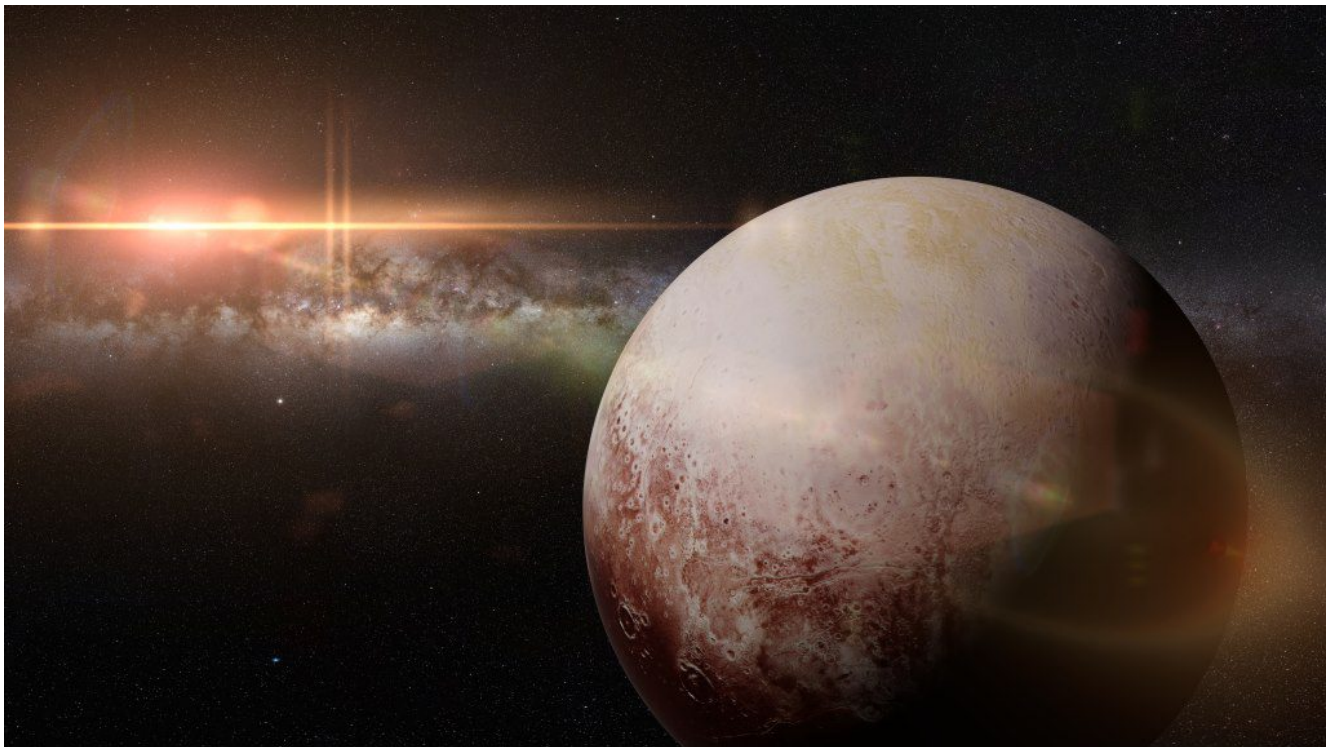


Managing on PLUTO. Global business leadership in times of Trump

Global business leaders must understand the challenges and opportunities of a world that is Polarized, Liquid, Unilateral, Tense and Omnirelational.



March 27, 2025

Business pundits are good at coming up with catchy terms to describe the times we live in. First there was VUCA (Volatile, Uncertain, Complex, Ambiguous). Then came BANI (Brittle, Anxious, Nonlinear, Incomprehensible). The new U.S. administration seems to encapsulate yet defy previous categorizations. For that reason, we've identified key concepts — Polarized, Liquid, Unilateral, Tense and Omnirelational — for business leaders to navigate this new

global scenario. Welcome to a PLUTO world.

Polarized: stay true to your purpose

The U.S. pivot, breaking the post-war alliance, has divided the world as not seen since the Cold War. Issues that many thought were mostly settled — like the importance of [diversity](#) or [ESG reporting requirements](#) to help address climate change — are once again being hotly debated or ditched altogether.

That polarization leads us to a second “P”: Purpose. The experience of COVID-19 taught us that companies with a clear corporate purpose fare better than those without. Think about the long-term purpose of your company, and align your strategy with long-term values rather than short-term, tug-of-war pressures.

As Professor [John Almandoz](#) notes, we need leadership concerned not only with attaining good financial results but also with [staying true to purpose](#) — the very reason a company exists. In this effort, you may have to tweak your communications. For example, some companies have adopted a “green hushing” approach — continuing their sustainability efforts but advertising them less in politically sensitive markets.

Liquid: prepare for shifting scenarios

Policies and alliances shift by the day. Companies must move beyond reacting to everything and draw up scenario-based strategies for stable management.

Professor [Mike Rosenberg](#) recommends imagining where your company will stand 12 months, 3-5 years and 10 years from now. Consider best- and worst-case scenarios, seeking alternatives and allowing for contingencies. In chaotic and complex environments that are constantly evolving, managers need to have agile processes in place to regularly assess what’s working, what the organization is learning and what needs to improve. [The experience in the immediate aftermath of 9/11 serves as a use-case in this regard.](#)

Unilateral: find opportunities in standing apart

[Decades of trade based \(mostly\) on multilateralism are over](#), notes [Jordi Gual](#). Multinational cooperation agreements are up in the air. U.S. policy — now transactional and tactical — will be centered on what will benefit the U.S. economy. Even long-time allies won’t be spared.

Business leaders will need more in-depth knowledge of geopolitics than they might have had in recent decades. For economists [Nuria Mas](#) and [Pedro Videla](#), the U.S. turn inward also represents [the chance for Europe to correct long-standing weaknesses](#): to overcome internal divisions, climb out of its mid-tech rut to compete with the U.S. and China on innovation, rethink regulation and implement productivity-enhancing artificial intelligence. There's opportunity there, as well as challenges.

Tense: shock-proof your global supply chains

Geopolitical and geoeconomic tensions are likely to characterize the next four years, whether from wars in Ukraine and Gaza; full-scale trade wars between the U.S. and China, Canada, Mexico, Europe, etc.; or attacks on the independence of Taiwan.

Tariffs will fundamentally change costs for companies. To respond, companies and their leaders should prioritize resilience. It's time to diversify supply chains to reduce exposure to single points of failure. To minimize the extent to which [supply chains are exposed to geopolitical shocks](#), get the [board](#) on board, measure risk at the sector level as well as the country level, and improve management awareness. Invest in alternative markets and production hubs to maintain flexibility. Adopt nearshoring and friendshoring strategies to mitigate risks. Strengthen financial reserves to absorb the impact of sudden policy shifts.

Omnirelational: discover new allies and partners

Former Harvard Business School Dean Nitin Nohria years ago predicted [the 21st century would be a multipolar century](#). "If we only focus on American or European management practices, we aren't preparing ourselves for innovation that is coming from China, India, Brazil, [Africa](#) and other parts of the world that are fast emerging on the global stage. We need to be much better at sensing and embracing innovation that can occur anywhere in this changing world."

Evaluating China's dominance only in terms of its race against the U.S. ignores its growing investments in Latin America, Africa and elsewhere. The [global race for dominance in artificial intelligence](#) is also a multifaceted, geopolitical story, [Sampsa Samila](#) points out. How good are you at sourcing ideas from unexpected quarters? Find likeminded partners to forge new alliances and discover new opportunities wherever they lie.

If life at the moment feels like we're on another planet, that's because we're living in PLUTO times. And like that planetary namesake, we're entering a new phase of intense, life-altering, profound changes — a time of endings but, vitally, new beginnings.



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