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Transculturality – Leadership, Management and Governance

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Preface

This volume is the result of our global "Transcultural Caravan" essay competition that took place in autumn 2015. The Transcultural Caravan is a project initiated and operated by the Leadership Excellence Institute Zeppelin | LEIZ, encouraging research, a worldwide dialogue and the spread of sustainable ideas which support the development of globally accepted norms of socially responsible behavior. The role of leadership in this process is crucial. We therefore asked young researchers and students from all over the world to reflect on values and capabilities which would allow leaders to contribute to the creation of transcultural values. We received a huge number of essays many of which focus upon current issues. Consequently, the debate about the ongoing refugee crisis which may be regarded as a new type of mass migration industrial nations are not capable to deal with, takes a prominent place. Further key topics are political disputes and economic challenges arising from failed collaboration between nation states, and their transcultural solutions. The third focus is on challenges resulting from the global operations of organizations.

Past leadership approaches have especially dealt with mono-cultural intra-organizational issues. The age of industrialization was the context within which these approaches arose and within which they have been applicable. Today organizations face multi-cultural settings not only determined by these organizations' cultures but also by various national cultures. Traditional leadership profiles must be amended to include cultural sensitivity, productive communication and cooperation competence as well as the ability to "feel the societal pulse" - and react to a set of different expectations in a way that respects local cultural norms while still complying with international normative imperatives. Being perceived as a responsible actor that complies not only with national law and regulation but works legitimately in different cultural and socio-economic settings is the new leadership challenge. To avoid moral heroism, a basic set of globally accepted ethical and legal rules for economic

activity is needed. The development of global institutions covering this need is still in its infancy and demands for a global and universal commitment by business, politics, and society worldwide. Global projects facing political, social or economic stress require cooperation between institutions, aiming at the development and formation of shared values and a shared notion of the "right thing to do" in the social, economic and political spheres .A socio-cultural learning process covering these points will further and support the formation of a generally applicable standard. Transcultural ideals as well as the idea of a World Ethos serve as a common bond in decision-making processes on such crucial issues.

There is a gap in Leadership Theory regarding the transcultural perspective, especially in light of varying perceptions and understandings of leadership styles and concepts when placed in the contexts of different cultures. The questions arising therefrom concern, inter alia, the moral traits, values, and forms of behavior required of transcultural leaders. Another important topic are the differences and commonalities between economic, political and civil-society organizations. Transculturalism represents the idea that there are traits common to all human societies such as empathy and inclusive rationality which are the prerequisites of a learning process facilitating cooperation.

We highly appreciate the various submissions from all over the world dealing with these topics and want to thank all authors for their outstanding contributions. All submissions underwent a rigorous selection process. Additionally we want to thank all reviewers for their efforts during the selection processes as well as the valuable feedback they provided.
The book is introduced by a conceptual discussion of the relevance of transculturality for organizational management. After this introduction the essays will provide insights into current transcultural issues in politics, economics and civil society.

We hope that through our project we stimulate the debate about the need for a new type of leadership based on a transcultural approach. This will contribute to face the challenges of our current century and find solutions to them. The debate is in its infancy and so we are looking at a growing field of research with excellent future perspectives.

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Part I
Conceptual Introduction

Transculturality and Economic Governance

Josef Wieland

I. Transculturality and economic theory

Transculturality has been an important topic in philosophy, the humanities and social science for quite some time now. Driving this phenomenon from the start has been the globalization of economic cooperation, the production of goods and services and their exchange around the globe by people that were socialized in differing societies and cultures. As early as the 1930s, the American sociologist Robert E. Park noted that "In the long run, however, peoples and races who live together, sharing in the same economy, inevitably interbreed, and in this way if in no other, the relations which were merely co-operative and economic become social and cultural" (Park, 1950, p. 354). Park views the related migration "abstractly as a type of collective action" (ibid., p. 350), that gives rise culturally to "the marginal man" who straddles the border, simultaneously living in different, occasionally even strictly opposed, cultures. The man on the border learns how to handle cultural difference, and this process of acculturation begins on the border between two different cultures: where he is "never quite willing to break" with his old culture but "not quite accepted" in his new one (ibid. p. 354). In this being situated "in between", engaged in the continual attempt to fuse cultural difference, arises transcultural competence that leads to a new, dynamic equilibrium and a refined skill at living a civilizing life.[1] "The Marginal Man is concerned finally and fundamentally less (…) with a personality type, than with a social process, the process of acculturation." (ibid., p. 376) This process

[1] See Park, 1950, p. 345ff

of acquiring a culture, if successful, leads to a consensus on the character of societal transactions.

> "There can be no culture except where there is some consensus. Consensus is a matter of understanding. It is transmitted through communication, through example and through participation in a common life. It is not merely habit. The term consensus, for the time being, had best remain loosely and tentatively defined" (ibid., p. 17).

In contrast to Park's "Marginal Man" as a dynamic social process of collective action – whom I quote from extensively here because he will account for a substantial part of this article's theoretical perspective – philosophical and cultural studies to date have been interested in transculturality more from a perspective of individual or collective identity building. Together with Dominik Fischer (2016, in this volume), I have occupied myself with some aspects of this discussion, especially that of its compatibility with theory building in organizational economics. The deliberations to the following thoughts, however, will only seldom refer explicitly to these studies and also abstain from dealing with the identity building perspective.

Building on Park's reflections and looking at transculturality through the economist's lens, I will develop it as a productive resource and an informal institution for cooperative economic value creation. It is my view that, to date, economists have not occupied themselves with the transculturality phenomenon, even though, as indicated, it already plays an important role in global value chains. The ongoing discussion about the influence of culture on the performance of economies and their organizations has treated values, norms, traditions and so forth as informal institutional conditions for action[2] that can have a bearing on how uncertainty is dealt with or the repute in which an organization's is held. From an organizational economics standpoint, Benjamin E. Hermalin (2013, p. 433f, p. 458) models culture as a business asset that affects a firm's operations. From the perspective of a theory of the governance of economic transactions, which, indeed, underlies and informs the argument presented here, transculturality is an individual or collective resource that, as an element and an institutional condition of local and global cooperation, allows the productive handling of cultural diversity and the curbing of its

[2] See North, 1990; 1991; Williamson, 1985; 1975; 1979; 2000; 2002

potential destructiveness. In the era of globalization, I view this as a non-trivial aspect that may also be of interest for philosophical consideration and for the Cultural Studies.

II. Prosocial behavior and moral evolution

The 17 Sustainable Development Goals (SDGs) and associated 169 "targets" of the United Nations Agenda 2030 can be distilled to a simple overall goal: "Transforming our World." They are seen as "a Universal Call to Action to Transform our World beyond 2015" (United Nations, 2014, p. 3) addressed to all actors of the national and international societies. According to the UN, achieving the economic, political, and ecological targets and sub-targets depends in the final analysis on the world's populations, relying on "empathy and enlightened self-interest," (ibid., p. 5), to be prepared "to fulfil their political and moral responsibilities" (ibid., p. 7). The corresponding moral responsibilities are concentrated in values such as human rights, dignity, equality, justice, and sustainability. It is a challenge issued not least to economic actors, especially corporations, to mobilize their resources, innovative capability, and entrepreneurism in cooperation with politics and civil society.

This article is not about the 17 targets and 169 sub-targets, but instead discusses the underlying assumption that there is in fact a global, universal consciousness of the existence of, and membership in, a collectively shared world ("our world") whose moral values are similarly accepted as a transcultural cosmopolitan moral culture. But there can be no doubt that this notion, even if desirable and realistic, would be the future result of a process spanning several epochs, not an already existing precondition for this process. Veteran practitioners in the field of intercultural management are even more skeptical: "It is our belief that you never understand other cultures" (Trompenaars & Hampden-Turner, 2012, p. 1). Leaving that aside, we can assert that at present, the starting points for discussion and practical action are, for one thing, people's belonging to nations and, for another thing, cultural diversity in the conceptualization and signification of values. But the notion of a collective world does not necessarily have to manifest itself in shared moral values: empathy and actors' enlightened self-interest – which the Agenda 2030 authors presumably regard as anthropological constants ready to be invoked – may also explain

it. It happens that in recent years the discussion about an anthropologically enlightened universality of moral behavior showed that, if an undue anthropomorphism is to be avoided, a conceptual differentiation is called for at the point where the "moral behavior" of animals – for instance, when it comes to the organization and division of food and the care of orphans (calculated reciprocity, cooperative ways of conflict resolution, and communal behavior) – crosses over into that of human beings.[3] Then it becomes a matter of animal/human differences like "moral behavior / moral action," "prosocial behavior / morality", "instrumental learning / reasoning ability" or "conditioned benefit calculus / sense of guilt" and this is a discussion that appears far from being concluded.[4] But the idea of an evolutionary development of moral capacity and human morality still allows for the hypothesis that the capacity for empathy and of calculation of self-interest, that includes the interests of others has proven itself evolutionarily in diverse human cultures, since without the formation of this capacity a sustained cooperation between people even in the smallest groups (family, clan, tribe, etc.) would hardly be conceivable. Accordingly, morality and its ethical foundation would constitute a civilizatory learning process that has always accompanied humanity's development and is driven and made possible by the actualized human potential[5] for empathy and inclusive rationality. This, in any event, will form the starting point of the following reflections which link to the Agenda 2030.

Thus it is not globally shared values, but the potential prosocial capacities for empathy and inclusive rationality that in the first instance provide mankind with a common civilizatory bond. Global cooperative projects like the SDGs but also cooperation between enterprises lend the actualization of this possibility a target, namely the development of a shared notion of the political, economic, and moral ordering of the world as learning process. This evolutionary process also encompasses, albeit always in a fragile manner, the development of a repertoire of common

[3] See, for example, Frans de Waal 2014: 'The bonobo and the atheist' and Jessica Flack & de Waal 2000: 'Any animal whatever' and the controversy surrounding this essay.

[4] Cf. (2008), Journal of Consciousness Studies, 7(1-2)

[5] Not necessarily by genetically endowed disposition: This is Paul J. Zak's argument, 2008, p. 276

understandings of the situational significance of values – a way of behaving and acting that rests on a specific ethos – which, in other words, cannot always be assumed as given and as stable, but instead have to be continually brought to bear and to be learned with regard to practical transactions. Humanity's shared moral bond consists of universal capabilities and successful local consensus. It is not a metaphysical universal, but a discursive process of practical learning. Thus comes into being the concept of an instrumental-rational economy and the latter's metaphysical, political, and ethical embeddedness in Greek thought in what is a discourse spanning centuries which, from the Homeric ethos to the Sophistic techne and Platonic form of knowledge, gave rise to and discarded the various ways of thinking about economic activity and its moral dimension.[6]

Armed with these two assumptions about the universality of prosocial capabilities (empathy, inclusive rationality) and the evolutionary generation and temporal effectiveness of moral values in specific, local, practical situations, I now turn to the topic of cultural diversity of global action.

III. Cultural difference and transculturality

Learning processes are themselves expressions and implementations of a culture that knows how to handle, either by adaptation or innovation, the diversity of information and communication in the environment of human action and behavior. Below I will not parse cultural diversity as a demarcation of spaces (defined as nations, organizations, etc.) or identities (defined as traditions, ways of life, etc.) or as practices or norms (defined as law, morality, etc.), because doing so would neglect the opposite of each difference. Anyone who talks of national culture ignores subnational variety; whoever deals with intercultural difference obscures commonalities; whoever brings into focus value differences neglects shared performance, cooperation, and communication values.[7] Beyond that, it is important to remember that reciprocal exchange, notions of utility, rules

[6] On this topic of the emergence of the economy as separate sphere of economic activity from Greek antiquity's philosophical discourse see: Wieland, 2012, also Wieland, 2010 the literature cited there.

[7] For this perspective, see Antweiler, 2011, p. 46 ff.; Appiah, 2005, p. 125

of sociability, common courtesy, cultural practices such as music and dance and so forth are "pancultural universals" (Antweiler, 2011, p. 99) of social learning processes. They are universal not with regard to their local diversity but with regard to their function as structures governing human interactions that permit humans to enter into a learning process in the first place. Kwame A. Appiah (2007, p. 82) termed it the diversity of "deeply ingrained" practices and customs and concluded from this "that in the vocabulary of evaluative languages of all cultures there is sufficient overlap to make starting a conversation possible". In this situation of a beginning, so Appiah, the aim is not arriving at a consensus but "getting used to each other" (ibid. p. 105) and, in so doing, also to an ineluctable reality and, further, to the possible productivity of cultural difference.

It should already be clear at this point in the argument that the understanding of transculturality presented here ought not be equated with either a radical cosmopolitanism[8] or with an individualistic-instrumental version of intercultural management.[9]

Cosmopolitanism can be construed as a personal ethos, as the basis for a political world order, or as methodological paradigm of transnational research,[10] but in contemporary debate it figures "not as a normative category or concrete achievement but as a state rooted in experience, open-ended, and always precariously subject to reversal" (Tihanov, 2012, p. 99). In contrast, interculturality starts with the assumption that with globalization the idea of "one world" has achieved ascendancy vis a vis the actually existing "many worlds," (Held, 2013, p. 22), but, in spite of this, the individual has "no access to one world by circumventing the difference between home world and foreign world." (Held, 2013, p. 26) Intercultural perspectives are determined by the experience-based differentiation between I/We and the Others. This difference of the Other can be comprehended or not, tolerated or rejected, but in either case the continuation of the difference and not the development of similarity is the point of reference for cultural learning in the world of intercultural management. Trompenaars & Hampden-Turner (2012) likewise emphasize this

[8] On this, see for example: Welsch, 1994; 1999; 2011

[9] See Hofstede, 1984; Warner, 2012

[10] For this differentiation and a good overview of the discussion, see: Tihanov, 2012, p. 78

"viewpoint" (p. 243f) and attempt instead to develop a training program aimed at "Reconciling Cultural Dimensions"[11]. It is consistent that they sort their approach under "transcultural leadership" (p. 2) that in turn is based on "transcultural competences" (p. 355).

Both cosmopolitanism (homogenization) and interculturalism (difference) are, in the final analysis, concepts of cultural identity-building for individual actors that feed on a difference of spaces. While the latter refers, for example, to nations or organizations as source and manifestation of difference, cosmopolitanism overcomes this multiplicity and difference of spaces by seemingly only proclaiming one space, namely the One World of all citizens. But since all spaces entail borders, in the cosmopolitan debate the question about this space or these spaces, i.e. about difference is merely shifted into extraterrestrial or interstellar dimensions.

One result of these reflections is the finding that the values of the SDGs and Agenda 2030 that are presumably shared, such as human rights, equality, dignity, justice or sustainability, can be understood in at least two ways: Either quite simply as cosmopolitan "common values" and "globally shared values" of humanity and the world community as such[12] or else as markers for intercultural differences on which transcultural work can and must be brought to bear so that substantial notions of "transforming our world" can be formed in the first place. This relates both to the process of transformation and the contentual determination of that which we want to grasp as "one world". The latter is the position reflected by the transculturalism represented here. Transculturality excludes neither the cosmopolitan nor the intercultural perspective, nor is it the extension of interculturality into, or its dissolution in, cosmopolitanism. It stands in an orthogonal relation to both, namely, as learning process for the relationing of different cultural identities and perspectives. It is not a form of identity or performs the demarcation of a space (or annuls such a demarcation); rather, the prefix "trans" designates the relation, the creation of a connection, the building of a bridge between "real intercultural interaction patterns" (Antweiler, 2011, p. 125; although he is

[11] Cf. Trompenaars & Hampden-Turner 2012, chapter 13

[12] For this interpretation, see Kim, 1999, the UN documents referred to here, such as Küng, 1996, or the *Common Framework for the Ethics of the 21st Century* by the UNESCO Universal Ethics Project.

skeptical of this) in social interactions through ongoing processes of learning.

Transculturality, in the definition I present here, is both resource and institutional prerequisite for effective, efficient local and global cooperation. As an ongoing learning process, it is an informal governance structure for relationing distinct perspectives to which it refers reflexively. Transculturality permits organizing diversity's potential productivity and is simultaneously an informal governance structure for containing the potential destructivity of diversity. It is this definition that I will explain and develop further in the next section.

IV. The world society and transculturality

The SDGs with their political and moral reference to a world shared by all people ("our world") imply, as I noted earlier, a conception of a cosmopolitan space, termed the "planet" in the documents, quite simply: the Earth. This reflects the results to date of the process of globalizing political, cultural, and economic interactions that have led to the "growth of a transborder exchange and reorganization of the space" that made the container model of the nation-state appear as "only conditionally viable." (Mau, 2007, p. 26). Global value chains, communications, media, the sciences, standardized consumer preferences, architecture, cultural events and fashions, just to name a few, together crystallize into a "transcultural sphere" that long ago left the national contexts behind (Brand, 2015). At the same time, let it be said that the overwhelming share of political, cultural, and economic transactions takes place within and between regions and nation-states. The emergence of "atopic societies,"[13] the accelerating "dissolution of boundaries between social environments" lead to "compacted social spaces" (Mau, 2007) (ibid., p. 38), to institutionalized and relatively stable, structured transnational spaces in which the "distinction between inside and outside" (ibid., p. 42) no longer applies. Hence, the decisive facet of globalization would not be denationalization but new "communities, communications, forms of exchange and interactions between nation-states" (ibid., p. 38). In the political realm, for example, this would be the European integration project; in the economic realm, it

[13] See Wilke, 2001

would be the rapid development of the number and importance of transnational corporations,[14] which, as distinct from multinationals, organize their manufacturing, sales, research and development and the like in several countries and integrate them strategically on a global scale. They are networked organizations with a common strategy and local operations.

John W. Burton (1972) coined the term "world society" for this, defining it as "a society that comprises people everywhere, who know of one another, and who in most cases trade and communicate with one another" (ibid., p. 32). The world society, according to Burton, rather than being an administratively integrated unit, instead is made up of networks of interacting individuals and organizations, of networks of cooperating actors equipped with resources that can be brought to bear on joint projects for mutual advantage. The world's globalization therefore cannot be grasped as adding-up of nation-states but as transactional relationships made visible. "These global societies are taking shape in addition to, not instead of the national societies to which we belong" (ibid., p. 51). According to Burton, the basic unit of the networked world society consists of "transactions and links that exist" (ibid., p. 35). To comprehend globalization and the development of a world society as the institutionalization and organization of the relationing of transactions has far-reaching consequences for cultural issues which I would like to address next.

Culture is an "elastic concept" (Meyer, 2005, p. 23) defined in a myriad ways. One of the first concept proposed by Edward B. Tylor (1889) strikes me as paradigmatic. It holds that culture is "a complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by a man as a member of society" (ibid., p. 1). Here, culture is conceived in terms of identity – and difference theory as individually adopted through socialization and thereby constitutes, confirms, and perpetuates demarcated spaces for action (nation, organization, religions, and so forth). The study of the theory and practice of interculturality is based on this conceptual understanding of culture and that consequently makes its paradigm one of belonging and of difference.[15] In Western cultures, therefore, understanding and tolerating cultural difference are the object of intercultural management, which, how-

[14] According to the United Nations Conference on Trade and Development, there are 82,000 transnational enterprises (Bundeszentrale für politische Bildung, 2010)
[15] See Hofstede, 1984; Trompenaars & Hampden-Turner, 2012; Warner, 2012