



Waking from Mao's Dream: Communist Ideological Imprinting and the Internationalization of Entrepreneurial Ventures in China

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Abstract

We theorize how an ideological imprint—ideology formed through past events—serves as an information filter that persistently affects individuals' decision making and how subsequent behaviors of the imprinter—the entity that established the imprint—may alter it. We test our model with a longitudinal dataset of Chinese private entrepreneurs from 1993 to 2012, investigating the influence of a founder's communist ideological imprint, which characterizes foreign capitalism as evil, and subsequent dynamics introduced by the imprinter—the Communist Party-led government of China—on two internationalization strategies that deal with foreign investors and markets: firms' efforts to attract foreign capital and to expand globally. Our findings show that Chinese entrepreneurs' communist ideological imprint negatively affects the internationalization of their ventures, while available and credible information contradicting communism—coming from the government directly, government-created industry social networks for entrepreneurs, or observing governmental support of internationalization—weakens the influence of the imprint. Our study contributes to a better understanding of imprinting and its decay, the effects of corporate decision makers' political ideology, and the internationalization of firms.

Keywords: imprinting theory, ideological imprinting, political ideology and organizations, internationalization of Chinese firms, entrepreneurship in China

Many studies have demonstrated the long-lasting influence of individuals' imprints—characteristics that reflect prominent environmental features during formative periods. For instance, Tilcsik (2014) demonstrated that the level of organizational resources available during new hires' socialization affects their ability to solve problems and interact with clients and, as a result, their

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subsequent job performance. McEvily, Jaffee, and Tortoriello (2012) showed that lawyers' early-career exposure to experienced mentors has an enduring effect on how much practical knowledge they acquire and thus affects the later growth of firms they serve as partners. While a few studies have shown that founders can leave a lasting imprint on their organizations (e.g., Baron, Hannan, and Burton, 1999; Johnson, 2007), we know little about the "imprint transfer" process whereby a founder's individual imprint is instantiated in his or her firm (Marquis and Tilcsik, 2013) and specifically how a founder's life history and prior experiences affect this process. Moreover, while scholars have argued that "persistence does not imply permanence" (Marquis and Tilcsik, 2013: 231), indicating that imprints do not last forever, we know little about how imprints may change over time. Studying these issues is important because the extent to which a founder's imprint changes or decays can significantly affect an organization's strategic decisions.

An organizational founder's ideology in particular, formed early in life through an imprinting process, can fundamentally shape his or her venture. An ideological imprint created through socialization (Jost, Federico, and Napier, 2009) during key events in one's life course will serve as an information filter (England, 1967; Jost et al., 2003) that limits the set of possible choices corporate leaders explore before making decisions (Hambrick and Mason, 1984). Recent work on upper echelons has shown how executives' political ideology reflects their values—"an enduring belief that a specific mode of conduct or end-state of existence is . . . preferred to alternative modes" (Rokeach, 1973: 159–160)—which correspondingly affect corporate decisions (Chin, Hambrick, and Treviño, 2013; Gupta, Briscoe, and Hambrick, 2017; Carnahan and Greenwood, 2018). Though this latter literature has mainly focused on leaders' current ideology, the ideology of leaders that was imprinted during their early experiences through socialization may have different effects on their decision making and thus corporate strategies.

Ideological imprints are particularly interesting and important when considering former communist countries that experienced drastic paradigmatic shifts such that political ideologies in post-reform periods pose a sharp contrast to those before the reform (e.g., Steensma and Lyles, 2000; Kriauciunas and Kale, 2006). Relatedly, most studies have examined political ideology within the liberalism–conservatism spectrum, yet we still need to understand how other ideologies such as socialism/communism and ideological spectra such as communism–capitalism and libertarianism–authoritarianism affect organizational behaviors and strategy (Wang, Du, and Marquis, 2018).

Ideological imprints may also change over time, in turn influencing decision making. Exposure to new information from a variety of different channels could affect the original imprint. Consistent with research on information processing (e.g., Gavetti, Levinthal, and Ocasio, 2007; Knudsen and Srikanth, 2014), the information filter of an imprint may erode when new and credible information contradicting the imprint is available, especially if the source of the original imprint can endorse the credibility of the new contradictory information and thus remove the imprint it established. Thus individual imprints may have long-lasting but not permanent effects—they may vary over time—and imprinters

may persistently affect the imprinted individuals after the imprint is established, which we know little about from prior research.

We examine these imprinting processes utilizing a unique longitudinal dataset of Chinese private enterprises from 1993 to 2012, testing how founders' communist ideological imprint affects their firms' internationalization strategies, while ruling out several alternative explanations. Communist ideology in China during the Mao Zedong era (1949–1978) comprises the traditional “Marxist-Leninist doctrine advocating the overthrow of the capitalist system,” labeling foreign capitalists enemies of the state (Wang, 1999: 206). The communist ideological imprint we examine reflects socialization and indoctrination by the Communist Party (CPC) led government of China in individuals' early, formative periods (Wang, Du, and Marquis, 2018). Because of the strong anti-foreign capitalist bias at the root of communism under Mao (Di, 1994; Raynard, Lounsbury, and Greenwood, 2013), Chinese entrepreneurs' socialization into the CPC at this time likely affects how they perceive and interact with foreigners. Furthermore, because this imprinting process typically took place during a sensitive period when these entrepreneurs were entering adulthood and their values began to crystalize (Krosnick and Alwin, 1989; Ashforth and Saks, 1996), they became especially responsive to doctrines and information communicated by the government more generally.

Following the death of Chairman Mao, however, the communist government of China—the imprinter—dramatically changed course with the “Reform and Opening-up” policy, inaugurating a period beginning in 1978 when China began establishing a market economy by legitimating entrepreneurship (Li et al., 2008; Luo, Xue, and Han, 2010) and due to economic necessity gradually opened itself to the outside world. Thus the CPC's subsequent communications and behaviors, which embrace markets and increasingly encourage internationalization, pose a sharp contrast to the rhetoric and propaganda during Mao's rule and provide opportunities for Chinese entrepreneurs to reconsider foreign capitalism. We theorize that variation over time in exposure to different types of information from the imprinter will erode the imprint.

THE EFFECTS OF IDEOLOGICAL IMPRINTING ON ENTREPRENEURS' DECISION MAKING

Marquis and Tilcsik (2013: 201) defined imprinting as “a process whereby, during a brief period of susceptibility, a focal entity develops characteristics that reflect prominent features of the environment, and these characteristics continue to persist despite significant environmental changes in subsequent periods.” This suggests that there are short sensitive periods during which external environmental factors leave a long-lasting impact on individuals and organizations. For individuals, sensitive periods typically occur when they are experiencing role transitions and are forming their worldviews, values, and beliefs, such as early adulthood (Ashforth and Saks, 1996; Bianchi, 2014; Kish-Gephart and Campbell, 2015). Events and experiences during these periods shape interpretation of what constitutes appropriate behaviors and rules of action later in life. For instance, early career experiences significantly affect

individuals' future work practices, such as workplace mentorship and relationships with clients (McEvily, Jaffee, and Tortoriello, 2012).

Similarly, the upper echelons' perspective examines how background characteristics such as executives' functional and other career-related experiences affect decision making (Crossland et al., 2014). Recent work in this area has investigated how political ideology—the “interrelated set of attitudes and values about the proper goals of society and how they should be achieved . . .” that “helps to explain why people do what they do; it organizes their values and beliefs” (Tedin, 1987: 65)—is a manifestation of personal values that affect corporate decision making. For example, Chin, Hambrick, and Treviño (2013) linked CEOs' political ideologies to their corporate charitable donations, and Briscoe, Chin, and Hambrick (2014) found that CEOs' political liberalism positively affects the likelihood of formation of lesbian, gay, bisexual, and transgender employee groups.

An individual's ideology can function as an important filter that shapes information processing through a number of potential mechanisms and so can affect decisions. People have cognitive, attentional, perceptual, memory, and computational limitations: when processing information—receiving, gathering, interpreting, and synthesizing it—our information processing systems can distort both how we notice that information (where to look and what to see) and, once acquired, how we interpret it (determining what stimuli mean) (Starbuck and Milliken, 1988; Knudsen and Srikanth, 2014). Prior research has shown that ideology can affect choices either directly through processes such as “behavioral channeling,” whereby people choose a course of action from available alternatives that fit their values, or indirectly through “perceptual filtering,” whereby they filter out information that is incongruent with their values prior to making choices, thus regulating their behavior (England, 1967; Chin, Hambrick, and Treviño, 2013). Research has also suggested that motivated cognition, influenced by vested interests or motives that may reflect or are instantiated in our values or ideology, affects information processing (Jost et al., 2003) so that in certain situations people may be more or less closed-minded, considering or disregarding certain information based on their motives. For example, economically disadvantaged conservatives might denigrate egalitarian policies that could make them financially better off but are inconsistent with their ideology (Jost, Federico, and Napier, 2009). All these processes point to selective filtering of information based on values or ideology as the mechanism through which ideology shapes decisions.

For entrepreneurs, imprinted ideology formed before they established their ventures, and that reflects environmental features during these leaders' sensitive periods, is likely to have effects on their decisions about their ventures. While the ideological imprint can be a manifestation of personally held values (Chin, Hambrick, and Treviño, 2013; Briscoe, Chin, and Hambrick, 2014; Gupta, Briscoe, and Hambrick, 2017), values can also result from the imprinting process, which internalizes the values, instead of deeply held dispositional differences (Jost, 2006). As Akerlof (1983: 54) argued, “When people go through experiences, frequently their loyalties, or their values, change,” and even dispositional values contain some socially derived elements (Rokeach, 1973). Individuals learn values consistent with their new roles through socialization

processes, after which their value systems tend to adapt to incorporate these new elements (Ashforth and Saks, 1996). For entrepreneurs in China, the early socialization process in communist ideology would have formed such an ideological imprint that persistently shapes their subsequent behaviors.

The Communist Ideological Imprinting Process in China

A majority of Chinese entrepreneurs during the period of our study were born between the 1950s and 1978 (Zhang, Tan, and Tan, 2016), the Maoist period when the government seriously undertook the communist cause and the country was committed to that political ideology. People born during that period were thought to be “Born Red” (Gao, 1987), and political life—particularly communist ideology—played a predominant role. CPC membership was almost universally sought and an important criterion for the best career opportunities (e.g., Dickson and Rublee, 2000; Li and Walder, 2001). Not everyone joined the CPC at that time (Gao, 1987; Shambaugh, 2008), but for those who did, the intensive socialization process of joining the CPC is likely to be mainly responsible for an identifiable ideological imprint that differentiates party members from non-members (Wang, Du, and Marquis, 2018). The CPC requires an intensive socialization process to indoctrinate core communist beliefs, tenets, agendas, and values (Li and Walder, 2001; Higgins, 2005; Shambaugh, 2008). According to Ginsburg (2002: 248), “Internalization [of an ideology] can occur through professional indoctrination and training or through promulgation of a substantive political ideology that commands . . . loyalty.”

Most people join the CPC after 18 years old (Li et al., 2008), a sensitive period when individuals form their worldviews and political beliefs (Krosnick and Alwin, 1989; Ashforth and Saks, 1996; Bianchi, 2014). Becoming a CPC member requires a rigorous socialization process over an extended period of time, which includes promotion of communism through a number of reinforcing processes, such as attending classes promoting communist beliefs, writing reports on opinions about the CPC—especially their strong and firm belief in communism, attending socialization events where CPC leaders extol communist principles, and watching documentaries advocating communism (Bian, Shu, and Logan, 2001). After the candidates demonstrate loyalty to the CPC through their reports, performance in socialization events, and oral interviews, they take an oath to devote their lives to the communist cause. Importantly, the CPC selection process mostly remained stable during the time period of our study (Li and Walder, 2001; Shambaugh, 2008).

The strong ideological imprinting likely has a deep effect on members, especially when they join during early adulthood. Consistent with this, a number of studies have found that entrepreneurs who are CPC members are strongly influenced by communist ideology, which shapes their outlook and decision making. For instance, Dickson (2007) found that entrepreneurs who were CPC members tended to hire workers who were communists as well and thought CPC membership conferred important business advantages, and Li et al. (2008) showed that entrepreneurs with CPC membership had more confidence in China’s legal system. Furthermore, a fundamental aspect of members’ loyalty to the CPC is faith in its communications (Guo, 2001): the CPC aims to control what kind of information members should believe and what is deemed

dangerous, such as information that unveils negative aspects of the CPC or its governance (Bian, Shu, and Logan, 2001; Shambaugh, 2008).

As a result of the socialization process described above, private entrepreneurs who joined the CPC prior to establishing their new ventures have an ideological imprint that reflects communist beliefs and are likely to rely on Chinese government communications for acquiring and interpreting information (Li et al., 2008). In this way, the communist ideological imprint serves as an information filter persistently: it does not just limit entrepreneurs' access to information but also specifies how they should interpret information, which corresponds to their values that are "stable enough to reflect certain socialization within a given culture and society" (Rokeach, 1973: 11).

Founders' Communist Ideological Imprint and Firms' Internationalization

A central tenet of communism from the 1950s to 1978 was the dichotomization of the world into "capitalist" and "communist/socialist" camps, hostile powers that were antagonistic to each other (Di, 1994; Raynard, Lounsbury, and Greenwood, 2013). Following the Communist Revolution, Chairman Mao shut China off from the rest of the world, continuously emphasizing self-reliance and downplaying international cooperation in almost any form, except for foreign aid to other countries with the purpose of advancing the international communist movement. Thus, while the anti-foreign sentiment applied principally to Western capitalist countries, it also extended to other countries that had developed connections with the Western capitalist camp. Chinese who joined the CPC in that period were indoctrinated with a negative perception of most foreign countries, which has become a taken-for-granted belief (Shambaugh, 2008). Given the strength of such indoctrination, even though Chinese entrepreneurs are market-oriented, those with a communist ideological imprint may filter out positive information about foreign capital and refuse to internationalize their firms even long after the Chinese government in 1978 instituted the "Reform and Opening-up" policy that began the gradual marketization of the economy.

Internationalization occurs when a corporation engages in "the process of increasing involvement in international operations . . . both inward and outward" (Welch and Luostarinen, 1988: 36). Previous research has suggested a rich set of antecedents of internationalization, including having international knowledge (Johanson and Vahlne, 1977), management (Sullivan, 1994; Sanders and Carpenter, 1998), strategic requirements (Melin, 1992), cross-border coordination of resources (Li, Yi, and Cui, 2017), and performance and industry structure (Sullivan, 1994). Existing studies have focused on understanding internationalization mostly as a cross-border corporate strategy, such as acquisition or diversification (Boter and Holmquist, 1996), or as a change of organizational boundaries (Villalonga and McGahan, 2005). While the literature on internationalization is large, less considered is how managers' backgrounds, particularly the ideology they developed during critical life stages, shapes the underlying processes of foreign cooperation.

For Chinese entrepreneurs, internationalization—both the inward process of bringing in foreign capital and the outward process emphasizing global expansion (Welch and Luostarinen, 1988; Child and Rodrigues, 2005)—involves cooperating with "foreign capitalists" who were described during their years of indoctrination as exploitative, mercenary, greedy, and ruthless (Jin, Shen, and

Zou, 2012; Wang, Du, and Marquis, 2018). Internationalization of Chinese firms almost exclusively involves interactions with richer countries that fall into the capitalist camp. The foreign capital entering China starting in the late 1970s was primarily from the U.S., Canada, and Western Europe (Zhang et al., 2010), and the major overseas markets for Chinese firms were developed countries such as the U.S., Australia, and Canada (Buckley et al., 2007; Li, Yi, and Cui, 2017). The CPC also labeled many non-Western countries, such as Japan and Korea, as capitalist. Furthermore, the communist propaganda during the entrepreneurs' imprinting period advocated inwardness and self-reliance, effectively sealing China off from the outside world. Internationalization counters this and in itself involves capitalist practices. Thus to internationalize their firms, Chinese entrepreneurs would have to engage in actions that both contradicted and betrayed their imprinted ideology.

While studies have documented how individuals' socialist/communist legacies affect their business-related attitudes and behaviors (Steensma and Lyles, 2000), the imprint we describe does not necessarily affect their propensity to go into business in the first place. This is because when it introduced a market economy into China, the government carefully communicated this reform in a way that was ideologically congruent with communism and thus effectively decoupled entrepreneurship and capitalism. Starting in 1978, the government carefully chose words to deliver the idea of reform and the "socialist market economy," avoiding "capitalism" and related words. As Deng Xiaoping, who succeeded Mao as the paramount Chinese leader, said in 1992, "The market economy does not equal capitalism, and it can exist in socialism/communism."¹ The government also connected entrepreneurship to traditional Chinese culture and traditions, emphasizing the role of Confucian entrepreneurs (Marquis, Li, and Qiao, 2017): lofty and wealthy individuals who are benevolent, trustworthy, polite, wise, and faithful. Essentially, the CPC redefined communism and encouraged an entrepreneurial spirit as part of a new system of "socialism/communism with Chinese characteristics," which became the official ideology of the CPC in the early 1990s.

At the same time, however, the word "capitalist" was still often used to refer to foreign investors, financiers, speculators, and arbitrageurs rather than the domestic entrepreneurs who were contributing to this new stage of communism (Tsang, 1996). Because of this framing and communication, the government discourse and rhetoric differentiated private entrepreneurs from foreign capitalists, and entrepreneurs with a communist ideological imprint could maintain consistency with communism by starting a business but not collaborating with foreigners. There are many examples of how entrepreneurs' CPC membership negatively affected their cooperation with foreign firms. For example, a 2011 survey of Chinese private entrepreneurs showed that a majority of the interviewed entrepreneurs with communist beliefs expressed a negative attitude toward foreign capitalism but embraced market practices (Zhou and Hu, 2015), as did Mingshan Yin—founder of the large motorcycle and automobile manufacturer Lifan Group (*The Economist*, 2003). These prior studies and examples suggest that the communist ideological imprint is still

¹ According to communist doctrine, socialism is an early and temporary stage as a society/economy progresses toward communism. Thus government rhetoric uses "socialism" to refer to the current stage of the communist development and "communism" to suggest a consistent ideology. For consistency, we use the term "communism" throughout the paper.

functioning, even though it is incongruent with the current business environment and detrimental to an organization's survival and success by constraining its attempts to adapt to and profit from the changing environment. Thus Chinese entrepreneurs may still bear their communist ideological imprint (e.g., Li et al., 2008; Lu and Tao, 2010), which is transferred to their firms and instantiated as opposition to internationalization:

Hypothesis 1 (H1): Firm leaders' communist ideological imprint negatively affects the subsequent internationalization of their firms.

New Information and Decay of the Ideological Imprint

Although information filters are relatively stable (Newell and Simon, 1972), information-processing systems are also adaptive, capable of molding and changing individuals' behavior over time through learning (Simon, 1978). Knudsen and Srikanth (2014) argued that actions are informed by humans' existing knowledge, ingrained cognition, and mental models, all of which might evolve over time with feedback. And research has argued that socialized values, unlike dispositional traits (Parks and Guay, 2009), can decay with time or in response to new events (Akerlof, 1983). As a socialized value, the ideological imprint is likely "unstable enough to permit rearrangements of value priorities as a result of changes in culture, society, and personal experience" (Rokeach, 1973: 11). Thus although the ideological imprint of a firm's leader tends to exhibit inertia and persist over time, it is still subject to decay (Marquis and Tilcsik, 2013; Simsek, Fox, and Heavey, 2015). Credible information diffusion could erode the deeply established imprint (information filter) by providing reliable new knowledge and choices (Marquis and Tilcsik, 2013). Studies have implied that information from certain sources is more credible and thus more likely to diffuse (Vissa, 2012) and penetrate individuals' perceptual filters (Starbuck and Milliken, 1988) or to integrate with vested interests or motives (Jost et al., 2003). Both the availability and credibility of information that contradicts the original imprint are key factors that can influence the decay of imprints.

Given that socialization and intensive indoctrination by the CPC-led government—the imprinter—led to the ideological imprint, going forward it is likely that the government's actions and the information it provides are particularly credible to Chinese entrepreneurs with a communist ideological imprint. Because the government socialized its members during their early life that its communications are authoritative and reliable, they then persistently depend on the government for information (Guo, 2001), even if they have become market-oriented entrepreneurs. Existing studies have also documented the persistent influence of the government on entrepreneurs who were CPC members (e.g., Dickson, 2007; Li et al., 2008).

As noted, in recent decades, the Chinese government has increasingly decoupled communist rhetoric from capitalist conduct and recognized the importance of foreign capital and overseas markets in promoting economic growth (Luo, Xue, and Han, 2010; Zhang et al., 2010). The government thus increasingly framed foreign cooperation as important for economic development, scientific advancement and innovation, legal reform, and alleviation of energy shortages, and it reconciled to some extent the ideological incongruence between communism and foreign capital. Nevertheless, tolerating foreign

cooperation is fundamentally different from redefining communism in a way that incorporates entrepreneurship and market principles at the ideological level. The redefinition that occurred after 1978 established entrepreneurship as consistent with and even an integral part of communism, whereas foreign cooperation is at best compatible with communism because it contributes to the Chinese economy.

To understand the countervailing effects of the dramatic shift in Chinese government ideology after 1978, we examine how subsequent interactions with the market-oriented, reformer-led government, which provided firsthand knowledge and thus affected Chinese entrepreneurs' imprint, could give entrepreneurs information that reshaped their perception of foreign capitalism.

Interactions with the subsequent reformer-led government. Exposure to new and credible information can prompt behavioral changes by affecting information processing and the focus of attention (Gavetti, Levinthal, and Ocasio, 2007), which in turn may affect corporate strategies (Finkelstein, Hambrick, and Cannella, 2009). Interactions between Chinese entrepreneurs with a communist ideological imprint and the Chinese government post-1978 provide credible information because entrepreneurs' loyalty was established through the imprinting process. Direct contact with officials' positive attitudes toward internationalization therefore likely reshapes entrepreneurs' perceptions about foreign capitalism (Luo, Xue, and Han, 2010; Zhang et al., 2010). The government's actions in the more recent period convey that cooperating with foreign capitalists does not necessarily betray communist doctrine and is actually a legitimate endeavor; yet such behavior is incongruent with the communist ideological imprint established during an entrepreneur's sensitive period. Such actions likely trigger cognitive dissonance, requiring entrepreneurs to reconsider communism and foreign capitalism with deep information processing. Entrepreneurs likely recognize that the government promotes markets and economic opening while still using traditional communist rhetoric and propaganda to control the general population. Discovering that communist belief has become symbolic, entrepreneurs likely resolve the incongruences and begin to accept foreign capital and increasingly consider internationalization opportunities. Such interactions with the government may ratify profitable foreign business opportunities in capitalist markets and even help entrepreneurs discover and identify them (Buckley et al., 2007; Lu and Tao, 2010).

Unlike democratic countries where the general public can participate in politics and government administration, the general public in China does not have a window into government processes; its operations and decision making are essentially in a "black box" (Marquis and Bird, 2018). But one important type of direct interaction with the government is political involvement—a firm's leader becomes a delegate to either of the two legislative bodies in China: the People's Congress (PC) or the Chinese People's Political Consultative Conference (CPPCC) (Ma and Parish, 2006; Zhang, Marquis, and Qiao, 2016). During the meetings of these two bodies, the politically involved entrepreneurs increasingly grasp government officials' open attitude toward internationalization, ratification of international business opportunities, and the symbolic use of communist rhetoric, all of which should erode their ideological imprint and dampen its negative effect on internationalization. Stated formally:

Hypothesis 2a (H2a): Political involvement in subsequent periods weakens the negative effect of firm leaders' ideological imprint on the internationalization of their firms.

A significant side effect of China's market transition is corruption. Before 1978, government officials could gain from their power by allocating resources. They have been less able to do so after the reform and thus have often pursued private gain through practices such as appropriating firms' profits (Nee, 1989), which occur because property rights protection for private entrepreneurs is generally missing in China (Li, Meng, and Zhang, 2006; Li et al., 2008). For example, as documented in the *People's Daily*, a private drink-producing firm in Hengyang, Hunan Province was forced to shut down within two weeks after opening because it refused to pay "relational fees" to the government. The government confiscated the firm's equipment and even held the entrepreneur in custody (see Li, Meng, and Zhang, 2006, for other examples). Government appropriation of firms' profits informs entrepreneurs about CPC corruption, leading to growing mistrust of the government and so undermining private entrepreneurs' communist beliefs. The more profits the government appropriates from private firms, the less faith entrepreneurs should have in the government and communism and the more disillusioned they would become. The result should be that their communist ideological imprint erodes and has a weaker effect on filtering internationalization opportunities.

Furthermore, prior research has shown that in developing and emerging economies where governments have a heavy hand and thus generate firms' dependence on them, a typical organizational response is to explore global markets and become a multinational enterprise (Choudhury and Khanna, 2014). Several other studies have documented a similar kind of pressure from the government's imposition on private firms in China (Zhang, Marquis, and Qiao, 2016), which likely accelerates the disillusionment with communist ideology, making it easier to embrace foreign cooperation. The need for internationalization to escape government expropriation should diminish the impact of the communist ideological imprint on entrepreneurs' information processing as well. Thus profits appropriated by the government likely weaken the negative association between the communist ideological imprint and internationalization:

Hypothesis 2b (H2b): The rate of subsequent government appropriation of a firm's profits weakens the negative effect of a firm leader's ideological imprint on the internationalization of the firm.

Involvement in government-created industry social networks. After 1978, although the Chinese government increasingly instituted a market economy and changed its anti-foreign and anti-capitalism position dramatically, the private sector was still under the government's scrutiny and control (Li et al., 2008). A common strategy to informally monitor entrepreneurs was through government-backed membership associations such as the Association of Private Entrepreneurs (APE) (Dickson, 2003). These groups are affiliation networks (Li and Zhang, 2007), resembling business councils or the business roundtable described by Haunschild (1993). They give Chinese entrepreneurs an opportunity to obtain information about government policies and new international business opportunities encouraged by the government through

frequent exchanges of business ideas and knowledge with colleagues (Li and Zhang, 2007; Jia, 2014). The government selects private entrepreneurs for membership in these associations, which helps establish the authority, credibility, and reliability of the information shared among members. Involvement in these associations allows private entrepreneurs to share information and experiences, but it also allows the government to maintain informal connections with and to coopt entrepreneurs by publicizing the CPC's accomplishments (Shambaugh, 2008).

While not all information or knowledge will be diffused within networks automatically and completely (Marquis, 2003; Vissa, 2012), networks backed by the government are likely seen as providing trustworthy and credible information because a fundamental aspect of the communist ideological imprinting process is faith in and trust of the government. In addition, members of these groups are selected through governmental processes and likely share similar values and experiences, have overlapping business knowledge, and exhibit similar behavioral patterns. Through interactions with these "common" others, entrepreneurs' trust and friendship are more likely to develop, facilitating information diffusion (Haunschild, 1993; Vissa, 2012; Zhang, Tan, and Tan, 2016). For instance, common others likely transfer material private information and affect individuals' values (Finkelstein, Hambrick, and Cannella, 2009). Existing literature has argued that corporate decision makers often rely on common others for information when the perceived external environment is uncertain (Daft and Weick, 1984), which characterizes internationalization decisions that often involve significant risks and ambiguity (Sanders and Carpenter, 1998). Recent studies have also shown that interorganizational linkages may contribute to imprint dynamics (McEvily, Jaffee, and Tortoriello, 2012), and these ties might also provide evidence-based merits of adopting internationalization such that it can spread throughout the network (Briscoe, Gupta, and Anner, 2015).

The secondhand information diffused through these networks should tend to reduce the effect of entrepreneurs' ideological imprint. Entrepreneurs involved in these networks are likely exposed to new information that conflicts with the ideological imprint, as their peer members may have experienced political involvement during marketization or witnessed government appropriation. The experiences from common others should provide evidence of the government's increasingly open attitude toward foreign cooperation and loss of faith in orthodox Maoist communism. Thus, although the government's original intention in establishing these networks was to control entrepreneurs, help them promote their businesses, and even coopt entrepreneurs by communicating positive aspects of the CPC, involvement in these networks may ironically lead to decay of the communist imprint as well:

Hypothesis 3 (H3): Firm leaders' subsequent involvement in government-created industry social networks weakens the negative effect of their ideological imprint on the internationalization of their firms.

Observing governmental support of internationalization. The Chinese government implemented the "10th Five-Year National Economic and Social Development Plan" in 2001, explicitly encouraging foreign cooperation: both inward foreign investments and exploration of international markets (Peng,

2012). The government framed the need for internationalization as an economic necessity, as is shown for example by many sections of this plan specifically noting this association (*People's Daily*, 2001). This national-level policy provides information and encouragement for entrepreneurs to reconsider collaborating with foreign capitalists to enhance economic aspects, and both inward and outward foreign investments have consequently become more commonplace since then (Buckley et al., 2007). Entrepreneurs with a communist ideological imprint would have faith in governmental media and communications, so following this policy, they would be more likely to accept foreign capital or explore international markets. Thus the implementation of the post-2001 economic development plan tends to erode the communist ideological imprint:

Hypothesis 4a (H4a): Subsequent national economic policy encouraging internationalization since 2001 weakens the negative effect of firm leaders' ideological imprint on the internationalization of their firms.

While the economic development plan was a national-level strategy, regional governments' compliance and implementation—more of a bottom-up process—are also salient to entrepreneurs. Given the top-down power structure (Li and Walder, 2001), local effort plays a crucial role in implementing rules and policies in attracting foreign capital and encouraging firms to expand globally (Branstetter and Feenstra, 2002). And after 1978, local governments played an increasing role in attracting foreign direct investment (FDI), which ratifies and endorses foreign cooperation (Luo, Xue, and Han, 2010). Local officials, who are judged primarily by the economic performance in their jurisdictions (Zhang, Marquis, and Qiao, 2016), have become increasingly aware of the importance of FDI for local economic growth and thus compete against each other for foreign investors' patronage (Branstetter and Feenstra, 2002). Entrepreneurs might be influenced by foreign ideas when they see internationalization by other Chinese firms in the same region, especially when it is supported by preferable local government policies (Buckley et al., 2007).

Entrepreneurs with a communist ideological imprint were trained to have faith in the government and are thus likely to infer the government's implicit support and increasingly positive attitude toward FDI by observing the abundance of foreign investors. A research report about private entrepreneurs indicated that the government's effort in promoting FDI helps reshape entrepreneurs' perception of the capitalist world (Hou, Zhang, and Liu, 2015), and a survey by the Chinese Academy of Social Sciences indicated that the government's encouragement of FDI helps alleviate concerns based on the political ideology of private entrepreneurs (Research Group of United Front Work Department of CPC Jiangsu Committee, 2016). Marquis and Tilcsik (2016) argued that geographic proximity provides important information to firms for strategic decision making and is an important source of social cues. Thus we anticipate that when regional FDI intensity is high, entrepreneurs' ideological imprint against foreign capitalism may be eroded:

Hypothesis 4b (H4b): Regional FDI intensity reduces the negative effect of firm leaders' ideological imprint on the internationalization of their firms.

METHOD

Data and Sample

We obtained a longitudinal dataset of private firms in China, which were coded from the national-level Survey of Chinese Private Entrepreneurs conducted by the Research Center for Private Entrepreneurs of the Chinese Academy of Social Sciences (RCPE-CASS). The sample randomly drew entrepreneurs following the legitimization of the private sector in 1992 and thus covered the very first generation of these entrepreneurial individuals since the foundation of the communist regime in China. We included only entrepreneurs who were still leading their ventures during the time of the survey, as we were interested in how founding entrepreneurs' own ideological imprint affects their firms' behaviors—rather than the legacies entrepreneurs left that affect the organizations even after their departure (Baron, Hannan, and Burton, 1999; Johnson, 2007). The private entrepreneurs were sampled randomly in proportion to the local population density; a number of management studies have used certain cross-sections of the data (Ma and Parish, 2006; Jia, 2014). The currently available data include observations in 1993, 1995, 1997, 2000, 2002, 2004, 2006, 2008, 2010, and 2012. Regional institutional environment data were from Fan, Wang, and Zhu (2011), which provides the most authoritative information on this important control variable (Zhang, Marquis, and Qiao, 2016). We also obtained data on the historical presence of foreign concessions—areas where foreign countries had preferential trade access—to alleviate the endogeneity concern of including inward internationalization when analyzing outward internationalization as a dependent variable. The foreign concession data were assembled from various international treaties since 1842—the first year a foreign country was given a concession—and statistical yearbooks at that time, such as those from the China Maritime Customs services.

The original datasets did not provide unique identifiers for all firms tracked over the years, but we were able to obtain unique identifiers for 60.8 percent of all entrepreneurs by contacting data providers and matching time-invariant founding characteristics, creating a panel dataset. Sample attrition does not pose a threat to our analysis because random sampling ensures that attrition can be treated as missing completely at random, and we employed a t-test and Hotelling's test (the multivariate version, joint t-test) and found that almost none of these variables was significantly different at the 10-percent level individually or jointly. We then lagged variables on the right-hand side of the model to avoid reverse causation and kept observations that appeared at least twice over the sample period and finally obtained 19,729 firm-year observations with 4,567 unique firms.

Variables

Dependent variables. We examine two specific internationalization processes (Welch and Luostarinen, 1988): inward internationalization by attracting foreign capital (Child and Rodrigues, 2005) and outward internationalization by investing in an overseas economy (Liu, Buck, and Shu, 2005; Luo, Xue, and Han, 2010). Inward internationalization was measured with two variables: a binary variable reflecting whether the firm has foreign investment (1 = yes, 0 =

no) and the ratio of foreign investment over total assets. Outward internationalization was also measured with two variables: a binary variable reflecting whether the firm has overseas assets (1 = yes, 0 = no) and the ratio of overseas assets over total assets. Welch and Luostarinen (1988) argued that inward and outward internationalization represent two fundamentally different processes, which are particularly important for Chinese firms (Child and Rodrigues, 2005). Because we tested both, our results do not just reflect inward or outward globalization alone, but overall sentiments toward internationalization (Li, Yi, and Cui, 2017). Information on outward internationalization is available only from 2000, and thus those analyses cover the last seven waves of the survey. When investigating outward internationalization, we controlled for inward internationalization (Li, Yi, and Cui, 2017). Because inward internationalization is endogenous and serves as a dependent variable itself, we used whether the firms' locality had a historical foreign concession as an instrumental variable. Foreign concession establishment was over 100 years ago and thus is exogenous. Meanwhile, foreign concession does not affect overseas market expansion directly, as the outward foreign direct investment is mainly driven by host market prospects and profits and by the local government (Buckley et al., 2007; Liang, Lu, and Wang, 2012). Yet it likely positively relates to inward internationalization because concession establishment reflected geographic advantage that may consistently attract foreign investors. We also performed tests for instrumental variables and confirmed its validity (Stock and Yogo, 2005).

Independent variable. *Communist ideological imprint* indicates whether entrepreneurs were CPC members before founding their enterprise (1 = yes, 0 = no), based on survey items asking whether the focal entrepreneur was a CPC member or cadre or joined the CPC before establishing their venture, as well as the date when the focal entrepreneur joined the CPC; 25 percent of entrepreneurs in our sample have the communist ideological imprint, consistent with other research that reports 20 to 25 percent of Chinese entrepreneurs are CPC members (e.g., Dickson, 2003). The variable is time-invariant and reflects entrepreneurs' life history, while all other variables in our analyses—except for foreign and government work experience, which also capture entrepreneurs' life history—were time-varying and measured on a yearly basis.

Moderators. We hypothesized five circumstances under which the ideological imprint is likely to decay. We measured *political involvement* by whether the entrepreneur served in a given year as a delegate to the PC or CPPCC (1 = yes, 0 = no), legislative bodies that are the only means for the public to participate in government decisions (Ma and Parish, 2006; Zhang, Marquis, and Qiao, 2016). *Government appropriation* was gauged by the ratio of firms' profits taken by the government in a given year as "various fees to be shared with the government"—what Li, Meng, and Zhang (2006) termed "relational fees." Involvement in the government-created industry *social network* was measured on an annual basis by membership in the Association of Private Entrepreneurs (APE; 1 = yes, 0 = no). We used two variables to indicate observational exposure of governmental support of internationalization. The first one is a binary

variable indicating whether it was *post-2001* (1 = yes, 0 = no), when the “10th Five-Year National Economic and Social Development Plan” was implemented. The second one, *regional FDI intensity*, was calculated by the value of total FDI over the local GDP yearly, using data from the China Regional Statistical Yearbook (Zhang et al., 2010).

Control variables. Based on the existing literature on firms’ internationalization strategies (e.g., Liu, Buck, and Shu, 2005; Villalonga and McGahan, 2005; Luo, Xue, and Han, 2010; Liang, Lu, and Wang, 2012), we controlled for entrepreneurs’ characteristics, firm-level attributes, industry-level variables, and regional-level variations. At the individual level, we controlled for entrepreneurs’ *current communist ideology* (1 = is a communist member now, 0 = not a member) to determine the extent to which the effects we find are a result of their imprinted or current ideology, which has already been shown to affect corporate strategies (Chin, Hambrick, and Treviño, 2013; Briscoe, Chin, and Hambrick, 2014). Current communist ideology, which may vary over the sample period, was measured based on items in the survey questionnaires asking whether the entrepreneur is a CPC member or party chief of his/her venture at the time of the survey, and/or the year the entrepreneur joined the CPC. Controlling for the current value adds further credibility to our results in demonstrating an imprinting effect (Marquis and Huang, 2010), and in this way we are able to identify the incremental validity of this new construct—ideological imprint—by showing the additional explanatory power as well. We also controlled for entrepreneurs’ *age*, measured in years, as entrepreneurs in different age cohorts might exhibit different strengths of the imprinting effect. Entrepreneurs’ *educational attainment* (in years) might also have an impact, as the more knowledgeable the entrepreneurs are, the more likely they will engage in internationalization for economic benefit (Luo, Xue, and Han, 2010). We controlled for the *foreign experience* of entrepreneurs, identifying those who received education or training or were employed outside China (1 = yes, 0 = no), as such foreign experiences may make them more likely to engage in internationalization (Li, Yi, and Cui, 2017). Lastly, we controlled for the *government work experience* of entrepreneurs (1 = yes, 0 = no), which indicates both the benefits entrepreneurs may get with these established political ties—resources, licenses, capital, etc.—and the proximity to the government for new information about internationalization (Zhang, Marquis, and Qiao, 2016). Like the ideological imprint, both foreign and government work experiences are time-invariant as they reflect entrepreneurs’ life history.

At the firm level, we controlled for attributes that likely affect internationalization (Boter and Holmquist, 1996; Villalonga and McGahan, 2005; Buckley et al., 2007; Luo, Xue, and Han, 2010; Liang, Lu, and Wang, 2012). *Firm size* was measured as the logarithm of the number of employees, as larger firms are more likely to internationalize. *Financial leverage* was calculated by debts over assets to indicate whether firms have slack resources to engage in internationalization (Li, Yi, and Cui, 2017). *Firm age* (in years) was also included. At the industry level, we controlled for *industry average* of the corresponding dependent variable, excluding that from the focal firm. Namely,

we used the ratio of firms that internationalized their firms for binary dependent variables, and the average values of the continuous dependent variables. We also controlled for the *manufacturing firm* (1 = yes, 0 = no), as manufacturing firms are more likely to be exposed to internationalization, particularly outward FDI (Luo, Xue, and Han, 2010; Zhang et al., 2010), and the government has emphasized the importance of global competition in the manufacturing sector (Peng, 2012). At the regional level, we controlled for (1) *poor Internet coverage*, reverse coded (i.e., subtracting the value from its maximum counterpart) as the number of Internet users per capita in the firm's home province (Harwit, 2004), which negatively relates to internationalization; (2) *density of CPC membership*, the number of CPC members per capita in the firm's home province (Bian, Shu, and Logan, 2001; Shambaugh, 2008); and (3) economic conditions that might affect the internationalization of firms, particularly outward FDI (Liu, Buck, and Shu, 2005), including *GDP per capita* in logarithm and *population growth*. We also controlled for *institutional development*, which indicates to what extent prices are determined by the market, the private sector is developed, products are circulated, resources are allocated, and the law is enforced (Fan, Wang, and Zhu, 2011) and is likely related to internationalization (Liu, Buck, and Shu, 2005; Luo, Xue, and Han, 2010; Liang, Lu, and Wang, 2012).

Summary statistics and the correlation matrix are presented in Online Appendix table A1 (<http://journals.sagepub.com/doi/suppl/10.1177/0001839218792837>).

Estimation

We tested our hypotheses using both propensity score matching (PSM) (Rosenbaum and Rubin, 1983) and a Heckman model (Heckman, 1979). First, not all entrepreneurs were CPC members, i.e., entrepreneurs might self-select to join the CPC or be selected by the CPC, creating a potential endogeneity issue. While this issue may not be severe because the surveys chose respondents randomly and independently of communist ideology since 1993, we still employed PSM (Rosenbaum and Rubin, 1983). This approach matches entrepreneurs with a communist ideological imprint (the treatment group) with those without (the control group) based on the propensity score, which is computed by running a probit or logit model on observable variables (control variables in our study) to estimate the likelihood of being selected into the treatment group. We used a probit model to form the matched sample. About 9.1 percent of firms were dropped at this stage. Tests confirmed that our overall matching quality was good, and in the matched sample, the communist ideological imprint could be regarded as randomly assigned to different entrepreneurs to the extent that we had ruled out selection on these observable variables. Specifically, (1) t-tests of each variable between the two groups suggested that almost all differences were insignificant at the 5-percent level after matching; (2) the pseudo- R^2 of the probit model diminished to .007 for the matched sample; (3) the mean percentage bias fell below the accepted threshold of 5 percent (Rosenbaum and Rubin, 1983); and (4) the post-match figure suggested that the quality of randomization was good in that treatment and control groups became much more similar to each other after matching in terms of the propensity score. Test details are

reported in table A2 and figure A1 in the Online Appendix. We used weights from the PSM analysis for the subsequent Heckman model analyses (Heckman, 1979), i.e., the weighted random effects probit and linear regressions to analyze the data.

Since not all entrepreneurs internationalize their firms, we incurred a sample-induced selection issue (Certo et al., 2016) so we employed Heckman two-stage regression (Heckman, 1979), following recent advancements in implementing this model (Lennox, Francis, and Wang, 2012; Certo et al., 2016).² In the first stage, for two binary dependent variables reflecting whether the firm received foreign capital and whether the firm had overseas assets, we ran a random effects probit model and generated the respective inverse Mills ratios. In the second stage, we estimated a random effects linear model of internationalization on the independent variable, moderators, the corresponding inverse Mills ratio, and control variables with firms that experienced internationalization in the first stage. We had to use random effects because the ideological imprint is time-invariant, and thus fixed-effects estimation is not possible. We also ensured that random effects estimation was the appropriate model for both the first stage and second stage of the Heckman analysis by the Breusch and Pagan (1979) test.

RESULTS

Table 1 presents some basic information of our working sample, divided by whether or not the founder has a communist ideological imprint. Panel A in table 1 shows that consistent with Lu and Tao's (2010) findings, the ratio of entrepreneurs with a communist ideological imprint increases faster than those without after 1989, suggesting that individuals with a communist ideological imprint did not eschew entrepreneurial opportunities in the first place. Panel B suggests that entrepreneurs with a communist ideological imprint mostly started their ventures in manufacturing/construction industries. Statistics in Panel C exhibit that firms started by entrepreneurs with and without a communist ideological imprint are similar in terms of size. Panel D demonstrates that most entrepreneurs were born into low- and middle-income families and became entrepreneurs to earn more income and to achieve self-fulfillment. Panel E suggests that there is no material difference between entrepreneurs with and without a communist ideological imprint. Basic information from the full sample was similar.

² Following Lennox, Francis, and Wang (2012) and Certo et al. (2016), in executing Heckman analyses, we included firms' *technological resource* (1 = with R&D expenditure, 0 = without R&D expenditure), *profitability* (return on assets), *industry competitiveness* measured by the Herfindahl index of sales, and *industry sales growth* as exclusion restrictions that appear in the first stage but not the second stage, based on existing literature (e.g., Johanson and Vahlne, 1977; Melin, 1992; Sullivan, 1994; Boter and Holmquist, 1996; Villalonga and McGahan, 2005). This research provided conflicting predictions of these variables on internationalization; thus they should be insignificant in predicting the amount of internationalization in our first-stage equation. We also empirically confirmed their exclusion with the Hausman test, and examined the strength of exclusion restrictions suggested by Certo et al. (2016). We fully reported the first-stage results, evaluated the significance of explanatory variables and the inverse Mills ratio, and ensured robustness of the model by changing the set of control variables. Finally, we considered other sources of endogeneity by combining the Heckman model with PSM analysis.

Table 1. Descriptive Statistics of the Final Sample*

	Communist ideological Imprint = 1		Communist ideological Imprint = 0			
Characteristics/sample	(% of all entrepreneurs)		(% of all entrepreneurs)		All	
Panel A: Founding dates of firms						
Founded between 1978 and 1988	8 (.8% of all periods)	11.1%	64 (1.9% of all periods)	88.9%	72	
Founded between 1989 and 1992	57 (5.9% of all periods)	19.7%	233 (6.8% of all periods)	80.3%	290	
Founded between 1993 and 2002	837 (87% of all periods)	23.3%	2,758 (80.3% of all periods)	76.7%	3,595	
Founded between 2003 and 2012	60 (6.2 % of all periods)	13.7%	378 (11% of all periods)	86.3%	438	
Panel B: Industries of firms						
Primary	85 (8.5 % of all industries)	9.1%	848 (24% of all industries)	90.9%	933	
Secondary	535 (53.8 % of all industries)	25.5%	1,560 (44.2% of all industries)	74.5%	2,095	
Tertiary	375 (37.7 % of all industries)	25.0%	1,123 (31.8% of all industries)	75.0%	1,498	
Panel C: Firm characteristics						
	With communist ideological imprint		Without communist ideological imprint		All	
Statistics	Mean	S.D.	Mean	S.D.	Mean	S.D.
Total assets (in 1,000 US\$, logged)	6.73	18.51	7.90	10.80	7.60	13.19
Total sales (in 1,000 US\$, logged)	3.17	4.34	4.48	5.84	4.16	5.53
Number of employees (logged)	3.69	1.69	3.67	1.62	3.67	1.64
Panel D: Characteristics of entrepreneurs						
Socioeconomic class (low)	60	26.5%	166	73.5%	226	
Socioeconomic class (middle)	921	24.8%	2,795	75.2%	3,716	
Socioeconomic class (high)	10	25.6%	29	74.4%	39	
Top reason to start a business (earn more income) [†]	341	25.04%	1021	74.96%	1,362	
Top reason to start a business (self-fulfillment)	459	24.11 %	1445	75.89%	1904	
Panel E: Comparison among entrepreneurs						
	Mean	S.D.	Mean	S.D.		
1. Age	45.19	8.32	45.39	9.03		
2. Educational attainment	.26	.44	.29	.45		
3. Current communist ideology	.79	.41	.31	.46		
4. Foreign experience	.46	.50	.22	.41		
5. Government work experience	.41	.49	.37	.48		
6. Firm size	3.69	1.69	3.67	1.62		
7. Financial leverage	.11	.22	.09	.19		
8. Firm age	6.63	4.29	7.55	6.08		
9. Manufacturing firm	.48	.50	.46	.50		
10. Poor Internet coverage	.11	.02	.11	.02		
11. Density of CPC membership	.07	.01	.06	.01		
12. GDP per capita (logged)	9.55	.70	9.67	.91		
13. Population growth	5.11	3.28	4.39	3.73		
14. Institutional development	6.97	2.25	6.90	2.51		

* Data are from our final sample; number of entrepreneurs varies because of information availability.

† The two items are not exhaustive for all private entrepreneurs (other reasons include influence by others, bad interpersonal relations in the previous job, job loss, etc.).

Table A1 in the Online Appendix presents the summary statistics. The largest correlation coefficient between variables that appear on the right-hand side of the model is smaller than the rule-of-thumb .7, and all variance inflation factors in reported models were below 10. Therefore, multicollinearity did not pose a threat to our analyses (Cohen et al., 2003).

Tables 2 and 3 report empirical results. We employed two-tailed tests, with the dependent variables being the binary dependent variable of inward and outward internationalization in Panel A of tables 2 and 3, respectively. Panel B of tables 2 and 3 reports results of the continuous dependent variable of inward and outward internationalization, respectively. In both tables, model 1 includes the independent variable and moderators, and models 2 to 6 add in each interaction separately. Model 7 is the full model.

Hypothesis 1 argued that a firm leader's communist ideological imprint negatively affects the internationalization of the firm. Model 1 of tables 2 and 3 shows that the effects of a firm leader's ideological imprint on both the inward internationalization and on outward FDI are negatively significant. On average, firms whose founders have a communist ideological imprint are 3.54 percent less likely to have inward foreign investment (23.1 percent of the mean likelihood 15.3 percent) and have .006 less share of such investment (21.9 percent of the mean .027), suggesting a large impact on share of inward foreign investment. Firms whose founders have a communist ideological imprint are 5.76 percent less likely to invest abroad (48.4 percent of the mean likelihood 11.9 percent) and invest .003 less (14 percent of the mean .022), showing that such firms tend to forgo opportunities to explore overseas markets. Meanwhile, the increase in explanatory power is substantial from baseline models (shown in Online Appendix tables A3a and A3b) to model 1 of the corresponding tables and corroborated by Wald tests.

Hypotheses 2a and 2b maintained that direct interactions with the government, embodied by political involvement and government appropriation, accelerate the decay of firm leaders' ideological imprint. Model 2 of tables 2 and 3 shows that the moderating effect of political involvement on the ideological imprint is positively significant for both inward and outward internationalization, and thus H2a is supported. Similar findings are obtained on government appropriation in model 3 of tables 2 and 3, which positively and significantly moderates the relationship between ideological imprint and internationalization, i.e., the inward and outward internationalization. Therefore H2b is supported.

Hypothesis 3 posited that involvement in the government-created industry social networks also contributes to the decay of the ideological imprint. Model 4 of tables 2 and 3 shows that this variable positively moderates the negative relationship between firm leaders' ideological imprint and internationalization strategies, both inward and outward. Hence H3 is supported.

Hypothesis 4a stated that the internationalization carried out as a national-level economic development plan in 2001 contributes to decay of the firm leaders' ideological imprint. Model 5 in tables 2 and 3 shows that the estimated coefficients on the interaction between the post-2001 period and ideological imprint are positively significant for three of four proxies of internationalization strategy. Therefore we conclude that H4a is supported.

Table 2. Results from Heckman Model and PSM: Inward Internationalization (1993–2012)*

Variable	1	2	3	4	5	6	7
Panel A: First-stage results of Heckman (random effects probit) after PSM [†]							
Ideological imprint (H1)	-.169** (.027)	-.349** (.034)	-.460** (.046)	-.919** (.109)	-.802** (.085)	-.246** (.046)	-2.951** (.175)
Political involvement	.275** (.026)	.157** (.029)	.272** (.026)	.290** (.026)	.275** (.026)	.275** (.026)	.123** (.029)
Government appropriation	.911** (.116)	.894** (.116)	.332* (.138)	.917** (.116)	.923** (.116)	.911** (.116)	.328* (.136)
Social network	.386** (.036)	.413** (.036)	.387** (.036)	.286** (.038)	.366** (.036)	.388** (.036)	.264** (.038)
Post 2001	-.141* (.070)	-.127+ (.070)	-.142* (.070)	-.124+ (.070)	-.236** (.071)	-.137* (.070)	-.241** (.070)
Regional FDI intensity	.050 (.035)	.048 (.035)	.052 (.035)	.070* (.035)	.041 (.036)	.019 (.038)	.012 (.038)
Ideological imprint × Political involvement (H2a)		.443** (.050)					.701** (.055)
Ideological imprint × Government appropriation (H2b)			2.029** (.259)				2.245** (.269)
Ideological imprint × Social network (H3)				.803** (.111)			1.103** (.118)
Ideological imprint × Post 2001 (H4a)					.728** (.089)		1.156** (.096)
Ideological imprint × Regional FDI intensity (H4b)						.141* (.068)	.259** (.074)
Number of observations	17,934	17,934	17,934	17,934	17,934	17,934	17,934
Goodness of fit (Chi-squared)	1,705.67	1,779.18	1,757.52	1,745.69	1,710.59	1,710.53	1,933.76
Panel B: Second-stage results of Heckman (random effects) after PSM [†]							
Inverse Mills ratio	-.116** (.001)	-.115** (.001)	-.112** (.001)	-.113** (.001)	-.116** (.001)	-.113** (.001)	.003+ (.002)
Ideological imprint (H1)	-.006** (.000)	-.006** (.000)	-.012** (.001)	-.029** (.002)	-.006** (.002)	-.015** (.001)	-.315** (.004)
Political involvement	-.012** (.000)	-.012** (.000)	-.011** (.000)	-.011** (.000)	-.012** (.000)	-.012** (.000)	.000 (.000)
Government appropriation	-.016** (.002)	-.016** (.002)	-.026** (.002)	-.013** (.002)	-.016** (.002)	-.014** (.002)	.002+ (.001)
Social network	-.023** (.001)	-.023** (.001)	-.022** (.001)	-.024** (.001)	-.023** (.001)	-.023** (.001)	.001 (.000)
Post 2001	.015** (.001)	.015** (.001)	.016** (.001)	.015** (.001)	.015** (.001)	.016** (.001)	.001* (.001)
Regional FDI intensity	.003** (.000)	.003** (.000)	.003** (.000)	.003** (.000)	.003** (.000)	-.001+ (.000)	.000 (.000)
Ideological imprint × Political involvement (H2a)		.001+ (.001)					.058** (.001)
Ideological imprint × Government appropriation (H2b)			.040** (.003)				.222** (.003)
Ideological imprint × Social network (H3)				.024** (.002)			.119** (.002)
Ideological imprint × Post 2001 (H4a)					-.000 (.002)		.116** (.002)
Ideological imprint × Regional FDI intensity (H4b)						.017** (.001)	.038** (.001)

(continued)

Table 2. (continued)

Variable	1	2	3	4	5	6	7
Number of observations	2,785	2,785	2,785	2,785	2,785	2,785	2,785
Goodness of fit (Chi-squared)	7,853.33	7,856.09	7,995.09	8,008.81	7,853.34	8,198.68	11,787.59

⁺ $p < .10$; ^{*} $p < .05$; ^{**} $p < .01$; intercept not reported to save space.

* 17,934 out of 19,729 observations were retained for the PSM analysis; 2,785 out of 17,934 experienced inward internationalization.

† Controls are reported in Panel A of table A3a in the Online Appendix.

‡ Controls are reported in Panel B of table A3a in the Online Appendix.

Table 3. Results from Heckman Model and PSM: Outward Internationalization (1993–2012)*

Variable	1	2	3	4	5	6	7
Panel A: First-stage results of Heckman (random effects probit) after PSM [†]							
Ideological imprint (H1)	-.273** (.029)	-.848** (.042)	-.637** (.051)	-1.218** (.141)	-.901** (.160)	-.779** (.056)	-5.411** (.274)
Political involvement	.536** (.030)	.195** (.034)	.534** (.030)	.549** (.030)	.536** (.030)	.537** (.030)	.169** (.034)
Government appropriation	.694** (.127)	.665** (.129)	-.025 (.151)	.706** (.127)	.696** (.127)	.695** (.127)	-.030 (.150)
Social network	.493** (.039)	.563** (.039)	.496** (.039)	.389** (.041)	.489** (.039)	.505** (.039)	.411** (.042)
Post 2001	-.471** (.080)	-.469** (.080)	-.476** (.080)	-.449** (.079)	-.522** (.081)	-.466** (.080)	-.594** (.081)
Regional FDI intensity	.029 (.048)	.009 (.049)	.027 (.048)	.062 (.049)	.025 (.049)	-.221** (.055)	-.211** (.055)
Ideological imprint × Political involvement (H2a)		1.281** (.058)					1.652** (.065)
Ideological imprint × Government appropriation (H2b)			2.522** (.283)				3.285** (.319)
Ideological imprint × Social network (H3)				1.002** (.143)			1.706** (.159)
Ideological imprint × Post 2001 (H4a)					.661** (.163)		1.767** (.177)
Ideological imprint × Regional FDI intensity (H4b)						.920** (.085)	1.194** (.097)
Number of observations	14,604	14,604	14,604	14,604	14,604	14,604	14,604
Goodness of fit (Chi-squared)	1,468.61	1,936.74	1,534.11	1,503.76	1,464.11	1,561.58	2,129.70
Panel B: Second-stage results of Heckman (random effects) after PSM [†]							
Inverse Mills ratio	-.087** (.002)	-.076** (.004)	-.086** (.003)	-.085** (.003)	-.086** (.003)	-.085** (.003)	.044** (.009)
Ideological imprint (H1)	-.003 ⁺ (.002)	-.016** (.004)	-.008* (.004)	-.038** (.014)	-.051** (.015)	-.009* (.004)	-.617** (.041)
Political involvement	-.008** (.002)	-.008** (.002)	-.007** (.002)	-.007** (.002)	-.007** (.002)	-.007** (.002)	.003 (.002)
Government appropriation	.008 (.008)	.013 (.009)	-.000 (.010)	.009 (.008)	.007 (.008)	.009 (.008)	.003 (.009)

(continued)

Table 3. (continued)

Variable	1	2	3	4	5	6	7
Social network	-.038** (.003)	-.034** (.003)	-.038** (.003)	-.039** (.003)	-.038** (.003)	-.037** (.003)	-.001 (.004)
Post 2001	.042** (.005)	.038** (.005)	.042** (.005)	.041** (.005)	.041** (.005)	.042** (.005)	.002 (.005)
Regional FDI intensity	.025** (.003)	.024** (.003)	.025** (.003)	.025** (.003)	.025** (.003)	.022** (.003)	-.003 (.004)
Ideological imprint × Political involvement (H2a)		.022** (.006)					.160** (.011)
Ideological imprint × Government appropriation (H2b)			.032+ (.019)				.271** (.025)
Ideological imprint × Social network (H3)				.036** (.014)			.202** (.017)
Ideological imprint × Post 2001 (H4a)					.049** (.015)		.221** (.019)
Ideological imprint × Regional FDI intensity (H4b)						.009 (.006)	.111** (.009)
Number of observations	2,178	2,178	2,178	2,178	2,178	2,178	2,178
Goodness of fit (Chi-squared)	2,002.29	2,013.67	2,004.96	2,009.19	2,012.54	2,004.51	2,229.44

+ $p < .10$; * $p < .05$; ** $p < .01$; intercept not reported to save space.

* 17,934 out of 19,729 observations were retained for PSM analysis; 14,604 observations are left after 2000, and 2,178 of them experienced outward internationalization.

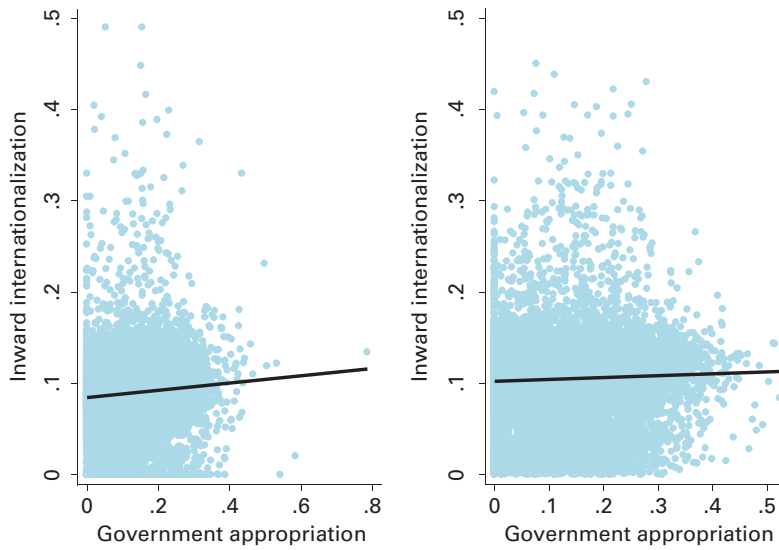
† Controls are reported in Panel A of table A3b in the Online Appendix.

‡ Controls are reported in Panel B of table A3b in the Online Appendix.

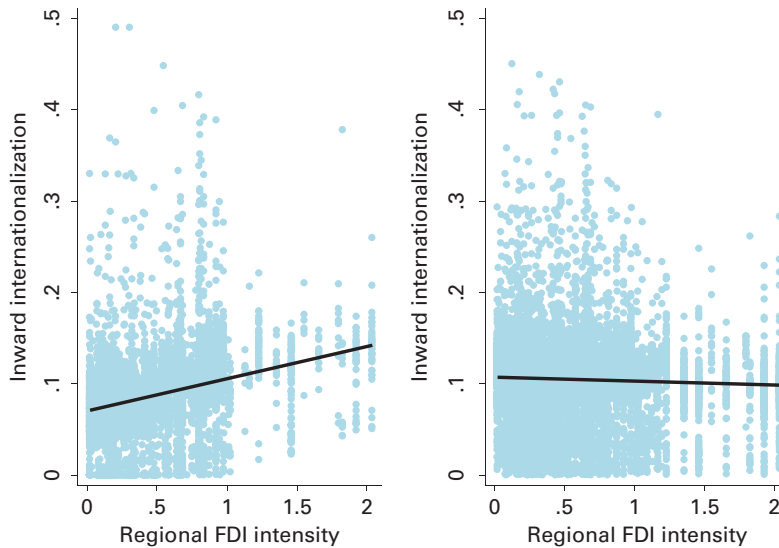
Hypothesis 4b suggested that regional FDI intensity is also an important factor leading to the decay of firm leaders' ideological imprint. According to model 6 in tables 2 and 3, the regional FDI intensity positively moderates the negative relationship between ideological imprint and internationalization strategy, both inward and outward (p -value of the coefficient on the interaction in predicting the continuous measure of outward internationalization is 0.104). Thus H4b is supported.

We illustrate the data visually in figures 1 and 2, which provide graphical examination of our hypotheses involving continuous-valued moderators as well. Specifically, we used pairs of scatterplots with linear fits of continuous measures of both internationalization variables, imputing missing values (Korn and Graubard, 1998), on vertical axes. In figures 1 and 2 we respectively split entrepreneurs with and without a communist ideological imprint in the sets of paired figures. For each pair of figures—i.e., subfigures (a) and (b)—we presented the moderator on the horizontal axis and used consistent scales on the vertical axis to ease comparison. The figures lend visual support to our hypotheses in that the slopes on the left-hand-side figure are steeper, indicating positive moderating effects. We obtained similar results for binary-valued moderators in bar charts. Our results are also supported by slope tests.

Figure 1. The decay of the communist ideological imprint (dependent variable: foreign investment over total assets).



(a) Moderating effect of government appropriation (left: communist ideological imprint = 1, right: communist ideological imprint = 0)

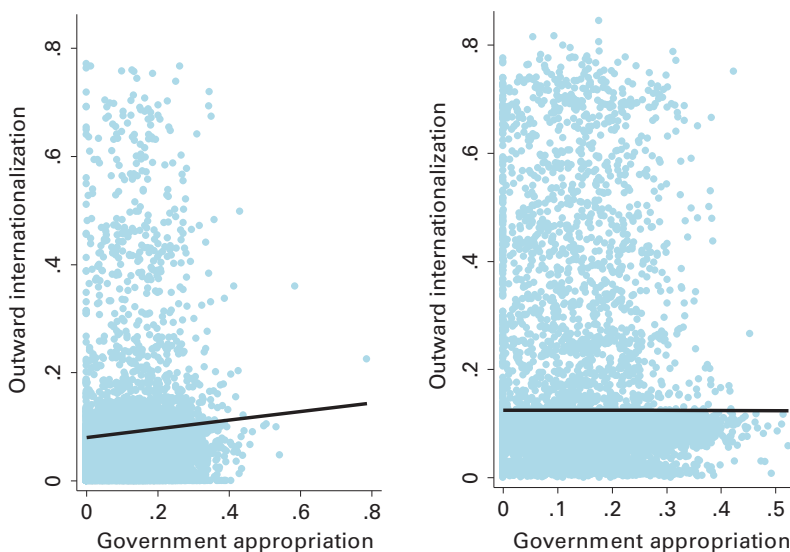


(b) Moderating effect of regional FDI intensity (left: communist ideological imprint = 1, right: communist ideological imprint = 0)

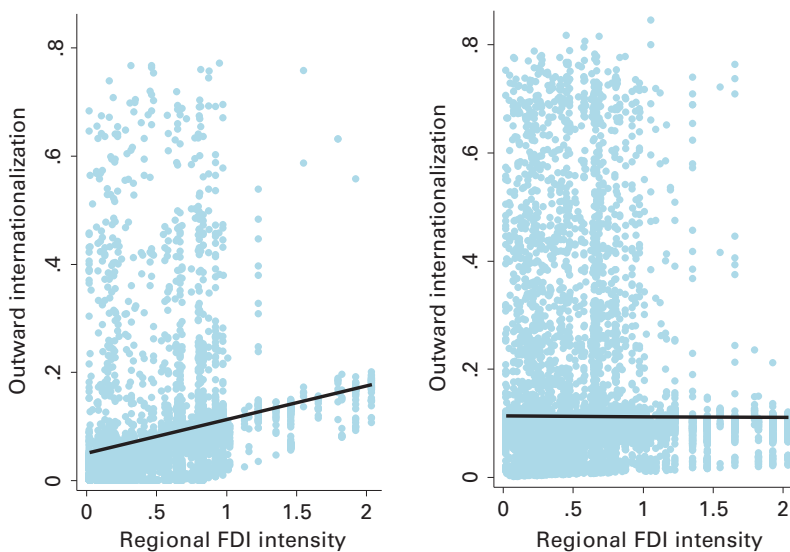
Robustness Checks

Importance of socialization. An important concern related to potential selection bias influencing our results is whether the effects we observe

Figure 2. The decay of the communist ideological imprint (dependent variable: overseas assets over total assets).



(a) Moderating effect of government appropriation (left: communist ideological imprint = 1, right: communist ideological imprint = 0)



(b) Moderating effect of regional FDI intensity (left: communist ideological imprint = 1, right: communist ideological imprint = 0)

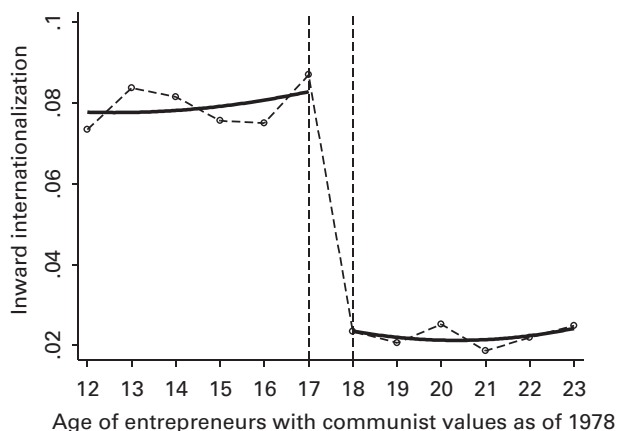
occur because of reinforcement of individuals' prior belief in communism (a dispositional value) or whether the process of socialization led to the imprint that is orthogonal to the existing values. Historical evidence on how CPC membership was almost universally sought suggests this is not an issue (e.g.,

Dickson and Rublee, 2000; Li and Walder, 2001), but to understand it further, we used regression discontinuity design (RDD) analyses to examine the importance of socialization in establishing the pre-1978 communist ideological imprint.³

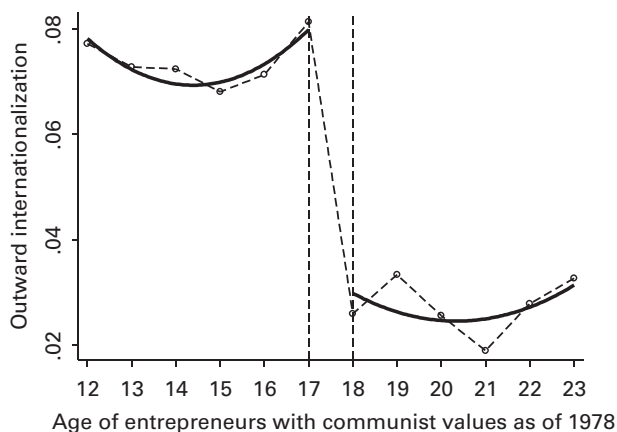
The basic tenet of RDD is that an exogenously determined discontinuity in some explanatory variables helps researchers identify a (local) causal effect. In our setting, an exogenous and predetermined qualification is the age of entrepreneurs—from the foundation of the CPC until 1978, individuals younger than 18 were not allowed to join the CPC (with very few exceptions). Therefore entrepreneurs who were around 18 years old (17–19) in 1978 constituted a random sample in terms of the communist ideological imprint (whether going through the socialization process or not). Namely, entrepreneurs who became CPC members later but did not before 1978 because of the age qualification (for the 17-year-old cohort) are the control group, while those already 18 years old (18–19) and joined the CPC are the treatment group. In this sample, it is reasonable to assume all entrepreneurs maintain the same dispositional ideology (value), and the age discontinuity reflecting whether the focal entrepreneurs reached 18–19 years captures the impact of CPC socialization in the pre-1978 period. Therefore in this quasi-natural experiment design, the age discontinuity helps distinguish the impact of imprinting (the socialized value) from the disposition, and thus we can further provide evidence that the effects are a result of becoming a CPC member after going through the socialization and indoctrination processes, rather than individuals' dispositional interest. Figure 3 (a) and (b) illustrates that going through the imprinting process leads to less inward internationalization and outward internationalization. Table 4 presents the results. The results suggest that socialization is important, as random selection into the communist ideological imprinting process significantly and negatively affects internationalization. Thus we conclude that the communist ideological imprint is a socialized value.

We also report a wide range of other robustness checks and further analyses in the Online Appendix (<http://journals.sagepub.com/doi/suppl/10.1177/0001839218792837>), including the PSM details, full longitudinal sample analyses, a counterfactual analysis to provide evidence of motivated cognition,

³ The following standards and recommended steps guided our RDD analysis: (1) the age discontinuity is not anticipatable; (2) different bin widths—1959 to 1961, 1958 to 1962, and 1955 to 1965—provide similar results; (3) the discontinuity is not driven by omission of certain key variables and cannot be approximated with polynomial or nonparametric regression, and thus represents an exogenous shock; (4) age exhibits discontinuity only at our specified cutoff points, and other explanatory variables do not exhibit a discontinuity based on a McCrary (2008) test; (5) placebo tests that shift age discontinuities earlier or later yield non-results; (6) differences of explanatory variables other than age are all insignificant at the 10-percent level above and below the age discontinuity (in the age bins we used) such that the effects of age discontinuity on dependent variables are not attributable to other explanatory variables; and (7) controlling for explanatory variables does not affect the results. Also, because the CPC selection process and associated incentives are opaque to Chinese citizens (Bian, Shu, and Logan, 2001), it is unlikely that in the short run at least (years immediately after 1978) personal incentives for joining the party would change. Thus, because the discontinuity exhibited such a dramatic break, the RDD does not likely reflect a change in individual incentives to join the party.

Figure 3. Graphical illustration of RDD results and tests.

(a) Effect of the age discontinuity for the socialization of the communist ideological imprint for the continuous inward internationalization measure



(b) Effect of the age discontinuity for the socialization of the communist ideological imprint for the continuous outward internationalization measure

results of a diff-in-diff analysis to provide a finer-grained examination of the communist ideological imprint based on the year of joining the CPC, other sources of endogeneity and corresponding instrumental variable estimation results, analyses with additional control variables to ensure robustness of the Heckman model, other decaying factors unrelated to information processing, imprint heterogeneity based on region and periods of the ideological indoctrination process, and a pseudo-panel data analysis that uses the full sample to show that sample attrition is not an issue.

Table 4. Results from Regression Discontinuity Design: Sample Includes Cohorts Who Became CPC Members Later but Not before 1978 (as Control) and Those Who Actually Joined CPC (as Treatment)*

	Inward internationalization				Outward internationalization			
	Binary		Continuous		Binary		Continuous	
	1	2	3	4	5	6	7	8
With other explanatory variables								
Age discontinuity (already 18 before 1978)	-1.029**	-1.194**	-.057**	-.060**	-.788**	-.815**	-.050**	-.045**
(were 17–19 in 1978)	(.099)	(.111)	(.005)	(.006)	(.101)	(.108)	(.006)	(.006)
Number of observations	1,214	1,211	1,214	1,213	1,125	1,124	1,125	1,213
Goodness of fit (pseudo and between R ²)	.077	.164	.080	.158	.047	.071	.049	.082
Age discontinuity (already 18 before 1978)	-1.043**	-1.190**	-.056**	-.058**	-.648**	-.711**	-.043**	-.040**
(were 16–20 in 1978)	(.073)	(.088)	(.004)	(.004)	(.073)	(.084)	(.005)	(.005)
Number of observations	2,098	2,096	2,098	2,096	1,939	1,937	1,939	2,096
Goodness of fit (pseudo and between R ²)	.085	.166	.088	.158	.036	.058	.040	.079
Age discontinuity (already 18 before 1978)	-1.051**	-1.215**	-.057**	-.061**	-.701**	-.783**	-.047**	-.044**
(were 13–23 in 1978)	(.046)	(.069)	(.002)	(.004)	(.046)	(.069)	(.003)	(.004)
Number of observations	4,589	4,567	4,589	4,567	4,273	4,255	4,273	4,567
Goodness of fit (pseudo and between R ²)	.102	.161	.107	.159	.048	.073	.056	.092

+ $p < .10$; * $p < .05$; ** $p < .01$; intercept not reported to save space.

* Entrepreneurs (1) who became CPC members later but not before 1978, because of the age qualification (born after 1960), and those who (2) joined the CPC before 1978 and were born before 1960 are included. Exact birth years were according to different age cohort bins. Numbers of observations vary by different age cohorts of entrepreneurs. Pseudo and between R² are goodness of fit for binary and continuous dependent variables, respectively. Models 2, 4, 6, and 8 include other explanatory variables; the other models do not. Number of observations varies because of missing values on control variables.

DISCUSSION

Our study examined how Chinese entrepreneurs' communist ideological imprint has affected their firms' internationalization strategies. Based on analyses of a longitudinal sample of Chinese private entrepreneurs, we found that their communist ideological imprint, formed prior to founding their enterprises, consistently and negatively affected the internationalization of their ventures in a later stage. But the negative effects are mitigated by entrepreneurs' direct interactions with the source of the imprint—the contemporary reformer-led government—as well as by involvement in government-created industry social networks and by observing governmental support of internationalization. We theorized and showed that the diffusion of information from each of these sources leads to the decay of an entrepreneur's ideological imprint.

Theoretical Implications

Our study offers a number of important theoretical implications. First, we show the imprint-transfer process whereby an individual's imprint affects the organization he or she leads, highlighting the important role of "entrepreneurs in selecting and incorporating historically specific elements that may remain for decades or even centuries as fundamental features of the organization in question" (Johnson, 2007: 97). While prior research has shown that network-level,

organizational-level, or work-unit-level imprints can affect individuals (Marquis, 2003; McEvily, Jaffee, and Tortoriello, 2012) and that individuals can leave an imprint in organizations that functions even after their departure (Baron, Hannan, and Burton, 1999; Johnson, 2007), cross-level imprinting processes such as the one we examined are underexplored (Simsek, Fox, and Heavey, 2015) and contribute to a better understanding of a general multilevel imprinting perspective (Marquis and Tilcsik, 2013). Our results provide evidence that in addition to cognitive frames and values related to business directly—such as blueprints, organizational structures, business models, and employment relations (e.g., Baron, Hannan, and Burton, 1999)—corporate leaders may also inject their non-business-related frames and values, such as imprinted political ideologies, into their firms.

Second, the extent to which imprints decay is an important yet understudied issue, especially for individuals (Marquis and Tilcsik, 2013). Our study unpacks the evolutionary process of imprints by examining the effects of information diffusion, suggesting that two key conditions must be satisfied to erode the imprint: availability and credibility of contradicting information. We also highlight that imprints carry seeds of their own decay, as the source of the original imprint triggers the decay of imprints they established earlier. We thus bring the role of the imprinter back into the imprinting literature, which has mostly centered on the imprinter's initial and one-off actions. We show that imprinters are crucial in understanding imprinting dynamics and the subsequent functions and evolution of the imprints they establish. Finally, our theorizing highlights selective attention (Newell and Simon, 1972) as one important meta-theoretical assumption of the imprinting literature. Selective attention is not only responsible for the original imprinting process wherein focal entities internalize prominent features of the environment that affect their future behaviors enduringly, but it also facilitates decay of the imprint.

Third, our research contributes to the upper echelons literature (Hambrick and Mason, 1984). The imprint-transfer process we examine suggests that this perspective could be more precisely defined as viewing organizations as reflecting their top managers' selected life histories: salient impressionable periods of both their early life experiences and their careers. Within this literature, our study extends the burgeoning research on the influence of corporate leaders' political ideology on corporate strategies and policies (e.g., Chin, Hambrick, and Treviño, 2013; Briscoe, Chin, and Hambrick, 2014; Gupta, Briscoe, and Hambrick, 2017). Different from the argument that their current political ideologies are responsible for corporate strategies but may also reflect managers' self-interest (Chin, Hambrick, and Treviño, 2013), we theorize that individuals' political ideologies established in the past—reflecting their influential experiences during sensitive periods—endure. Our results thus suggest that future research on ideology in organizations should attend to imprinting processes to a greater extent. Ideological imprinting may be particularly helpful in understanding organizational behaviors in countries that experienced paradigmatic shifts, such as former communist countries (Kriauciunas and Kale, 2006). More generally, by integrating these two strands of literature, our study brings temporality back into ideological research, highlighting the importance of individuals' history in understanding contemporary behaviors (Mannheim, 1936).

More importantly, our study suggests that political ideology might not be a reflection of only one's dispositional values but also of socialization processes

in key life stages (Jost, 2006; Jost, Federico, and Napier, 2009). Like macroeconomic conditions (e.g., Bianchi, 2014) and social class (e.g., Kish-Gephart and Campbell, 2015), socialization is an important imprinting process that internalizes individuals' values (Ashforth and Saks, 1996) and may even change one's existing values (Akerlof, 1983). The socialized value perspective we bring to understanding ideological imprinting highlights the importance of critical experiences that individuals go through (Wang, Du, and Marquis, 2018), and it bridges two important personal antecedents of corporate leaders' decision making: experiences and values (Hambrick and Mason, 1984; Finkelstein, Hambrick, and Cannella, 2009). We suggest that better understanding the interrelationship of different executive characteristics further develops the upper echelons perspective on how strategy and organizational behaviors are formed.

Finally, our research extends the effects of individuals' imprints to an important corporate strategy: internationalization. While existing literature has focused extensively on understanding internationalization processes (Johanson and Vahlne, 1977; Melin, 1992; Li, Yi, and Cui, 2017), managerial characteristics—although recognized as important (Sanders and Carpenter, 1998)—have received less attention. Therefore we extend research on the set of antecedents of internationalization by examining corporate leaders' backgrounds. Furthermore, researchers have increasingly paid attention to the internationalization of Chinese firms (Child and Rodrigues, 2005) yet mostly have focused on state-owned enterprises (see Liang, Lu, and Wang, 2012, for an exception). As the marketization of the Chinese economy progresses (Dickson, 2003), private firms are increasingly important (Li and Zhang, 2007), and their internationalization will likely play a greater role in the Chinese and world economy (Liang, Lu, and Wang, 2012). The internationalization of private firms in China is likely to have profound implications for both academic research and business operations (Li, Yi, and Cui, 2017). Our study is among the first to unpack important trends in their internationalization, especially that of new ventures.

Limitations and Future Research

Our focus on internationalization as an outcome of ideological imprinting was guided by both theoretical and historical factors, and future research may examine other outcomes, such as corporate strategies, executive compensation, and employee-related issues (Briscoe, Gupta, and Anner, 2015). For example, entrepreneurs with a communist ideological imprint—which also stresses social contributions—may be more focused on societal concerns, avoid exploitative business practices, and be more philanthropic (e.g., Tsang, 1996; Dickson, 2007). In exploratory analyses, we found evidence that entrepreneurs with a communist ideological imprint are more engaged in such corporate social responsibility (CSR) practices.

We acknowledge that there may be unobservable characteristics that affect entrepreneurs' self-selection into CPC membership and/or the selection criteria of the CPC (Wang, Du, and Marquis, 2018). For instance, the CPC may base membership on work performance, engagement in social activities, relationships with coworkers and neighbors, and interpersonal skills, and the importance of these characteristics may change over time (e.g., Bian, Shu, and Logan, 2001; Dickson, 2003; Li et al., 2008). But our time-varying control variables on entrepreneurs' characteristics such as education and work experience

likely have accounted for these concerns. For instance, education may proxy for ability and thus work performance, and foreign and government experiences may indicate their engagement in social activities and relationships with coworkers and neighbors, as these job positions are competitive and require strong social skills (e.g., Li and Zhang, 2007). Furthermore, involvement in social networks is part of our theorized model. The similarity across the different types of entrepreneurs and our large sample size should also alleviate the possibility of unobservable characteristics. We do recognize this as a potential limitation, however, and encourage future studies to use other more exogenous experiences—such as coming of age in a recession (Bianchi, 2014), social class (Kish-Gephart and Campbell, 2015), and experiencing political upheaval (Wang, Du, and Marquis, 2018)—to more strongly establish causality between imprinting and its consequences.

Finally, we encourage extensions of our theory to other contexts beyond China. For instance, India experienced a reform commensurate with China's 1978 transition in 1991 (Choudhury and Khanna, 2014), and other countries have different ideologies (e.g., socialism) and spectra of political ideologies (e.g., socialism–capitalism and liberalism–authoritarianism). Ideology is a multifaceted and in many ways context-specific characteristic, and only by examining different settings and organizational practices will we develop a full understanding of the role of ideology, and ideological imprinting, in organizational theory.



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Supplemental Material

Supplemental material for this article can be found in the Online Appendix at <http://journals.sagepub.com/doi/suppl/10.1177/0001839218792837>.

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