company manager can then arbitrate between the different possibilities i.e. market, hierarchy and network. As a clarification of the conditions for network economic viability, Williamson (1985) puts forward a reasoning taken up by Thorelli (1986), and transposed in our demonstration: either an activity is onboarded by the company (Inhouse Cost = IC), or it is the subject of a transaction with an overall external cost (External Cost = EC) including the cost of a supplier taking over production (TO = cost of supplier taking over) added to the cost of the transaction between the subcontractor and the supplier (Transaction Cost = TC). An activity will be onboarded when $TO + TC > IC$. On the other hand, when TC cost has decreased to such an extent that $TO + TC < IC$, the company will not onboard the activity and will then be more competitive than its competitors. This is a particular situation where it is unprofitable to onboard the activity ($TO + TC < CI$) so to outsource it ($TO < CI$). Finally, there is an intermediate situation, in the case where $TO < CI$, i.e. when the subcontractor is more competitive than the principal, but where transaction costs remain high ($TO + TC > IC$), in this context, it is not profitable to onboard the activity, nor to subcontract it, but to carry it out as a co-contractor with an arrangement of trust that eliminates uncertainty and transaction costs, i.e. in a network strategy (see Figure 3).

	Low transaction costs : Low asymmetric information and opportunism	High transaction costs and higher competitiveness of the supplier	High transaction costs : High asymmetric information and opportunism
IC = internal cost EC = external cost = SC (supplier cost) + TC (transaction cost)	Market SC + TC < IC	Network SC + TC > IC SC < IC	Hierarchy SC + TC > IC
Asset quality - Rare, no substitutes, not transferable, not imitable +			

Figure 3. Arbitrating between strategic options (adapted from Assens 2013)

According to this reasoning based on transaction cost theory, the network, as an intermediary to market and to hierarchy, is economically viable in certain environments: in high-tech industries or in service sectors, where supply is characterized by relatively short life cycles, and demand is for custom-made goods and services (Miles, Snow 1992). In this particular environment, it is imperative to find an organization that facilitates speed of execution and offers the flexibility needed for technological and commercial developments. In this respect, the network solution offers a less expensive solution than the market for sharing experience or learning, without having to resort to hierarchical integration which is too costly for the organization. To summarize, we can focus on business strategies that take into account both the contractual risk and the degree of trust (see figure 4).

		Contract nature and risk	
		low	high
Trust between firms	low	Market Delocalizing and outsourcing in the market (low added value products)	Hierarchy Relocation and hierarchical integration (high added value products)
	high	Network (relocation between partners)	Network (relocation between partners)

Figure 4. Determinants of relocation/offshoring choices

2.2 Value Chain Redeployment and Economic Sovereignty

In strategic choices, subcontracting by firms is often offshored so to take account of the comparative advantages between countries at international level due to macro-economic conditions, weak currency, concentration of skilled or cheap labor, tax advantages offered for investment in the country, etc. Offshoring the value chain increases the risk of supply disruption due to lack of control, or longer lead times due to a larger number of intermediaries. This problem is particularly evident in times of systemic crisis when all countries in the world are in economic downturn. In such circumstances, due to national preference, offshored chains work first and foremost for home country companies, before dealing with orders from abroad. For example, how can a firm based in France manage dependence on production lines delocalized in China?

As we examined earlier in the breakdown of a value chain, there are three solutions: global supply chain diversification by going to the market; production at home in France to gain economic sovereignty; co-production with partner countries in a geographically close-located network.

The first solution is to make use of the market by diversifying Chinese supply sources using other low-cost supplier countries in Asia, Africa, Eastern Europe, etc. This eliminates the country risk and levers market competition so to control costs. Nevertheless, the risk of supply disruption is not totally eliminated, as subcontracting at the lowest cost does not eliminate the moral hazard risk of contract non-compliance. Finally, the large number of suppliers increases the risk of not controlling quality, as most suppliers themselves work in a supply chain where they do not control all the links. To this extent, using a cascade of intermediaries outside China is a means of diversifying supplies and avoiding disruption in China through contract non-compliance. On the other hand, the quality of supplies is likely to deteriorate by extending the intermediary chain, with the risk of errors.

A second solution is to produce locally in the country of origin, looking for economic sovereignty. This is known as a self-sufficiency strategy. Producing in France is always possible, but it entails a high economic cost for products with

low added value, due to French labor costs. For this reason, the choice is traditionally to import low value-added products or services and export high value-added products or services from France. It is always possible to do the opposite, but relocating production to France does not eliminate geopolitical risks. It shifts them to the home country. French industry can be paralyzed by social crises, such as strikes or demonstrations, which do not necessarily affect other countries, such as China, at the same time. Regardless of this possibility, producing low value-added goods in France has unfortunate economic consequences. The rise in prices due to passing on the increase in labor costs reduces the purchasing power of French households for products “made in France”.

Subsidizing low value-added sectors is another solution, with the risk, however, of increasing public debt, which would have the effect of increasing the tax burden, also leading to an unpopular drop in household purchasing power. Under these conditions, to avoid supply disruption, it is probably preferable to build up reserve stocks as a precautionary measure, by continuing to have products manufactured in low-cost geographical areas outside France.

A third solution is to establish privileged partnerships with foreign suppliers who are more competitive than the client company established in France, without fear of supply disruption or quality defects, because of a network "contract of trust". The European Union is the embodiment of a network of partner countries in the industrial sector, as witnessed by the success of Airbus in the aeronautics industry, based on the strengthened cooperation of European companies. In other sectors of activity, such as health, energy or the agri-food industry, this requires the strengthening of cross-dependencies between partner countries' firms, including France, according to the industrial specialty of each and the needs of all. This solution is the only one that can guarantee long-term global economic sovereignty, without having the critical global size of China, the United States or Russia. In other business sectors, networked partnerships must go beyond Europe, for example to guarantee the energy self-sufficiency of a French company such as Orano in the nuclear sector, with exclusive uranium supply agreements in Niger, based on economic and military counterparts, which go beyond the signing of a simple contract.

When based on genuine solidarity, network strategy has the dual advantage of securing supplies while preserving modularity of industrial production infrastructure in the country of origin. In a partner network, it is in fact possible to modulate production, upwards or downwards depending on circumstances, without additional adjustment costs, by securing supplies through a "contract of confidence". On a market, modularity exists due to the flexibility of contracts, but the security of supplies is never guaranteed as reliably as in a network. Finally, when applying a logic of relocation to meet the need for sovereignty through national production, security of supply is guaranteed, but to the detriment of flexibility and modularity, which leads to additional economic adjustment costs.

Figure 5 highlights the three strategic options available to a French company to manage industrial dependence on China. These three options must be combined intelligently. For low value-added activities, competition between different subcontractors from different geographical areas is favored in order to lower prices. For high value-added activities of a strategic nature, relocated national production is essential. For activities with intermediate added value, network partnerships are a good way of controlling costs and avoiding supply disruptions through a contract of trust, by delocalizing and relocating part of the value chain according to partners' skills. Such partnerships are all the more likely to stabilize production chains if they are located in the same geographical area where macroeconomic conditions are stable, such as the Euro zone for example.

Managing dependance on supplies from China		
Outsourcing strategy	Network strategy	Reindustrialization strategy
Diversify supply sources by putting China in competition with low-cost supplier countries.	Establish partnership links with specialized suppliers: > European network (e.g. Airbus in aeronautics) > Networks outside Europe (e.g. partnership between Orano (formerly Areva) and Niger enabling France to import 8,000 tons p.a. of natural uranium to feed its 58 nuclear power stations	Make it ourselves at home (Made in France)
Opportunism and quality control risks		Strategic self-sufficiency Higher industry costs Less flexible option Higher Country risk

Figure 5. Policy responses to the risk of dependence on Chinese supplies (adapted from Assens 2021)

We can put forward the following reasoning based this typology. Business offshoring always presents a greater risk than localization, due to problems of legal arbitration, additional logistic costs and the difficulties of remote control. To this extent, if the level of trust with local suppliers is low, offshoring can take place in two ways.

If the activity is strategic, it can be offshored provided that the company has a local subsidiary and is able to control the activity hierarchically through ownership. If the offshored activity is non-strategic, it can be outsourced from time to time to various subcontractors in the market. When offshoring, for strategic mid-level activities, if the level of trust is high, the firm may partner with offshored suppliers in a network. Within this geographically extended network, each partner responds to demand from the other partners from its country of origin. Mutual dependence avoids unilateral supply disruptions and reduces the country risk in normal economic situations. When the decision is to relocate the activity to gain economic sovereignty and reduce contract risks, two situations are possible. If the level of trust between firms is low, the company subcontracts non-strategic activity on the local market and carries out strategic activity in-house at local level. On the other hand, for activities of an intermediate strategic nature, the company can opt for relocation by calling on local partners in the form of network business cooperation.

3. Forms of Offshoring and Business Organization in an Interdependent Environment

In this section, we will set out the objectives sought with offshoring strategy as well as the characteristics of the sharing mode that this entails, in terms of coordination and control mode and the capacity to create an organizational learning dynamic.

3.1 Offshoring Strategies and Coordination Mechanisms

The term offshoring is often used in the sense of “outsourcing”. For example, Olsen (2006, p6) defines offshoring as “the transfer of activities and processes to external suppliers regardless of supplier location (...) this includes the transfer of activities both within and between countries”. The notion of offshoring thus often refers in the literature to a transfer of production from a home country to a host country (Hertveldt et al., 2005) for reasons that may be economic, social or political (Piretti 2003). Gurstein (2005), in this context, sets out a variety of offshoring configurations, i.e. “Off-Sourcing”, “Near-Shoring”, “Off-Shoring” and “In-Sourcing”. “Off-shoring” takes the form either of a transfer of some of the company's business to another site belonging to it or to another company in the same geographical region. “Near-Shoring”, unlike “Off-Shoring”, takes the form of relocating certain functions to another company located in another country that is geographically close. Finally, “In-Sourcing” describes the situation where a supplier carries out the work of the principal internally, i.e. within the principal's company.

A more refined representation of offshoring is presented by Qu đin (2005), who identifies two structuring dimensions: (1) inhouse versus external and (2) geographical location. According to the author, a company wishing to relocate its activities must first ask itself whether it wants them to be carried out in the same country or abroad. The trade-off between carrying out its activities internally or outside its company only comes later (Farrell et al. 2005). It should be noted that this does not systematically involve the transfer of skills, equipment and employees. The different configurations are presented in the following table (see Figure 6).

	National level	International level
Outsourcing	(II)	(IV)
	Classic outsourcing	Delocalized outsourcing
	Or	Or
	Onshore outsourcing	Offshore outsourcing
Inhouse choice	Or	Or
	Domestic outsourcing	International outsourcing
	(I)	(III)
	Inhouse local choice	Inhouse delocalisation
	Or	Or
	Shared services	Captive offshoring
	Or	Or
	Domestic supply	International insourcing

Figure 6. Typology of offshoring choices (Qu đin (2005), Farrel (2005) and Olsen, (2006))

These different offshoring strategies refer to different organizational configurations characterized by distinct modes of coordination and nature of skill transfers between the parent company and subsidiaries. Based on the work of Perlmutter (1969) and Heenan and Perlmutter (1979), we can identify four main configurations of head office / subsidiary relations, namely the ethnocentric approach, the polycentric approach, the region centric approach and the geocentric approach. The first two approaches refer to centralized and decentralized approaches (Malnight, 1996), and are characterised by the dominance of either global integration forces (for the first model) or local responsiveness (for the second model) (Beddi, 2008). The latter two are in line with the network approach, which aims both to integrate all entities into the organization and to adapt subsidiaries to the specific nature of their local environment.

We illustrate in a table (see Table 1) the different approaches mentioned whilst presenting their specific features.

Table 1. Summary of different approaches to head office-subsidary relationships (adapted from Meier O and Scheir, 2005)

	Centralised model	Decentralised model	Network model	
	ethnocentric	polycentric	region centric	geocentric
Organisational identity	Company with a strong national culture and a strong central authority.	Multidomestic organization around the nationality of the host countries.	Multipolar organization around large homogeneous geographical areas (regional head offices)	Global proximity businesses (head office / subsidiary collaboration)
Management of head office / subsidiary relations	Top-down communication with strong directives from the head office. Formal relations	High degree of autonomy at subsidiary level. Diversity of situations and poor communication between entities. Informal relationships.	Strategic interdependence at regional level with high communication flow between regional head offices and subsidiaries. Complex process of coordination and cooperation in an environment of shared decision- making.	Strategic interdependence on a global level with important communication flows between subsidiaries and at the level of head office / subsidiary relations. Complex process of coordination and cooperation in an environment of shared decision- making.
Location of resources	Located at head office which transmits them to the subsidiaries	Decentralized and self-sufficient at national level	Resources and capacities distributed, specialized and interdependent	Resources and capacities distributed, specialized and interdependent
System evaluation control	Performance and monitoring indicators set by the home country head office. Control of activities by managers and executives of the parent company	Indicators determined locally, according to local needs and particularities. Control of activities by the managers in each country.	Indicators defined regionally by major geographical areas. Monitoring of activities by regional managers.	Indicators globally developed from national and transnational constraints. Control of activities carried out according to the requirements, regardless of national origins.

These different configurations of head office / subsidiary relationships call for specific coordination mechanisms. According to the work of Martinez and Jarillo (1989; 1991), two types of coordination mechanisms appear. While formal mechanisms are centered on centralization and formalization and result in modes of control by result and by behavior, informal mechanisms refer more to lateral relations, informal communication and socialization. Control by behavior can thus take the form of direct personal or impersonal bureaucratic control (Blau and Scott, 1962; Child, 1972, 1973), similar to the standardization of procedures (Mintzberg, 1982). On the other hand, coordination by people favors the presence of expatriates in subsidiaries, thus reinforcing a head-office presence (Boyacigiller, 1990) at local level by disseminating good practices (O'Donnell, 2000). In this context, the development of a corporate culture through the development of lateral relationships based on informal communication can thus be likened to a mode of control through socialization and networks (Harzing and Noorderhaven, 2006b). Following the work of Ouchi (1977; 1979), Martinez and Jarillo (1989; 1991), and Harzing (1999) in particular, we can establish a typology of coordination and control mechanisms (Said and Benmoussa, 2011) including: control by outcome, direct personal control, impersonal bureaucratic control, and control by socialization and networks. Network approaches (region centric and geocentric) are thus characterized by the use of less formal coordination mechanisms (Martinez and Jarillo, 1991; Beddi, 2008) which seem more and more adapted to increasingly complex environments requiring formalized coordination while allowing for initiative and strong local responsiveness, whenever necessary.

3.2 Collaborative Perimeter and the Dynamics of Learning Among Partners

The increasing risks associated with offshoring, particularly in terms of partner opportunism in a globalized environment, can be a source of vulnerability for any company that embarks on inter-organizational skill transfers with

its local partners. A company's competitive advantage is increasingly dependent on its ability to exploit key competences which must be preserved from any threat of appropriation or imitation by its competitors and/or partners. It is therefore necessary to distinguish between the skills that form the basis of the competitive advantage and that must be protected, and the skills whose development is part of an inter-organizational framework and whose vocation is to be shared (Prevot, 2005). The company's ability to determine the nature and strategic interest of its skills therefore appears to be one of the key elements influencing not only the possibility and quality of transfer (taking advantage of opportunities) but guaranteed risk control. The company must therefore be able to determine which competences should be protected, those which form the basis of its competitive advantage and which are characterized by a high degree of causal ambiguity (Dierickx and Cool, 1989), compared to those which can be shared or created in common. The latter usually have a relatively low degree of causal ambiguity and should be easy to imitate by an external player (Chi, 1994). The behavior of the various players within the parent company and subsidiaries can thus contribute more or less to the working relationship with partners. The willingness and ability here to share and learn help define the level of commitment (Lyles, Salk, 1996) but also the possibilities of transfer and learning between partners (Dyer, Nobeoka, 2000). In addition, partners' motivation, absorption and retention capacity have a determining effect on the transfer process (Szulanski, 1996; Foss and Pedersen, 2002; Gupta and Govindarajan, 2000; Minbaeva et al. 2002; Tsai, 2001). Strained or distant relations between partners can therefore hinder transfers or at least harm the quality of dialogue (Marsden, 1999). Considering that transfer, in offshoring strategies, is from head office out to offshoring subsidiaries, it is important to ensure that the tools used are appropriate for the type of competence to be transferred. The quality, variety and compatibility of the tools, systems and managerial practices mobilized therefore appear to be catalysts in the transfer of skills between partners in the same way as the strategic choices of the parent company regarding what it considers to be its distinctive skills and the levers for creating value.

4. Conclusion

In the last thirty years, the current world economy has experienced powerful economic integration through the development of international flows of products and services, capital, and human resources. This has favored the use of internationalization strategies which have emerged as a key growth lever and a decisive source of competitive advantage for companies. The Covid-19 crisis and its health and economic implications have contributed to questioning the relevance of offshoring strategies given the tense geopolitical context associated with the return of talk about economic sovereignty. By going back to the sources of value creation in corporate strategies, we have been able to question the methods for value chain re-deployment in the context of economic sovereignty. We have also been able to specify the most relevant management and value creation methods associated with offshoring strategies.

Traditionally, international offshoring strategies are part of an economic analysis of the company's value chain. Offshoring to subcontractors is preferred when the company wants to benefit from the comparative advantages of each country, due to low labor costs, productivity gains or the chosen international subcontractor's know-how. Offshoring is often used to achieve cost savings by subjecting subcontractors to calls for tender on low value-added products and/or services, where contracting has little impact on the overall value chain. Nevertheless, a global systemic crisis such as Covid-19 shows that no weak link should be neglected, and that a failure to perform on very low value-added business can have a resounding impact on the whole value chain, by paralyzing the activity or by conferring bargaining power on subcontractors through the transfer of resources or skills, to the point where they in turn become global competitors in the whole chain. In view of this and under pressure from public opinion, the public authorities have taken up this subject in order to consider how it could be possible to regain political control of value chains on a global scale, through a policy of industrial relocation, justified by the argument of national sovereignty.

The fragmentation of global value chains as a result of globalization has resulted in the spreading of R&D, production and service operations necessary for manufacturing and marketing end products, among a large number of countries. This makes it all the more important to use coordination and control mechanisms as well as transfer tools capable of preserving company know-how without compromising the learning dynamic among partners.

In strategic international trade-offs, the issue for a company evolves therefore in the following way. It is still necessary to be competitive on the market by reducing costs in the value chain but whilst paying heed to the need to control the various links in the chain for reasons increasingly linked to economic sovereignty. This translates into the need to directly control strategic links in the chain that generate the most value through the distinctive skills inherent in those businesses. It would seem sensible for companies to strengthen their international strategic partnerships in industrial networks (region centric or geocentric) within allied countries, not only to benefit from the support of public authorities but also to secure their value chain in an uncertain and unstable global environment.

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