



# SAARANSH

## RKG JOURNAL OF MANAGEMENT

Vol. 2

No. 1

JULY 2010

# Contents

### ECONOMIC GROWTH AND SOCIAL DEVELOPMENT

*C. Rangarajan*

### GLOBALIZATION AND CONSENSUS ON CULTURAL PRACTICES AND VALUES

*Vipin Gupta*

### EFFECTS OF ADVERTISEMENTS ON CHILDREN

*Kusum Gupta & Parminder Kaur*

### ASSESSING SERVICE QUALITY WITHIN AIRPORT INDUSTRY

*Faouzi Najjar & Hafedh Ibrahim*

### WEB CUSTOMERS-WHAT DO THEY WANT?

*Shivani Arora*

### FIIS EXPECTED AND UNEXPECTED FLOWS REACTION

### ON STOCK MARKET VOLATILITY

*Gayathri Devi R, G. Saravanan & Malabika Deo*

### IMPACT OF TRUST AND CRM ON CUSTOMER LOYALTY A

### STUDY ON RETAIL ORGANIZATIONS

*Simranjeet Kaur Sandhar, Navita Nathani & Silky Vigg*

### IFINANCIAL INCLUSION: A NEW WAVE OF MICRO FINANCE INITIATIVE

### FOR POVERTY ERADICATION AND ECONOMIC DEVELOPMENT

*Ranganatham.G*

### IMPACT OF STRESS ON IT AND ITES EMPLOYEES IN COIMBATORE CITY

*R.Ganapathi, S.hema & A.V. Nalini*

### CASH MANAGEMENT OF ENGINEERING GOODS INDUSTRY

### IN PUNJAB: AN EMPIRICAL ANALYSIS

*Anita Soni & Surinder Singh Narta*

### GROWTH OF THE INSURANCE SECTOR IN INDIA:

### A POST PRIVATIZATION ANALYSIS

*A. Faiz*

### A STUDY OF THEORIES ON THE RELATIONSHIP BETWEEN

### RETURNS-VOLUME-VOLATILITY AND DYNAMICS OF THE STOCK MARKET

*Sarika Mahajan & Balwinder Singh*

### ANALYSIS OF WORKING CAPITAL STRUCTURE AND ITS ASSOCIATION

### WITH EFFICIENCY A CASE STUDY OF DISHMAN PHARMACEUTICALS LIMITED

*Abhishek Ranga*

### PLIGHT OF MATCH INDUSTRY IN ANDHRA PRADESH:CERTAIN

### ISSUES AND CONCERNS

*G L Narayanappa & R Padmaja*

### MOTIVATION TO INSURANCE ADVISORS OF ICICI PRUDENTIAL LIFE INSURANCE

### COMPANY (A RESEARCH CONDUCTED AT MAIN BRANCH, SHIMLA)

*Anil K S Chauhan, Partha P Saikia, Richa Garg*

### PROBLEMS FACED BY THE HEALTH INSURANCE POLICY HOLDERS OF

### DIFFERENT PUBLIC AND PRIVATE HEALTH INSURANCE COMPANIES FOR

### SETTELMENT OF THEIR CLAIMS (A case study of Punjab)

*Pradeep Jain, Ella Mittal, Jyotsna Pahuja*

### CARPOOLING: AN EMERGING BUSINESS IN INDIA

*S Vijay Kumar, T Shiv Kumar, A Ravi Prakash*

# GLOBALIZATION AND CONSENSUS ON CULTURAL PRACTICES AND VALUES

Vipin Gupta\*

## ABSTRACT

*In this article, we investigate the theory of globalization, in terms of two core hypotheses (1) the societies of the emerging global world are converging into the universal secular/rational and self-expression ideals, and (2) there is no global consensus, rather, a fundamental clash amongst the cultural values and practices across the societies. Our findings, based on two sets of cross-cultural data bases and Consensus Analysis methodology, indicate no evidence for the societies of the emerging global world to be converging into these ideals. On the other hand, we do find evidence for a global consensus on cultural values and practices. This global consensus may reflect a shared significance of the culturally authentic sources of power and of meaning of life. We also find evidence that the overall global consensus is consistent with the unique sources of power and of meaning of life in specific cultures, using the case of the Protestant cultural clusters.*

**Key Words:** Globalization Theory, Convergence/ Divergence, Consensus Analysis, GLOBE Study

## INTRODUCTION

Globalization is an important force in the discourse on culture. Globalization simultaneously fosters universal grounds and connections among different cultures, particularity of experiences and perspectives of each of these cultures. Homogeneity and heterogeneity, convergence and divergence, universalism and particularization, are all two sides of the same nexus that is globalization.

Globalization theory identifies several factors contributing to cross-cultural homogeneity, convergence and universalism. The origin of these factors is traced to colonial times, and the subsequent growth in global exploration, political engagement, trade and investments, media, technology, tourism with other vehicles of personal contact and education. Robertson's (1992) World Culture theory, for instance, emphasizes the spread of mass education as the key factor in globalization and identifies globalization as a process of incorporating the emerging nation states into the core industrial nations' exchanges. In this theory, globalization entails propagation of the universal standards of citizenship, which are interpreted and practiced differently by various nation states based on their own particular histories and perspectives (Robertson, 1992).

Globalization scholars identify the industrialized nations' culture, or more specifically the Anglo/ Protestant culture, as a point of reference for the universal world standards – with core ideologies being self-expressive human rights, liberal democracy and capitalist free market economy (Fukuyama, 1992). Anglo/ Protestant societies are globally most connected in terms of trade, technology, investment, political engagement, personal contact and media. By endorsing the Anglo/Protestant referenced standards, the societies gain both security as well as legitimacy for their traditions and local authority (Robertson, 1992). The reasons for embracing thus are based on both power and functionality.

With acculturation and homogenization of the cultures, the societies and individuals interpret their identity, values and practices as parts of a larger whole – the global consciousness (Robertson, 1992). This global consciousness does not imply global consensus. On the contrary, in a compressed world of globalization, as various societies struggle to live in one world, contending world views are formulated and legitimized using local traditions. Globalization constrains all societies assume a position and define an identity relative to the emerging global whole (Robertson, 1992). That promotes mobilization of coalitions using cross-local traditions, such as shared religious doctrines and cultural models, which fundamentally differ across societal clusters. The ensuing struggle for hegemony among different coalitions produces a state of conflict (Robertson, 1992).

Huntington (1993) offered a most provocative codification of the clash hypothesis. He hypothesized that the civilizations i.e. the clusters of societies, differentiated along the highest fault lines of cultural and religious traditions, will define the "principal conflicts of global politics" and "will be the battle lines of the future." He predicted that the insistence on the Anglo/Protestant ideologies of human rights, liberal democracy and capitalist free market economy as universal standards will antagonize other civilizations. His predictions reflected the assumption – common among several international scholars and emerging market leaders – that development necessarily implies Westernization, or more specifically Protestant/ Anglo converging cultural transformation of various societies. Some critics cite the examples of Japan and some other Confucian societies, who seem to have adopted the standards of self-expressive human rights, liberal democracy and capitalist market economy, while retaining their core culture.

In summary, the effects of globalization on cultural values

---

\*Roslyn Solomon Jaffe Chair Professor of Strategy Simmons College School of Management 300 Fenway, Boston, MA 02115, USA



and practices may be both homogenizing ("convergence" school) as well as heterogenizing ("divergence" school). The Convergence scholars (Pascale & Maguire, 1980) hold that as the countries liberalize their markets, develop institutions, adopt modern technology and achieve industrialization, people will embrace common values with regard to economic activity and work-related behavior (Kerr et al., 1964) and that would result in universal values and practices. The Divergence scholars instead assert that social histories, not contemporary forces of economic ideology or technological growth, are slow to change and remain the dominant force in shaping the cultural values and practices within a country (Hofstede, 1980).

For some scholars, the observed divergence reflects just inertia. Thus, Jones (2006) notes: "Cultural practices may be explicable in economic terms, yet they also persist as a residue that is not explained by current forces. Ways of behaving are capable of being transmitted from one age cohort to another, learned early, and replicated in inappropriate circumstances. To that extent, culture resembles neurosis. To suppose otherwise is to think that selection environments are always severe enough to "correct" behavior and bring it instantly into line with fresh circumstances." For the others, observed divergence is a hybrid of the universal Protestant ideologies and the particular local elements. Thus, Ralston, Gustafson, Cheung & Terpstra (1993) identify the Confucian Asian societies as pursuing a middle ground using the term 'crossvergence', a value and practice set that is "in between" the values supported by the East and the West.

In this article, we investigate the theory of globalization, in terms of two core hypotheses (1) the societies of the emerging global world are converging to the universal secular/rational and self-expression ideals, and (2) there is no global consensus, but rather a fundamental clash amongst the cultural values and practices across the societies.

Our findings, based on two sets of cross-cultural databases, indicate no evidence that the societies of the emerging global world are converging on these ideals. On the other hand, we do find evidence for a global consensus on the cultural values and practices. Strikingly, the global consensus is around the cultural characteristics seen by the globalization scholars as being the polar opposites of the ideals. We find that overall, the consensus is particularly strong among the emerging markets, more than among the industrial markets. Within the industrial markets, while the Protestant cultural clusters do share the global consensus, they also have their own distinctive manifestations.

Our findings have the following implications. A new phase of globalization, characterized by the culturally authentic power and meaning of life may be on its way. Culturally authentic power might be gaining acceptance as the universal

principle for market-based organization in the societies of the emerging world. Similarly, the culturally authentic meaning of life might be the complementary universal principle for uplifting human rights and assuring a democratic voice for individuals in the societies.

The most distinguishing cultural practices of the Protestant clusters are high uncertainty avoidance and low in-group collectivism (Gupta & Hanges, 2004). Practices of uncertainty avoidance tend to support secular-rational approaches to promote stability and order. Practices of absolving individuals from their correlation with the group tend to support the self-expressive liberal model. On both these two practices, the Anglo-Protestant societies aspire for an alternative. Culturally authentic sources of power and meaning of life may be a general principle that offers diverse manifestations of democracy, markets and human rights.

If culturally authentic sources of power and meaning of life are suppressed, then these may harden into attempts to exert and impose authority, by invoking the traditional fault lines such as religion, nation, ethnicity, language and other differences. The survival and security of the members may be heightened in importance. Overall, the future and performance orientation of the societies may consequently be severely compromised. Indeed, cutting across the global fault lines, and even in the Protestant cultures, strong aspirations exist for enabling more futuristic and performance oriented norms (House et al, 2004).

Next, we review literature on how culture may be conceived, and formally formulate a testable hypothesis. We discuss our data and the methodology, then present our preliminary findings. Then, further implications of the findings are discussed and the conclusions for further research identified.

## Literature Review

Cultural values and practices constitute a worldview, or an interpretation of the nature of world around us, and the generally accepted approach for surviving, living and functioning in this world. From a reductionist perspective, culture is a mix of values and practices that are modernized over a period of time. The globalization process results in the identification of the more efficient and functional features, and the reduction of the culture to core universal features, along with some non-functional particular features as vestiges of history and power.

There are three major views on the reductionist model of culture. A long-standing view ("Protestant Convergence School") suggests that with globalization, people would come to learn about the efficiency and wealth-generating properties of the Protestant model (Kerr et. al., 1964; England & Lee, 1974; Weber, 1905). Socialization and learning of the Protestant model is expected to be facilitated by several factors, including colonial ties, modernized

education, professional business, democratic governments, global media, modern technology and rationalized family structures (Pascale & Maguire, 1980). Under this view, the observed differences in cultural practices and values reflect varying competencies in recognizing, adopting and institutionalizing the Protestant model (Useem, 1996).

A second view ("Globalization Convergence School") holds that with globalization and industrialization, there would be mutual learning among different societies undergoing globalization and industrialization (Tinbergen, 1961). Each society's practices are functional and appropriate for certain types of activities, advantages, skills and domains (Guillén, 2000). Mutual learning about functional practices is facilitated by several factors, including two-way communication, trade, investments and other forms of exchange. Consequently, a hybrid would emerge, combining the practices of different societies as well as reconciling and resolving the differences in their values. This hybrid would reflect a convergence amongst the more industrialized markets, that would differentiate them from the less industrialized markets that will have a weaker convergence or no convergence at all.

The third view ("No Convergence School") holds severe limitations on how the processes of globalization may influence cultural practices and values. The cultures are a product of a society's history and geography, whose effects are path-dependent, protected and preserved by its political and institutional framework (Hofstede, 1980; Kitschelt et. al., 1999). The cultures may not be necessarily inferior or superior to those of other societies (Child, 1981). They represent different, but functionally equivalent, solutions to the similar problems and their efficacy is supported by a complementary set of institutional framework. Any attempt to displace or substitute these practices and values engenders political backlash, and thus meets with failure. Consequently, under this view, one expects no common ground in the practices and cultures of different societies (Laurent, 1983).

All the three schools are rooted in the Western/ modernist view that the functional value of cultures is in terms of their contribution to economic wealth, incomes and global competitiveness. Therefore, the cultures of all societies will be forced to converge towards either pure Anglo model, or some hybrid of the Anglo model with the other similarly successful models from the other industrialized markets, or will find some other way for functionally equivalent solutions to remain viable.

From a holistic constructive perspective, cultures offer a sense of identity and meaning to the members (Montgomery, 2000). The economic function or rationalist reduction of culture is demeaning and discriminatory to the less privileged, and to the emerging market communities. Culture for these has an important authentic and nurturing value; that provides a way of life and a way to make sense of one's life, its purpose and its value. There is evidence of

backlash, whenever the economic agenda is pushed too far. Thus, during the 1930s, the Great Depression became the basis for the Hawthorne experiments on groups and social power, a theme that re-emerged during the 1980s with the rise of the Japanese industry. Similarly, the 2007-2009 economic crisis has evinced concerns about the assumption of universality, stability and order underlying the practices in the West and how individualistic greed may compromise the welfare of entire groups. Thus, in societies across the emerging world, there appears to be some consensus around the authentic, nurturing aspects of culture, particularly in terms of values.

## Hypotheses

**Hypothesis 1 - No Convergence:** Anthropologists assess cultures from an emic or insider's perspective, where the true meaning of culture is understood exclusively by those who live in and experience that culture. In particular, cultural knowledge is critically dependent on the language, which itself differs significantly across nations (Bourdieu, 1991). The forces of history, religion, geography and institutions that shape culture are also generally too strong to be overwhelmed by globalization (Maurice, Sorge & Warner, 1980). Globalization may accentuate the differences in societal cultures, by making people more concerned about preserving and protecting their cultural distinctiveness. Political forces frequently mobilize the masses against attempts to converge and education tends to help in defending and affirming the relevance of the native values and practices. Economically, differences in societal cultures make countries repositories of managerial and organizational capabilities that enable their companies to excel in different ways (Guillén, 2000). Thus differentiated national cultures may limit, or even preclude, convergence in the values or practices of societies.

**Hypothesis 2 Emerging World Convergence:** The emerging globalization is encouraging appreciation of diversity, cultivating a spirit of accommodation, empathy and exchange. Using the Inglehart & Baker (2000) study based on multi nation, large sample, multi period surveys, we may identify two major dimensions of commonality amongst the cultures of the emerging world: traditional authority and survival values.

Traditional authority is one way of expressing culturally authentic power. That power often includes obedience to traditional authority, particularly deference to God that goes with deference to the family and the nation. Here people are committed to family and communal obligations, norms of sharing, and show unquestioning love and respect for parents. They are willing to make sacrifices for and do their best for their children.

Survival values are an expression of the culturally authentic meaning of life. The meaning of life is explored in the context of economic and physical insecurity; which perpetuates



traditional gender roles authoritarian political outlook with faith in the developmental role of science and technology.

Despite its universal appeal for the contemporary global context, the emerging world culture does not constrain societies to only one form of culturally authentic power, or to one way of expressing or exploring the meaning of life. On the contrary, some societies may develop alternatives to the traditional authority, such as secular-rational codes, and/or alternatives to the survival values, such as self-expression of the subjective well-being in terms of environment, gender and participation rights.

**Hypothesis 3 - Layered Convergence:** The emerging world culture might accommodate more than one layer. Industrialized markets, for instance, are distinguished perhaps by their stronger emphasis on economic wealth, and certainly by their historical ability to put that emphasis into practice. Similarly, another layer may be of specific cultural clusters. Protestant culture takes the shape of a liberal, capitalist and self-expressive model, which emphasizes a laissez-faire view supporting complete freedom and self-interest seeking (Hofstede, 2001). In its contemporary form, Protestant cultures emphasize performance, look towards the future and avoid an over emphasis on group loyalty and collective interests (as opposed to individual goals and interests) (Ashkanasy et al., 2002). This culture favors a more 'residual' welfare state, with reduced tax rates and flexible labor markets, which incorporate high incentives to finding work. Further, some of the Confucian societies, particularly Japan, have also emphasized the cultural features of the Protestant societies, to be more globally integrated and connected.

## Data and Methodology

**Data:** We use two sets of cross-cultural data for the purposes of our analysis.

**GLOBE Program:** The first data set is taken from GLOBE programme, which provides societal culture practice (As Is) and societal culture value (Should Be) scores for a sample of 62 societies (House et al, 1999). A total of 10 cultural clusters are represented in this sample (see Table 1). For each society, practice and value scores are available on nine dimensions of culture: power distance, future orientation, uncertainty avoidance, performance orientation, humane orientation, institutional collectivism, family collectivism, gender egalitarianism and assertiveness.

In the GLOBE study, practice and value scores were obtained using isomorphic set of questionnaire items, using a 7-point response scale. For instance, an example if a power distance practice item is "In this society, a person's influence is based primarily on the authority of one's position (as opposed to one's ability and contribution to society)". Its isomorphic power distance value item is "I believe, a person's influence in this society should be based primarily on the authority of one's position (as opposed to one's ability and contribution to society)." (see House et al., 2004 for details on the construction and validation of GLOBE scales).

We use societal culture practice scores on nine dimensions to assess the presence and convergent scores of universal cultural practices, using the Consensus Analysis method described below. Similarly, scores on the nine dimensions of societal culture values are used to assess the presence and convergent scores of universal cultural values.

**World Values Surveys:** The second data set is from the World Values Surveys, waves 2 and 3 (conducted over 1990-1997), which provide individual level data on a broad range of cross-cultural values (Inglehart & Baker, 2000). In total, data are available for more than 70 societies, of which 39 overlap with the GLOBE sample. We use aggregated society level data for the items and scales suggested and validated by Inglehart and Baker (2000) as measures of traditional/secular-rational authority and survival/self-expression values.

### Methodology – Consensus Analysis

Cultural knowledge is not all that one knows; nor is it the sum total of what everybody knows. Rather, it is an abstraction, knowledge shared in its "broad design and deeper principles" by members of a community (Keesing, 1974). In other words, while entirety of culture is not usually known (and can't always be articulated explicitly) by anyone, cultural knowledge consists of what is held true by all members of a community. The significance of information sharing and distribution of cultural knowledge has encouraged some researchers to exploit consensus, measured by intersubject agreement, as an indicator of knowledge (Romney et al, 1986). Using Consensus Analysis, consensus among a cross-cultural sample of societies can be used to assess the properties of cultures (Borgatti, 1996).

Consensus Analysis provides estimates of (1) a measure of the overall saliency of the knowledge domain represented by the pool of cultural dimensions. (2) the level of domain expertise or "cultural competence" for each society based on the consensus between its scores on cultural dimensions with those of all other societies, and (3) the most probable set of convergent culture scores, inferred from the scores of each society and weighed by their respective competence measures, i.e., the consensus view.

Assessment of societal knowledge rests on establishing the validity of the common domain to the societies in the sample (Borgatti, 1996). This is accomplished by inspecting the relative magnitudes of the eigenvalues for the first factors extracted from the consensus matrix using Minimal Residual Factor Analysis (Borgatti, 1996). The eigenvalue of the first factor must be at least three times greater than the second; moreover, subsequent eigenvalues should all be small and roughly equivalent (Borgatti, 1996)

## Results

### Hypothesis 1: No convergence - Rejected

Inspection of the eigenvalues for the first three factors extracted from the practices set reveals that the first is almost four times greater than the second, and the second is about twice the third eigenvalue. Similarly, for the values set, the

first eigen value is about fifteen times greater than the second, and the second and third eigenvalues are about same (see Table 2). Taken together, these findings lend support to the thesis that the GLOBE cultural dimensions are sampling a single, coherent knowledge domain, and that this domain has salience for the GLOBE sample of societies. Moreover, the high Pseudo-Reliability Coefficients (0.987 for practices; 0.996 for values) also suggest that these results are stable and would likely be the same ones obtained with repeated sampling (Romney et al, 1986). Thus, the societal cultures are not completely divergent in anthropological sense. Thus, we can reject the null hypothesis of no convergence.

### **Hypothesis 2: Emerging World Convergence – Supported**

Having established the saliency of universal "Practices" and "Values" as knowledge domains for societies in the sample, it is possible to estimate each society's competency in these domains. This metric can be interpreted as the probability that a society's cultural practices are derived from a pool of universal practices. Competencies for this sample ranged from -0.50 to 0.98 for practices, and from -0.74 to 0.99 for values.

The competency scores were negatively skewed. Z-transformation of the scores showed four outliers in convergent practices and three outliers in convergent values. In both cases, the least competency scores were for Czech Republic, which has been shown in GLOBE study to be vitiated by response bias (Hanges & House, 2003). For convergent practices, other outliers with low competency scores were Sweden, Denmark, and the Netherlands (all are Protestant cultures). For convergent values, other outliers with low competency scores were China and Japan (both are Confucian cultures). Excluding these outliers, the practice competency had a range of 0.27 to 0.98 (mean=0.80; N=58), and the value competency had a range of 0.84 to 0.99 (mean=0.93; N=59).

The correlation of convergent practice and value scores with Inglehart's scales and items is given in Table 3. Convergent practices are positively correlated with traditional authority factor (as opposed to secular-rational authority), as well as with all the items comprising the factor. About 25% of the variation in convergent practice scores is explained by the societal differences in the emphasis on traditional authority. Convergent practices are also quite strongly correlated with survival values factor (as opposed to self-expression values factor). Nearly 50% of the variation in convergent practices is on account of societal differences in survival/self-expression values.

Convergent values are also positively correlated with traditional authority factor, as well as with all items comprising this factor, though the correlation is only moderate in size and significance. The correlation of convergent values with survival/self-expression value dimension is relatively weak, though survival values do positively relate with convergent values.

The high positive competency scores of the societies in the GLOBE sample, and the positive correlations of both the convergent practices and values scores with the traditional authority and survival values scales of Inglehart, suggest a broad support for a convergence around the emerging world culture.

### **Hypothesis 3: Layered Convergence – Partly Supported**

Next we examine secondary layers that are supported by the convergent emerging world culture. We split GLOBE sample of 62 societies into two equal halves, based on their 1998 per capita income – with higher income reflecting industrialized markets, and the lower income reflecting emerging markets. We then ran Consensus Analysis separately for the two halves.

Results reconfirmed the convergence in the values for both the emerging market as well as the industrial market samples. The value competency scores derived using single sample, and those derived using split sample, were significantly and positively correlated. However the correlation was stronger for the emerging market sample ( $r = 0.73, p < 0.01$ ), than for the industrial market sample ( $r = 0.63, p < 0.01$ ). This suggests that the value convergence in the broader sample reflected more of the emerging market culture, than the industrial market culture.

Convergence in practices was supported only for the emerging market sample, not for the industrialized sample. Still the practice competency scores derived using single sample, and those derived using split sample, were significantly correlated for both emerging markets ( $r = 0.97, p < 0.01$ ) and industrial markets ( $r = 0.70, p < 0.01$ ) samples. This suggests that the practice convergence in the broader sample reflected more of the emerging market culture, than the industrial market culture.

Controlling for per capita income, the % variation in convergent practice scores explained by Inglehart's traditional/ secular-rational authority scale fell by 50%, suggesting that the nations with higher economic wealth tend to adopt more secular-rational authority. Similarly, after controlling for per capita income, the % variation in convergent practice scores explained by Inglehart's survival/self-expression values factor fell by two-fifths. The nations with higher economic wealth tend to put more emphasis on self-expression values, particularly trust and post-materialism (see Table 3).

To summarize, in terms of values, the industrial markets have a domain of convergence in their cultures, which also overlaps with the domain of convergence of the emerging markets' culture. However, in terms of practices, the industrial markets do not have a domain of convergence in their cultures, but the emerging markets have an overwhelming domain of convergence – to which the industrial market cultures also show convergence. Different industrial markets appear to have their distinct cultural practices, that are different from even the other industrial markets; and in addition, they also share cultural practices



with the rest of the world, including the emerging world markets.

We used Analysis of Variance - Contrast among ten cultural clusters, and found that value competencies of none of the ten clusters were significantly different. The practice competencies of the Protestant cluster were, however, below-average (contrast =0.26;  $t=5.52$ ;  $df=48$ ;  $p<0.01$ ). While the Confucian cluster also had practice competencies lower than the other six non-Protestant clusters, the difference was not significant. However, two higher per capita and more globally connected nations in the Confucian cluster – Japan and Singapore – did have significantly lower practice competency scores. The average practice competency for these two was 0.62, in between Germanic (0.50) and Anglo (0.62).

## Discussion

### *Implications for Convergence/Divergence Debate*

Globalization scholars assume that the universal pressures for adopting the Protestant ideals will generate a clash among cultures. Our findings suggest that the emerging world culture is not converging around the Protestant ideals, and moreover this non convergence does not reflect divergent, transitional, or functionally equivalent cultural traditions either. On the contrary, the evidence suggests that the cultural practices and values of the societies in the emerging world do reflect a deep underlying consensus. This consensus is not around the Protestant ideals, rather it is around the importance of traditional authority and of survival values.

Traditional authority of individuals, families, groups, and nation states can be widely endorsed in a society only if the power is culturally authentic power – authentic cultural traditions are critical to gain and exercise power and authority on a pervasive and perpetual basis. Survival values raise the salience of the meaning of life, particularly in the situations of economic and physical insecurity, where women are subjugated to traditional gender roles and authoritarian ideologies dominate the political landscape.

The culturally authentic power and meaningfulness have a universal appeal. The processes of globalization may actually heighten this universal appeal, and bring all the societies on the same platform for dialogue and alliance. For instance, as a result of the economic crisis of 2007-2009, survival of the families became an issue of universal appeal. Sense of economic and physical insecurity, and concerns about the subjugation of women in the global financial services sector and the authoritarian ideologies of the prior administrative leaders, also came to the forefront.

### *Implications for the spirit of Protestantism*

Though the emerging world culture has universal appeal, it does not impose those features on all the societies. Rather, different societies can discover their own pathways for cultural expression. The Protestant cultural pathway is an example. Weber (1904/05) asked why work came to be cherished in the West. Up until medieval times, the purpose

of work was to meet the physical needs of one's family and community (Tilgher, 1930). Martin Luther's Protestant Reform introduced the belief that people could serve God through their work, i.e. work was a calling (Lipset, 1992).

The Protestant Reform called for people learn the vocations and to achieve greatest profit for reinvestment. Diverse pathways might be used to support this vision, but in the Protestant clusters, the specific pathway chosen was a system of accounting (ability to calculate benefits and costs), technical training and education (the development of technical capabilities), and a legal and administrative system (Weber, 1905). All these were identified as critical to "the ability and disposition of men to adopt certain types of practical rational conduct." (Engerman, 2000) Consequently, the Protestant cultures emphasized "the rational capitalist organization of the formerly free labor", which elevated capital, education, and laws/ administration as the most culturally authentic sources of power (Weber, 1904/05). These were seen as separate from and even opposites of labor, folk knowledge and religion.

The Protestant solution implied a clash between labor and capital (Marx, 1847), folk knowledge and education (Huat, 2003), and religion and law (Weber, 1904/05). In the rational capitalist economy, people found their labor to be de-valued, their folk knowledge being challenged - often suppressed and ridiculed – by the existing views of academia, and their religion to be dismissed as not scientific. Inevitably, special interests grew for identifying new meanings and purpose of life, new ways of self expression, and new definitions of folk knowledge in terms such as human rights, environment rights, and gender rights. These special interests were a manifestation of the survival values, but instead of focusing on the insecurity-infused practices such as women subjugation and authoritarian regimes, they emphasized what the local folk knowledge was around the issues needing to be fixed.

Our findings suggest that when the traditional authority is juxtaposed against the secular rational authority as alternative measures of culturally authentic power, the cultural practices of the Protestant clusters stand out on the alternative measure. Similarly, when the insecurity-infused practices are juxtaposed against the specific folk knowledge based self-expressive values, the cultural practices of the Protestant cultures again stand out in the alternative.

In many cultures, capital is something that complements labor, education is something that furthers and strengthens folk knowledge and law is something that supplements religious codes of life. To that extent, these cultures may not de-emphasize or reject traditional sources of authority, folk knowledge, and religious codes. Balasubramaniam (1985: 62-63) observes that the pre-Protestant cultures, including Catholic-Islamic, Hindu-Buddhist and Taoist-Confucian cultures, bear the mark of living in harmony, of preaching that there was and still is a "nature that transcends humanity and that man had to care, not only for his own or his group's interests, but for the welfare of the whole, this holistic

perspective, that was at the heart of medieval spirituality.” Balasubramaniam (1985) noted that traditional societies have a spiritual competence that can effectively promote environment rights, but often the prevailing norm in these societies has been passive and discouraged a world transforming, participatory lifestyle as something that would disrupt traditional harmony. The challenge is then to marry the folk knowledge of the traditional cultures with the creative energy of post-modern education.

#### *Implications for culturally-implicit theories*

The philosophies and religious influences (e.g., Protestant ethics) may be described as culturally implicit theories. Culturally implicit theories derive from the cultural traditions and expectations. They are culturally programmed constructions about human behavior and social forces (see Runco & Johnson, 2002) and have been found to be highly stable over time (Franiuk, Cohen & Pomerantz, 2002). Our findings suggest that the authenticity of different power sources – universally traditional or other alternatives – may vary across cultures. Similarly, the search for the meaning and purpose of human life (the survival values) may also be expressed in different ways – including entrenched practices, some which are taken for granted and new forms of expression of what needs to be reformed. The spirit of globalization may be best served by openness about discovering and making explicit these different culturally implicit meaning sources. Dialogue and exchange would help form a common basis for authentic development across cultures and bridge the clash contours.

#### *Implications for Developmental Policy*

Our findings suggest lack of evidence, when a range of core cultural values and practices are investigated together, for a convergence to the industrial nations' culture or to Protestant/Anglo culture in the world. Coercive pressures on various societies – by media, academia, corporations and others drivers of globalization – to adopt the rational economic paradigm of the Protestant cluster may be an important reason for the new issues of insecurity that the world is facing in the 21st century. Economic-oriented developmental initiatives inevitably give rise to the "alienating effects of large-scale, modern technology and the unequal distribution of the benefits from industrialization." (UNESCO, 1996: 15) There is a need to understand development as a broad "process that enhances the effective freedom of the people involved to pursue whatever they have reason to value." (UNESCO, 1996: 14) An important first step is to recognize the importance of folk knowledge and to incorporate that within the formal education. UNESCO (1996: 21, 24, 38) notes, "If the communities of the world are to improve their human development options, they must first be empowered to define their futures in terms of who they have been, what they are today and what they ultimately want to be. . . .Special attention must therefore be paid to the knowledge that each culture has contributed to the world's

intellectual legacy... Indigenous ecological knowledge and traditional management practices offer solutions not only founded on generations of experimentation and observation, but also embedded in local systems of value and meaning.”

### **Conclusion**

In this paper, we find that globalization has generated a consensus amongst the different societies around the importance of the culturally authentic sources of power in life, and of expressions of the meaning of life. We also find that globalization implies neither the suppression of the culturally unique sources of power and meaningful expressions, nor the rejection of the new developmental values that challenge the entrenched traditional practices. In terms of future research, it would be useful to investigate the alternative sources of power and meaningful expressions that are implicit in different cultures of the world, and to see how globalization is and may help make them explicit. Then it would be useful to elevate empowering and meaningful sources and to reform the disempowering and meaningless ones.

A major limitation of our study is the reliance on the GLOBE dimensions to assess cultural practices and values across different societies. It will be useful to examine the nature of consensus, if any, using other cross-cultural dimensions.

To conclude, globalization does not necessarily result in convergence or divergence among cultures. Rather, globalization offers a transformative opportunity to each society, and thus produces what may be characterized as transvergence.

### **References:**

- Ashkanasy N M, Trevor-Roberts E, & Earnshaw L. (2002); "The Anglo Cluster: legacy of the British Empire," *Journal of World Business*, 37(1): 28 – 39.
- Audretsch, D B & Thurik, A R (2000). "Capitalism and Democracy in the 21st century: From the Managed to the Entrepreneurial Economy." *Journal of Evolutionary Economics*, 10(1): 17-34.
- Borgatti, S.P. (1996). *ANTHROPAC 4.0 Methods Guide*. MA: Analytic Technologies.
- Bourdieu, P. (1991). *Language and Symbolic Power*. MA: Harvard University Press.
- Child, J.D. (1981). "Culture, contingency and capitalism in the cross-national study of organizations," *Research in organizational behavior*. 3: 303-356.
- D'Souza, D. (1996). "Confucius meets Max Weber," *Forbes*. 158(11): 86. November 4.
- Franiuk, R., Cohen, D. & Pomerantz, E. M. (2002). "Implicit theories of relationships: implications for relationship satisfaction and longevity," *Personal Relationships*, 9(4): 345-367.
- Gudykunst W B & Ting-Toomey F. (1988). *Culture and interpersonal communication*. CA: Sage Publications.





Table 1: Cluster-wise GLOBE Society Sample

**Eastern Europe**

Czech Republic	Sweden	Malaysia
Hungary	Denmark	Thailand
Russia	Anglo	Confucian Asia
Kazakhstan	UK	Taiwan
Albania	Ireland	Singapore
Poland	Australia	Hong Kong
Greece	S.Africa: Caucasian	South Korea
Slovenia	Canada	China
Georgia	New Zealand	Japan
Latin Europe	USA	Middle East
Italy	Latin America	Qatar
Portugal	Costa Rica	Morocco
Spain	Venezuela	Turkey
France	Ecuador	Egypt
Switzerland	Mexico	Kuwait
(French speaking)	El Salvador	Sub-Sahara Africa
Israel	Columbia	Namibia
Germanic Europe	Guatemala	Zambia
Austria	Bolivia	Zimbabwe
Switzerland	Brazil	S.Africa: Indigenous
Netherlands	Argentina	Nigeria
Germany: West	Southern Asia	
Germany: East	India	
Nordic Europe	Indonesia	
Finland	Philippines	

Table 2: Consensus Analysis Results: Overall Sample

**Societal Practices**

Respondent Reliability = 0.987

EIGEN VALUES

FACTOR	VALUE	PERCENT	CUM %	RATIO
1:	39.197	73.2	73.2	3.954
2:	9.912	18.5	91.8	2.245
3:	4.416	8.2	100.0	
		53.525	100.0	

**Societal Values**

Respondent Reliability = 0.996

EIGENVALUES

FACTOR	VALUE	PERCENT	CUM %	RATIO
1:	52.712	90.1	90.1	15.514
2:	3.398	5.8	95.9	1.411
3:	2.408	4.1	100.0	
		58.518	100.0	

Table 3: Correlation of Convergent Practices and Values with Inglehart's Scales

	Convergent practices	Convergent Values	Convergent practices, controlling for per capita income	Convergent values, controlling for per capita income
God is not very important in respondent's life	-.35*	-.26	-.18	-.26
It is more important for the child to learn independence and determination, than obedience and religious faith	-.46**	-.46**	-.30	-.49**
Abortion is always justifiable	-.53**	-.23	-.37*	-.23
Respondent favors less respect for authority	-.39*	-.39*	-.23	-.40*
Respondent has no sense of national pride	-.39*	-.36*	-.24	-.36*
<b>Overall Secular-Rational Scale</b>	<b>-.52**</b>	<b>-.36*</b>	<b>-.36*</b>	<b>-.38*</b>
Respondent gives priority to self-expression and quality of life, over economic and physical security	-.44**	-.08	-.14	-.05
Respondent describes self as very happy	-.29	-.29	-.21	-.28
Respondent has and would sign a petition	-.64**	-.26	-.49**	-.29
You can always trust people	-.46**	-.37*	-.31	-.39*
Homosexuality is always justifiable	-.69**	-.34*	-.57**	-.42*
<b>Overall Self-expression Scale</b>	<b>-.69**</b>	<b>-.33*</b>	<b>-.56**</b>	<b>-.43*</b>

\* p < 0.05; \*\* p < 0.01 level

