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Subject: CULTURE AND THE CRASH: A New Study Explores the Connection Between People's Responses to the Economic Crisis and Their Culture

**“CULTURE AND THE CRASH:
Americans Blame the Banks; The French Blame the Government; Indonesians Blame
God.
Does Our Culture Determine our Reaction to the Crisis?”**

*A New Study Explores the Connection Between People's Responses to the Economic Crisis
and Their Culture*

By Dean Foster

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In a new global study, “Culture and the Crash”, the first to explore the link between people's responses to the economic meltdown and their culture, over 50% of all Asians approved of no strings being attached when governments bailout collapsing businesses, while over 90% of Americans insisted that such bailouts always come with strong conditions. “Face”, a cultural institution in Asia, avoids seeking blame, while individual accountability, a cultural requirement in America, seeks to identify those responsible when things happen, according to Dean Foster, President of DFA Intercultural Global Solutions, an intercultural consultancy based in NYC that works with most of the world's Fortune 1000 companies advising them on the important cultural challenges they face when doing business abroad, and which conducted the study. This, and other cultural statistics unearthed in the study, now available from DFA, underscore culture's primary role when creating social and economic policy that attempts to solve the global economic crisis. Dean is available for interviews regarding the study and his intercultural consulting work.

As professor at American University's Intercultural Management Institute and the author of five books on culture, Dean discusses in his latest book, “The Culture Prophecy”, how culture – and not economics, genes, or politicians – really determines what we as individuals, organizations and nations, actually do, and why, and apparently, this also includes how we feel about the crash of 2009.

“*Why me?*” For example, when asked, “How should one best survive the crisis?”, US-Americans selected “individuals must take personal responsibility for their own survival”, while most Europeans selected, “it is government's responsibility to take responsibility for the welfare of its citizens”, and many Southeast Asian and African respondents said they were “putting their fate in the hands of a greater power”. Unsurprisingly, this reflects the European cultural expectation of government being responsible for basic individual rights, while in the US, individual rights are seen as the result of government non-involvement.

“Don’t call it ‘nationalization’!” In a related question, over 70% of all respondents who “strongly disagree” with the idea of nationalization of private companies by governments were US-American; the group that most “strongly agreed” with nationalization were Asian; Europeans were in-between with “mostly agree with nationalization”. As Dean explains, “the way we value the role of the individual and the group – in this case, government – is a fundamental cultural difference around the world. This has profound implications for the success of social and government policies designed to solve the crisis.

“Cultural analysis takes the spotlight”: Dean describes himself as a professional “interculturalist”: “This is a relatively new way of understanding human behavior, everything from how neighbors react to one another, to why certain businesses succeed abroad and others don’t, to why nations do what they do”. Dean adds, “for too long, psychologists, economists and political pundits explained the headlines, but what we know now is that individual psychology, economic policy and even the political decisions of nations are all subject to the prophetic power of culture. They are all the result of, and not the reasons for, culture.”

Apparently, this also applies to how we react to the great crash of 2009.

For a copy of the complete report, please contact Dean Foster, DFA Intercultural Global Solutions, dean@deanfosterassociates.com, 718-287-9890 (www.deanfosterassociates.com). For some interesting additional results from the survey, read below:

“Spread the Pain?” Not only governments, but companies, need to be very mindful of the cultural differences at play. “The kind of criteria companies use to justify downsizing needs to be culturally appropriate, or else it can generate more problems than it solves”, Dean adds. For example, when asked what is the best way for companies to downsize during the crisis, most North Americans chose, “layoff workers based on individual performance”, while Latin Americans and Asians were overwhelmingly in favor of “lowering salaries of all” to avoid layoffs. Europeans and Middle Easterners/Africans were torn between “lowering salaries of all” and “selective salary freezes”. “North Americans’ ideas of justice are based on egalitarianism, so it’s not surprising that if a company has to downsize, an appropriate criteria to apply when determining who goes is individual performance. Not so in more “consensus” oriented cultures like Asia, where everyone – independent of their individual performance – should equally share the burden, if it allows everyone to stay”, Dean explains.

About This Newsletter

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