

Cross-Cultural Paradoxes and the Normative Scandal

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In his 2008 book, Gannon develops 93 cross-cultural paradoxes, one of which is taken from deMooij's work (2010), namely that value differences exist in all cultures. For example, while Hofstede's research ranks the USA as first in individualism among 49 nations and four territories treated as nations, it also exhibits many collectivistic tendencies, e.g., the large number of U.S. citizens who support charitable causes financially. Among the wealthiest of its citizens, there is a movement led by Bill Gates and Warren Buffett that each member of its select group pledge to leave at least half of his or her estate to charity; in Warren Buffett's case, he is leaving the overwhelming proportion of his estate to charity. This is probably the first time in history that a group of very wealthy individuals take such a pledge, and it suggests that collectivism can reside alongside a strong emphasis on individualism. More specifically, deMooij (2010) provides the following illustrations of value differences: The Germans cherish individual freedom but emphasize that too much freedom leads to disorder (freedom-order paradox); the Dutch and Scandinavians value individual freedom, but sometimes affiliation needs are stronger (freedom-affiliation paradox); and the French believe that individual freedom accompanies dependence on power holders (freedom-dependence paradox). For a definition of paradox, see Gannon (2011).

In my classes I frequently couch paradoxes in the form of questions, as Gannon does with his 93 cross-cultural paradoxes to generate discussion among class members (2008). In 1992 I put forward the idea of the '**normative scandal**', defined as a transgression against the prevalent cultural values and dominating power structures. As such, the normative scandal reflects a struggle between values or a values difference. The normative **scandal**¹ takes us into the domain of *mores* – the informal norms that regulate a group's code of conduct. Through the prism of what is perceived to be a deviation from these norms, which in turn is deserving of a public outcry and moral condemnation, one may learn about a group's or culture's or society's normative and mainstream values (Altman, 1992). Then I use a lecturette format to provide the students with some background information, followed by the exercise described below.

The normative scandal can be construed as a cultural paradox. As De Mooij (2010) stipulated, value paradoxes reflect the distinction between the desired and the desirable in

¹ * [lexical definition] Action or event regarded as morally or legally wrong and causing general public outrage. ORIGIN Middle English (in the sense [discredit to religion (by the reprehensible behavior of a religious person)]): from Old French *scandale*, from ecclesiastical Latin *scandalum* 'cause of offense,' from Greek *skandalon* 'snare, stumbling block.'

life. In the GLOBE study of 62 national societies, the researchers found significant differences between actual behavior (the desirable) and the values of each national society (the desired) (see House, Hanges, Javidan, Dorfman, & Gupta, 2004). For example, while citizens of many nations publicly support the concept of low power distance between individuals (the desired value), they frequently emphasize high power distance (the desirable). Bernie Madoff, who ran the biggest and longest lasting Ponzi scheme ever (with an estimated loss to investors in his funds of 50 billion US dollars), was able to pursue his fraudulent practice for so long, perhaps due to our common desire to become rich (while at the same being wary of the wealthy). He was condemned by Elie Wiesel, one of America's best known moral voice, to the following punishment:

I would like him to be in a solitary cell with only a screen, and on that screen for at least five years of his life, every day and every night, there should be pictures of his victims, one after the other after the other, all the time a voice saying, 'Look what you have done to this old lady, look what you have done to that child, look what you have done,' nothing else. (Strom, 2009, February 26).

Presumably because the USA is viewed by its citizens as the land of the free and home of the brave, shouldn't one applaud risk taking, sailing close to the wind: isn't that what entrepreneurship is all about? Isn't this that made America great? There seems to be a deeply ingrained desire to achieve the impossible - like an annual return of 20% or so, year in, year out, on one's investments, which is fundamental to a Ponzi scheme - even when that goes against any common financial sense. However, sailing **too close** to the wind may be the thin line that differentiates between one becoming Chairman of the NASDAQ and turning into a common criminal. The dominating cultural value system of a society is all empowering, notes Altman (1992).

It is because of this overpowering that a normative scandal is bound to inspire mixed reactions from the populace. On the one hand there is condemnation, as a transgression against a key institution has taken place. On the other hand, there is sympathy because in their heart of hearts, most people would applaud someone who dares to strike against an economic/cultural/political power base. (p. 41).

Financial scandals are often a cause for moral outrage, but not everywhere. According to the Kenya Bribery Index (Transparency International, 2011), in 2006 every single person in the country paid bribes; and Kenya Police, the state's law enforcer, was by far the largest recipient. Georgia, which held the notoriety of being the most corrupt amongst Soviet republics for many years (Mars & Altman, 1983) took the unprecedented step of running a page long advert in business papers in January 2011, celebrating the fact that "Only 3% of Georgians who had contact with various public services reported paying a bribe in the past 12 months" (see Figure 1). The advert reads as if Georgian citizens are almost

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According to the 2010 Global Corruption Barometer by Transparency International, 78% of Georgians think that corruption has decreased over the last 3 years – the best result across the 86 countries surveyed. According to the TI survey, only 3% of Georgians who had contact with various public services reported paying a bribe in the past 12 months. This is a better figure than the EU average and places Georgia in the pool of countries whose citizens report the fewest bribes in the world. The survey also shows that 77% of Georgians believe that Government action has been effective in the fight against corruption, making Georgia's result the 2nd highest globally. These achievements are even more important when set against the global perception that corruption has increased in the past 3 years and, as noted by TI 'one out of four worldwide has paid a bribe in the past year.' Another recent survey conducted by the International Republican Institute, Baltic Surveys and the Gallup Organization, points out that only 0.4 per cent of the population of Georgia has paid a bribe to get a service or a decision. To find out how to become part of Georgia's big success story please visit georgia.gov.ge

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meritorious, though I can imagine a Scandinavian eyebrow or two being raised in bewilderment on the cause for celebration. My own take on this achievement is that what counts as a bribe in Georgia may be a disrespectful demand to pay cash for providing a public service; whereas an exchange of small favors or a token gift are not only to be expected but are actually correct etiquette. In Kenya and in Georgia nepotism is the norm and not helping your friends and kin **is** scandalous, and the same goes in the People's

Republic of China, where *guanxi* (meaning: relationships) is a pillar of its economy and society.

As Gannon (2008) points out, cross-cultural paradoxes are intensified with globalization. A recent example is the exposé of Dominique Strauss-Kahn, the leading French politician who, as Director of the International Monetary Fund headquartered in Washington, D.C., was arrested and publicly humiliated on television, being handcuffed and appearing disheveled in court, for an alleged sexual assault on a chambermaid in a New York hotel. The charges were later dropped, but he admitted that a sexual act had occurred, consensually according to him; possibly a set-up, according to his supporters (FT reporters, 2011, November 25). Many in France excoriated his behavior, while many others in France were his defenders. The cross-cultural paradox here may well be that what could pass in France as a private matter, in the USA belongs to the public realm, and gives cause for public outcry.

After this lecturette and exercise below – which is typically completed in small groups, each of which has a secretary or recorder who summarizes the group's discussion in front of the class, typically followed by a spirited class discussion – I return to some of Gannon's cross-cultural paradoxes in the form of questions that I then answer from the material presented in Gannon (2008, ch. 5). Specifically, while globalization is a movement to standardize as much as possible as interdependence among nations increases, relativistic standards prevail in some nations while universalistic standards are the norm in other nations. I ask the class members: What are the implications of such issues? In this way the class members "own" the discussion, since they are actively involved in coming up with group summaries and answers to the issues raised in the lecturette.

Exercise

Think of a normative scandal. Each group should describe one scandal.

- What values is it transgressing?
- Why is there typically a public outcry?
- How can normative scandals be avoided or minimized? (or can they?)
- Finally, are value differences always an overriding concern in normative scandals?
- If yes, why? If not, why not and in what contexts do they matter?
- What does a value difference tell you about the country's culture?

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