

# A Perspective of Cross-Cultural Psychological Studies for Global Business.

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## ABSTRACT

*Some may still have a stereotypical image that Japanese employees work like a robot, and achieved the industrial development even though they are not logical thinkers. This chapter is against this based on the latest cross-cultural studies. The conclusions are as follows. (1) Even if Japanese appears to be illogical in the sense that they are less likely to do rule-based thinking, this does not mean that they are less intelligent. (2) Easterners are more likely to do dialectical thinking. (3) Easterners' naïve dialecticism is strongly associated with cultural tradition, and it is plausible that it has been developed in a high-context culture. (4) Japanese people may have a collectivist culture, and it is not an undeveloped culture comparing with an individualist culture as shown in the case of 'nemawashi'. Finally, it is proposed that the distinction between Westerners' low-context culture and Easterners' high-context culture provide important implications for globalizing business and that the notions of global mindset and 'glocal' are important for international business.*

*Key word : Japanese Business, individualism/collectivism, reasoning, naïve dialecticism, rule-based thinking, culture, high-context/low-context, nemawashi, glocal*

## INTRODUCTION

Culturally stereotypical images of contemporary Easterners are still influenced by the impressions which had been shaped in the 17<sup>th</sup>, 18<sup>th</sup>, and 19<sup>th</sup> centuries. These are summarized by Said (1978). His term "Orientalism" refers to a general Western attitude towards Middle Eastern, Asian and North African societies that regard these societies as inferior to Western societies. This, which is called "the phantom in the 19<sup>th</sup> century", still revives in the cases of international or globalizing business (e.g., Westwood, 2006). Even today, although some Asian countries have economically and industrially developed, many people believe that this development is due to Western patronization, and thus this cannot be a counterexample to their

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belief that Easterners are inferior. The phantom in the 19<sup>th</sup> century comes particularly when people have a cultural conflict in international business.

In this chapter, the case of Japan is discussed. How do people find the reasons for the industrial development of Japan after the Meiji Restoration<sup>1</sup> in 1860s and after the Asia-Pacific War? Those who believe that European people are the most intelligent in the world wonder why the development was possible for the Japanese, and they may think of many kinds of reasons for it. These reasons can be grouped into two categories. The first is that Japanese people, without high intelligence and creativity, imitated many kinds of Western cultural systems and scientific technology. This imitation may have brought about the industrial development. The second is that these industrial developments have been supported by Japanese collectivism, which is explained in the next section. Thus people's stereotypical image is that Japanese employees pursue the maximum profit for their company (their collective in this case) with an organization like an army without rational thinking. This belief is not only shared by some Westerners but by some Japanese, and it causes concern and anxiety among the Japanese about the future.

Actually, both Japanese and Westerners have a concern if the Japanese are not logical thinkers. An example, which is shown in the book of Nisbett (2003), is called the Japanese-Australian sugar contract case in the 1970s. Japanese trading companies contracted with an Australian sugar refiner to provide them with sugar over a period of six years at the price of £ 229 per ton. But shortly after the contract was signed, the value of sugar on the world market dropped to around £ 160 very suddenly. The Japanese asked for a renegotiation of the contract on the grounds that circumstances had changed. But to the Australians, the agreement was binding, regardless of circumstances, and they refused to consider any changes. These very different outlooks regularly produce international misunderstandings.

In this chapter it is discussed how the image above has been shaped in people's minds, and it is also discussed if Japanese (and Easterners) are really illogical or not, if Japanese has a collectivist culture or not, and how the cultural differences (if they exist) are explained, and some implications are given for the globalization of business.

## **THE PHANTOM IN THE 19<sup>th</sup> CENTURY**

How has the stereotypical image of Japanese employees been shaped in people's minds? As Said (1978) summarized as the term of "Orientalism", Westerners stereotypical images have been shaped through the history of their hegemony over Eastern peoples. In the case of Japanese, two kinds of people's belief above are as follows. The first is the folk belief that Japanese people can never be more intelligent or creative than Westerners. What are the rationales for this belief? The biggest one is the phantom of white supremacy and social Darwinism in the 19<sup>th</sup> century. The notion of natural selection proposed by Charles R. Darwin gave a scientific ground

to the doctrine of white supremacy, although he did not intend to argue this. Social Darwinism is a general name given to various theories which apply biological concepts of natural selection and survival of the fittest to the social sciences. According to this approach, Western civilization and culture are the most developed through natural selection and survival of the fittest. This assertion was enforced by the historical facts that many Asian and African countries were colonies of Western powers in the 19<sup>th</sup> century. To make matters worse, social Darwinism was used to justify the imperialism and colonialism of Western powers, and engendered a belief that Westerners were the most intelligent and created the most advanced culture and civilization, although the original advocates did not intend to do so.

The second is the belief that Japan has a collectivist culture. This may not be a false belief, because this hypothesis is supported by many social psychologists (e.g., Triandis, 1995). They propose that Easterners have a collectivist culture, which is a hypothetical notion proposed to explain the observed differences in human behavior where Easterners have a stronger attitude towards sociability and interdependence, stronger discrimination between in-group and out-group, stronger encouragement to infer another's needs, and so on than Westerners. According to Triandis, individualism is defined as a social pattern that consists of loosely linked individuals who view themselves as independent of collectives are primarily motivated by their own preferences, needs, rights, and the contracts they have established with others, give priority to their personal goals over the goals of others, and emphasize rational analyses of the advantages and disadvantages of associating with others. Collectivism is defined as a social pattern that consists of closely linked individuals who see themselves as parts of one or more collectives, are primarily motivated by the norms of, and duties imposed by, those collectives, are willing to give priority to the goals of these collectives over their own personal goals, and emphasize their connectedness to members of these collectives. Although each culture has both positive and negative aspects, and there is no standard about which culture is advanced or ethically good, the image of Japanese companies which Westerners conceived was very negative. In the field of business, it was that each employee works silently and doggedly like a soldier or a robot just following the indications of his or her boss without autonomy. This is a very negative aspect of collectivism, and this folk belief was shared especially by Western people who lost their jobs due to the import of Japanese cars, televisions, computers, and etc. This image was also partially shaped by the group action of the Japanese Army: Suicide air corps (Kamikaze), Banzai charge<sup>2</sup>, etc.

White supremacy and social Darwinism were seriously criticized by cultural relativists (e.g., Boas, 1911). They argued that the biological constraint on the human mind (intelligence, personality, and etc.) is much weaker than people believe, and the standard of social Darwinism, that Western culture is the most advanced, was designed by Westerners themselves, and hence

this standard cannot be applied to other cultures. According to them, there was not an absolute principle on which culture or civilization is advanced, and each cultural group has its own value system to determine the goals of the group members. This idea was spread among anthropologists and was developed as a methodology for ethnology. It was also developed as moral relativism, which proposed that the moral standard of primitive people was not necessarily low, but that they had their own standard of morality, and that their behaviors, although they looked strange and savage to Western people, were rational according to their own standards. The notion of the “noble savage”, which had originally been proposed by Jean-Jacques Rousseau, fascinated Western people who thought of primitive society as like Eden. They believed that people in hunter-gatherer societies were pacific in nature, and that contemporary human immoral aggressive behaviors were acquired in the development of civilization, and especially by weapons. This notion was empirically supported by the reports about the primitive people in Samoa by Mead (1928, 1935).

Although cultural relativism was accepted to attack racism, many people regarded it just as a political view for social correctness. Furthermore, the empirical ground of the “noble savage” by Mead was seriously criticized by Freeman (1983). He pointed out many defects in Mead’s anthropological research in Samoa. Mead did not speak the Samoan language and her research was very biased by the notion of cultural relativists that the society of primitive people was like Eden. The ‘facts’ which she found in Samoa were not verified by follow-up research after Mead’s. These critics do not necessarily intend to support the claims of white supremacy and social Darwinism, but the evidence provided by cultural relativists to negate white supremacy and social Darwinism was not very strong.

Therefore, many people regard cultural relativism as just a political claim, and do not accept it as a scientific theory. Furthermore, to make matters worse, cultural relativism has a problem even in an ethical sense. For instance, even if there is a hateful custom in a country, such as that higher education should not be given to women, cultural relativists cannot criticize it. It is because they suppose no absolute standard whereby a cultural custom can be judged as ethically good or bad, and assume a cultural value which is a rationale even for such a hateful custom.

From the beginning, neither white supremacy nor social Darwinism has been scientifically grounded. White supremacy is just a hypothesis which is associated with the scientific and industrial development of Western countries in modern history. Social Darwinism is just an application of the mechanism of natural selection, and whether this mechanism can explain the political, economic, or military predominance of Western countries has not been tested. However, because of the historical fact that it was neither Asian nor African countries, but Western countries which have held hegemony over the world in the 19<sup>th</sup> century, the phantom

in the 19<sup>th</sup> century is very easy to revive even in modern times.

As for the contrast between Westerners' individualist culture and Easterners' collectivist culture, many social and cultural psychologists think that this distinction is valid and has been an appropriate framework to describe the cultural differences between Westerners and other peoples. One of the evidences for this distinction is from the results of Hofstede (1980) who conducted an employee opinion surveys in over 70 national subsidiaries of IBM around the world. The distinction between individualism and collectivism was one of the factors which were found in his data. However, although some psychologists do not introduce any ideas on which culture is advanced or ethically good, when this distinction is associated with social Darwinism, many people believe that individualism is an advanced culture, whereas collectivism is not. The naïve belief of the Japanese that Japanese cultures and social systems have not been advanced is one example. This belief has made many Japanese aspire to develop Japan to be an advanced country, hence it may have contributed to the industrial development of contemporary Japan in this sense. However, it is known that this kind of belief is easily associated not only with Japanese humility but prejudice and discrimination against other Asian or African peoples.

The notion of individualism/collectivism distinction has sometimes been criticized. First of all, the concept of this distinction is not clear. For instance, when we discuss collectivism, a typical character of this is in-group harmony. However, the boundary of an in-group is not clear and differs among researchers. Secondly, there is some scientific evidence which does not support this distinction. For instance, Takano and Osaka (1999) conducted a meta-analysis of data of cross-cultural studies comparing the U.S. and Japan on individualism/collectivism. They found that many of them do not necessarily support the distinction between American individualism and Japanese collectivism. In short, whether people give priority to the goal of their group or their own goal depends upon their disposition or the situation in which they are, hence this distinction may not be valid to describe the cultural differences between Americans and Japanese.

The phantom in the 19<sup>th</sup> century as a naïve theory might be helpful for the Japanese to catch up with the industrial development of Western civilization after the Meiji Restoration, and after Japan surrendered unconditionally in 1945. However, it often makes the Japanese have an inferiority complex toward Westerners. Furthermore, when it associates with nationalism, it is very likely to cause nasty problems. Japanese aggressive discontent is aimed toward people who they believe are in a more undeveloped culture. The problem of ultranationalism exists not only among the Japanese but also among Westerners. Discrimination and prejudice against people in developing countries and people who speak a different language still exist in international business(e.g., Cavico, Muffler, & Mujtaba, 2013; Peng, Wang, & Jiang, 2008). For instance, the

development in the economy and technology of Japan in the 1970s made some Americans believe that the development was due to the Japanese collectivistic organization being like an army. Their image was that Japanese employees were like a soldier or a robot who worked only for their company. This image might have been the background of anti-Japanese sentiment in the U.S. For instance, anti-Japanism rose in Detroit where the auto industry downturned because of the many cars imported from Japan. Local unions sponsored events in which Japanese automobiles were destroyed, and there were bumper stickers that read "Honda, Toyota—Pearl Harbor".

## **ARE EASTERNERS LESS LOGICAL?**

The phantom in the 19<sup>th</sup> century is easily associated with the naïve belief of the Japanese that a Japanese person may be a less logical thinker, and thus Western business person should not rely upon his or her logical thinking. Psychological cross-cultural studies have also shown that non-Westerners are less likely to do rule-based thinking than Westerners. One of the pioneer works was conducted by Cole and Scribner (1974). They investigated the reasoning style of Kpelle and Vai farmers in Liberia who did not receive a Western style of public education. An example of a Kpelle farmer's response to a conditional reasoning problem is shown below.

*Experimenter: If Sumo or Saki drinks palm wine, then the Town Chief gets vexed. Sumo is not drinking palm wine. Saki is drinking palm wine. Is the Town Chief vexed?*

*Kpelle farmer: People do not get vexed with two persons.*

This example seems to indicate that Kpelle farmers do not accept the formal logic of the syllogism. However, Cole and Scribner did not conclude that Kpelle farmers were illogical thinkers. Instead, they proposed that Kpelle farmers made more account of the fact that no people got vexed with Sumo and Saki than an imagined simulation, and the farmer's response was rational in the culture where facts were more important than suppositions.

Nisbett (2003, Nisbett, Peng, Choi, & Norenzayan, 2001) review the previous cross-cultural studies on human cognition published before 2001, and propose the distinction between Westerners' analytic cognition and Easterners' holistic cognition. According to them, East Asians developed an intellectual tradition emphasizing holistic, dialectical information processing, which is contrasted with the European/North American intellectual tradition, which privileges an analytical style of cognition. According to their definition, analytic cognition involves detachment of the object from its context, a tendency to focus on attributes of the object to assign it to a category, and a preference for using rules about categories to explain and predict the object's behavior. In contrast, holistic cognition has an orientation to the context or

the field as a whole, attention to relationships between a focal object and the field, and a preference for explaining and predicting events on the basis of such relationships.

There are four dimensions in this distinction between Westerners' analytic cognition and Easterners' holistic cognition : (1) Westerners' attention to object vs Easterners' attention to both object and its context, (2) Westerners' dispositional attribution vs Easterners' situational attribution, (3) Westerners' rule-based thinking vs Easterners' less-rule-based thinking, and (4) Easterners' view that the universe is changing. In this chapter, I focus the contrast between Westerners' rule-based thinking and Easterners less-rule-based thinking. As shown by the Japanese-Australian sugar contract case mentioned in the introduction, the Japanese, as a people of Easterners, seem to be less likely to engage in rule-based thinking. Norenzayan, Smith, Kim, and Nisbett (2002) reported that, when being asked which one of two groups a target was similar to, Americans focused more on a single property for grouping, whereas Asians did not. In other words, Americans preferred rule-based reasoning focusing on a single property which was common to both the target and the group members, whereas Koreans preferred similarity-based intuitive reasoning so that the target and the group members showed family resemblance. This tendency was confirmed by their other experiment, on categorical inference. For instance, Koreans accepted the conclusion 'all penguins have an ulnar artery' from the premise 'all birds have an ulnar artery' less than Americans. Their participants were completely unfamiliar with ulnar artery, hence their cues were the terms of 'bird' and 'penguin'. Koreans took the fact that penguins are not typical birds into consideration. Norenzayan et al. interpreted their results based on the tendency that Easterners attend more to contextual information. Easterners' choice based on family resemblance is interpreted as the assumption that they pay attention to more properties. Yama, Manktelow, Mercier, Van der Henst, Do, Kawasaki, and Adachi (2010) also reported that British and French people preferred not only a rule in the form of an indicative conditional, but a general rule to describe the world when estimating the probability of a consequence. Hindsight bias, which is the tendency of people to overestimate their ability to have predicted an outcome that could not possibly have been predicted, is greater among Easterners than among Westerners (Choi & Nisbett, 2000). Yama et al. proposed that it was because Westerners were more likely to use a rule that was used for the prediction for the first time without knowing the outcome.

Many people may believe that this finding is one piece of evidence for white supremacy. However, because of this characteristic of cognition, Easterners are less susceptible to the fundamental attribution error. This error is people's tendency to place an undue emphasis on internal characteristics to explain someone else's behavior in a given situation, rather than considering external or situational factors (Ross, 1977). This error is likely to invite stereotypical cognition, and to promote biased views. In short, Westerners prefer dispositional

inference, whereas Easterners consider situational factors (Choi, Nisbett, & Norenzayan, 1999). We are not able to judge which cognitive style is superior.

Peng and Nisbett (1999) proposed that the essential property of Easterners' thinking is in dialecticism, which is contrasted with Westerners' rule-based thinking. They found that the thinking style of Chinese people was more dialectical than that of Americans. They conducted several cross-cultural experiments to compare Chinese with Americans. The first finding was that the Chinese were less sensitive to contradictory proverbs such as "Too humble is half proud" for example and were more accepting of them than Americans were. This shows that the Chinese have stronger tolerance for contradiction. Furthermore, Peng and Nisbett demonstrated that Chinese participants rated their agreement with each of two statements, which were contradictory of each other, more moderately when both of the two statements were presented than when either of the statements was presented individually. This trend was not observed in the data of Americans. The results indicate that the Chinese are more likely to take a middle-way when they encounter opinions which are contradictory of each other.

According to Hegelians, dialecticism is defined as an inference in which a synthesis is inferred from a thesis and its antithesis. Thus dialecticism is expected to produce a higher-level conclusion where there are some opinions which contradict each other, in contrast to propositional logic which does not allow contradiction. Then, in turn, do Easterners have a higher-level thinking style? The answer is no. Rather, Peng and Nisbett (1999) assumed the Easterners' dialecticism as naïve dialecticism, which represents the following three aspects and is different from Hegelian dialecticism.

- **The principle of contradiction** : Because of the interconnectedness of things, and the ever-changing world, paradoxes and contradictions constantly arise. Two opposing propositions may both be true, and opposites are only apparent. Consequently, people may believe that the truth is always somewhere in the middle. Hence they may take a middle-way when they encounter two opposite opinions. However, the middle-way resolution is not necessarily a higher-level synthesis.
- **The principle of change** : The universe is in flux and is constantly changing, and so the concepts that reflect it must also be fluid. Apparent stability is a signal of likely change.
- **The principle of holism** : Nothing exists in isolation, and everything is connected to other things.

The claim of Peng and Nisbett (1999) was confirmed by questionnaire studies. For instance, Spencer-Rodgers, Boucher, Mori, Wang, & Peng (2009) reported that Easterners have a more dialectical self-concept than Westerners. They used a questionnaire which they named

the Dialectical Self Scale. It includes statements such as “When I hear two sides of an argument, I often agree with both”, and thus the authors propose that it measures people’s attitude toward dialectical thinking, including the tendency to agree with opposite statements. The Easterners’ attitude of dialecticism was also reported by Spencer-Rodgers, Peng, Wang, & Hou (2004). They found that Chinese people gave more conflicting responses in self-evaluation than Americans. In other words, for instance, Chinese respondents’ self-evaluations were more likely to be both positive and negative than those of Americans. Furthermore, as mentioned in the principle of change above, Spencer-Rodgers et al. (2004, 2009) propose that Easterners’ dialectical thinking style is strongly associated with their tendency to predict more changes than Westerners do based on their data from questionnaire studies. Ji, Nisbett, and Su (2001) already found that the Chinese predicted changes more than Americans. For instance, the Chinese judged it more likely that a couple at a university will break up after graduation than Americans did.

However, the result that Easterners were more likely to take a middle-way (Peng & Nisbett, 1999) has not been replicated. Mercier, Zhan, Qu, Lu, & Van der Henst (2015) conducted a replication of Peng and Nisbett (1999) with French and Chinese participants, but neither group took a middle-way resolution when they were confronted with a pair of contradictory statements. Mercier, Yama, Kawasaki, Adachi, & Van der Henst (2012) found that neither French nor Japanese participants took a middle-way resolution when they received advice which was opposite to their own opinion. Both the French and Japanese preferred their own opinion. Furthermore, Friedman, Chen, and Vaid (2006) did not replicate the results of Peng and Nisbett (1999) using contradictory proverbs with Chinese and American participants. They added a question about whether each proverb is poetic or not, and they found that when poeticity was covaried out, dialectical proverbs were liked better than nondialectical proverbs across both stimulus sets by the Chinese and the Americans alike, and when wisdom was covaried out, the effect of dialecticality was reduced in both sets and groups. In short, Chinese preference for dialectical proverbs was overestimated by poetical judgment.

Zhang, Galbraith, Yama, Wang, and Manktelow (in press) found that the scores of the questionnaire (the Dialectical Self Scale) were higher among Japanese and Chinese than among British participants. This result confirmed the claim of Spencer-Rodgers et al. (2009). However, they did not find that the tendency of the Japanese and Chinese to rate how strongly they agree with opposite opinions dialectically was stronger than that of the British. Rather, the Japanese tendency to think dialectically was the weakest. Their results indicate that Easterners may be more dialectical in evaluation than Westerners, whereas they are not actually dialectical when they meet opposite opinions.

From the above, provisional conclusions are that Easterners, including the Japanese, are

more likely to do dialectical thinking, but it is not certain if they are more tolerant of contradiction; and that Easterners dialecticism is neither a lower level of dialecticism which leads to illogical thinking nor a higher level of dialecticism such as the Hegelian.

## **RECIPES FOR REVISING THE NAÏVE THEORY**

This chapter point out three recipes to revise people's naïve theory and prejudice of white supremacy from the view of cross-cultural psychology. These are not a practical intervention such as an ethical practice, but theoretical ones. The first is to understand explanations for the cultural differences, the second is to know the tendency of Easterners' thinking is not related to their general intelligence, and the third is to understand cultural customs in terms of adaptation.

### **Explanations for cultural differences in reasoning**

As for the differences between Westerners' analytic and Easterners' holistic cognition, Nisbett et al. (2001) explained them by using the cultural value dimensions that underlie individualist culture and collectivist culture (Triandis, 1995). As mentioned, it is assumed that Westerners have an individualist culture while Easterners have a collectivist culture, although this distinction has sometimes been criticized. Analytic cognition is adaptive in an individualist culture where the individual's goals are given priority over group goals. In order to get resources and to avoid hazards generally, each individual identifies objects and makes predictions about objects based on their attributes. These objects have to be separated from their context, and thus rule-based deduction and induction are good cognitive tools for both the identification and the prediction of these objects. In contrast, holistic cognition is adaptive in a collectivist culture. Group goals, such as keeping group harmony, are given priority over personal goals in a collectivist culture, hence it is adaptive to pay attention not only to the object itself, but its contextual information in order to maintain the harmony of the collective. It is particularly necessary that an individual observes not only a target person but those who are related to the target person, because the relation between the target person and other group members can influence the entire harmony of this group.

However, recently, Varnum, Grossman, Kitayama, and Nisbett (2010) have proposed an explanation not at a group level such as the individualism/collectivism distinction but at an individual level: From Westerners' independent self to analytic cognition and from Easterners' interdependent self to holistic cognition. It has been proposed that Easterners have a stronger attitude to prefer sociability and interdependence than Westerners. Markus and Kitayama (1991) connected the distinction of individualism/collectivism to two kinds of selves respectively. They argued that Westerners have an independent self, whereas Easterners have an interdependent self. This distinction describes the differences in how people view their own selves. According

to them, Westerners are likely to view themselves as individualistic, ego-centric, and discrete from society, whereas Easterners are more inclined to view themselves as collectivistic, socio-centric, and related to others or society. It is still dubious to transfer explanations from group level (individualism or collectivism) to individual level (analytic cognition or holistic cognition), hence Varnum et al. gave an inter-individual level explanation.

Their explanation is compatible with the results of cultural priming (Kühnen, Hannover, & Schubert, 2001). Trafimow, Triandis, and Goto (1991) devised a paradigm of cultural priming which is assumed to make either the independent or the interdependent self more accessible. That the socially connected and the autonomous unique selves are culture-based, and that both are accessible to persons within a culture, shifts towards one or the other definition of the self can be experimentally induced by priming the corresponding cultural orientation or meaning system. Kühnen et al. reported that participants who were asked to point out the differences between themselves and their friends or parents (primed as the independent self) were more likely to process stimuli unaffected by the context (analytic cognition) whereas those who were asked to point out the similarities between themselves and their friends or parents (primed as the interdependent self) were more apt to engage in context-bounded thinking (holistic cognition). In short, the accessible self-construal affects the style of cognition. The second piece of evidence was obtained in a survey of different groups in a country. The participants of Uskul, Kitayama, and Nisbett (2008) were all Turkish who lived in the eastern Black Sea region. They found that farmers and fishers showed a stronger holistic cognition tendency than herders did. Members of farming and fishing communities emphasize harmonious social interdependence, whereas those of herding communities emphasize individual decision making and foster social independence.

However, Spencer-Rodgers (Spencer-Rodgers, et al., 2009; Spencer-Rodgers, Peng, & Wang, 2010; Spencer-Rodgers, Peng, Wang, & Hou, 2004; Spencer-Rodgers, Williams et al., 2010) emphasized the importance of cultural tradition. She argues that the contrast between Westerners' rule-based thinking and Easterners' dialectical thinking is distinct from the other dimension of attention, and that Easterners' dialecticism is not very strongly related to Easterners' collectivism and the interdependent self, but is related to the perception of change in the cultural tradition of Easterners. Easterners believe that the universe is contradictory because it is always changing (e.g., Ji et al., 2001), and the perception of change makes it possible for Easterners to easily find the resolution of contradiction. For instance, the reason why people often agree with both when they hear two sides of an argument is because they believe that the universe is always changing, and thus one opinion may be right sometimes but may be wrong at other times. In addition, the biggest reason why they do not assume the relation between Easterners' dialectical thinking and their collectivist culture is that, although Latinos are

assumed to have a collectivist culture, they are not dialectical (Ma-Kellams, Spencer-Rodgers, & Peng, 2011; Spencer-Rodgers et al., 2004). These results indicate that a collectivist culture or an interdependent self is not a determinant factor for dialectical thinking.

In place of the explanation based on the cultural self, Spencer-Rodgers and Peng emphasize cultural tradition to explain the cultural differences. Nisbett (2003; Nisbett et al., 2001) has already taken notice of this importance, and furthermore, Spencer-Rodgers and Peng extended this argument. According to them, Westerners' style of thinking is affected by the philosophy of Ancient Greece, whereas Easterners' style of thinking derives from the tradition of Taoism, Confucianism, and Buddhism. Easterners' naïve dialecticism including their folk belief is rooted in the cultural concept of *yin* (negative aspects of the universe) and *yang* (positive aspects of the universe), which is central to Taoism. It is used to describe how polar opposites or seemingly contrary forces are interconnected and interdependent in the real world. It reflects the tradition of Chinese ontology that the world is constantly changing like the changes between *yin* and *yang*, and is full of contradictions.

Their folk belief is reflected in their attitude not to hasten to make final judgments. For instance, a famous story of Sāi Weng's lost horse<sup>3</sup> was in the *Huáinánzǐ*, a Chinese classic book on philosophy that blends Taoism and Confucianism. This story provided a proverb, which says when bad luck turns to good, or when good luck turns to bad. The folk belief that everything is changing is also reflected in many classic tales and essays in Japan: the absence of permanence and continuity, and the notion of impermanence. The term impermanence expresses the Buddhist notion that all of conditioned existence, without exception, is transient, or in a constant state of flux. This is sometimes interpreted as a caution that the individual's life is mutable. Let me show two examples from Japanese classical literature.

*The current of the flowing river does not cease, and yet the water is not the same water as before. The foam that floats on stagnant pools, now vanishing, now forming, never stays the same for long. So, too, it is with the people and dwellings of the world.*

This passage is in the opening paragraph of Hōjōki. This was written by Kamo no Chomei, who was a Japanese poet and essayist in the 13<sup>th</sup> century. His work depicts the Buddhist concept of impermanence through the description of various disasters such as earthquake, famine, whirlwind and conflagration in Kyoto, which was the capital of Japan then.

Zhang et al. (in press) and Yama (in press), although they do not reject all the explanations above, pointed out another possible explanation for the cultural differences in cognition. They invoke the distinction between Westerners' low-context culture and Easterners' high-context culture (Hall, 1976) for the cultural differences in reasoning. Context is implicitly

shared information like common sense by people when communicating. For instance, if the fact that gold is much more expensive than iron is known to everyone, people need not refer to this when trading. People can utilize context more in a high-context culture than in a low-context culture. In a high-context culture, people pay attention to context more, and they give resolution of contradiction by implicit assumption. For instance, when they come across a proverb such as “Too humble is half proud”, they may infer that the person who pretends to be humble wants to show that he or she is very modest, and thus is proud of his or her modest personality. This distinction can be one of the aspects of the individualism/collectivism contrast, but Yama regards this as a factor which influences the style of reasoning directly. Furthermore, he also argue that a low-context culture is very likely to be evoked in a multi-cultural condition, because the shared information is less in multi-cultural communication (Gudykunst, 1991).

It is not yet fixed which explanation is the most valid, and this problem still continues to be investigated. But, all the explanations argue that the style of thinking can be viewed as a cosequence of adaptaion to culture. The cultural traditions introduced here do not show any backwardness compared with the standard of Western culture.

### **Little Cultural differences in IQ**

As mentioned in the former section, Easterners’ naïve dialecticism is neither a higher-level dialecticism which provides a synthesized conclusion nor a sign of Easterners’ illogicality. However, many people who are haunted by the phantom in the 19<sup>th</sup> century may believe that it indicates something about Easterners’ intellectual inferiority. Hence, I will discuss the relation between this style of thinking and IQ in this section to deny the belief of Easterners’ intellectual inferiority.

Are Easterners less intelligent, and hence are they dialectical? Its answer is ‘no’ for the following reason. First of all, Easterners’ IQ scores are slightly (at most slightly) higher than those of Westerners (e.g., Lynn, 2003). Roughly speaking, according to general dual process theories (e.g., Evans & Over, 1996; Stanovich, 2004), human cognitive architecture consists of the evolutionarily current system which make it possible to think abstractly and logically with the support of large cognitive capacity and the evolutionarily old system which is in charge of evolutionarily adaptive cognition but sometimes causes human heuristic errors. The ability of logical thinking which IQ tests measure is supported by the evolutionarily current system. Therefore, no or slight differences in IQ test scores indicate that there are not substantial cultural differences in logical thinking competence. Hence, the source of the differences in style of thinking between Westerners and Easterners is in somewhere but in inherited genes. As a matter of fact, Africans’ IQ scores are lower than those of Europeans and Asians according to the summary of data (Lynn, 2003). We do not discuss this much here because we are just focusing

on the differences between Westerners and Easterners. One suggestion is that this is because of non-rich educational environment in the region of Africa to the south of the Sahara Desert (*see* Nisbett, 2009).

However, introducing the dual process theories, we face a problem that the cultural definitions of analytic and holistic styles appear to parallel the properties of the two distinct systems of dual process theories. According to dual process theorists, the properties of the evolutionarily old system are implicit, automatic, fast, intuitive, contextual, associative, etc., whereas the properties of the evolutionarily recent system are explicit, controlled, slow, reflective, abstract, rule-based, and so on. Although, the term 'dialectical' is not in the list of the evolutionarily old system, the term 'rule-based' is in the list of the evolutionarily current system. Does it mean that Westerners use the evolutionarily recent system while Easterners use the evolutionarily old system?

Buchtel and Norenzayan (2009) argued that one of the greatest similarities between the two theories is that Westerners are more likely to adopt rule-based inference, compared to Easterners, and the tendency for rule-based inference is one of the properties of the evolutionarily current system. However, the automatic/controlled contrast does not overlap with the holistic/analytic contrast. Rather, the distinction between automatic and controlled is rooted in the history of human evolution and is culturally universal. Their claim does not indicate that Westerners have an evolutionarily recent system whereas Easterners have an evolutionarily old system. Furthermore, Yama, Nishioka, Horishita, Kawasaki, and Taniguchi (2007) proposed that cultural differences might be due to how people use the two kinds of systems. They applied the dual process model of Stanovich and West (2003) to explain the cultural differences in cognition, and appeal to its distinction between gene-installed goals and meme-acquired goals in each of the two systems. A meme is a piece of knowledge that reproduces itself and spreads through the culture, by analogy with genes that replicate and spread through plant and animal populations through breeding. According to them, the distinction between the two systems indicates differences in hardware, whereas the distinction between the gene-installed goals and the meme-installed goals shows differences in software. Therefore, the gene-installed goals are culturally universal, whereas the meme-acquired goals vary with culture and they indicate how humans use both systems to be culturally adaptive. The gene-installed goals in the evolutionarily recent system correspond to the cognitive capacity that the IQ test measures. In contrast, the cultural differences between rule-based thinking and dialectical thinking can be in the meme-installed goals in the evolutionarily recent system. Depending upon what a meme-installed goal requires of humans, they may take a single rule (rule-based thinking) or plural rules (dialectical thinking) into consideration. Their idea is compatible with one of the latest models of dual process theory. Recently, Stanovich (2009) proposed three kinds of minds:

the reflective, algorithmic, and autonomous minds. The evolutionarily old system corresponds to the autonomous mind, and it is culturally universal. The evolutionarily recent system is divided into the reflective mind and the algorithmic mind. The algorithmic mind corresponds to the cognitive capacity which makes it possible for humans to think logically and is strongly related to what the IQ test measures. The reflective mind supervises the algorithmic mind and indicates how to use the capacity. The source of the cultural effects on cognition is located in the process of the reflective mind.

Actually, cultural differences in cognition are at the level of style which is easily changed. As already mentioned, this style is changed by cultural priming (Kühnen et al, 2001). These sources can all be located in the reflective mind of the dual process model above. In short, the cultural difference between Westerners' rule-based thinking and Easterners' dialectical thinking is not in cognitive ability such as is measured by an IQ test but individual attitude or preference shaped by cultural practice.

### **To understand indigenous factors: The case of '*nemawashi*'**

To understand unfamiliar cultural customs of different countries is important for international business. The hypothesis that Westerners have an individualist culture whereas Easterners have a collectivist culture is still supported by many researchers, and there exist some customs of business which seem to be connected to the collectivism of the Japanese. Some Westerners who are haunted by phantom in the 19<sup>th</sup> century may believe that these are mysterious customs of undeveloped area. One of the examples of Japanese specific cultural customs of business decision making is called '*nemawashi*', which is a strategy used in Japan to avoid conflicts and obtain a consensus in decision making. The analysis of '*nemawashi*' here is in the approach of 'indigenous psychology' (e.g., Kim & Park, 2000). According to this approach, culture is defined as a superordinate construct that provides meaning, coherence, and direction to a group of people. Hence, in order to understand *nemawashi*, theories and concepts should be developed within Japan. Although contemporary Japan accepts Western economic, political, and educational systems, its cultural tradition still has a deep effect on people's minds and customs. However, this does not mean that *nemawashi* is an undeveloped custom according to the standards of Western culture. Rather, I argue that it is important to understand unfamiliar business customs for people who are heading for the globalization of business.

The literal meaning of this is to dig around the roots of a tree prior to transplanting so that the uprooting and movement are made easier. But the term is used widely in a figurative sense to describe maneuvering behind the scenes to reach a consensus and obtain certain objectives, especially in politics and business. When various interests are potentially in conflict, reaching a consensus and attaining political objectives are very difficult through direct, public

confrontation. However, a unanimous agreement is preferred in Japan, hence members need to have a special strategy, *nemawashi*, for this agreement. A unanimous agreement is important for the harmony of group, and thus the preference for unanimous agreement is regarded as one of the aspects of collectivism. *Nemawashi* includes the practice of discussing decisions in advance with various interested parties and incorporating their views into any final proposals. Much of the groundwork for decisions is therefore laid well in advance of meetings where final decisions are made, and, if *nemawashi* is successful, conflict can be avoided in public discussion. As with decision making in general in Japan, the process involved in *nemasashi* is time-consuming, but final decisions and their implementation generally go much more smoothly than when decisions are made through confrontation or are imposed from above.

There are several merits of this strategy. It is expected to suppress the spiral of silence in-group decision making (Noelle-Neumann, 1974). Essentially, people fear becoming social isolates and thus take measures to avoid such a consequence. Hence they are likely to follow the opinions of the majority. This is the human tendency not only in collectivist cultures but in individualist cultures too. Therefore, in order to avoid becoming isolated and in order not to lose popularity and esteem, people constantly observe others' opinions in the process of group discussion. They try to find out which opinions and modes of behavior are prevalent and are becoming more popular. They behave and express themselves accordingly in public. They try to determine whether they are in the majority: whether the public opinion tends to agree with them. If they feel they are in the minority, they tend to remain silent.

The spiral of silence leads two kinds of negative consequences. The first is the neglect of opinions of the minority. As one opinion gains the interest of the majority, the minority faces threat and fear of isolation from society. As the opinion by the majority gains momentum, the minority continues to be threatened and falls deeper into their silence. It continues until the minority no longer speaks out against it, and the opinion of the perceived majority ultimately becomes a social norm. If the opinion of the majority is wrong or politically incorrect, this spiral may bring a tragic ending such as persecution of the minority. The second is, on the contrary, the case where the opinion of a minority can be accepted as the opinion of a group. This case is likely to occur when members do not know others' opinions well. When an advocator voices his or her opinion in a business meeting, and if the other members keep silence, it is very likely that every participant believes that almost all of the members agree with this opinion. Then, this opinion can be the general opinion of the people concerned.

Its demerit is that it takes too long for negotiation before the final decision. But, there are two possible reasons for how *nemawashi* became a business custom in Japan. As mentioned, the first is that the pressure for a unanimous agreement is stronger in Japan. The second is the risk of losing face. If you mention an opposite opinion to the advocator's opinion and your opinion

reveals to be missing the point, it is very likely that you lose face in Japanese culture. To lose face means that your reputation gets lower. In contrast with Westerners' propensity to experience approach motivations to express themselves, East Asians more frequently experience avoidance motivations of losing face (e.g., Hamamura, Meijer, Heine, Kamaya, & Hori, 2009; Leung & Cohen, 2011). Therefore, *nemawashi* is an adaptive strategy for the culture in Japan in the sense that people can avoid the risk. Mercier, Deguchi, Van der Henst, and Yama (in press) report an interesting tendency in discussion among Japanese university students. Japanese students were given a cognitive judgment task and they are asked to give an answer before, during, and after discussion for the judgment. Generally speaking, Westerners benefitted from the discussion. But these benefits were only visible when Japanese participants provided a final individual judgment. In other words, Japanese students tended to yield to their partner's opinion sometimes even if they believed that it was not a good answer, but gave a better answer after the discussion. These results indicate that *nemawashi* is beneficial because Japanese people sometimes hide his own opinion when they exchange their opinions explicitly.

O'Regan and Ogata (2007) reported the case of Nissann Motor Co., Ltd<sup>4</sup>. Although the trend towards Western management styles cannot be stopped after the successes through the appointment of a non-Japanese Chief Executive Carlos Ghosn. The Western style of management brought positive efficiency for the company. However, this led to questions such as "What is so special about Western management? Is Japanese management old-fashioned?" among the employees. Many firms have resisted the 'Westernization' of their management styles and, instead, have started to emphasize the benefits of Japanese management approaches including '*nemawashi*'. The '*nemawashi*' looked mysterious Eastern style of management for Westerners. But, it can be rational for Japanese employees.

## **FUTURE RESEARCH DIRECTIONS**

Do these recipes convict people that their naïve theory from the phantom of the 19<sup>th</sup> century is wrong? Unfortunately, people's belief with naïve theory is still strong (e.g., Cavico, Muffler, & Mujtaba, 2013; Westwood, 2006). Rather, although there are not many people who show their racist remarks explicitly, Said (1978) pointed out that Westerners still have implicit orientalism, and this implicit social attitude is less likely to be changed by the intervention of public education than explicit one (e.g., Greenwald & Banaji, 1995). Therefore, two approaches are expected to solve the problem of reviving the phantom in international business. The first is the side of cross-cultural research longing for the theory to explain the cultural differences without referring to the differences in intellectual ability. The second is to invent ways to accept and deal with the cultural differences in international business.

Firstly, one of the best ways is to propose an alternative theory to explain the imbalance

of industrial development in the world. Diamond (1997) tried to explain cultural diversity using ecological and geographical factors, particularly why Eurasian civilizations (including North Africa) have survived and conquered others, while arguing against the idea that Eurasian hegemony is due to Eurasian intellectual, moral or inherent genetic superiority. As for the beginning and development of agriculture, Eurasia gained an early advantage due to the greater availability of suitable plant and animal species for domestication. Eurasian grains were richer in protein, easier to sow and easier to store than American maize or tropical bananas. This idea is applied to psychology as a socioecological approach. Oishi and Graham (2010) adopted this approach to cultural psychology. They pointed out physical, societal, and interpersonal environment as social ecological factors, and proposed a triarchic structure of social ecology, culture, and human mind and behavior. These are interacting each other. One of the latest studies from this approach was conducted by Rychlowska, Miyamoto, Matsumoto, Hess, Gilboa-Schechtman, Kamble, Muluk, Masuda, & Niedenthal (2015). Generally speaking, Japanese people are more likely to hesitate to express their emotion by the face and body. They examined some socioecological factors for the cultural differences in the degree to which individuals believe that emotions should be openly expressed, gathering data from 32 countries. One of their hypotheses is that historical heterogeneity is associated with norms favoring emotional expressivity, where expressivity means that people display felt emotions on the face and body. People of historically homogeneous societies such as in Japan, originating from one or few source countries, have common practices, rules, and language that together guide their emotions and their expectations of others' emotions in daily interaction; that is, they live within a coherent "emotion culture," which provides predictability about the emotions of any single person in any given context. In contrast, historical heterogeneity implies the collision of many diverse source countries or emotion cultures, and the need to convey one's feelings and intentions accurately through nonverbal cues in the place of other channels of communication (e.g., a low-context culture: Hall, 1976). Therefore, amplified emotional expressivity would be a likely adaptation to diversity in original emotion practices, rules, and language. This explanation may help Westerners to understand mysterious smile of Japanese in international business.

The distinction between low-context culture and high-context culture (Hall, 1976; Hall & Hall, 1990; Zakaria & Cogburn, 2010) is a promising theory for the cultural differences not only in thinking but in emotion expression as shown above. This is also promising in the sense that it is very strongly associated with socioecological factors. A low-context culture occurs when multi-cultural interaction is done (Gudykunst, 1991). Multi-cultural interaction is more likely to be necessary when each cultural group cannot be self-sufficient. But, if these interactive cultural groups are unified into a single one through the interaction, then the culture become homogeneous and thus people need not to do multi-cultural communication. The unified culture

is likely to become high-context. Even though there were many kinds of cultural groups in Ancient China, they formed into a big single cultural group (but for some ethnic minorities), called the Han people, in the process of interaction. It is very plausible that a high-context culture and Easterners' naïve dialecticism have been nurtured in the cultural environment and were transmitted to countries of Japan and Korea. By contrast, Ancient Greece was in the typical multi-cultural environment in human history. There were many city states, and they were interactive with each other without being unified into a single cultural group. Hence it is proposed that Ancient Greeks had a low-context culture, and thus they invented a cognitive tool which is known as Aristotelian logic to be used to exclude contradictions. This culture and cognitive tool were transmitted to European countries, and finally reached North America, Australia, and New Zealand.

The problem of this distinction is that there is not very strong evidence for the claim that Westerners have a low-context culture whereas Easterners have a high-context culture. One of the evidences is the surveys of internet content analysis (Würtz, 2006). She reported that adopt the visual effects offered by the Internet to convey their messages were more likely to be adopted efficiently in high-context culture countries. Generally speaking the meaning of visual image is ambiguous. But, it is effective in a high-context culture, because its context gives people appropriate cue to understand its message and the ambiguity can be resolved. Another evidence is from the indication of the analysis of Japanese language by Ikegami (2000). According to him, Japanese language is characterized by the fact that subjects considered to be originally indispensable are often omitted not only in everyday conversation but in formal sentences. This is a notable difference between Japanese language and other languages. The omitted subject can be recoverable from its context. Although he does not use the distinction between low context culture and high context culture, it is very plausible that Japanese have a higher context culture. It is very important and promising to investigate how people recover omitted components from the context in the near future.

Now it is very clear that contemporary global business cannot be run based on only the Western standard. Hence, as mentioned above, the second is to invent ways to accept and deal with the cultural differences in international business. There are two key words: Global mindsets and glocalism. The psychological term 'mindset' is a set of assumptions, methods, or notations held by one or plural individuals that is so established that it creates a powerful incentive within them to adopt or accept prior behaviors, choices, or tools. It used to be believed unlikely to be changed, but Dweck (2012) argues that it is humans' great capacity to adapt, change, and grow. She shows that an emphasis on growth not only increases intellectual achievement but can also decrease even chronic aggression, and foster cross-race relations. The notion of 'global mindset' is especially important in international and cross-cultural business. A

global mindset helps business leaders see the world from multiple perspectives, make decisions that work both locally and globally, and increase the ability of their company to compete in the global marketplace. It is a highly complex cognitive structure characterized by an openness to multiple cultural realities on both global and local levels, and the cognitive ability to mediate and integrate across this multiplicity. Furthermore, Paul, Meyskens, & Robbins (2011) pointed out two components of global mindset : Sensitivity to corporate social performance and cross-cultural sensitivity. Corporate social performance are for all the members of stockholders, employees, consumers, suppliers, and communities. Cross-cultural sensitivity is the ability to decipher others' values and understand a new environment using emic and situated knowledge structures. Although these two components had been thought to be different notions, Paul et al. found that they are actually connected and associated each other. They propose that this suggests that companies can find international managers who are sensitive to both corporate social performance standards and cultural values and norms. These are also important especially in communication between different high-context cultural societies.

The notion of 'glocal' is also important to accept cultural diversity in international business. The term 'glocalization' combines the idea of globalization with that of local considerations. Any global system has its origin in a local system, hence even after the original system is transmitted to all of the world, it is not always fit to a local culture. Although, as mentioned in the former section, cultural relativism is not completely supported by researchers of culture, it is worthwhile to take the view that each culture has its own standard and value system. In the world of business glocalization corresponds to the integration of local markets into world capitalism. Alcadipan & Rosa (2011) point out that the "global" façade of international management tends to mean that management knowledge and practices are usually created and developed in Western countries—mainly the United States—to be transferred supposedly problem-free to other locations. However, when the global standard is applied to the business culture of Latin American perspective, it tends to suppress locally developed knowledge and experiences. They propose glocal management as an alternative to the current Anglo-centric view of the field, and believe this new view can take into account hybridism and local realities. On the other hands, Luigi & Simona (2010) propose the importance of 'glocal' from the view of marketing. Globalization was the new paradigm in international business, however from a branding perspective it has lost its initial efficiency giving the fact that consumers do not seem to feel a connection anymore with the standardized products of global corporations, catered to them in mass marketing communication programs. For instance, although McDonald has adapted its global marketing to different regions or countries, it provides many kinds mixed with local food: e.g., Teriyaki Burger in Japan. With their centralized decision making, most companies simply stopped having a connection with the new

global marketplace and neglected its emergence. Hence, the influence of local characteristics arose, and with that a new term that encapsulates the global and the local – glocal.

“Glocalization” encourages companies to “think global, act local”, and they could do so by using the global brand, while localizing certain elements of that brand in order to suit a particular country.

## **CONCLUSION**

As for the conclusion about cross-cultural studies in this chapter are as follows.

- (1) Even if the Japanese appear to be illogical in the sense that they are less likely to do rule-based thinking, this does not mean that they are less intelligent.
- (2) Easterners may be more likely to be dialectical, although this is still uncertain. It is at neither a higher level nor a lower level of cognition. It is just naïve.
- (3) Easterners’ naïve dialecticism is strongly associated with cultural tradition, and it is plausible that it has been developed in a high context culture.
- (4) Japanese people may have a collectivist culture, but it is not an undeveloped culture compared with an individualist culture as shown by the analysis of ‘*nemawashi*’.
- (5) The stereotypical image that Japanese employees pursue the maximum profit for their company with an organization like an army without thinking logically is incorrect.

Furthermore, it is proposed that it is very important to be interactive between cross-cultural research and international business research. Cross-cultural research gives knowledge on global mindset and about how people’s cultural prejudice can be reduced and international business brings many cases of international interaction including cultural conflict and cooperation. Further works from both sides is to find out what ‘glocal’ mean and indicate in the process of globalization.

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## KEY TERMS AND DEFINITIONS

**Culture:** The complex whole which includes custom and pattern of behavior with belief, morals, and sense of values acquired by man as a member of society.

**Glocal:** It is a compound word of 'global' and 'local'. It represents an idea that people keep their cultural value even in the process of globalization.

**High-context/low-context:** Context is implicitly shared information like common sense by people when communicating. According to Hall, Westerners rely upon context less whereas Easterners use context more.

**Individualism/collectivism:** Individualism is defined as a social pattern that consists of loosely linked individuals who give priority to their personal goals over the goals of others. On the other hands, collectivism is defined as a social pattern that consists of closely linked individuals who give priority to the goals of these collectives over their own personal goals.

**Naïve dialecticism:** Dialecticism is regarded as philosophical thinking to produce a synthesized conclusion from a contradiction. But, naïve dialecticism represents people's belief that the world is always changing, everything is connected to each other, and the world is full of contradiction.

**Nemawashi:** It is an informal process of quietly laying the foundation for decision making by talking to the people concerned, gathering support and feedback. It is a strategy used in Japan to avoid conflicts and obtain a consensus at the formal meeting for decision making.

**Reasoning:** It is mental process in which a conclusion is inferred from premises.

**Rule-based thinking:** It is human reasoning usually based on a single rule or a few rules. A rule usually takes the logical form of *if p then q*.

## ENDNOTES

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<sup>1</sup> Meiji Renovation was a chain of events that restored practical imperial rule to Japan in 1868. It includes the end of Japanese feudalism of Edo period and the start of accepting Western style of political, economic, educational, and industrious systems.

<sup>2</sup> The Kamikaze was a suicide attack by military aviators from Japan against allied naval vessels (USA, UK, and etc.) in the closing stage of the Asia-Pacific War, when the war situation of Japan side worsened and worsened. It was designed to destroy warships effectively. About 3,860 Japanese pilots were killed. On the other hands, a Banzai charge is the term used by the Allied forces to refer to Japanese human wave suicide attacks mounted by infantry units. This charge was done when a Japanese troop was in a desperate situation. This term came from the Japanese cry "Tenno Heika Banzai (Long live the Emperor)". It is different from the Kamikaze in that its

purpose is not to inflict a loss on the Allied troops but to show their loyalty to the Emperor and not to be taken in prisoner.

<sup>3</sup> Sāi raised horses for a living. One day he lost a horse and his neighbor felt sorry for him, but Sāi didn't care about the horse, because he thought it wasn't a bad thing to lose a horse. After a while the horse returned with another beautiful horse, and the neighbor congratulated him on his good luck. But Sāi thought that maybe it wasn't a good thing to have this new horse. His son liked the new horse and often took it riding. One day his son fell off the horse and broke his leg. Because of his broken leg, he couldn't go off to the war, as was expected of all the young men in the area. Most of them died, but his son could survive.

<sup>4</sup> Nissan is a Japanese multinational automobile manufacturer. When it faced financial difficulties in 1999, it entered an alliance with Renault of France. In June 2001, Carlos Ghosn was named Chief Executive Officer of Nissan. He introduced a Western style of management to Nissan.