

IN INTERNATIONAL BUSINESS RESEARCH, RETHINKING INTELLECTUAL PROPERTY LAWS IS ESSENTIAL

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ABSTRACT

The purpose of this article is to give detail explanation of the many challenges that Intellectual property rights (IP) regimes present to multinational corporations from other nations (MNCs). It is based on a thorough examination of the expropriation, entrepreneurship risks, and transaction costs that China's IP system has posed to foreign MNCs in the past, as well as projections of how these risks and costs would alter in the future. Contrary to popular assumption, I think that IP regimes can be classified as either "weak" or "strong." Instead, I demonstrate how complex "international paradoxes" can occur under IP regimes, how they grow, and how they can be justified using a broader framework than previously available. These findings contribute to IB research's reassessment of IP regimes.

Keywords: Intellectual Property, International Business, Multinational Corporations, Entrepreneurship.

PERSPECTIVE

Current international business (IB) literature provides insight into whether intellectual property (IP) systems in developing nations, such as China, will converge with those in developed countries. These are key studies that add to our understanding of the evolution of IP regimes. Existing IB study, on the other hand, ignores significant parts of the subject and fails to adequately investigate the broader argument over when and why IP policies in host markets provide greater or lesser problems to foreign multinational businesses (MNCs) (Long & Wang, 2015).

The IB literature on IP regimes has some important holes. First, IB scholarship frequently categories IP regimes as "strong" or "weak" in Chinese or elsewhere in the world. While useful in its simplicity, this 'one or the other' approach is inherently restrictive, because it does not enable us to evaluate all of the key issues that IP regimes provide to MNCs.

Secondly, IB scholarship frequently adopts various extremely restricted methodologies for judging IP regime "strength" in Chinese and elsewhere, thus limiting our capacity to assess the full spectrum of crucial issues that a host country's IP system poses to multinational corporations. Second, IB scholarship frequently adopts various extremely restricted methodologies for judging IP regime "strength" in Chinese and elsewhere, thus limiting our

capacity to assess the full spectrum of crucial issues that a host country's IP system poses to multinational corporations (Michel & Shaked, 1986).

A further flaw in the IB research is that it does not fully explain why IP systems, such as China's, are constructed in the ways they are, such as why they vary or do not change. IB academics have primarily relied on economic institutions and historical books, as well as the so-called "*culture*" of imitation, to analyse the formation of China's IP regime (Child & Tse, 2001).

Others IB experts have argued that because Chinese is not a liberal democracy, the administration has fewer incentives to guarantee that the country's IP system converges with Western values, and as a result, the nation's IP regime may stay "*weak*" in the future.

While both the economic institution and historical narrative are valuable in and of itself, they do not explain all of the fundamental reasons why China's IP regime is constructed the manner it is or has evolved throughout time. And at least some of the rule - of - law storylines, as well as the copying culture, are worth studying. These narratives also fail to clearly describe how China's expanding IP system is causing substantial challenges for international organisations (Cao, 2014).

Despite the fact that I will be using the term "*IP regime*" to refer to patent in particularly in the following, I will examine measures governing other sorts of IP rights. This approach strives to provide a reasonable level of detail while also reflecting the complexities of IP regimes. Further reason for this finding is that this is not always easy to discern between all firms' estimates of risks and costs associated with particular elements of an IP regime and their overall perceptions of the IP regime (Wrathall & Berrell, 2007).

In different ways, this study adds to the re-conceptualization of IP regimes in IB research. In line with research, I extend on prior IB publications by developing three methods and sub-indicators that analyse the risks and costs which IP regimes impose on foreign MNCs more comprehensively. I further build on past IB articles by going deeper into the intricacy of China's IP regime at various levels of analysis, employing more current, multimodal, and granular information, while working within certain broader parameters.

In terms of theoretical, I believe that IP regimes are often not best conceived of as "*weak*" or "*strong*," contrary to prevalent belief in the IB literature. Instead, I demonstrate how China's intellectual property policy is fraught with "*foreign-friendliness paradoxes*": It can, for instance, do both.

In this way, an IP regime can be "*strong*" in some sectors but "*weak*" in others. Another addition to theory is my opinion that all these paradoxes are characterized by a composite of firm- and state-related aspects, several of which have thus far been overlooked in the IB literature.

I public institutions, international commitments, geo-economics, poly-economics, technical paradigms, and strategy calibration are examples of firm-related elements; state-related elements include I adaptability, capacities and resources, and competitiveness. In terms of leadership implications, I provide some fresh and real insights into China's current and future IP framework, allowing multinational firms to anticipate major IB issues.

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