As mentioned in Chapter 1, anthropologists do more than simply accumulate and catalog information on the world’s exotic and not so exotic cultures. Like other scientists, they attempt to generate theories about culture that apply to all human populations. Because it is impossible for any individual to master every cultural fact about every culture in the world, a more theoretical approach can be instructive. That is, a number of general concepts about culture can be applied to a wide variety of cross-cultural situations, regardless of whether one is dealing with Nigerians, Peruvians, or Taiwanese.

In this chapter we explore what is meant—and what is not meant—by the term culture. In addition to defining this central anthropological concept, we also examine six important generalizations concerning the concept of culture and their significance for the U.S. businessperson operating in the world marketplace. Being equipped with such general concepts can facilitate the adjustment to an unfamiliar cultural environment.

CULTURE DEFINED

In everyday usage, the term culture refers to the finer things in life, such as the fine arts, literature, philosophy, and classical music. Under this very narrow definition of the term, the “cultured person” is one who prefers Handel to hard rock, can distinguish between the artistic styles of Monet and Manet, prefers pheasant under glass to grits and red-eye gravy and twelve-year-old scotch to beer, and spends his or her leisure time reading Kierkegaard rather than watching wrestling on television. For the anthropologist, however, the term culture has a much broader meaning that goes far beyond mere personal refinements. The only requirement for being cultured is to be human. Thus, all people have culture. The scantily clad Dani of New Guinea is as much a cultural animal as is Yo-Yo Ma. For the anthropologist, cooking pots, spears, and mud huts are as legitimate items of culture as symphonies, oil paintings, and great works of literature.
The term culture has been defined in a variety of ways. Even anthropologists, who claim culture as their guiding conceptual principle, have not agreed always on a single definition of the term. In fact, as early as 1952, A. L. Kroeber and Clyde Kluckhohn identified more than one hundred and sixty different definitions of culture. One of the earliest widely cited definitions, offered by Edward Tylor in the nineteenth century, defined culture as “that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society” (1871, 1). More recently, Clyde Kluckhohn and W. H. Kelly have referred to culture as “all the historically created designs for living, explicit and implicit, rational, irrational, and nonrational, which exist at any given time as potential guides for the behavior of men” (1945, 97). Culture has been described by M. J. Herskovits (1955, 305) as “the man made part of the environment,” by James Downs (1971, 35) as “a mental map which guides us in our relations to our surroundings and to other people,” and, perhaps most succinctly, by Elvin Hatch (1985, 178) as “the way of life of a people.”

Running the risk of adding to the confusion, here is still another definition: Culture is everything that people have, think, and do as members of their society. The three verbs in this definition (have, think, and do) can help us identify the three major structural components of the concept of culture; that is, for a person to have something, some material object must be present. When people think, ideas, values, attitudes, and beliefs are present. When people do, they behave in certain socially prescribed ways. Thus, culture is made up of (1) material objects; (2) ideas, values, and attitudes; and (3) normative, or expected, patterns of behavior.

The final phrase of our working definition, “as members of their society,” should serve as a reminder that culture is shared by at least two or more people. Real, live societies are of course always larger than that. In other words, there is no such thing as the culture of a hermit. If a solitary individual thinks and behaves in a certain way, that thought or action is idiosyncratic, not cultural. For an idea, a thing, or a behavior to be considered cultural, it must be shared by some type of social group or society.

Anthropologist Hendrick Serrie has provided an excellent example of how an anthropological understanding of local cultural patterns in southern Mexico prevented the costly mistake of mass-producing a solar cooker developed for this area (1986, xvi–xvii). Designed to reduce the use of firewood for cooking by encouraging the use of solar energy, these solar stoves, with the assistance of a four-foot parabolic reflector, produced levels of heat comparable to a wood fire. Although initial demonstrations of the cooker caught the interest of the local people, a number of cultural features militated against the widespread acceptance of this technological device. To illustrate, (1) the major part of the cooking in this part of Mexico is done early in the morning and in the early evenings, at those times when solar radiation is at its lowest level, and (2) although the solar stove was very effective for boiling beans and soup, it was inadequate for cooking tortillas, a basic staple in the local diet. Thus, for these and other cultural reasons, it was decided not to mass-produce and market the solar cookers because, even though the cooker worked well technically, it made little sense culturally.
In addition to this working definition, a number of features of the concept of culture should be made explicit. In the remainder of this chapter, we briefly examine these features that hold true for all cultures and discuss why they are valuable insights into the cultural environment of international business.

**CULTURE IS LEARNED**

*Culture is transmitted through the process of learning and interacting with one’s environment, rather than through the genetic process.* Culture can be thought of as a storehouse of all the knowledge of a society. The child who is born into any society finds that the problems that confront all people have already been solved by those who have lived before. For example, material objects, methods for acquiring food, language, rules of government, forms of marriage, and systems of religion have already been discovered and are functioning within the culture when a child is born. If a male child is born into a small country village in Spain, for example, during his lifetime he will likely acquire his food by farming, pay allegiance to the Spanish government, enjoy bullfighting, and be a Catholic. If a male child is born into an East African herding society, in contrast, he will probably acquire his food from his cattle, obey the laws of his elders, spend his leisure time telling tribal folktales, and worship his ancestors as gods. Although these children will grow up to behave quite differently, one basic principle concerning culture is clear: Both children were although these children growing up on the Solomon Islands learn different cultural content than do North American children, the process of acquiring culture through learning is common to all cultures.
born into an already existing culture. Each child has only to learn the various solutions to these basic human problems established by his culture. Once these solutions are learned, behavior becomes almost automatic. In other words, culture is passed on from one generation to another within a society. It is not inborn or instinctive.

It is sometimes easy to fall into the trap of thinking that because the Australian Bushman and the Central African Pygmy do not know what we know, they must be childlike, ignorant, and generally incapable of learning. These primitives, the argument goes, have not learned about calculus, Shakespeare, or the Nobel Peace Prize because they are not as intelligent as we are. Yet no evidence whatsoever suggests even remotely that people in some cultures are less efficient learners than people in other cultures. What the comparative study of culture does tell us is that people in different cultures learn different cultural content—that is, different ideas, values, behavior patterns, and so on—and they learn that content every bit as efficiently as anyone else. For example, despite the inability of a rural Kikuyu farmer from Kenya to solve a problem by using differential equations, he would be able to recite exactly how he is related (step by step) to a network of hundreds of kinsmen. Kikuyu farmers have mastered what to us is a bewildering amount of kinship information because their culture places great emphasis on such knowledge if the rather complex Kikuyu marriage and kinship system is to work. The Ju/'hoansi hunters in Namibia can easily determine in which direction the wounded impala traveled when the herd they have been tracking split and went in two different directions. Such a problem for them is certainly no harder to solve than a typical verbal problem found on the SAT exam: “A is to B as B is to ?” And it is more relevant to their everyday survival. Hence, people from different cultures learn those things that contribute to adjusting to their particular environments.

This notion that culture is acquired through the process of learning has several important implications for the conduct of international business. First, such an understanding can lead to greater tolerance for cultural differences, a prerequisite for effective intercultural communication within a business setting. Second, the learned nature of culture serves as a reminder that because we have mastered our own culture through

The learned nature of culture is dramatically illustrated by Amram Scheinfeld, who writes of an American-Chinese man:

Fung Kwok Keung, born Joseph Rhinehart (of German-American stock), who, at the age of two, was adopted by a Chinese man on Long Island and three years later taken to China, where he was reared in a small town (Nam Hoy, near Canton) with the family of his foster father until he was 20. Returning then to New York (in 1928), he was so completely Chinese in all but appearance that he had to be given “Americanization” as well as English lessons to adapt him to his new life. A few years later, after the outbreak of World War II, he was drafted into the American army and sent to Italy. In many ways he was alien to the other American soldiers and tried continuously to be transferred to service in China, but army red tape held him fast in Italy until the war’s end. Back again in New York, Rhinehart-Fung at this writing works as a compositor on a Chinese newspaper (an intricate job which few but Chinese could handle), and still speaks English very imperfectly, with a Chinese accent. (1950, 505)
the process of learning, it is possible (albeit more difficult) to learn to function in other cultures as well. Thus, cross-cultural expertise for Western businesspeople can be accomplished through effective training programs. Finally, the learned nature of culture leads us to the inescapable conclusion that foreign workers, although perhaps lacking certain job-related skills at the present time, are perfectly capable of learning those skills in the future, provided they are exposed to culturally relevant training programs.

CULTURE AND INTERNATIONAL BUSINESS

If we stop to consider it, the great majority of our conscious behavior is acquired through learning and interacting with other members of our culture. Even those responses to our purely biological needs (eating, coughing, defecating) are frequently influenced by our cultures. For example, all people share a biological need for food. Unless a minimum number of calories are consumed, starvation will occur; therefore, all people eat. But what we eat, how often and how much we eat, with whom we eat, and according to what set of rules are all regulated, at least in part, by our culture.

Clyde Kluckhohn, an anthropologist who spent many years in Arizona and New Mexico studying the Navajo, provides us with a telling example of how culture affects biological processes:

I once knew a trader’s wife in Arizona who took a somewhat devilish interest in producing a cultural reaction. Guests who came her way were often served delicious sandwiches filled with a meat that seemed to be neither chicken nor tuna fish yet was reminiscent of both. To queries she gave no reply until each had eaten his fill. She then explained that what they had eaten was not chicken, not tuna fish, but the rich, white flesh of freshly killed rattlesnakes. The response was instantaneous—vomiting, often violent vomiting. A biological process is caught into a cultural web. (1968, 25–26)

This is a dramatic illustration of how culture can influence biological processes. In fact, in this instance, the natural biological process of digestion was not only influenced but also reversed. A learned part of our culture (the idea that rattlesnake meat is a repulsive thing to eat) actually triggered the sudden interruption of the normal digestive process. Clearly, there is nothing in rattlesnake meat that causes people to vomit, for those who have internalized the opposite idea—that rattlesnake meat is good to eat—have no such digestive tract reversals.

The effects of culturally produced ideas on our bodies and their natural processes take many different forms. For example, instances of the voluntary control of pain reflexes are found in a number of cultures throughout the world. Among the nineteenth-century Cheyenne nation, as part of the religious ceremony known as the Sun Dance, young men were taught that self-inflicted pain was a way to achieve supernatural visions. One popular method of self-torture was to remain suspended from the top of a high pole, supported only by leather thongs attached to wooden skewers inserted under the skin of the chest or back. The Cheyenne believed that by remaining stoically in what must have been an excruciatingly painful position for long periods of time, the young men were able to communicate more directly with the deity. The ritual firewalkers from Fiji are
similarly motivated to control pain reflexes voluntarily, for they believe that the capacity
to not show pain brings people closer to those supernatural forces that control their lives.
The ethnographic examples are too numerous to cite, but whether we are looking at
Cheyenne men engaged in the Sun Dance ceremony, Fiji firewalkers, or U.S. women
practicing the Lamaze (psychoprophylactic) method of childbirth, the principle is the
same: People learn ideas from their cultures that when internalized can actually alter the
experience of pain. In other words, a component of culture (that is, ideas) can channel or
influence biologically based pain reflexes.

Those nontangible parts of culture, composed of ideas, values, beliefs, and so on,
can have powerful effects on the human body. For anyone familiar with the pages of
*National Geographic*, the variety of forms of bodily mutilation found throughout
human populations is vast. People alter their bodies because their cultures teach them
that to do so will make them more attractive, healthier, or more socially acceptable. For
instance, women in the Padaung tribe in Burma elongate their necks by wearing large
numbers of steel neck rings; Masai men and women in East Africa put increasingly
larger pieces of wood through their earlobes, thereby creating loops of skin; men in
New Guinea put bones through their noses; traditional Chinese women had their feet
tightly bound as young girls to retard the growth of their feet; Nubians in the Sudan scar
their faces and bodies in intricate geometric designs; Pacific Islanders practice elabo-
rate body tattooing; and a number of cultural groups throughout the world circumcise
both men and women as part of the rite of passage into adulthood. It has even been
reported that a group of people living between Canada and Mexico engage in the some-
what barbaric practice of putting holes in their earlobes for the purpose of hanging
pieces of jewelry from them. And they practice this type of bodily mutilation for the
very same reason that people tattoo their bodies, scar their faces, or put bones through
their noses—because their cultures teach them that it is the acceptable thing to do.

Altering the body for aesthetic purposes (what is known euphemistically as
“plastic surgery”) has become increasingly widespread in U.S. culture in recent years.
To illustrate, according to the American Society for Aesthetic Plastic Surgery (2009),
11.7 million cosmetic procedures (both surgical and nonsurgical) were performed in the
United States in 2007, a 457 percent increase since 1997. The top five surgical cosmetic
procedures in 2007 were liposuction, breast augmentation, eyelid surgery, abdomino-
plasty (“tummy tuck”), and breast reduction. Ninety-one percent of all procedures were
performed on women and nine percent on men. In fact, surgical and nonsurgical
altering of our physical appearance is becoming so widespread and routine that it has
become a popular twenty-first century form of entertainment. Reality TV shows such
as ABC’s *Extreme Makeover* and Fox network’s *The Swan* have taken seemingly
unattractive people who voluntarily submit to a host of cosmetic surgical procedures
and emerged at the end of the show transformed to the rave reviews of friends, family
members, and the sizeable viewing audience. After liposuction, nose jobs, forehead
lifts, lip and breast augmentation, tooth veneering, and chin implants, the women
appear to be looking suspiciously like a Barbie doll or Pamela Anderson while the men
take on a number of physical traits of super action heroes (Kuczynski 2004).

The basic anthropological notion that culture channels biological processes can
provide some important insights when managing or marketing abroad. For example, in
This Masai girl and this middle class North American woman put boles in their ears for exactly the same reason: because their cultures teach them that it enhances their feminine attractiveness.
Chennai, India, such a concept can be a reminder not to serve beef noodle soup in the plant cafeteria, for to do so might cause a mass exodus to the infirmary. Or, even though foot binding is no longer widely practiced in China, the notion of equating small feet with feminine beauty should be taken into account by shoe manufacturers who hope to sell shoes to Chinese women in the twenty-first century. Or, an understanding of the fascination with plastic surgery in the United States should encourage cosmetic manufacturers around the world to do their homework on what constitutes attractiveness for both men and women in the United States.

**CULTURAL UNIVERSALS**

All cultures of the world—despite many differences—face a number of common problems and share a number of common features, which we call cultural universals. Even the most casual perusal of an introductory textbook in cultural anthropology leads us to the inescapable conclusion that there are many societies with their own unique cultures. The determination of how many different cultures exist today depends largely on how one defines the problem, a definitional question on which there is hardly consensus among the world’s anthropologists. We can get a rough approximation of world cultural variation by realizing that approximately eight hundred and fifty separate and distinct cultures (speaking mutually unintelligible languages) are on the continent of Africa alone. Rather than being preoccupied with the precise number of cultures in the world at any one time, we should emphasize the significance of the variability; that is, the great number of differences between cultures illustrates how flexible and adaptable humans are in relation to other animals, because each culture has arrived at different solutions to the universal human problems facing all societies.

As we encounter the many different cultural patterns found throughout the world, there is a natural tendency to become overwhelmed by the magnitude of the differences and overlook the commonalities. Even anthropologists, when describing “their people,” tend to emphasize the uniqueness of the culture and only infrequently look at the similarities between cultures. But all societies, if they are to survive, are confronted with fundamental universal needs that must be satisfied. When cultures develop ways of meeting these needs, general cultural patterns emerge. At a very concrete level, differences in the details of cultural patterns exist because different societies have developed different ways of meeting these universal societal needs. Yet at a higher level of abstraction, a number of commonalities exist because all cultures have worked out solutions to certain problems facing all human populations. Let’s briefly examine the needs that all cultures must satisfy and the universal cultural patterns that emerge to satisfy these needs.

**Economic Systems**

One of the most obvious and immediate needs of a society is to meet the basic physiological requirements of its people. To stay alive, all humans need a certain minimal caloric intake, potable water, and, to varying degrees, protection from the elements in
terms of clothing and shelter. No societies in the world have access to an infinite supply of basic resources such as food, water, clothing, and housing materials. Because these commodities are always in finite supply, each society must develop systematic ways of producing, distributing, and consuming these essential resources. Thus, each society must develop an economic system.

To illustrate this principle of cultural universals, we can look at one component of economic systems—namely, forms of distribution. In addition to producing basic material goods (or procuring them from the immediate environment), all societies must ensure that these goods are distributed to all those members of the society whose very survival depends on receiving them. In the United States, most goods and services are distributed according to capitalism, based on the principle of “each according to his or her capacity to pay.” In socialist countries, on the other hand, goods and services are distributed according to another quite different principle—that is, “each according to his or her need.”

These two well-known systems of distribution hardly exhaust the range of possibilities found in the world. The Pygmies of Central Africa distribute goods by a system known as “silent barter,” in which the trading partners, in an attempt to attain true reciprocity, avoid face-to-face contact during the exchange. The Hadza of Tanzania distribute the meat of an animal killed in the hunt according to the principle of kinship—each share of meat is determined by how one is related to the hunter. But whatever particular form the system of distribution might take, there are no societies—at least not for long—that have failed to work out and adhere to a well-understood and systematic pattern of distribution.

Marriage and Family Systems

For a society to continue over time, it is imperative that it work out systematic procedures for mating, marriage, child rearing, and family formation. If it fails to do this, it will die out in a very short time. No society permits random mating and all societies have worked out rules for determining who can marry whom, under what conditions, and according to what procedures. All societies, in other words, have patterned systems of marriage. And since human infants (as compared with the young of other species) have a particularly long period of dependency on adults, every society needs to work out systematic ways of meeting the needs of dependent children. If these basic needs are not satisfied, children will not survive to adulthood; consequently, the very survival of the society is in jeopardy. Thus, we can say that all societies have patterns of child rearing and family institutions.

And yet, it is absolutely essential that one knows something about the specific features of the marriage and family system that exists in those particular parts of the world in which one may have business interests. For example, in those parts of the world where people have many obligations to attend family/kinship functions, labor contracts should include flexible working hours and perhaps slightly lower pay instead of a rigid forty-hour workweek and somewhat higher pay. Workers, in other words, would be
Although the marriage practice among the Ndebele of South Africa differ in many ways from practices in the United States, both sets of practices are responses to the universal need to have an orderly system of mating and child rearing.
willing to give up higher pay rates if they knew they could attend family gatherings without being penalized.

**Educational Systems**

Along with ensuring that the basic physical needs of the child are met, a society must see to it that the children learn the way of life of the society. Rather than expecting each new child to rediscover for himself or herself all the accumulated knowledge of the past, a society must have an organized way of passing on its cultural heritage from one generation to the next. This universal societal need for cultural transmission gives rise to some form of *educational system* in every society.

Despite the universality of education systems, the specific features of any given system vary widely from culture to culture. For example, are the patterned forms of education formal (schools, books, professional teachers) or informal (information passed from parents to children or from older to younger siblings)? Is the emphasis on rote memorization or the development of analytical carryover skills? Are students exposed to a broad “liberal arts” education or a narrow, more occupationally oriented curriculum? Are various levels of education (kindergarten through graduate school) open to all members of the society or only to the privileged classes? The answers to these and other questions have important implications for any international businessperson engaged in marketing strategies abroad, negotiating international contracts, or the management of foreign workforces.

**Social Control Systems**

If groups of people are to survive, they must develop some established ways of preserving social order; that is, all societies must develop mechanisms that will ensure that most of the people obey most of the rules most of the time. If this need is not met, people will violate each other’s rights to such an extent that anarchy will prevail. Different societies meet this need for social order in different ways. In the United States, behavior control rests on a number of formal mechanisms, such as a written constitution; local, state, and federal laws; and an elaborate system of police, courts, and penal institutions, among other things. Many small-scale, technologically simple societies have less formal (but no less effective) means of controlling the behavior of their members. Regardless of the specific methods used, one thing is certain: Every society has a system for coercing people to obey the social rules, and these are called *social control systems*. Again, knowing the constraints that culturally different people rely upon for maintaining social order is important for managers of international workforces. In order to maintain order and good working relationships among employees, corporations operating abroad would be more successful by using local mechanisms of social control rather than imposing those that work effectively in the home office.
Supernatural Belief Systems

All societies have a certain degree of control over their social and physical environments. People in all societies can understand and predict a number of things. For example, a dense, heavy object when dropped into a lake will sink to the bottom; if I have $5 and give you $2, I will have only $3 left; the sun always rises in the east and sets in the west. However, we cannot explain or predict with any degree of certainty many other things: Why does a child develop a fatal disease, but the child’s playmate next door does not? Why do tornadoes destroy some houses and leave others unharmed? Why do safe drivers die in auto accidents and careless drivers do not? Such questions have no apparent answers, because they cannot be explained by our conventional systems of justice or rationality. Therefore, societies develop supernatural belief systems for explaining these unexplainable occurrences. The way people explain the unexplainable is to rely on various types of supernatural explanations such as magic, religion, witchcraft, sorcery, and astrology.

Religions and other supernatural belief systems affect the conduct of business by shaping attitudes about work, savings, consumption, efficiency, and individual responsibility. To illustrate, Euro-American Christianity, as it is embodied in the Protestant ethic, emphasizes hard work, frugality, and getting ahead for the sake of glorifying God. The Islamic religion, although not hostile to capitalism, places greater emphasis on the individual’s responsibility to the society, including charity to the poor and ensuring that profits are made only through fair business dealings rather than through fraud, deceit, or usury. And another world religion, Hinduism, places emphasis on spiritual goals rather than on economic or professional accomplishments. At the very least, international businesspeople must be sensitive to these broad divisions in how people’s values are affected by their religious traditions.

Thus, despite the great variety in the details of cultural features found throughout the world, all cultures, because they must satisfy certain universal needs, have a number of traits in common. This basic anthropological principle, known as cultural universals, can be an important tool for helping international businesspeople more fully understand and appreciate culturally different business environments. Greater empathy for cultural differences—a necessary if not sufficient condition for increased knowledge—can be attained if we can avoid concentrating solely on the apparent differences between cultures but appreciate their underlying commonalities as well. According to Richard Robinson,

The successful international manager is one who sees and feels the similarity of structure of all societies. The same set of variables are seen to operate, although their relative weights may be very different. This capacity is far more important than possession of specific area expertise, which may be gained quite rapidly if one already has an ability to see similarities and ask the right questions. (1983, 127)

In other words, we will be less likely to prejudge or be critical of different practices, ideas, or behavior patterns if we can appreciate the notion that they represent
different solutions to the same basic human problems facing all cultures of the world, including our own.

CULTURAL CHANGE

All cultures experience continual change. Any anthropological account of a culture is merely a snapshot view at one particular time. Should the ethnographer return several years after completing a cultural study, he or she would not find exactly the same situation, because no culture remains completely static year after year. Early twentieth-century anthropologists—particularly structural/functionalists—tended to de-emphasize cultural dynamics by suggesting that some societies were in a state of equilibrium in which the forces of change were negated by those of cultural conservatism. Although small-scale, technologically simple, preliterate societies tend to be more conservative (and thus change less rapidly) than modern, industrialized, highly complex societies, it is now generally accepted that, to some degree, change is a constant feature of all cultures.

Students of culture change generally recognize that change occurs as a result of both internal and external forces. Mechanisms of change that operate within a given culture are called discovery and invention. Despite the importance of discovery and invention, most change occurs as a result of borrowing from other cultures. This process of the spreading of cultural items from one culture to another is known as cultural diffusion. The importance of cultural borrowing can be better understood if viewed in terms of economy of effort: Borrowing someone else’s invention or discovery is much easier than discovering or inventing it all over again. Anthropologists generally agree that as much as 90 percent of all things, ideas, and behavioral patterns found in any culture had their origins elsewhere. Individuals in every culture, limited by background and time, can get new ideas with far less effort if they borrow them. This statement holds true for our own culture as well as other cultures, a fact that Americans frequently tend to overlook.

Because so much cultural change is the result of diffusion, it deserves a closer examination. Keeping in mind that cultural diffusion varies considerably from situation to situation, we can identify certain generalizations that hold true for all cultures.

First, cultural diffusion is a selective process. Whenever two cultures come into contact, each does not accept everything indiscriminately from the other. If they did, the vast cultural differences that exist today would have long since disappeared. Rather, items will be borrowed from another culture only if they prove to be useful and/or compatible. For example, we would not expect to see the diffusion of swine husbandry from the United States to Saudi Arabia because the predominant Muslim population has a strong dietary prohibition on pork. Similarly, polyandry (the practice of a woman having two or more husbands at a time) is not likely to be borrowed by the United States because of its obvious lack of fit with other features of mainstream American culture. Successful international marketing requires an intimate knowledge of the cultures found in foreign markets to determine if, how, and to what extent specific products are likely to become accepted by these foreign cultures.
According to a study by Everett Rogers (1971, 22–23), the rapidity with which an innovation is adopted—or, indeed, whether it will be adopted at all—is affected by four variables.

First, an innovation is most likely to be diffused into a recipient culture if (1) it is seen to be superior to what already exists, (2) it is consistent with existing cultural patterns, (3) it is easily understood, (4) it can be tested on an experimental basis, and (5) its benefits are clearly visible to a relatively large number of people. These five variables should be considered by international business strategists when considering the introduction of new marketing or managerial concepts into a foreign culture.
Second, cultural borrowing is a two-way process. Early students of change believed that contact between “primitive” societies and “civilized” societies caused the former to accept traits from the latter. This position was based on the assumption that the “inferior” small-scale societies had nothing to offer the “superior” civilized societies. Today, however, anthropologists would reject such a position, because it has been found time and again that cultural traits are diffused in both directions.

European contact with Native Americans is a case in point. Native Americans, to be certain, have accepted a great deal from Europeans, but diffusion in the other direction has been significant. For example, it has been estimated that those crops that make up nearly half of the world’s food supply were originally domesticated by Native Americans (Driver 1961, 584). These include corn, beans, squash, sweet potatoes, and the so-called Irish potato. Native Americans have given the world articles of clothing such as woolen ponchos, parkas, and moccasins, not to mention American varieties of cotton, a material used widely throughout the world for making clothing. Even the multibillion-dollar pharmaceutical industry in the Western world continues to produce and market commercial drugs first discovered by Native Americans, including painkillers such as cocaine and novacaine, anesthetics, quinine, and laxatives.

Third, frequently borrowed items are not transferred into the recipient culture in exactly their original form. Rather, new ideas, objects, or techniques are usually reinterpreted and reworked so that they can be integrated more effectively into the total configuration of the recipient culture. In other words, once a cultural element is accepted into a new culture, it may undergo changes in form or function. Pizza is a good example of how a cultural item can change form as it diffuses. Pizza, which diffused from Italy to the United States in the late nineteenth century, has been modified in a number of significant ways to conform to American tastes. It is unlikely that its Italian originators would recognize a pizza made of French bread, English muffins, or pita bread and topped with pineapple, tuna, clams, or jalapeno peppers.

Sometimes the reinterpretation process involves a change in function but not form. While conducting fieldwork in East Africa, I observed an example of how the function of an object from one culture can be changed upon adoption into a recipient culture. The Masai of Kenya and Tanzania practice the custom of piercing their earlobes and enlarging the hole by inserting increasingly larger pieces of wood until a loop of skin is formed. One group of Masai, rather than stretching out their earlobes with pieces of wood, used instead flashlight batteries obtained from the United States. Although the form of the batteries remained unchanged, the function was definitely reinterpreted.

Fourth, some cultural traits are more easily diffused than others. By and large, technological innovations are more likely to be borrowed than are social patterns or belief systems, largely because the usefulness of a particular technological trait is more immediately recognizable. For example, a man who walks five miles each day to work quickly realizes that an automobile can get him to work faster and with far less effort. It is much more difficult, however, to convince a Muslim to become a Hindu or an American businessperson to become a socialist. It is important for the international businessperson to understand that to some degree all cultures are constantly experiencing change. The three basic components of
Culture and International Business

culture (things, ideas, and behavior patterns) can undergo additions, deletions, or modifications. Some components die out, new ones are accepted, and existing ones can be changed in observable ways. Although the pace of culture change varies from society to society, when viewing cultures over time, there is nothing as constant as change. This straightforward anthropological insight should remind the international businessperson of the following: (1) Any cultural environment today is not exactly the same as it was last year or will be one year hence; the cultural environment therefore needs constant monitoring. (2) Despite a considerable lack of fit between the culture of a U.S. corporation operating abroad and its overseas workforce, the very fact that cultures do change provides some measure of optimism that the cultural gap can eventually be closed.

Moreover, the notion of cultural diffusion has important implications for the conduct of international business. Whether one is attempting to create new markets abroad or instill new attitudes and behaviors in a local workforce, understanding that cultural diffusion is selective is imperative. To know with some degree of predictability which things, ideas, and behaviors are likely to be accepted by a particular culture, those critical variables affecting diffusion—such as relative advantage, compatibility, and observability—should be understood.

The concept that cultural diffusion is a two-way process should help international managers be more receptive to the idea that the corporate culture, as well as the local culture, may change. The local culture may, in fact, have a good deal to offer the corporate culture, provided the corporate culture is open to accepting these new cultural features.

An understanding that cultural diffusion frequently involves some modification of the item is an important idea for those interested in creating new product markets in other cultures. To illustrate, before a laundry detergent—normally packaged in a green box in the United States—would be accepted in certain parts of West Africa, the color of the packaging would need to be changed because the color green is associated with death in certain West African cultures.

Also, the idea that some components of culture are more readily accepted than others into different cultural environments should at least provide some general guidelines for assessing what types of changes in the local culture are more likely to occur. By assessing what types of things, ideas, and behavior have been incorporated into a culture in recent years, strategic planners should better understand the relative ease or difficulty involved in initiating changes in consumer habits or workplace behavior.

So far we have examined how an understanding of the concept of culture change can facilitate the management of change that will inevitably occur in both corporate cultures operating abroad and the local indigenous cultures. Such a theoretical understanding, however, does not relieve the corporation of its ethical responsibilities for influencing change in the most humane and nondestructive fashion. The creation of new markets solely for the sake of increasing profits, with no concern for the effects of those products on the local populations, is absolutely indefensible. Likewise, an overly heavy-handed approach in coercing local workers to change their attitudes and behaviors is both unethical and likely to be counterproductive as well. In short, any conceptual understanding about culture change carries with it the very strong imperative that it be applied in an ethical manner and with a genuine concern for the well-being of the people whose culture is being changed.
ETHNOCENTRISM

All cultures—to one degree or another—display ethnocentrism, which is perhaps the greatest single obstacle to understanding another culture. Ethnocentrism—literally being “culture centered”—is the tendency for people to evaluate a foreigner’s behavior by the standards of their own culture, which they believe is superior to all others. Because our own culture is usually the only one we learn (or at least the first we learn), we take our culture for granted, assuming that our behavior is correct and all others are wrong, or at least very strange. The extent to which ethnocentrism pervades a culture is clearly seen in our history textbooks. Consider, for example, the historic event of the Holy Wars between the Christians and the Muslims during the Middle Ages. In our textbook accounts of the wars, we refer to the Christians as crusaders and the Muslims as religious fanatics. Yet if we read the Islamic accounts of these same wars, the terms crusaders and fanatics would be reversed.

A similarly poignant illustration of ethnocentric interpretations of the same historic events became apparent to me when I was doing fieldwork among the Kikuyu of Kenya and read approximately sixty years of colonial reports from the Kenya National Archives. The British District Commissioners, when describing any Kikuyu involved in the so-called Mau Mau rebellion of the 1950s, consistently used the term terrorist. However, when Kikuyu informants were asked about their lives during the 1950s, they would respond proudly that they were freedom fighters. Quite obviously, the connotations of these two terms are radically different. In this instance, both the British officials and the Kikuyu were seeing these tragic historical events from their own narrow cultural perspective.

No society has a monopoly on ethnocentrism, because it is found in all societies. People in every society with its own distinct culture have the tendency to refer to themselves as “us” and everyone else as “them.” People come to feel that they are the center of the world, and everyone and everything revolves around them. For example, there are a number of non-Western societies whose name for themselves means “man” or “people,” the implication being that all outsiders are somewhat less than human. The ancient Chinese felt that unless a person spoke Chinese and observed Chinese customs, he or she was a barbarian. The Masai of East Africa have long felt that their God had given them all the cattle in the world. Whenever they encountered non-Masai with cattle, they felt perfectly justified in “taking them back,” thinking they must have been acquired illegally.

Sometimes our own ethnocentrism can startle us when we find ourselves in a different cultural setting. A particularly revealing episode occurred when an American visited a Japanese classroom for the first time. On the wall of the classroom was a brightly colored map of the world. But something was wrong: directly in the center of the map (where he had expected to see the United States) was Japan. To his surprise, the Japanese did not view the United States as the center of the world.

A fundamental assumption of ethnocentric people is that their way of doing things is right, proper, and normal and those ways practiced by culturally different people are wrong and inferior. Such a blanket condemnation of cultural differences prevents us from seeing that other people view our customs as equally strange and irrational. For example, people in the United States think of themselves as being particularly conscious...
of cleanliness. As a nation we probably spend more money per capita on a whole host of commercial products designed to make ourselves and our environments clean, hygienic, and odor free. Yet a number of practices found in the United States strike people in other parts of the world as deplorably unclean. To illustrate, whereas most Americans are repulsed by an Indonesian who blows his nose onto the street, the Indonesian is repulsed by the American who blows his nose in a handkerchief and then carries it around for the rest of the day in his pocket; the Japanese consider the American practice of sitting in a bathtub full of dirty, soapy water to be at best an ineffective way of bathing and at worst a disgusting practice; and East Africans think that Americans have no sense of hygiene because they defecate in rooms (the bathroom) that are frequently located adjacent to that part of the house where food is prepared (the kitchen).

All people in all societies are ethnocentric to some degree regardless of how accepting or open-minded they might claim to be. Our ethnocentrism should not be a source of embarrassment because it is a natural by-product of growing up in our society. In fact, ethnocentrism may serve the positive function of enhancing group solidarity. On the other hand, ethnocentrism can contribute to prejudice, contempt for outsiders, and intergroup conflict. Although it is a deeply ingrained attitude found in every society, it is important that we become aware of it so that it will not hinder us in learning about other cultures. Awareness of our own ethnocentrism will never eliminate it but will enable us to minimize its more negative effects. It is vital for businesspeople to refrain

Sharon Ruhley tells a rather humorous story of ethnocentrism:

Two U.S. tourists in Germany were traveling on a public bus when one of them sneezed. A German turned around and said, sympathetically, “Gesundheit.” The U.S. tourist commented, “How nice that he speaks English.” If the German understood the comment, he may have had reason to question the tourist’s intellect. (1982, 29)

A particularly revealing illustration of how some Western customs can strike non-Westerners as offensive has been reported by E. Royston Pike in his discussion of kissing:

What’s so strange about a kiss? Surely kissing is one of the most natural things in the world, so natural indeed that we might almost ask, what are lips for if not for kissing? But this is what we think, and a whole lot of people think very differently. To them kissing is not at all natural. It is not something that everybody does, or would like to do. On the contrary, it is a deplorable habit, unnatural, unhygienic, bordering on the nasty and even definitely repulsive.

When we come to look into the matter, we shall find that there is a geographical distribution of kissing; and if some enterprising ethnologist were to prepare a “map of kissing” it would show a surprisingly large amount of blank space. Most of the so-called primitive races of mankind, such as the New Zealanders (Maoris), the Australian aborigines, the Papuans, Tahitians, and other South Sea Islanders, and the Esquimaux of the frozen north, were ignorant of kissing until they were taught the technique by the white men. . . . The Chinese have been wont to consider kissing as vulgar and all too suggestive of cannibalism. (1967, 11–12)
from comparing our way of life with those of our international business partners. Instead, we should seek to understand other people in the context of their unique historical, social, and cultural backgrounds.

CULTURES ARE INTEGRATED WHOLEs

Cultures should be thought of as integrated wholes—that is, cultures are coherent and logical systems, the parts of which to a degree are interrelated. Upon confronting an unfamiliar cultural trait, a usual response is to try to imagine how such a trait would fit into one’s own culture; that is, we look at it ethnocentrically, or from our own cultural perspective. All too frequently we view an unfamiliar cultural item as simply a pathological version of one found in our own culture. We reason that if the foreign cultural item is different and unfamiliar, it must be deviant, strange, weird, irrational, and consequently inferior to its counterpart in our own culture. This ethnocentric interpretation, with its unfortunate consequences, is the result of pulling the item from its proper cultural context and viewing it from the perspective of one’s own culture. It is also the result of the individual’s inability to see the foreign culture as an integrated system.

When we say that a culture is integrated, we mean that it is an organized system in which particular components may be related to other components, not just a random assortment of cultural features. If we can view cultures as integrated systems, we can begin to see how particular culture traits fit into the integrated whole and, consequently, how they tend to make sense within that context. Equipped with such an understanding, international businesspeople should be in a better position to cope with the “strange” customs encountered in the international business arena.

Perhaps a specific example will help clarify this notion of integrated culture. Most Americans have difficulty identifying with the marital practice of polygyny (a man having two or more wives at the same time). In addition to general misgivings about polygyny, a number of compelling reasons militate against its inclusion in the American cultural system. In other words, other parts of U.S. culture not only fail to support polygyny but also actually conflict with it. First, if a man attempts to have more than one wife at a time, he runs the risk of finding himself behind bars because polygyny conflicts directly with our legal system. Moreover, the practice is counterproductive in a society based on a cash economy—because the more wives a man has, the more money he needs to support them. As a corollary, more wives mean more children, who require more visits to the pediatrician, Barbie dolls, hockey sticks, bicycles, swimming lessons, frozen pizzas, and eventually college tuition—all of which put additional strains on family income. In short, little in the American cultural configuration would lend support to the practice of polygyny.

However, if we view polygyny within its proper cultural context, we find that it is not only not immoral, illegal, or irrational but also probably the most logical marital form that could be adopted. An ethnographic example of a polygynous society is clearly required. Although literally hundreds of cultures could be used to illustrate the point, I have selected the traditional Kikuyu of East Africa because they are the people with whom I lived for thirteen months.
For the Kikuyu, as is the case for many other peoples of the world, polygyny is the ideal marital form. Unlike American culture, the Kikuyu cultural configuration contains a number of traits that tend to support polygyny and make it a viable marital alternative. First, the traditional Kikuyu economy is based on subsistence agriculture, which as practiced in fertile Kikuyuland, is a relatively efficient means of livelihood. A single Kikuyu farmer can produce sufficient food for himself and several others. But the more hands contributing to the family farm, the better off economically the whole family would be. Thus, viewed from an economic perspective, it makes sense for the Kikuyu man to want more than one wife because the acquisition of new wives and children enhances the economic well-being of the household.

Second, the basic social unit of the Kikuyu is the patrilineage, a corporate group of patrilineal kin ranging up to ten generations in depth, the members of which live together on lineage-controlled land. Because all lineage members want to see the lineage grow and prosper, considerable pressure is put on the Kikuyu to contribute male offspring to ensure the group’s continued growth. What better way is there to increase one’s chances of having male offspring than by maximizing the number of wives?

Third, the Kikuyu system of social status is based on the size of one’s household, not on the household’s material wealth. Simply put, prominent men are those with the greatest number of wives and children. Moreover, Kikuyu women traditionally lent support to the practice of polygyny, for it is not unusual for Kikuyu wives to encourage their husbands to take additional wives to enhance the status of the household. Like their American counterparts, no Kikuyu woman wants to be married to a “nobody.”

Fourth, polygyny as a marital form tends to be encouraged by the Kikuyu religion, one of the fundamental features of which is the belief in ancestral gods. When a prominent male Kikuyu dies, he is not buried and forgotten but actually elevated to the status of deity, and he becomes an object of worship for all living family members. If his family consists of a single wife and child, he cannot expect to have much of a religious following. However, the larger his family (wives and children), the greater the number of people worshipping him.

It would be possible to suggest other explanations of why polygyny fits into Kikuyu culture. The important point, however, is that any cultural item—be it a learned behavioral response, an idea, or an object—must be viewed as a component of the total cultural system in which it is found. When items are wrenched from their proper cultural context and viewed from the perspective of another culture (that is, ethnocentrically), meanings and functions become distorted, and the true nature of the item is at best imperfectly understood. But when we view a cultural item from within its proper or original cultural context, we have a much better chance of seeing how it logically fits into the integrated cultural system of which it is a part. By doing so, we obtain a fuller understanding of how the culture functions.

The notion of integrated culture helps us to better understand why culturally different people think and behave the way they do. However, we should avoid taking the concept too literally. To assume that all cultures are perfectly integrated, we would have to conclude that every idea or behavior is both absolutely rational and morally defensible, provided that it performs a function for the well-being of the society. However, believing in the general validity of the integrated nature of culture does not require that we view all cultures as
morally equivalent; that is, not all cultural practices are equally worthy of tolerance and respect. Some practices (such as the genocide perpetuated by Stalin, Hitler, or the Bosnian Serbs) are morally indefensible within any cultural context. To be certain, cultural anthropologists have sometimes been overly nonjudgmental about the customs of people they study. But, as Richard Barrett has suggested, “The occasional tendency for anthropologists to treat other cultures with excessive approbation to the extent that they sometimes idealize them, is less cause for concern than the possibility that they will misrepresent other societies by viewing them through the prism of their own culture” (1991, 8).

If cultures are in fact coherent systems, with their constituent parts interrelated with one another, it follows logically that a change in one part of the system is likely to produce concomitant changes in other parts of the system. The introduction of a single technological innovation may set off a whole series of related changes. In other words, culture changes beget other culture changes.

A contemporary example of linked cultural changes is provided by the boom in cell phone usage that has occurred not only in the West but throughout the world. As recently as the mid-1990s, anyone using a cell phone, which was of the size of a gallon container of milk, on the streets of Chicago would, in all likelihood, have been a wealthy investor who was calling his stockbroker. Today, however, it seems as though there are more people than not walking the streets of our cities with a mini-phone pressed to their ear. One change linked to the cell phone has been the increase in auto accidents caused by multitasking Americans making business calls or chatting with friends while driving to work. This problem is being addressed by state laws prohibiting the use of handheld phones while driving, but two new problems have emerged in some urban areas in the United States: “pedlock” and “ped-rage,” pedestrian variations of traffic gridlock and
The notion of integrated culture has several important implications for international businesspeople. First, when we understand that the parts of a culture are interrelated, we will be less likely to view foreign cultures ethnocentrically. Rather than wrenching a foreign cultural item from its original context and viewing it in terms of how well it fits into our own culture, we will be reminded to view it from within its proper cultural context. When we try to understand a cultural feature in terms of its own cultural context, we can begin to see how all cultures tend to be logical and coherent systems. Such an approach leads us to the inescapable conclusion that no cultures are inherently better or worse than any other, only different. To view cultures as integrated wholes is not a value-laden philosophical rationalization for any type of behavior, however bizarre, destructive, or inhumane. Instead, such an approach allows us to understand
more fully why a particular cultural item is found in a society, even if it violates our sense of personal morality.

An understanding of the interconnectedness of the parts of culture can also help explain the nature of cultural change. When systems are integrated, changing only one part of the system is often impossible. Such an understanding would be critical for responsible international businesspeople interested in expanding their markets into areas where their products (and perhaps ideas and behavior patterns associated with these products) are unknown. Some seemingly harmless commercial products could have profoundly disruptive effects on the very fabric of the society. By knowing the nature of the interconnectedness of the parts of a particular culture, the prudent, humane, and ultimately successful international businessperson will be able to predict the deleterious effects of a product in that cultural environment.

**SOME PRECAUTIONS**

Through the comparative study of a wide range of cultures throughout the world, cultural anthropologists have developed the general concept of culture and an understanding of those basic traits and processes shared by all specific cultures. We have explored some of these cultural generalizations in an effort to provide a deeper appreciation of the cultural environment of international business. In addition to the various definitions of culture, we have examined some of the basic characteristics that all cultures share: (1) the learned nature of culture, (2) how culture influences biological processes, (3) cultural universals, (4) the ubiquity of culture change, (5) ethnocentrism, and (6) the integrated nature of culture. It is assumed that an awareness of the concept of culture (what culture is and how it functions) is a necessary, yet not sufficient, prerequisite for an understanding of any particular culture.

Whenever dealing with any concept or generalization, such as the concept of culture, it is important to avoid viewing it in an overly rigid or concrete way. To arrive at statements that hold true for all cultures, anthropologists are operating at a relatively high level of abstraction. Because these generalizations are constructed from literally thousands of cultures in the world, there will be times when generalizations do not always jibe perfectly with reality. In no way does that fact invalidate the usefulness of the concept. The generalizations regarding culture discussed throughout this chapter should be viewed as heuristic in nature, rather than as exact representations of reality. They are generally valid descriptions of what happens most of the time. But even when discrepancies appear, the concept is still useful as a stimulant to further investigation.

When moving to the level of a specific culture, it is equally important to avoid overly rigid thinking. Anthropological statements about a particular culture are generalizations about what most of the people do and think most of the time. Although cultural norms exert a strong influence on behavior, they are hardly ironclad propositions that can be used to predict with precision how people will respond in any given situation. Each culture must strike a balance between individual self-interests and the needs of the total
society. Without denying the strong influence that culture has on behavior, people are nevertheless endowed with free will. To one degree or another, individuals are free to go against their cultural norms, even though most do not. It is indeed the rare person in any society who complies totally with the social rules. As Barrett points out, “There is always a tendency to evade or stretch the meaning of the rules or to otherwise minimize their consequences” (1991, 75). As a result, cultural anthropologists make the distinction between ideal behavior (what society says people should do) and actual behavior (what people in fact do).

The consequences of this fact are that in any given culture it is likely that individual variations in thought and action can be observed. To illustrate the nature and extent of this diversity, let’s look at a familiar scene from our own culture, a high school classroom. In any given classroom, even the most untrained observer will notice students behaving somewhat differently. As the teacher is lecturing, one male student may be flirting with the girl two rows over, another may be doodling, a third student may be working on her unfinished homework for another class, and a fourth may actually be listening intently to extract some meaning from the lecture. Yet despite these individual variations, the students are nevertheless responding in generally similar ways. All remain seated; all are silent; all refrain from doing anything that would seriously interrupt the lecturer. Although the boy continues to flirt, he is not singing out loud or doing a handstand. The observable variations in behavior, in other words, are contained within socially acceptable limits. One of the tasks of the anthropologist—or any other cultural observer—is to determine where the normative limits are. It is the description of these variations in behaviors within limits that constitutes the patterns of any specific culture.

Moreover, cultures are complex networks of features, some of which change rapidly and others of which are much more resistant to change. Thus, when encountering another culture, some features will appear quite like one’s own cultural features, whereas others will seem exotic and bizarre. Robert Collins, who has written widely on cultural differences between Japan and the United States, describes how difficult it is to sort out the levels of cultural difference between these two countries:

The initial Level on a Westerner’s perception scale clearly indicates a “difference” of great significance. The Japanese speak a language unlike any other human tongue. To compound things, they write the language in symbols that reason alone cannot decipher. . . . Level Two is represented by the sudden awareness that the Japanese are not different at all. Not at all. They ride in elevators, have a dynamic industrial/trade/financial system, own great chunks of the United States, and serve corn flakes at the Hotel Okura. Level Three is the “hey, wait a minute” stage. The Japanese come to all the meetings, smile politely, nod in agreement with everything said, but do the opposite of what’s expected. And they do it all together. They really are different. But are they? Level Four understanding recognizes the strong group dynamics, common education and training, and the general sense of loyalty to the family. . . . Nothing is fundamentally different. Level Five can blow one’s mind, however. Bank presidents skipping through the streets dressed as dragons at festival time; single ladies placing garlands of flowers around huge, and remarkably graphic, stone phallic symbols; Ministry of Finance officials rearranging their bedrooms so as to sleep in a “lucky” direction; there is something different in the air. And so on. Some Westerners, the old Japan hands, have gotten as far as Levels 37 or 38. (1987, 14–15)
And, finally, we must bear in mind that the concept of culture can take us only so far when attempting to understand the thoughts and behaviors of the many peoples of the world. The cultural model tends to be fairly static and self-perpetuating. As we have seen in this chapter, culture is composed of values, ideas, beliefs, and behavior patterns that are more or less shared by a group of people and that are passed down from generation to generation. Such a model assumes that the people sharing a particular culture are a self-contained and relatively isolated/insulated entity that changes little over time. Moreover, it fails to account for forces from outside the culture that can have powerful influences on how people think and behave. We can take, for example, the so-called cultures (or subcultures) of the rich and poor in the United States. It is commonly believed that the children of the rich bring with them to elementary school a set of cultural features that contribute to their general success in school and into adulthood. These features include a high value placed on education, a strong work ethic, and a precise reckoning of time, among others. Conversely, it is generally believed that poor children, lacking these learned cultural values, perform relatively poorly in school and have less success as adults. Such an interpretation, however, while focusing on learned cultural traits, fails to consider the role played by certain societal institutions, such as our educational and criminal justice systems, in determining behavioral outcomes such as school failures or incarcerations rates. To illustrate, all children in public schools since the early twentieth century have been “tracked” based on their IQ test scores, allegedly an accurate indicator of a child’s innate, genetically determined intelligence. Those with high IQ scores were given the best teachers, the most demanding curricula, and constant encouragement to maximize their full potential by eventually going to college. However, after nearly a century of use in our schools, it has been demonstrated that these IQ tests are not a measure of one’s God-given, immutable intelligence, but rather an indicator (and an excellent one at that) of how much middle/upper-class knowledge a test-taker has mastered. Simply put, poor children do not score well on IQ tests not because they are less intelligent (that is, have less of a capacity to learn), but rather because they have not been exposed to those things that are routinely experienced by middle- and upper-class children and that are the subject of IQ test questions. Thus, we cannot conclude that poor children have higher dropout rates from school because their culture has failed to teach them the importance of education and hard work. An equally plausible explanation is that poor children, based on their scores from culturally biased standardized exams, are expected to compete on an unlevel playing field.

CORPORATIONS ALSO HAVE CULTURES

Just as societies, tribes, religious communities, and neighborhoods all have cultures, so too do corporations. Shared values, behavior patterns, and communication styles all help the employees of a corporation, from the janitor to the CEO, both feel and express a common identity. A corporate culture, in other words, helps ensure that people at all levels of the organization are pulling together in the same direction. Successful corporate cultures manage to integrate symbols (such as a corporate logo), legends
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(stories about past successes and failures), heroes (influential managers from the past), communication patterns (language and nonverbal cues), shared values (what the organization stands for and believes in), patterns of social interaction (expected forms of behavior between those of different statuses and roles), and shared experiences (such as working together on successful projects). The process of developing a corporate culture involves a number of distinct activities: (1) identifying common beliefs among employees, (2) gaining consensus, (3) documenting the essential features, (4) making the culture visible to employees on a regular basis, ensuring that the features of the corporate culture support the organization’s goals and objectives, and (5) providing explicit training in the corporate culture for new employees.

All businesses, whether they know it or not, have their own distinct cultures. A problem in the past has been that many business enterprises are not aware of their cultures and, as a result, fail to purposefully make changes in the cultures to align them with their goals and objectives. To illustrate the notion of “corporate culture,” let us examine a real, yet anonymous, corporation, composed of less than fifty employees, which provides creative consulting services (marketing campaigns and organizational problem solving) to its much larger Fortune 500 clients. The company in question, which we will call Solutions, Inc., or SI, has been recognized as one of the most successful creative consulting companies in the United States and has the client list to support it. The SI culture has been very deliberately structured so that all of its component elements support the company’s basic mission: that is, creative problem solving. This corporate culture has the following structural components:

1. Maximize interaction/communication: Absolutely central to the SI culture is the notion that creativity and innovation is a team sport, not a solitary activity. The best, most creative, ideas are generated when otherwise creative people (that is, those who are curious, passionate, open-minded, and willing to take risks) actually bounce ideas off one another and refine mediocre, or even bad ideas, into brilliant ones. The corporate headquarters—located in a renovated warehouse—was purposefully structured to encourage maximum social interaction. There are no walled-off offices or even distinct cubicles separating members of the SI team. Instead, everyone’s personal workspace, from the CEO to the most recently recruited employee, consists of a desk and several other pieces of office equipment located in a large open portion of the office. Literally everyone can see everyone else, some can converse in a normal voice without even leaving their chairs, while others might need to walk twenty feet to speak with a colleague. A large informal “living room,” a space with comfortable furniture, provides a place for the entire staff to meet for morning informational meetings or informal presentations by outside speakers. The kitchen is a favorite meeting place to discuss ongoing projects over a cup of coffee and some snacks, while there are several rooms, providing separate space for creative sessions, which have doors that can be pulled down at the end of the day to hide the mess. Even the white boards located throughout the building encourage team members to leave messages for one another.

Comparing this with the supply chain division of a large U.S. bank, the raison d’être of which is to cut costs in those goods and services purchased by the bank. When we realize that a 2 cent increase in first-class postage can cost the bank tens of millions of dollars per year, we can appreciate the scale of the savings that the supply chain division could realize if they maximized their creative energies. However, the hundreds of people working in this division, most of whom hold an MBA degree and have offices in a number of different buildings, rarely ever see one another, much less engage in purposeful, creative problem
solving. Imagine the creative solutions to cost-cutting they could come up with if they deliberately shared their creative energies and past experiences and applied them to cutting costs across the entire institutional structure.

2. **Collaboration:** Social interaction at SI is a necessary, but not sufficient, condition for nurturing the creative process. Not only must colleagues sustain high levels of interaction, but that interaction must be collaborative, cooperative, and largely selfless. The emphasis needs to be on team building, sharing, and developing a sense of community. Individual team members are not motivated primarily by personal achievement and reward, but rather by solving the team’s problem as effectively and creatively as possible. Group goals take precedence over the goals of any individual member, and interdependence is more highly valued than independence or the pursuit of individual goals. This is a highly un-American *modus operandi*, because it asks people to keep their egos, self-interests, and control needs in check and to derive satisfaction from making a contribution to the wider group. The traditional mode of creative problem solving in the United States involves a number of employees locked away in their offices trying to solve the problem through the sheer force of their individual intellects. SI team members, by way of contrast, have developed a more collectivist orientation that emphasizes teamwork, altruism, and maintaining strong social ties and obligations to team members.

3. **Diversity:** Most organizations in the United States, particularly large ones, strive for consistency, standardization, and agreement, largely from the misleading assumption that the elimination of divergence/diversity automatically results in efficiency and success. This traditional, twentieth-century, view of organizational structure assumes that contradictions are to be first prioritized, and then eliminated, so that everything will run smoothly. We have all known managers and executives who need their subordinates to agree with their decisions, tell them they are doing a terrific job, and avoid challenging their authority. While this may be organizationally neat and psychologically comforting, it is stifling, stagnating, and, over the long haul, counterproductive.

   By way of contrast, the SI corporate culture is based on the premise that the very lifeblood of its organization requires that it embraces diversity, multiple perspectives, different communication styles, and dissenting opinions. The SI team is recruited and organized on the principle of diversity, not because it is the politically correct thing to do, but rather because it is essential to the process of creativity and problem solving. Surviving, and indeed thriving, as a creative consulting organization in the twenty-first century does not depend on everyone seeing eye-to-eye with one another. In fact, the literature suggests that it often depends on just the opposite—namely, the extent to which team members disagree with one another and are constantly looking for contradictory or alternative data. While it is true there must be agreement among team members on certain core values, modes of operating, and strategic goals, the most creative solutions are most likely to evolve in an environment of varying perceptions and respectful dissension. Thus, a central tenet of the SI corporate culture is that rather than trying to eliminate contradictions and differences, the company that *manages, balances, and uses* its internal diversity is the one in the best position to renew itself, maintain high levels of creativity, and remain sufficiently flexible and adaptable in the very fast moving world of the twenty-first century.

   SI is very deliberate about recruiting new team members who bring with them different educational backgrounds, work experiences, worldviews, ways of thinking, and general life experiences. The SI team includes people not only with diverse backgrounds in functional areas such as business strategy, organizational behavior, brand management, and industrial design, but also from diverse fields such as education, fine arts, theatre, and the social sciences. But SI team members also take on different “handles” or nicknames (such as “The Closer,” “Court Jester,” “Cattle Prod,” and “Rain Maker”) designed to encapsulate the unique traits and contributions each brings to the organization. These pet names, used instead of job titles, enable team members to contribute to the company’s overall organizational success by serving as a constant reminder of the individual strengths each
brings to the workplace. That every team member has the opportunity to create his or her own moniker, displayed prominently on the company’s website, is an affirmation of the organization’s commitment to diversity.

4. **Positive turbulence:** The fall of the Berlin Wall in the late 1980s is generally seen as the beginning of the new age of globalization, driven by rapidly spread free-market capitalism, lowering of tariff barriers, privatizing enterprises, and deregulating national economies. At the same time, the development of digitization, satellite communication, fiber optics, and the Internet has brought about a simultaneous revolution in information technology. Before the age of globalization, business leaders were able to get along with a traditional mindset, consisting of a narrow perspective based on one’s own functional area of expertise, general resistance to change, individual mastery of knowledge and skills, and top-down hierarchical structures. However, a perquisite for success in the rapidly changing business environment of the twenty-first century is a more global mindset, composed of a broad, cross-functional perspective, seeing change as an opportunity rather than a problem, emphasizing teamwork rather than individual mastery, and appreciating the need to flatten out hierarchical, bureaucratic structures. Several decades ago, business leaders tried to cope by imposing order, structure, and hierarchy within their organizations. Today, the only way to survive in the global economy is to embrace change, devise new products and processes, build functional teams, be willing to veer off in new directions, reduce the social distance between those at the top and those at the bottom, and remain flexible. While this new “global mindset” is messy, rapidly moving, unpredictable, complex, frenetic, and often anxiety producing, it is absolutely necessary for generating the creativity and innovation needed to stay competitive.

SI operates on the principle that a moderately chaotic, untidy, and hectic environment is not something to be eliminated or tamed, but rather managed effectively, because it is where creativity thrives and innovations are incubated. This is what Stanley Gryskiewicz of the Center for Creative Leadership refers to as “positive turbulence.” The culture at SI not only tolerates positive turbulence, but actually takes deliberate steps to increase it, because by embracing moderate confusion and divergent thinking, team members are able to generate more and richer solutions to business problems.

5. **Broadening knowledge and experience:** Perhaps the single most important strategy for developing positive turbulence involves being receptive to, and willing to process, new information from a wide variety of sources. The thinking at SI is that the more information a person is exposed to, the greater are the opportunities to see the interconnections between seemingly unconnected phenomena. By deliberately exposing oneself to as many different types of information as possible, we are able to imagine how, for example, a letter on the Op-Ed page of the *Washington Post* could help solve a client’s marketing problem.

One mechanism for broadening one’s knowledge is to bring in experts (as consultants) from fields other than those of the core interest of the business. Periodically, the entire SI staff will participate in an informal, free-wheeling discussion with an outsider such as an architect, a family therapist, a cultural anthropologist, or a professional musician. All of these guest discussants, while representing expertise in vastly divergent career areas, are invited to talk about creativity from their unique professional perspectives. While in many corporations such discussions might be seen as a frivolous waste of time, the leadership at SI believes that new, creative, and productive ideas can be generated, refined, and implemented when team members are exposed to seemingly unrelated pieces of information and asked to make the connections between them and their own immediate professional concerns. To illustrate, Benjamin Zander, the conductor of the Boston Philharmonic, is a perfect example of how a world-class musician can have an important impact on creative consultants from SI. In the book *The Art of Possibility* (2000), co-authored with his wife Rosamund Zander, Benjamin Zander talks about the need to see and understand the overarching flow and structure of a piece of classical music. By rising above a piece of music (a complex collection of notes on a piece of paper) to see the overall structure of the whole
piece, we can see and hear new meaning, a meaning that is very different when seen from ground level (where we are looking at individual notes or small groups of notes). What can an SI creative consultant take away from such a discussion on the structure of classical music? As in music, the understanding and appreciation of corporate organizations (such as those clients for which SI solves strategic business problems) are enormously enhanced when we take an “aerial view” of the total structure, rather than concentrating on a single element or even a small group of elements. And it is only when the essential shape (structure) of both the piece of music and the corporation are revealed that true understanding can occur and, consequently, the maximum number of creative solutions can be generated. This is just a single example of how an expert from a field as different from corporate management as symphony conductor can offer different insights and ways of perceiving that can increase creative thinking and problem solving within a corporate setting.

In addition to bringing in outside experts from different fields, there are other ways by which a company can encourage its team members to broaden their experiences and knowledge base. These include encouraging reading and sending team members to conferences outside their fields, establishing and maintaining (electronically) networks of like-minded “creatives” throughout the world, awarding “enriching sabbaticals” to team members, encouraging foreign assignments, and even swapping functional roles within the organization.

6. Flat organizational structure: SI understands that not only is creativity a team sport (to the extent that it is both interactive and collaborative), but it thrives in an environment that is flat or as “status-less” as possible. Hierarchy within the team, in other words, can be a major impediment to the creative process. When the boss is always right, and ideas flow from the top down, creativity and innovation will most likely be stifled. The best way to subvert a creative brainstorming session is to let the boss be the first to speak, because, when this occurs, other team members prejudge their own ideas to avoid being too different from the boss. But if the hierarchy is flattened, self-editing will be minimized and people will be free to come up with a wide range of wacky ideas, some of which can be potentially brilliant.

It takes deliberative effort for an organization to achieve a flattened hierarchy. Visitors to SI will not hear comments from team members, such as “Oh sure, if I had a six figure salary, I too could come up with some creative ideas.” Clearly, SI has found the secret of creating a status-less environment. That both the company president and the CEO do not have large, enclosed, corner offices (a traditional symbol of high organizational status) conveys the message that all ideas are equal and potentially brilliant. Moreover, a visitor to an SI brainstorming session would find it difficult, if not impossible, to identify the group leader, because all team members have the freedom to express “off-the-wall” ideas.

Clearly, SI has been very purposeful in building and maintaining a strong corporate culture—that is, a set of norms, values, and behavioral expectations that are strongly held and widely shared throughout the organization. Both the popular and the scholarly literatures in recent years have supported the direct relationship between strong corporate cultures (such as that described for SI) and high firm performance. Specifically, those studies have shown that companies with strong corporate cultures have three distinctive advantages: (1) an enhanced ability to coordinate and control the organization from within, (2) an improved goal alignment between the firm and its employees, and (3) an increase in employee effort (Burt et al. 1994; Sorensen 2002).

Having a well-defined and explicit corporate culture not only increases efficiency, it also contributes to overall competitiveness (Barney 1986). When a formerly domestic corporation decides to globalize its operations, it needs to pay attention to globalizing its culture as well. A corporate culture that works well for employees in Atlanta may need to
be at least partially redefined by the national culture of Indonesia, where it is now conducting some of its manufacturing. This certainly does not mean that a corporation should jettison its corporate culture when operating abroad. Rather, it means that hitherto domestic companies need to modify their cultures to accommodate local cultural realities. It is, in other words, not possible for a corporation to export its culture wholesale to Indonesia and expect local workers to check their own cultures at the door each morning.

Successful MNCs, as they have expanded their overseas operations, have developed somewhat localized versions of their original corporate cultures. As McCune (1999) illustrates, when Wal-Mart, the largest retailer in the United States, opened its first discount store in Germany, it found that some features of its corporate culture (first developed in Bentonville, Arkansas) were not warmly embraced by their German employees. Workers had no difficulty with company cheers such as “Who’s Number One? The Customer!” However, they balked at applying Wal-Mart’s “ten-foot rule,” which required all employees to greet any customer within a ten-foot radius. This rule is not enforced among Wal-Mart employees in Germany because both employees and customers place a high value on their privacy when they are shopping. Thus, Wal-Mart had the good sense to realize that it would be counterproductive to allow its corporate culture to supersedes the local German culture. Instead, Wal-Mart permitted a local variation of the corporate culture that was more compatible with local German culture. What is important to realize is that neither version of the corporate culture sacrifices the overarching cultural principle that the “customer is number one!”

Philippe d’Iribarne (2002) provides two detailed case studies (one of a combined Italian-French microelectronic company headquartered in Geneva and the other a French food company located in Mexico) showing how Western corporate cultures can promote supportive communities of highly motivated workers by building upon deep-seated local cultural values. In Morocco, Islamic norms and values were combined with Total Quality Management values to transform SGS-Thomson’s factory culture, whereas in Mexico, norms and values regarding family and the pursuit of a higher moral purpose were combined with the traditional corporate model of Danone of France. In both cases, it was not the imposition of a foreign corporate culture over local cultural values. Rather, organizational excellence was achieved by integrating local cultural values and behavior patterns into the Western corporate culture. These two case studies demonstrate the fact that cultural differences are not de facto obstacles to creating efficient production facilities. In both situation, the company managers (1) took the time and energy to understand local cultural realities and (2) were willing to adapt their management practices and corporate cultures to the local cultural context in Morocco and Mexico.

**Cultural Differences in Business: Challenges and Opportunities**

This book is written with the primary objective of integrating the insights and findings of cultural anthropology with the practice of international business. By focusing on the nature of cultural differences, we cannot avoid pointing out the many pitfalls awaiting the naïve (culturally uninformed) businessperson ready to embark on international business.
In fact, at times, the reader might be overwhelmed with the daunting number of cultural differences that can result in needless misunderstandings (and a lack of success) when marketing, negotiating, or managing foreign workforces abroad. The purpose of focusing on cultural differences is not to discourage the reader from entering the realm of international business, but rather to educate the reader to (1) understand those cultural features different from one’s own and (2) use that knowledge to alter one’s own behaviors so as to more effectively meet one’s professional objectives.

Thus, the more knowledge we have about our culturally different business partners, the more likely we will avoid cross-cultural misunderstanding. We are not suggesting that we eliminate, or even reduce, the number of the cultural differences by having you either (1) give up your own culture or (2) force your own culture upon others. Rather, it is important to recognize cultural differences, learn as much about them, and also understand that cultural differences provide opportunities for organizational synergy. That is, when people from two different cultures work cooperatively in an atmosphere of mutual understanding and respect, the outcome can be more productive than either group working independently. This can be illustrated by a U.S. manufacturer of cell phones wanting to expand its markets into Africa. One effective strategy for obtaining a larger market share of cell phones is for the U.S firm to create an ongoing dialogue between its international marketing department, its new product development department, and the local African sales representatives in cities such as Lagos, Nigeria, Nairobi, Kenya, and Dakar, Senegal. The local sales force knows the local needs, which professions can be served best by cell phones, which features are most important, and what people would be able to afford. These local salespeople would know that local fishermen would profit handsomely by having the capacity to contact various restaurants and fish markets via cell phone while they head back to port with their day’s catch. These fishermen would not need all of the “bell and whistles” found on many cell phones, but rather an inexpensive way to communicate to their customers while they are several miles out at sea. Once the local fishing industry has been identified as a potential new market, the R&D people can develop an inexpensive phone that would meet the needs of the fishermen. Thus by pooling their different expertise, the company and the local African sales representatives can more effectively develop new products that will expand the cell phone market.

It is also important to understand that cultural differences can be used as assets rather than liabilities when multinational corporations form task-oriented teams based on cultural diversity. It has long been known that culturally diverse groups (provided that all members understand and respect the cultural perspectives of one another) perform tasks better than culturally homogeneous groups. For example, in experiments conducted by W. E. Watson, Kamalesh, and Michaelson (1993), socially and culturally diverse work groups out-performed more homogeneous ones when the tasks were open-ended and the goal was to generate as many creative solutions as possible. Thus, if managed successfully, cultural diversity within an organization can be an asset rather than a potential liability, that is, something that must be eliminated from the corporate structure as quickly as possible.
CROSS-CULTURAL SCENARIOS

Read the following cross-cultural scenarios. In each mini-case study, a basic cultural conflict occurs between the actors involved. Try to identify the source of the conflict and suggest how it could have been avoided or minimized. Then see how well your analyses compare to the explanations in Appendix A.

2-1 Sam Lucas, a construction supervisor for an international engineering firm, had been chosen to supervise construction on a new hotel project, in Jidda, Saudi Arabia, primarily because of his outstanding work record. On this project, Sam supervised the work of about a dozen Americans and nearly one hundred Saudi laborers. It was not long before Sam realized that the Saudi laborers, to his way of thinking, were nowhere as reliable as the workers he had supervised in the United States. He was becoming increasingly annoyed at the seeming lack of competence of the local workforce. Following the leadership style that held him in such good stead at home, he would reprimand any worker who was not doing his job properly, and he would make certain that he did it publicly so that it would serve as an object lesson to all the other workers. He was convinced that he was doing the right thing and was being fair, for after all, he reprimanded both Americans and Saudis alike. He was troubled, however, by the fact that the problems seemed to be growing worse and more numerous.

What advice might you give Sam?

2-2 George Burgess was a chief engineer for a machinery manufacturer based in St. Louis. His company had recently signed a contract with one of its largest customers in Japan to upgrade the equipment and retrain mechanics to maintain the equipment more effectively. As part of the contract, the Japanese company sent all ten of their mechanics to St. Louis for a three-month retraining course under George’s supervision. Although George had never lived or worked abroad, he was looking forward to the challenge of working with the group of Japanese mechanics, because he had been told that they were all fluent in English and tireless workers. The first several weeks of the training went along quite smoothly, but soon George became increasingly annoyed with the constant demands they were making on his personal time. They would seek him out after the regularly scheduled sessions were over for additional information. They sought his advice on how to occupy their leisure time. Several even asked him to help settle a disagreement that developed between them. Feeling frustrated by all these demands on his time, George told his Japanese trainees that he preferred not to mix business with pleasure. Within a matter of days, the group requested another instructor.

What was the principle operating here?

2-3 Bernice Caplan, purchaser for women’s apparel for a major U.S. department store, had just taken over the overseas accounts. Excited and anxious to make a good impression on her European counterparts, Bernice worked long, hard hours to provide information needed to close purchasing contracts in a timely manner. Stefan, one of her Dutch associates in Amsterdam, sent an urgent message on May 1 requiring information before the close of day on 6/5.

Although she thought it odd for the message to be marked URGENT for information needed over a month away, Bernice squeezed the request into her already busy schedule. She was pleased when she had whipped together the information and was able to fax it
by May 10, three full weeks before the deadline. Pleased with herself, she placed a telephone call to Stefan to make sure that he had received the fax and was met with an angry, hostile response. The department store not only lost the order at the agreed-upon cost, but the Dutch office asked that Bernice be removed from their account.

Where did Bernice go wrong?

2-4 Bob Mitchell, a retired military attaché with considerable experience in the Middle East, was hired by a large U.S. computer software company to represent it in a number of Persian Gulf countries. Having received an introduction from a mutual acquaintance, Bob arranged to meet with Mr. Saade, a wealthy Lebanese industrialist, to discuss the prospects of a joint venture between their companies. Having spent many years in the Middle East, Bob knew that they would have to engage in considerable small talk before they would get down to business. They talked about the weather, Bob’s flight from New York, and their golf games. Then Saade enquired about the health of Bob’s elderly father. Without missing a beat, Bob responded that his father was doing fine, but that the last time he saw his father at the nursing home several months ago he had lost a little weight. From that point on, Saade’s demeanor changed abruptly from warm and gracious to cool and aloof. Though the rest of the meeting was cordial enough, the meeting only lasted another two hours, and Bob was never invited back for further discussions on the joint venture.

What went wrong?

2-5 A U.S. fertilizer manufacturer headquartered in Minneapolis decided to venture into the vast potential of third-world markets. The company sent a team of agricultural researchers into an East African country to test soils, weather conditions, and topographical conditions in order to develop locally effective fertilizers. Once the research and manufacturing of these fertilizer products had been completed, one of the initial marketing strategies was to distribute, free of charge, one hundred-pound bags of the fertilizer to selected areas of rural farmers. It was thought that those using the free fertilizer would be so impressed with the dramatic increase in crop productivity that they would spread the word to their friends, relatives, and neighbors.

Teams of salespeople went from hut to hut in those designated areas, offering each male head of household a free bag of fertilizer along with an explanation of its capacity to increase crop output. Although each head of household was very polite, they all turned down the offer of free fertilizer. The marketing staff concluded that these local people were either uninterested in helping themselves grow more food and eat better or so ignorant that they couldn’t understand the benefits of the new product.

Why was this an ethnocentric conclusion?

2-6 While on a short business trip to Bolivia, Dr. Susan Henry, an organizational consultant from Atlanta, is invited to the home of one of her Bolivian business associates. Wanting to express her gratitude, Susan brings the host a couple of dozen purple tulips. When Susan presents them with the flowers, however, she notices that both the husband and the wife look startled. After the flowers had been taken to the kitchen, Susan feels somewhat insulted because they never displayed the flowers nor thanked her for them.

What happened?
As an organizational consultant from Philadelphia working with a Mexican company, Dan Shaver has been traveling to Mexico City every other week for months to help his client develop more-effective management systems. On this occasion, Dan scheduled a three-day trip, during which he planned to meet with a number of employees. But on the first day of scheduled meetings, Dan was informed that everyone would be leaving work at 2:00 P.M. because it was a fiesta day. Dan was furious because he had come all the way to Mexico just to have his first day of work cut short. As it turns out, Dan’s Mexican colleagues failed to understand why he was so angry.

What was behind this misunderstanding?

As an international organizational consultant from Toronto, Melissa Post was working on a two-month project in Quito, Ecuador. After several weeks on the project, Melissa had become a very good friend with Maria, a local employee of her client. Melissa had noticed that whenever Maria greeted her other female friends from Ecuador, they would kiss each other on the cheek. Since Melissa was feeling very good about her relationship with Maria, she decided that the next time they ran into one another outside the office, she would greet Maria with a kiss on the cheek. So, several days later Melissa unexpectedly met Maria at a coffeehouse and greeted her with an enthusiastic kiss on the cheek. Much to Melissa’s surprise, Maria seemed startled and somewhat put off by the greeting.

Had Melissa done something inappropriate?