ORIENTALISM IN GLOBAL BUSINESS: LOOSENING THE INFLUENCE OF COLONIAL THINKING IN ORDER TO ACCELERATE GLOBAL BUSINESS GROWTH

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Key words

Post colonialism,
Colonialism,
Virtual proximity,
Expatriate, Global,
Virtual Presence,
International, Culture

Abstract

Postcolonial studies focus largely on the negative aspects and failed legacy of colonialism which dominated the global scene in the 19th and mid-20th century. Colonialism has been blamed for the destabilization of governments, national identity crises and even wars. However, one of the key positive aspects of colonialism is that it helped to shape our global economy. However, recent interest in globalization and what it takes to accelerate this process uncovers another potential negative aspect of colonial thinking in the form of how the West interprets and interacts with people from other countries. In this exploratory study we focus on the concept of Orientalism and examine how expats when exposed deeply to different cultures shed their Orientalist thinking and develop skills which make them more globally-minded and in turn more likely to go on to develop our global economy and advance the work of what was previously started by Colonialism

1. INTRODUCTION BACKGROUND AND LITERATURE REVIEW

The study of globalization which formally began in the 1980's has its roots in colonialism. [1] points out that numerous scholars estimate that globalization in the modern sense began somewhere between the early 16th century and the late eighteenth century. This suggests globalization has had a long history and very much longer than the past 4 decades. [2a, 2b, 2c] observed that 'scholarly interest in colonialism 'arose when colonial empires had already lost their international legitimacy and ceased to be viable forms of political organization' (p. 3). [1] points out that the increase in colonial studies includes academic as well as political aspects. [3] points to the fact that many aspects of colonial rule are persist today in countries which were impacted by colonialism in one way or another. [1] also points out that colonialism has created an interpretation of the East by Western nations which he termed Orientalism that is biased and misleading. In Said's definition Orientalism is an interpretation of

the East by the West which provides the West with the intellectual justification to dominate the East. Other scholars which discussed Orientalism include [4] and [5]. Orientalism stresses that many features and effects of colonial rule persist to this day [3]. Scholars in the field view the world as still shaped by former imperial and neo-colonial power relations, which reproduce and reinforce the old, often racialized inequalities. Moreover, many scholars now argue that the colonial project was not a one-way street and that it affected and changed not only the colonized, but also the colonizers. One can clearly see this by traveling to India where comments from local Indians still abound about how the British messed up their country. This is prevalent even in later generations not affected by direct colonization. Some are the opposite. For example, a millennial Indian woman analyst from one of my offshore teams brought a sword to the given to her from her grandfather who fought for the British during the colonial period to an opening ceremony of a Global 500 company offshore center. She was extremely proud of the sword and history it represented. Colonialism had its heyday in the 19th and

mid-20th century. [6] reported that Orientalism provided an effective means to study post colonialism and develop new ideas and thoughts on the topic across a variety of disciplines.

In the Asian Mystique: Dragon Ladies, Geisha Girls & Our Fantasies of the Exotic Orient, they will immediately come upon the following anecdote, involving the book's author, the American Journalist Sheridan Prasso:

"In 1990, shortly after I had moved from Chicago to Asia as a news correspondent, I became intrigued by a frequent visitor to my Mid-levels neighborhood of Hong Kong, a man who shouted in a sing-songy voice the same words over and over as he traversed the winding, hilly streets. I lived in an apartment block in front of a concrete wall holding back the mountainside, and to me this mass of concrete seemed an affront to nature. I knew that the Cantonese people of Hong Kong believe that there are gods everywhere and in everything –in the kitchen, the trees, the water, and the landscape. Could this man be chanting to appease the mountain god who might be angered by this man-made desecration? I wanted to indulge the fantasy that I was witnessing the mystical Asia out the window of my concrete apartment block. I told my Chinese-speaking roommate about the man, and one day as I heard his cries I went running to get her. She stepped onto our small balcony, listened to his chant, and turned to me laughing, "I believe he is collecting scrap metal". I was never able to see Asia in the same way again. [7]".

However, the account is not entirely false as is often the case with any model. In the author's own experience with living in the Mid-levels neighborhood in Hong Kong there is a neat running path with beautiful views of the city known as Bowen Road. On this path over the Wan Chai district there are a series of alters embedded in the hillside with a Buddhist Monk tending the site. Apparently, this is the site that lovers and married couples frequent to fortify their relationships and marriages under the teachings of FengShui. As you run by the shrines the smell of burning incense is prevalent. This is real and without a doubt reinforce our romantic concepts of the orient. The same is true when one goes to Li Jiang in China which is a rural area in the mountains located within the northwest part of China's Yunnan province. Li Jiang is home to several ethnic minority groups including the Naxi and its here that local traditions are pervasive. However, Americans are immediately reminded of their Orientalist influence and when they go to see a dance show held by the locals where they are immediately struck by how similar these are to the traditions of Native Americans. However, we are trained through Orientalism to treat these as distinct cultures when research clearly shows that the Native American Peoples have Asia origins.

When we look at Orientalism 40 years later it is no less important. Some scholars including [8] shun the conception of East Asia as an independent "discipline in Universities and call for it to be a compilation from specific disciplines: history, philosophy, anthropology and literature. He argues that by doing this it should reduce arguments that are Orientalist in nature. Orientalism has also been covered in reporting and the media [9] in American foreign policy [4], in the arts which include drawing and photography [10] ,popular songs ([11] ; [12]) and even shows up in fiction writing and Hollywood movies [13].

Interestingly, there are few current studies relating to Orientalism in international business. This is despite the fact that there is evidence of colonial thinking in the way international businesses are organized.

Examples of this include the concept of the home office and foreign subsidiary. This is not unlike the Imperialist country and its colonies. Moreover, the British created the precursor to the multinational by setting up independent companies like the Hudson Bay Company and the East India Tea company in each of its colonies. The fact that many governments get involved in the affairs of their multinationals also hints of colonial thinking. Examples of this include the famous example of government involvement in the Airbus Corporation who was accused of using their influence in the European Union to win contracts and offer lower prices over their US based competitor Boeing Corporation.

How can we reduce the impact of Orientalism? [13] suggests it can be mitigated through travel, learning and experience. But what is the evidence for this? International assignments for business executives are known to be beneficial to expose the executive to a variety of cultures and allow them to understand global markets better. However, what is the mechanism which improves this greater degree of effectiveness. It is the research hypothesis of this study that the elimination of Orientalist thinking can contribute to this effectiveness. This hypothesis was influenced by the positive experience of the author on assignment in Hong Kong as stated above but needs to be tested in a broader study across expats

2. MATERIALS AND METHODS

[14] interviewed 50 expats to ascertain if virtual proximity via technology can improve expat success. In this study the research question being pursued was whether the use of Internet based communications technologies including social media increase the level of virtual proximity between North American expatriates their home organization - and does this change result in a perceived change in the level, quality of innovation within the organization, and successful completion of the expatriate engagement?

The sample participants were recruited from multiple industries and deployment locations. After a series of qualifying questions, the online survey respondents were asked questions to quantify the volume and nature of their usage of information communications technology and social media. The study looked at the use of video chat, text chat, social media, SMS, professional video conferencing, and enterprise messaging systems. These questions were followed by questions addressing their perceived levels of virtual proximity, expatriate engagement, and innovation in their organization. The results of the study found statistically significant correlations which provide solid statistical evidence suggesting that virtual proximity may be related to expatriate success. This finding was huge given the failure rates and overall expense of expatriate assignments. If companies can introduce more virtual proximity tools in the workplace environment the evidence from this research indicated, they can increase the probability of success of their employees on international assignment and also the employees at the home office dealing with the international employees.

The last implication of the study which surmises that virtual proximity can increase the probability of success of home office employees dealing with international employees is an interesting one since it somehow implies that barriers to communication or perceptions could be changed in a positive way through more in

depth or intimate exposure to foreign cultures. In this study we wanted to explore this a little deeper by developing a hypothesis that it is this exposure to foreign cultures either by foreign assignment or virtual proximity which mitigates the phenomenon of Orientalism and therefore results in improved global business management.

In this study a subset of these same expats in the virtual proximity study were interviewed and asked about their international experience and its effect on their Orientalist orientation and how to conduct global business overall. Several people we interviewed never left the country before their international assignment process began so for them seeing how other people live in depth really changed everything related to their perspective about foreign cultures. One particular expat who was stationed in China always thought of the Chinese as a potential enemy given the history of the Korean was and news media in the US which depicts China as an aggressor both economically and militarily the latter especially in the Asia-Pacific region. However, when he actually lived and worked in China began viewing them in a much different light more so in how they were very dependent on the success of the US and wanted to emulate many of the best practices from the US especially global business practices. The expat also had the impression that the Chinese society lacked the written laws of the West but in reality, he learned how business was conducted primarily with relationships and trust rather than written contracts. Interestingly, when this expat was conducting a real estate transaction after repatriating back to the US and there was a lawyer who was actually selling the property and doing the legal work at the same time and rescinded on a verbal deal he used as example about doing business with the Chinese which would have determined what this particular lawyer/seller had done to be not acceptable. This helped the expat to deal with the circumstance knowing that he needed to get in writing everything negotiated in the US society because even lawyers who we trust to uphold all contracts will engage in unethical behavior as long as it benefits them and there are no negative consequences. This appreciation for how business is conducted in China is a sharp departure from the Orientalist view that China is a society of no written laws and that this is somehow not good for doing business. The opposite was true in the case of this particular expat as he was used to people following up on their word based on a handshake without having a specific written contract. One expat interviewed who went to Switzerland was very surprised at the privacy of the Swiss even in the same neighborhoods which was unlike the US. This suspended their disapproval of Swiss banking privacy as just providing for example a tax haven for individuals at the benefit of the Swiss and detriment to the banking customer's home country. It seems that a sense of privacy is something embedded in the Swiss culture. In Switzerland a banker not acknowledging a customer in a supermarket is similar to in the US with HIPPA laws where a psychiatrist cannot acknowledge a patient in public since this would disclose that the patient is undergoing or had at one time undergone psychiatric treatment.

Another similar example is from an expat from the United States living and working in the UK whose game changing project was met with resistance by a person in the subsidiary business that was a "Knight of the Royal Order". It was made clear to the expat that he should obey the wishes of this person because he was a knight and had increased influence in the British society. Of course, this has no bearing in terms of influence to a person from the US. However, the expat learned for the first time why British people make such a big fuss about their monarchy. The class system is very much alive in the UK and manifests itself in a totally different way than in the states. A person with money in the United States is held with a high regard regardless of how they acquired it. For example, this is partially the love affair America has with its gangsters especially the Mafia and Irish Mob. John Gotti, the former leader of the Gambino Crime Family a.k.a. the Dapper Don was one famous example. President Donald Trump is another example. However, in the UK people with just money are not held in the same regard as in the United States. Those with a title in addition to money are very well regarded and hold a special position in terms of authority within the country. The expat who was interviewed now has a new perspective in terms of Britain's respect for its monarchy which to some extent translated into how this expat framed the recent Brexit vote and how to think about and approach doing business in the UK after this event.

Another expat described her experience in Korea and how living there changed her view of Asian cultures especially around the specific topics of work culture and education. Korean's work very long hours at work and have a unique hierarchy which even extends to the university they graduated from and/or their mandatory military service. On the latter conscription in South Korea has been in existence since the Korean Conflict and requires all male citizens between the ages of 18 and 35 to perform about two years of compulsory military service. Women are not required to perform military service but may enlist voluntarily. Korea has a very hierarchical business structure which many social scientists believe that men develop during their mandatory military training and then bring into the workplace. It has even been observed that if individuals from the same military platoon or company are in the same business organization the former military ranks take precedence to the business hierarchy making it difficult for those managers to have a former military leader serve under them on a business team. Truly understanding these cultural nuances is only possible while on assignment in Korea and working in a local Korean organization.

Another expat discussed their time in Singapore and how they changed their perception of living in a non-democratic Asian country. First of all, they experienced the diversity of this city-country which consists of 75% Chinese Buddhists and 15% Malay Muslims and 10% other. Second, they couldn't believe how clean and safe the city was and enjoyed living under these conditions. It gave them a real appreciation for the benefits of living in a city state where some of the more negative aspects of living in a big country could be controlled within the confines of a city. They began to conjure up what cities like New York, San Francisco, Chicago of LA could accomplish if they did the same thing as Singapore or Hong Kong.

Some of the expats interviewed actually went on multiple international assignments and therefore were able to get a 3-way cross comparison between two international countries and the US. Interestingly, the second assignment seemed to dispel Orientalist thinking even more as integrating into the first additional culture taught the expat special skills into how to rapidly and more thoroughly integrate into the next culture. In the second assignment the executives embraced the changes they were undergoing and dived into the learning of the third culture knowing that the stresses of dealing with a new culture were temporary. Interestingly, this may

be a good finding assuring the success of future expat assignments. The questions asked posed some examples of Orientalist thinking in the Expat's host country and whether the expat was able to self-report that his/her opinion changed after the international assignment..

3. CONCLUSION

This study which is one of the first to address and evaluate the concept of orientalism in international business suggests that one of the key causal factors leading to the shedding of orientalist thinking which will lead to a more effective global enterprise and trade is to be truly exposed to a culture either through travel international expatriation or some type of virtual proximity. The case studies of expatriate experiences in this research demonstrates that being immersed in the culture can tend to shed orientalist thinking and lead to better business results. Firms can use this research to invest in immersion for their employees. In many cases it is as simple as justifying the international travel of employees even when there are budget cuts necessary in the firm. Often these types of trips are the first to be cut. Firms should reconsider this decision in light of the evidence from the cases presented and encourage the interaction of employees working across borders. One of the limitations of this study is that the expats interviewed were selected for other research purposes and the sample set was not specifically designed to explicitly address the research topic. Therefore, these should be treated as both interesting and exploratory findings with further replicative studies using a combination of both qualitative and quantitative designs being recommended. Further suggestions for research include the impact of Orientalism on other global activities such as the purchase and consumption of foreign products by consumers and the use of overseas outsourcing services by firms.

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