



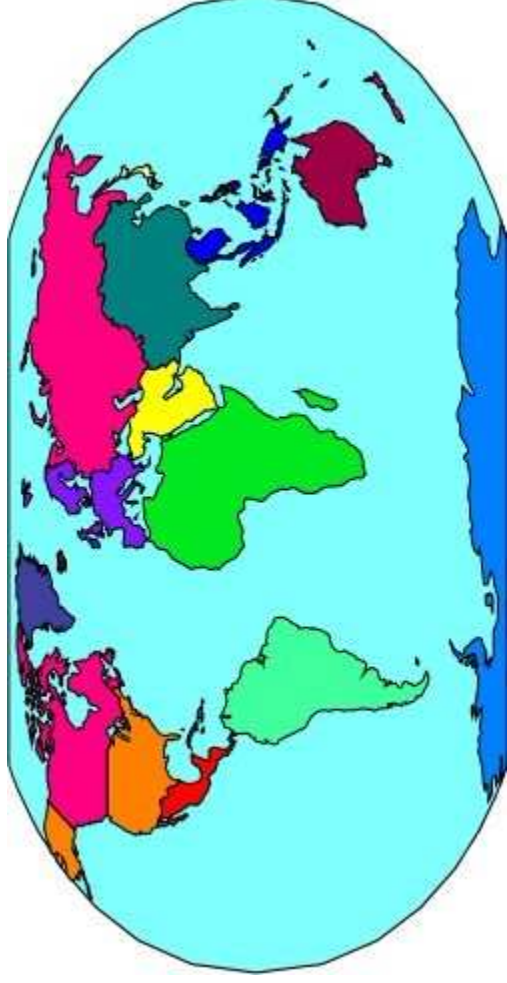
The Cultural Dimension

John Hooker
Carnegie Mellon University
October 2009



Outline

- ✚ A cross-cultural perspective
- ✚ Relationships vs. rules
- ✚ Competition and risk
- ✚ Culture and political power





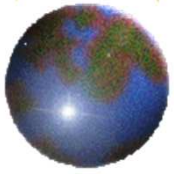
A Cross-Cultural Perspective



*What culture is **not***

- ☉ Culture is **not** primarily about food, language, dress, customs, holidays.





- What if all Chinese ate *Sauerbraten* and *Spätzle*



- rather than *jiǎo zi* and *bāo zi*?





- What if all Chinese ate *Sauerbraten* and *Spätzle*



- rather than *jiǎo zi* and *bāo zi*?



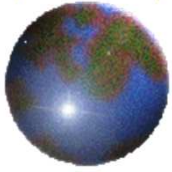
- *It would be the same culture!*



What culture is

- 📍 Culture is about **how we think**.
- 📍 It determines our deepest assumptions, most of which we not even aware.
 - 📍 Like an iceberg, culture lies mostly beneath the surface.





Language Dress, hairstyle Pop culture
Cuisine Overt religion

**Concept of
authority**

Concepts
of space
and time

**Guilt vs.
shame**

**Rule-based
vs.
relationship
-based**

Apollonian
vs.
Dionysian

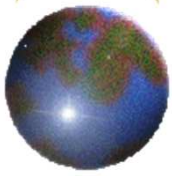
Management
of information

Universalizing
rationality?

**Stress
management**

Covert religion

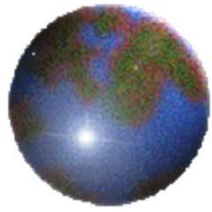
Fundamental
conception of
reality



Culture vs. personality

- ✚ Every culture contains the **full range** of human personalities.
 - ✚ Culture is about the framework into which these personalities fit, **not** about “national character.”
 - ✚ However, different personalities succeed in different cultures.





Relationships vs. Rules

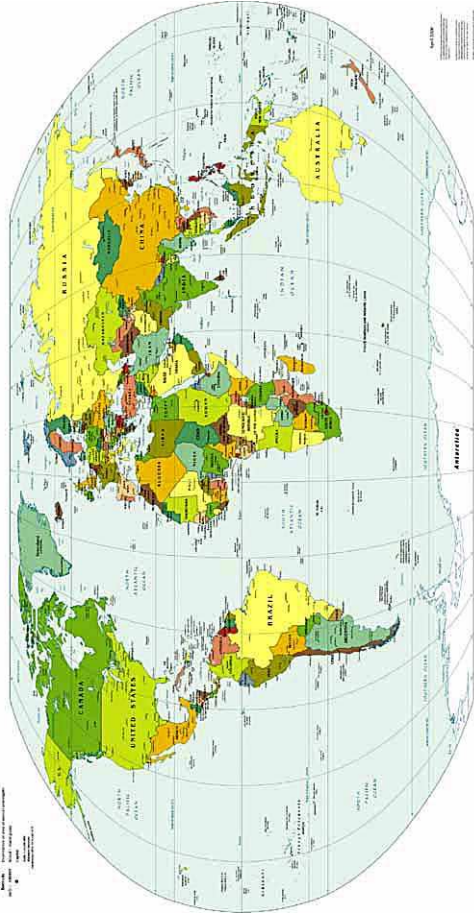




Two types of cultures

- ✪ There are 5000+ cultures in the world, all very different.
- ✪ But they can be classified roughly as:
 - ✦ **relationship-based**
 - ✦ **rule-based.**

Political Map of the World, April 2000

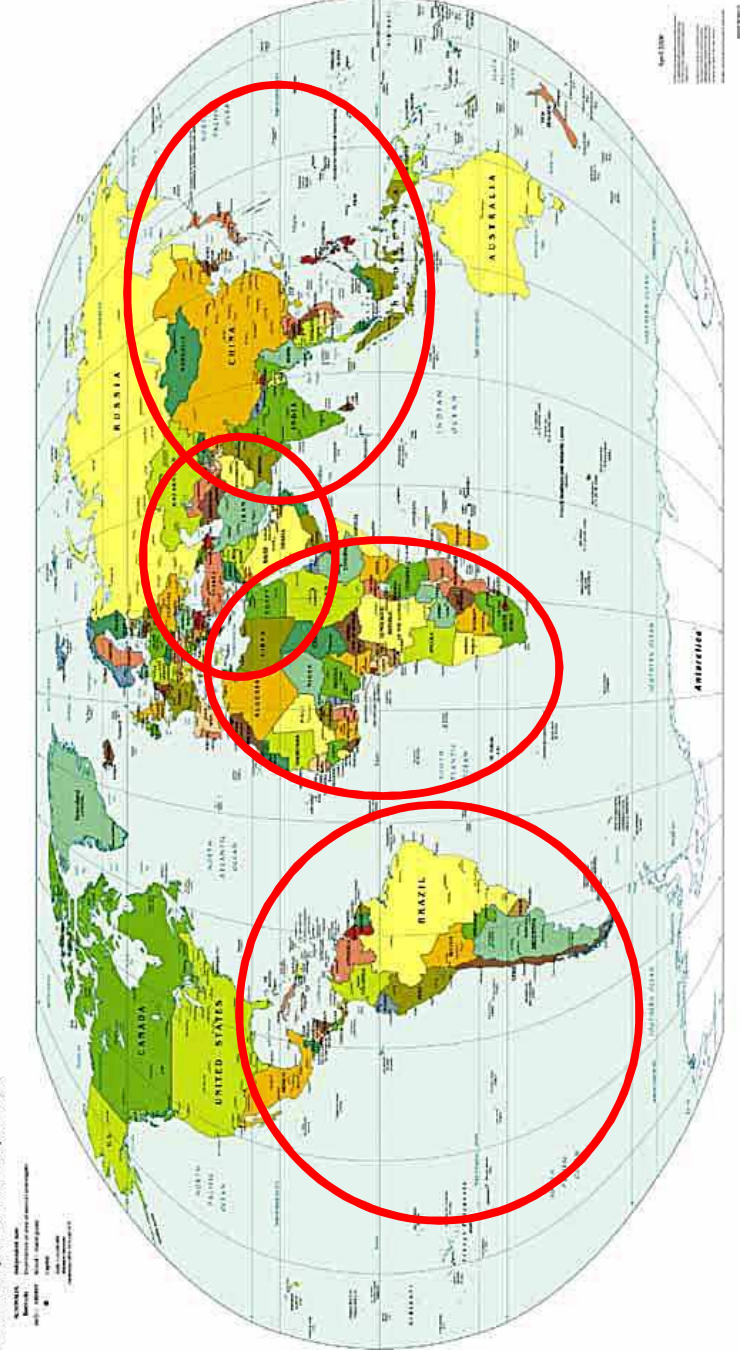




- 🌐 *Relationship-based* = life is organized primarily around **personal relationships**.

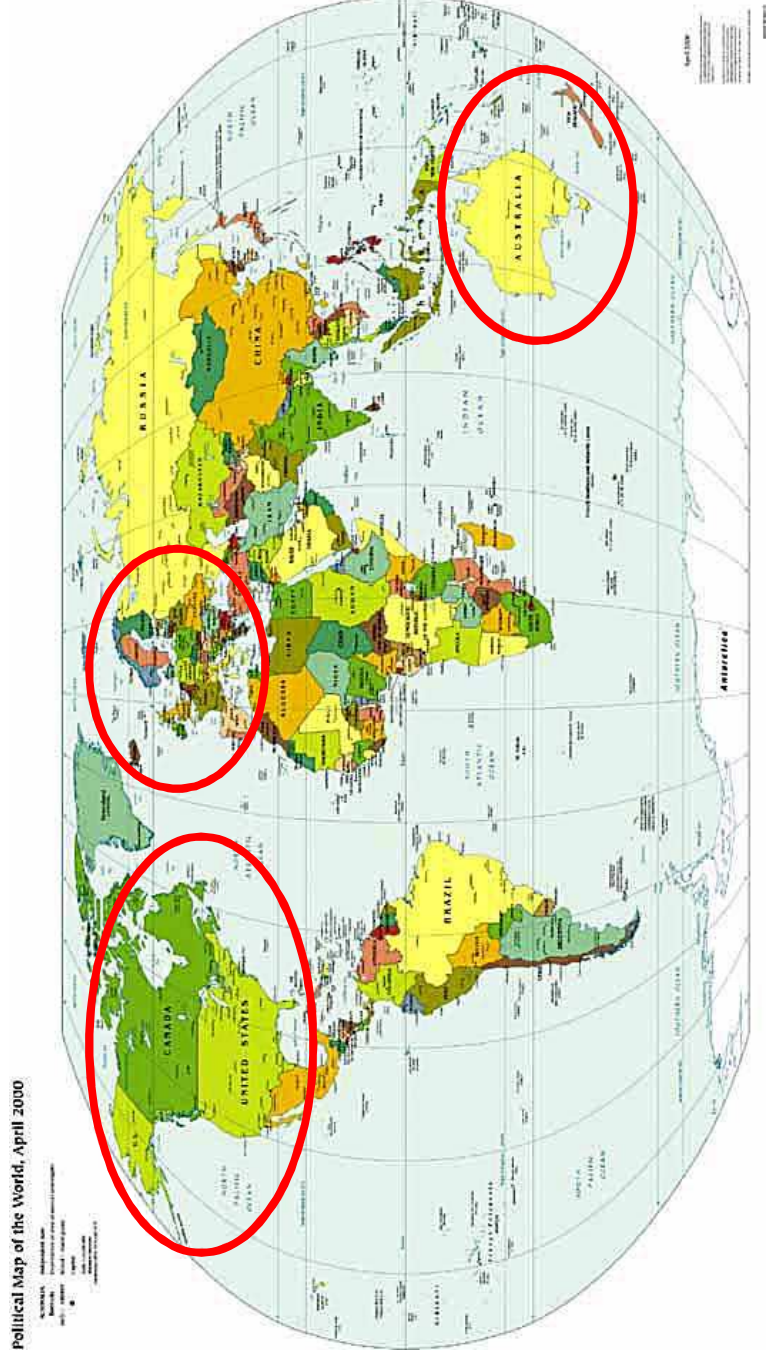
🌐 Africa, Asia, Middle East, South America

Political Map of the World, April 2000



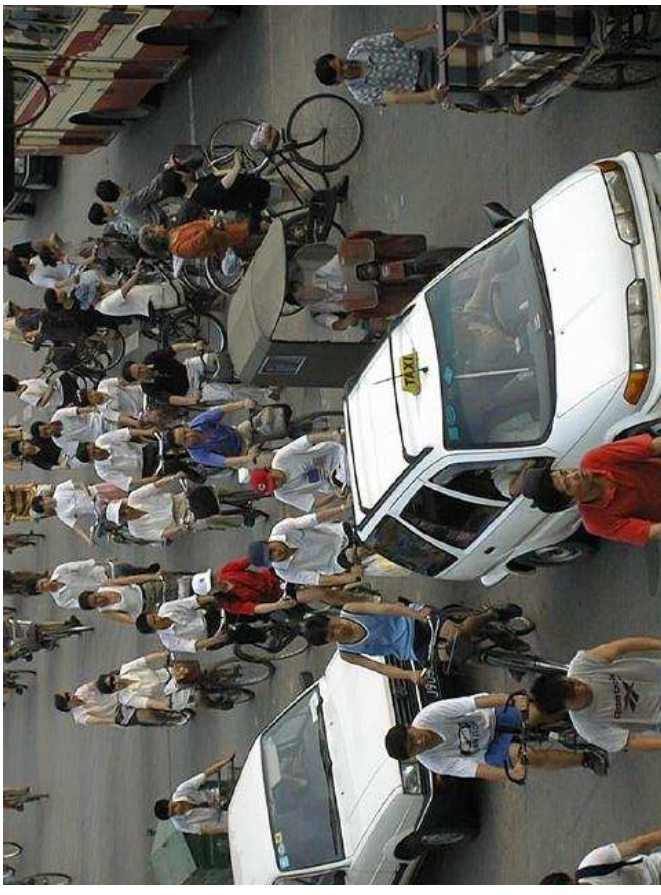


- 📍 *Rule-based* = life is organized primarily by **rules**.
- 📍 Australia, Europe, North America





- 📍 Meetings
 - ❏ Personal connections vs. strictly business
- 📍 Deals
 - ❏ Personal trust vs. contracts & law
 - ❏ Trust the **person** vs. trust the **system**.
- 📍 Traffic behavior
 - ❏ Negotiation vs. regulation.



Traffic in China

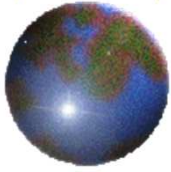


🌐 Dealing with **stress**

- 🏠 Family & friends vs. technology & engineering.



Filipino family

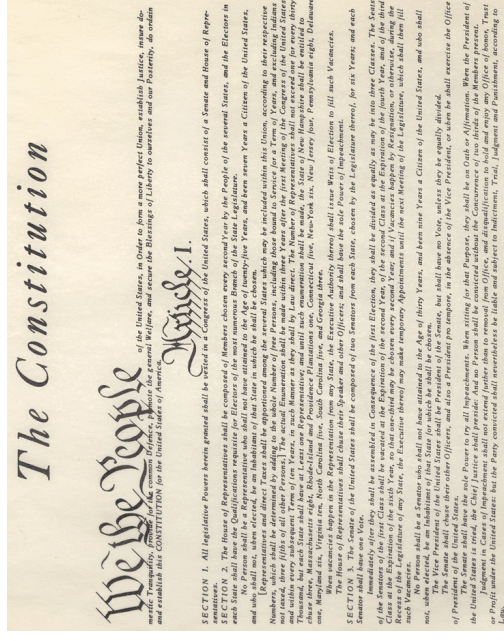


📍 Concept of authority.

- 📍 Relationship-based – authority rests in the **person**.
- 📍 Rule-based – authority derives from **rules**.



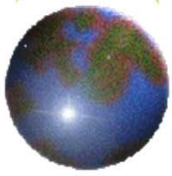
Custodian of the Two Holy Mosques
King Abdullah bin Abdul Aziz Al-Saud





- Many cultural traits **correlate** with the rule-based, relationship-based distinction.

Relationship-based	Rule-based
High power distance	Low power distance
Shame-based	Guilt-based
High-context	Low-context
Corruption as bribery	Corruption as cheating



Power distance

- 🎯 **Power distance** is the degree to which less powerful people **accept** their subordinate position.





Relationship-based	Rule-based
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- 📍 Relationship-based countries tend to be **high** power distance.
 - ❏ Behavior is regulated by **people** with authority.
 - ❏ Rules are legitimated and enforced by authority figures.
 - ❏ Leaders are expected to be wise and caring.
 - ❏ Example: Deng Xiaoping



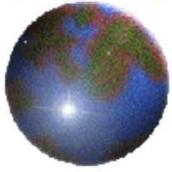
Deng Xiaoping
De facto leader of China
1978-1992



- 📍 Rule-based countries tend to be **low** power distance.
 - 📍 People respect the **rules** more than superiors.
 - 📍 Example: Sweden.



Karl XVI Gustaf
Swedish King since 1973



🌐 High power distance:

- ❏ Children obey and respect parents, teachers.
- ❏ Employees are reluctant to challenge the boss or discuss problems.
- Guangzhou executives
- Filipino maids

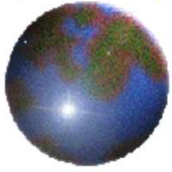




- High power distance:
 - ❏ Ideal boss is benevolent or fatherly autocrat (rarely female).
 - ❏ Large differences in salary/skills.
 - ❏ Class differences, limited upward mobility.



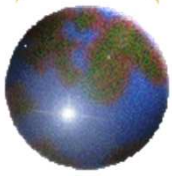
Dalit (untouchable)
India



📍 Low power distance:

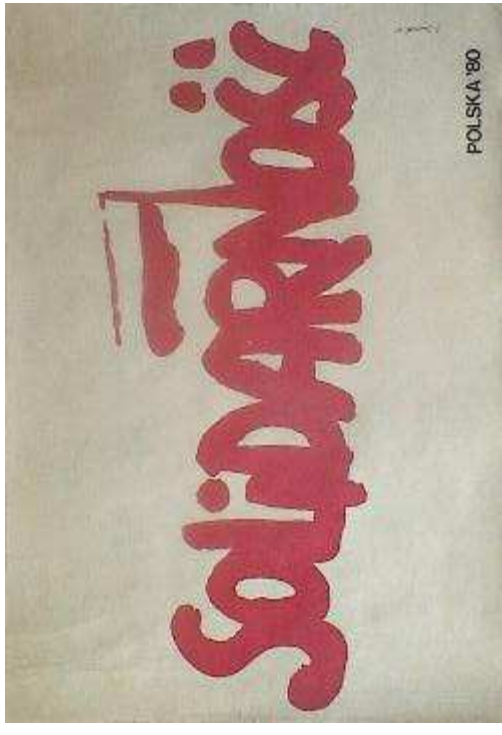
- ❑ Children are allowed to contradict their parents.
- ❑ Two-way discussion in classroom.
- ❑ Discipline may be a problem; parents side with child rather than teacher.
- ❑ No corporal punishment.



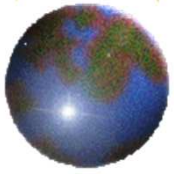


📍 Low power distance:

- ❏ Consultative management.
- ❏ Employees bring concerns and grievances to the boss.
- ❏ Ideal boss inspires workers.
- ❏ Labor unions.
- ❏ Smaller salary differences; workers may resent executive perks.
 - Scandinavian vs. U.S. offices.
 - Power distance higher in U.S. business

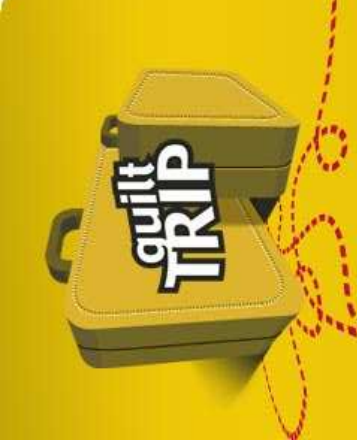


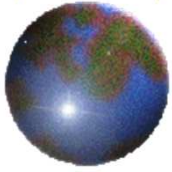
Solidarity logo, Poland



Shame and guilt

- 🎯 **Shame** and **guilt** are mechanisms for enforcing behavior norms.





Relationship-based	Rule-based
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🌐 **Relationship-based** cultures enforce behavior norms by **shame**.

- ❑ Loss of face.
- ❑ Humiliation.
- ❑ Punishment on the spot.
- ❑ Direct and constant supervision.
 - Department store cashier.
- ❑ No guilt.
 - Shohei Nazawa and Yamaichi Securities
 - JAL Flight 123 (1985), Yusomoto Takagi apologized & compensated victims' families. Boeing apparently at fault.





- Key point for shame-based cultures:

- Failure to supervise **gives permission** to break the “rules.”
 - Public transit.
 - Exam cheating.
 - Government regulation.

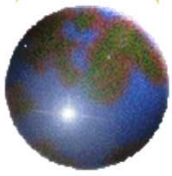




📍 **Guilt** is more important in **rule-based** cultures.

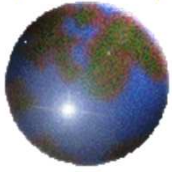
- ❏ Guilt encourages obedience to rules without supervision.
- ❏ But it may be a poor motivator and carry high psychological cost.
 - *Ein gutes Gewissen ist ein sanftes Ruhekissen.*
- ❏ Guilt is reinforced by fear of punishment.



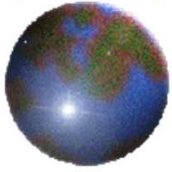


Context

- 📍 In **low-context cultures**, information and behavior norms are spelled out.
 - 📍 Typical of rule-based cultures.
 - 📍 The rules are spelled out.
- 📍 In **high-context cultures**, these are implicit in the cultural context.
 - 📍 Norms are transmitted by the people around you.
 - 📍 Particularly authority figures.

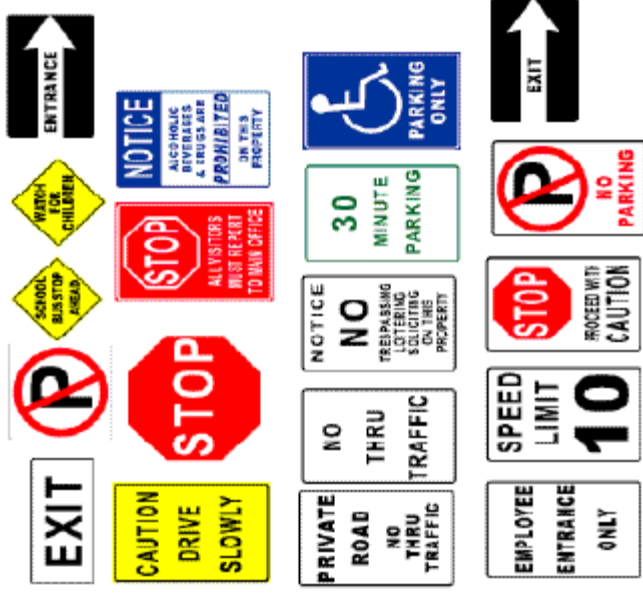


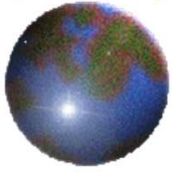
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🌐 In **low-context** cultures,

- ❏ There are many **signs**, timetables, maps.
- ❏ **Contracts** are written, long, and detailed.
 - Fixed once signed.
 - Disputes resolved by lawsuits.
- ❏ People expect the rules to be in writing.
- ❏ People **pay attention to written rules**.
 - Example: restroom sign.

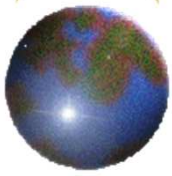




📍 In **high-context** cultures,

- ❏ People already know what to do.
- ❏ **Contracts** are vague, verbal, or nonexistent.
 - Except in “low uncertainty tolerance” cultures, e.g. Latin America.
 - Agreements evolve with the situation.
 - Legal system weak.
 - Disputes resolved by negotiation.
- ❏ People **don’t pay attention to written rules.**
 - But good for high-tech information transfer.





Corruption

- ✚ **Corruption** is behavior that undermines a cultural system.
- ✚ So corrupting behavior is **different** across cultures.





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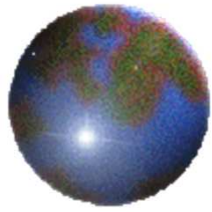
- 📍 In relationship-based cultures, **bribery** is common.
 - ❏ Also kickbacks, facilitating payments.
 - ❏ Short cut to relationship building.
 - ❏ System is **slow** but **stable**.
 - e.g., Chinese economy





- 📍 In rule-based cultures, **cheating** is common.
 - ❏ Income tax evasion, business scandals, plagiarism.
 - ❏ Relatively little supervision.
 - ❏ System is **efficient** but **unstable**.





Competition and risk





Two more classifications

- These do not necessarily correlate with rule-based/relationship-based or with each other.

Masculine	Feminine
Uncertainty tolerant	Uncertainty avoiding

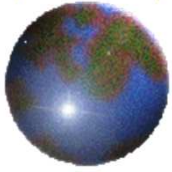


Masculine/feminine

- The distinction can be understood in two ways...



Masculine	Feminine
Uncertainty tolerant	Uncertainty avoiding



Masculine/feminine

- Attitude toward **masculine values**.
 - Masculine*: Men are expected to be **tough**.
 - Feminine*: Men & women more **similar**.



- Attitude toward **competition**.
 - Masculine*: **competition** valued.
 - Feminine*: **cooperation** valued.





Masculine values

Masculine Feminine

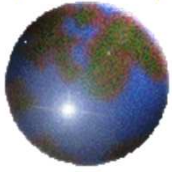
Japan USA, UK, Ireland Philippines India	
Bantu cultures in Africa Arab cultures Eastern Slavic cultures <i>Machismo</i> cultures	Scandinavia Western Slavic cultures Thailand

Competitiveness
Feminine
Masculine



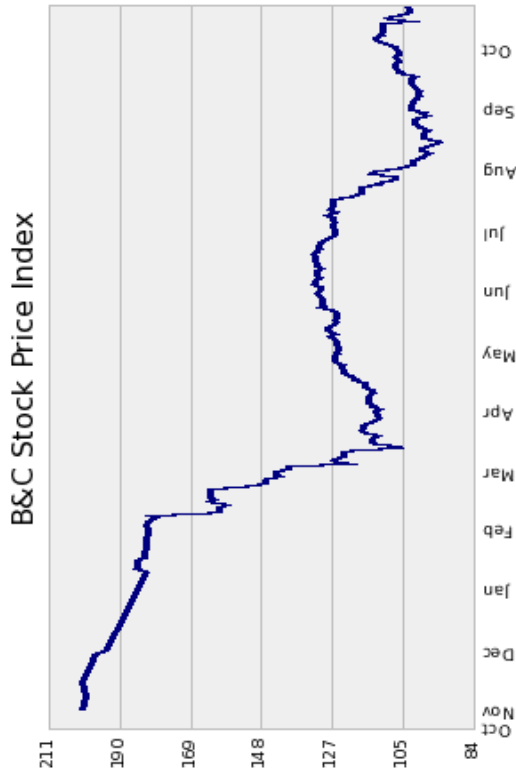
This is not
machismo



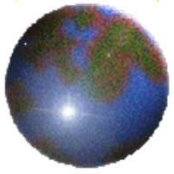


Uncertainty

- Attitudes toward unpredictability in life...

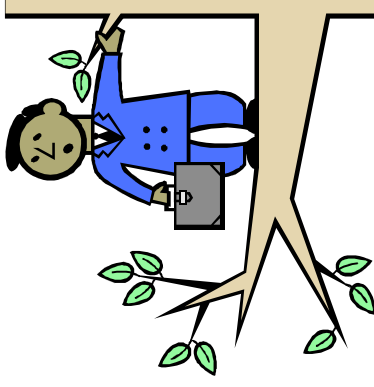


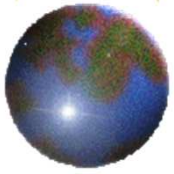
Masculine	Feminine
Uncertainty tolerant	Uncertainty avoiding



Uncertainty

- ✪ Uncertainty tolerant:
 - ❑ Willing to take risks.
 - ❑ Entrepreneurial in business.
 - ❑ Comfortable with travel, relocation.

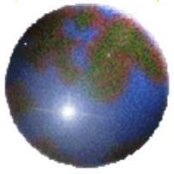




Uncertainty

- 📍 Uncertainty avoiding:
 - ❑ Prefer familiar surroundings.
 - ❑ Risk-averse in business.
 - ❑ Dysfunctional bureaucracy serves as ritual.





Uncertainty

🌐 Some uncertainty avoiding cultures:

- 🇬🇷 Greece.
- 🇱🇦 Latin America.
- 🇷🇺 Slavic cultures.
- 🇧🇪 Belgium.
- 🇫🇷 France.

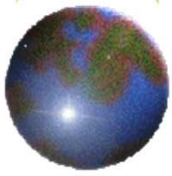




Uncertainty

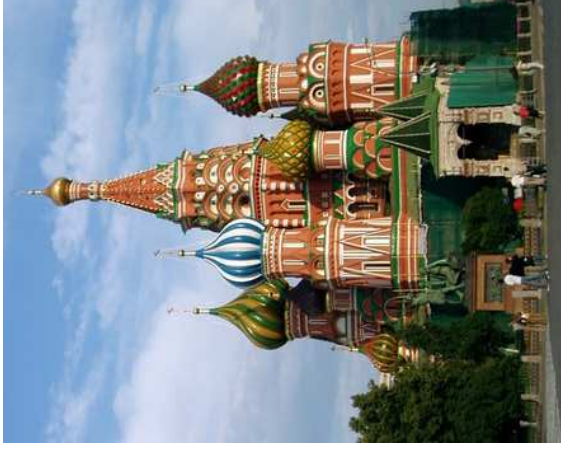
- Some uncertainty tolerant cultures:
 - U.K.
 - USA.
 - Hong Kong & coastal Chinese.
 - Singapore.





Uncertainty

- Case study: Russia
 - Feminine culture
 - Mother Russia
 - Aversion to competition
 - Post-Soviet failure of market system
 - Uncertainty avoiding culture
 - Fear of foreigners, reluctance to emigrate.
 - Created buffer states, first to the west, now to the south.





Culture and Political Power



Culture and political power

- 🌀 Fundamental question of politics: How do **people get power**?
 - ❏ Rulers seldom rule by **force** alone.
 - ❏ Obedience is at root **voluntary**.
 - ❏ **Culture** makes this possible.



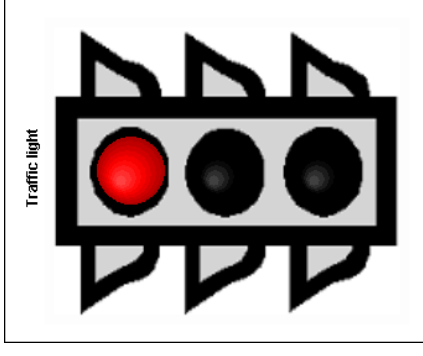


- 📍 Power in a **rule-based** culture has two main characteristics:
 - 🏛️ Rulers derive **legitimacy** from rules, rather than vice-versa.
 - Example: judge.
 - 🏛️ Rules are **enforced** by guilt, rather than personal supervision.





- 📍 Rules must therefore be **self-evident**.
 - ⌘ Natural law: Stop light vs. speed limit.
 - ⌘ Political decisions: democracy is self-evident.
 - ⌘ Economic decisions: laws of marketplace are self-evident.
 - ⌘ Consistent with low power distance.
- 📍 What is self-evident is **universal**.
 - ⌘ Everyone should have democracy, capitalist market system.





🌐 Power in a **relationship-based** culture is based on **who** one is.

🏠 It is **endowed**, not earned.

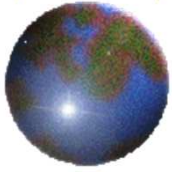
- Important family
- Wealth or good fortune
- Divine selection (e.g., mandate of heaven)
- Legendary abilities

🏠 **Authority must be protected**

- Deference, face saving.
- Boss is never wrong.
- Ambiguous role.



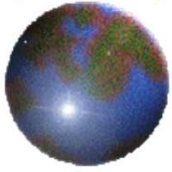
14th Dalai Lama



🌀 **Elections** may not legitimize rulers.

- ❏ This is rule-based legitimation.
- ❏ This may seem obvious to us, but not to others.
 - Actually, no serious political theorist in the Western tradition ever endorsed majority rule.
- ❏ Winners of the election will accept the outcome, losers may reject it.





📍 **Democracy** may be interpreted differently.

- ❏ Democracy is **responsive** government, not **self** government.
- ❏ The government takes care of you.
- ❏ It does not oppress.
- ❏ Government **for** the people, not necessarily **of** and **by** the people.





- Almost all cultures have mechanisms to make rulers responsive.
 - ❏ Democracy is only one.
 - ❏ Councils, right to a hearing.
 - e.g., Mongols, Arabs
 - ❏ Justice tradition
 - Muslim countries
 - ❏ Divine oversight
 - Failure is a sign of divine disapproval
 - ❏ Obligation to be generous
 - “Big man” system.
 - ❏ Collective redress
 - African cultures.



Genghis Khan

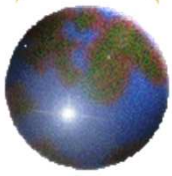


Western cultures

- Western cultures are fundamentally **egalitarian**.
 - ✦ No **person** has inherent authority.
- How do we justify giving power to a particular person?
 - ✦ Chosen by the rules
 - Popular or parliamentary elections
 - ✦ Power is limited.
 - Basically administers the law.
 - Limited term.



Bundeskanzlerin
Angela Merkel



- 📍 But a leader must make some decisions.

- 📍 How can any individual have the right to do this?

- 📍 **European** solution: aristocracy.

- 📍 The aristocrat is qualified to lead
 - 📍 Superior training, ability, sophistication.

- 📍 **U.S.** solution: regular guy.

- 📍 Take turns at leadership.
 - 📍 Authority evaporates after leaving office.



One of these persons was very popular in Europe
(PhD, intellectual, musician)

One was very unpopular (too much like a regular guy)

Yet she carried out his policies!



China

- 🌀 Ideal Confucian leader
 - ⚙️ Authoritarian
 - ⚙️ Good character
- 🌀 Accountability
 - ⚙️ Must be effective (Heaven is on his side)



Deng Xiaoping
Ideal Confucian leader



Duke of Zhou
Role model for Confucius



- Working with a Confucian leader.
 - Strongly relationship-based culture.
 - Must build *guānxì* – a long-term personal trust relationship of mutual obligation.
 - The relationship is everything, the agreement/deal/treaty is nothing.



Hu Jintao
President (*zhǔxí*, Chairman) of China



Singapore

- 📍 Largely a Confucian model.



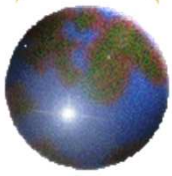
Lee Kuan Yew

Ideal Confucian leader:

Authoritarian, unselfish, high moral character, effective

Prime Minister of Singapore, 1959-1990

Currently Minister Mentor



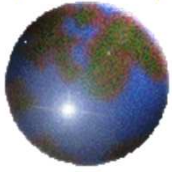
Japan

- Leader ratifies policy that rises from the ranks.
 - ❏ But high power distance.
- Group-oriented decision making.
 - ❏ Traditionally *nemawashi*.
- Accountability
 - ❏ Direct responsibility for decision is hard to pin down.
 - Protects leaders from loss of face.
 - ❏ But decision is vetted by group.



His Imperial Majesty
Emperor of Japan
(*Tennō Heika*)

Known outside Japan as
Akihito



📍 Working with a Japanese leader.

- ❏ High-context culture – most extreme case in the world.
- ❏ Communication is indirect, through body language, context, what is not said.
- ❏ Etiquette and respect are essential.



Yukio Hatoyama
Prime Minister of Japan



India

- ✚ The ideal leader:
 - ✚ Well educated, intellectual, wise.
 - Cultural emphasis on intellect, mental discipline.
 - Institution of the *guru*.
 - ✚ From prominent family.
 - High power distance.
 - ✚ Well-connected.
 - Relationship-based culture.
- ✚ Accountability
 - ✚ Can no longer work through connections if ineffective.



Dr. Manmohan Singh
Prime Minister of India



📍 Working with an Indian leader.

- 📍 Approach him/her through connections.
- 📍 Be courteous and hospitable.
- 📍 Present a rational case.
- 📍 Do your homework.

📍 World's largest democracy, but...

- 📍 The real power structure is the network of important families.



Indian Parliament building

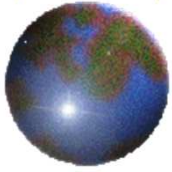


Arab culture

- ✚ Using “Arab” in the sense of Saudi Arabia and the Arab Gulf States.
- ✚ Typical leader belongs to an important family.
 - ✚ Nepotism is everything.
 - ✚ Very high power distance.
- ✚ Accountability
 - ✚ Sheikh hosts *majlis* (council, from Arabic word for tent).
 - ✚ Must rule with Koranic justice.



The late King Fahd of Saudi Arabia
Before his stroke, he held a regular *majlis* with Bedouin tribal leaders.



- 🕸 Working with an Arab leader.
 - 🕸 Total respect and courtesies.
 - Watch posture, body language.
 - 🕸 Low-key approach, soft spoken.
 - 🕸 Respect male ego.
 - Arab culture is origin of *machismo*.
 - 🕸 Allow time to establish comfort level.
 - Male bonding is important.
 - Not unlike good ol' boy Texas culture, important for Saudi Aramco, etc.
 - 🕸 The deal is central.
 - Idea of a contract originated in the Middle East.



Sheikh Hamad bin Khalifa Al-Thani
Emir of Qatar



Turkey

- ✚ The ideal leader has legendary abilities.
 - ✚ Takes charge, rules with confidence.
 - Masculine culture
 - ✚ Listens to subordinates and makes just decisions.
 - ✚ The only really respected authority in Turkey is the military.
 - Due to its historical connection with Atatürk.



Mustafa Kemal Atatürk
Founder of modern Turkish
state



📍 Working with Turkish leaders.

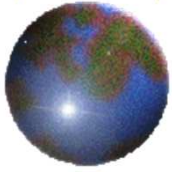
- 📍 Establish a friendship based on trust.
 - Always be scrupulously honest.
 - Indicate that you enjoy working together.
- 📍 The agreement is central.
 - It should be fair to all parties (Islamic justice).
- 📍 Know how to **negotiate**.



President
Abdullah Gül



Prime Minister
Recep Tayyip Erdoğan

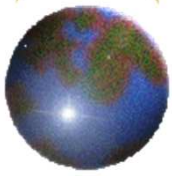


Negotiation in the Middle East

- 🕒 Negotiation is cultural glue.
 - 🗡 It is how people relate to each other.
- 🕒 It is not haggling or confrontation.
 - 🗡 Based on **mutual respect**.
 - 🗡 It is information exchange.
 - Signals convey only enough information to find common ground.
 - 🗡 It is culturally specific.
- 🕒 One negotiates the **truth** as well as the deal.
 - 🗡 No effect on credibility.



President Mahmoud
Ahmadinejad of Iran



Slavic Cultures

- Western Slavic cultures
 - Low power distance
 - Feminine culture.
- Eastern Slavic cultures, particularly Russia.
 - High power distance.
 - Mongol influence
 - OK to be harsh
 - Also feminine culture.
 - Competitiveness is bad form.
 - Now in transitional period.

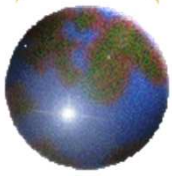


Václav Havel

Playwright

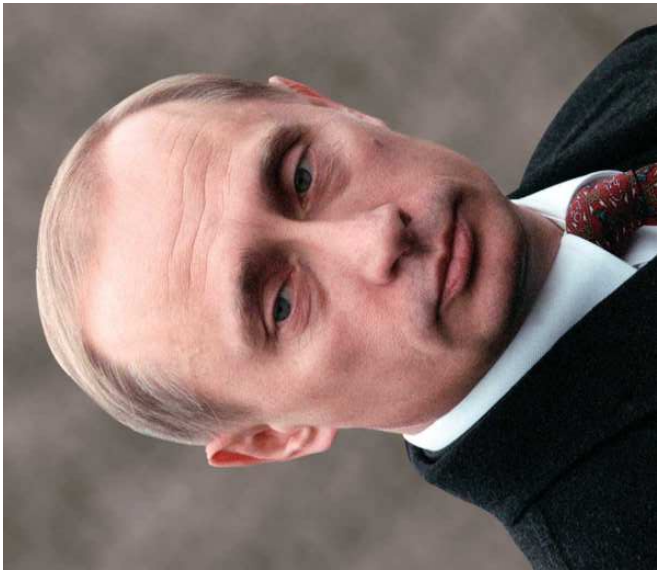
President of Czechoslovakia 1989-92

President of Czech Republic 1993-2003



📍 Working with Russian leaders.

- 📍 Russians fear foreigners.
 - Whence buffer states, once in Eastern Europe, now in the south.
- 📍 Must establish comfort level.
 - Work through mutual friends, Russians you know.
 - Expect some double dealing at first.
- 📍 Avoid hard negotiation.
 - The main object is for the Russians to **feel good** about the situation.



Vladimir Vladimirovich Putin
President of Russia 2000-2008
Currently Prime Minister

In the mold of a traditional
Russian leader



Central/southern Africa

📍 Leadership in Bantu-language cultures.

- ❏ The **community**, not the individual, is central.
 - An ethic of sharing, redistribution.
- ❏ Wealth and success incur an obligation to play a leadership role.
 - Family background can be important.
- ❏ The good leader is **generous**, particularly to those in need.
 - Related to the “big man” phenomenon of Melanesia.
 - A wealth redistribution mechanism.



President Robert Mugabe
of Zimbabwe



Accountability

- ❏ Individuals must defer to leaders (high power distance).
- ❏ But the community can challenge the leader.
 - Ask for redress of grievances.
- ❏ One modern form: labor movement.

Corruption

- ❏ Most of these cultures lie uncomfortably between traditional and Western ways.
- ❏ Separation of work from community has been highly corrupting.

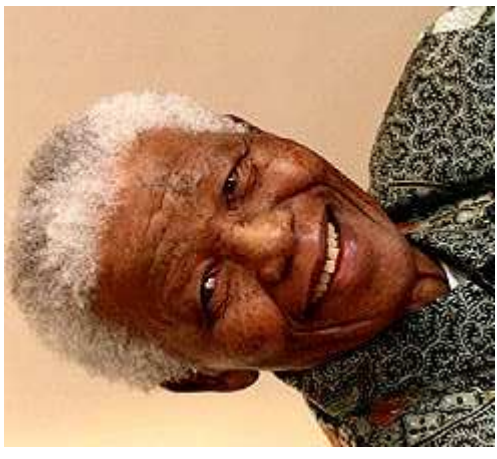


ZCTU = Zimbabwe Congress of Trade Unions



📍 Working with African leaders.

- 📍 Western on the surface, African inside.
 - Due to colonial experience.
- 📍 Maintain courtesies.
- 📍 Respect those of higher station.
- 📍 Accept responsibilities of leadership.
 - Show concern for those in your care.



Nelson Mandela
President of S. Africa 1994-99
From royal family of Thembu
people



Latin America

- High power distance cultures
 - Less so: Costa Rica, Argentina, Uruguay.
 - Inherited from indigenous culture and/or colonial past.
- Leaders *typically* from prominent, wealthy families.



Óscar José Rafael Berger Perdomo
President of Guatemala 2004-2008

From family of wealthy sugar and
coffee plantation owners



🌐 Polarized cultures

🏠 Plutocracy vs. grass roots justice movements.

- Roman Catholic influence.
- Christian base communities, liberation theology.

🏠 Countervailing trends.

- Politics: toward left-wing elected leaders.
- Religion: toward conservative Protestant sects.



Demonstration in Oaxaca



📍 Accountability

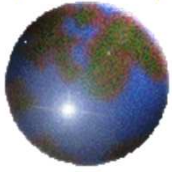
- ❏ Oscillation between left and right.
- ❏ Political leaders feel pressure from both sides.
- ❏ The trick is to balance them.



Salvatore Allende Gossens
Marxist President of Chile,
1970-73



Augusto José Ramón Pinochet Ugarte
Right-wing President of Chile, 1973-90



- 🌐 Leaders often cater to one side or the other.



Hugo Rafael Chávez Frías
President of Venezuela

Humble background
Mestizo/zambo/mulatto ancestry



Álvaro Uribe Vélez
President of Colombia
Privileged background
Hispanic ancestry



- ✚ Sometimes a middle course seems to be possible.



Luiz Inacio Lula da Silva
President of Brazil

Very humble origins
But makes overtures to the right



📍 Working with Latin American Leaders.

🏠 Establish a personal friendship first.

- Especially in more conservative countries, e.g. Mexico.
- No distinction of professional and personal life.

🏠 Remember *machismo*, which in Latin

America has three aspects:

- Thin-skinned male ego, as in Arab culture.
- Mutual support and care.
- Family man; talk about it.

🏠 Keep your emotional radar in operation.

- Relate to the whole person, not just the rational part.



abrazo