

# Cultural Globalization in the Context of International Business

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## *Abstract*

*Beyond locating meanings of globalization, and their connection to those of culture and cultural environment of international affairs, in this paper we propose to analyze the significance of this connection as the main motivation for research. Initially, the primary theory of international economic relations has denied aspects of the influence of culture in profit in the international trade. Classical doctrine of international trade theory based on Ricardo explain on a purely commercial gain related strictly to the traditional factors of production. Subsequently, globalization has changed the equation by introducing new variables in international trade. In the current stage of development, companies are increasingly global, while the consumer remains or cultural features distinguishing it emphasizes the international market. The essential question here goes: How do we do global sell to an individual consumer? What role do knowledge and respecting individual cultural or national? The answer is based on the special attention paid to the local consumers of products and services according to the particular consumer experience.*

**Keywords:** *global culture, international business, cultural homogenization.*

**JEL classification:** F59, M16

## 1. Defining Globalization

To explain and analyze the latest developments in international business, essential if one is to define the concept of globalization. According to the literature -Globalization is the present state of international affairs and was generalized at the conceptual and terminological ' 60 years (Waters, 1995), the popularity in recent years, being found equally in various types of speech, not only in the economic or trade.Sources can be found in time - global, meaning the "spread throughout the world," an adjective whose use is linked to the beginnings of European colonial expansion, which took place in the sixteenth century. Globalization process that, as a term, it covers the conceptual is therefore much older than the concept that has been attached.

Significance of this period are found in geographical and political or economic level. In fact, the geographical expansion of the colonial phenomenon

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has gone along with economic consequences. Later, due to technological developments, the time, but especially the area have lost their significance. This was due to technical progress, namely information technology, in which space is no longer a variable, and with this time as a mitigating factor loses significance.

Becomes truly global terms new meanings in the modern period, even in the context of the technological developments through the phrase "global village", which indicates that because of electronic means of communication, contact between individuals know the same speed and efficiency with which it is occur in small rural communities.

The globalization appears when the companies, the regions, the nations and the continents are in the permanent competition in the attraction of investments, the thing that depends in a great measure on the conditions which influence the competition in the businesses (Constantinescu, 2008).

The term globalization - in its procedural meaning today - suggests that the phenomenon of evolutionary transition to a new stage of contemporary society in terms of the economic system, socio-political or cultural. If "Global" is a static term, "globalization" is a term that expression of a dynamically evolving phenomenon.

We believe that the distinction to be made at this point is between "globalization" as a process that evolutionary phenomenon, and "globalism" - the result of globalization in the socio-cultural.

Differences arising on the theoretical concept of globalization come from two directions - on one hand the intensity and dynamism on the other hand. Until recently, the theory failed to agree on the extension of the temporal phenomenon, but not on the extension in the sense that the intensity of his depth in society and economy. Most definitions assume that we are dealing with a dynamic and long lasting. Even if the definitions agree, at least formally and superficially to the fact that the phenomenon of interest around the world, the meanings vary in the details of the concept.

"Globalization refers to the social and economic development relationships that extend throughout the world. (...) A key aspect of the study of globalization is the emergence of a global system, which means that, to some extent, we must look to the world forming a single social order". (Giddens, 1991).

## **2. The place of culture in globalization**

What is therefore the place of culture in globalization? The influences of cultural factors in this complex system level integrated markets, international trade, international investment, multinational corporations, technology convergence is a major significance. In the same time - a combination of globalization - Culture is a risk factor for both the international trade system, but also cultures and national identities and individual affected by this phenomenon.

According to recent studies, the combination of globalization - culture can be analyzed based on several basic assumptions, such as (Langness, 1980):

- Globalization - heterogeneous cultural process (increasing the variety and diversity of cultural products, "consumer is king" etc.)
- Globalization - cultural homogenization (threats to local cultures by Western models / American - McDonald's phenomenon)
- Globalization - cultural hybridization (mixture of cultures resulting in a global "mélange").

Even if these assumptions seem restrictive and exclusive as a result of evolutionary phenomenon, not exclude, but complement. We believe that globalization is both economically and culturally, a development opportunity, but at the same time and an opportunity for standardization and capping at the national or local cultural identities.

Although the literature has raised questions about the extension of globalization - to what extent this process is reduced to a cultural or an economic, social and political, I think the answer in the affirmative in the sense that culture. The justification comes from the track at full extension globalization present sphere of life, and the significance we attach to culture in terms of individual models, namely globalization.

Particularly important here is understanding that culture goes global placement is not automatic and a plea within the meaning of cultural uniformity. Conversely, in a global context, culture becomes an additional variability and is also a condition that international companies should consider.

Although originally the term was used in the singular culture and civilization as an equivalent to subsequently Boas, although not providing a clear definition of culture, is the first anthropologist who works with a plural term. At this point, we can not talk about a universal culture, but particular culture, each with specific features, coherence and its own history (Boas, 1962).

How to get to that category, however, that the meanings are globalizing, in addition to economy and culture? To understand this connection is enough to have the globalization of technical factors. If I had to prove the idea that cultural globalization and standardization cap means, you should first prove that the same process is able to replace the mentality, to hijack the total and definitive cultural models and logical structure and behavior standardized.

Beyond the determination of logic, must clarify to what extent we accept the distinction between culture and civilization, and, consequently, the type of report that is established between those elements of culture and civilization. If we assume that include the spiritual culture (norms, mythical-ritual complex, the arts, religious ideas, etc.), And the material elements of civilization (technical equipment, shelter, food, clothing, etc.), And globalization is a process that exclusively interested in the civilization of a community, then the logical conclusion remains in the freedom from culture. If we define the relationship between material and spiritual elements as one of interdependence and inter-acquiesce to the fact that globalization changes, more or less, the existing national or local cultural model.

For the purposes of the above arguments we use two different arguments in the literature. Thus, we can specify its own approach based on different perspectives.

Tomlinson, for example, believes that culture should be distinguished as the economic sphere, and therefore politics. Thus, if cultural issues are "context in which people give meaning to their lives", economic practices aimed at meeting the material needs and political practices are put in touch with the distribution of power within and between communities [Tomlinson, (1991)].

Said believes that the essence of a community arts is reflected in practices such as description, communication and representation, having a relative autonomy to the territory of economic, social and political [Said, 1994].

Consider useful in this indication and opinions critical of the above meanings. According to them, economics and politics are two legitimate areas of culture, as is the position which supports the autonomy of culture in relation to these two is not claimed, as each cultural element, no matter how limited he has a significance equal to others and all these cultural elements influence and condition each other, while influencing the culture as a whole (Houlihan, 1994).

With the distinction as the basis for analysis of culture - civilization, globalization affects the current context aspects of civilization. These are defined that satisfy organic needs, being neutral in relation to ethnic issues, may be considered and evaluated by a universal approach and can be shared regionally smooth adaptation. Differently, the issues of culture have more significance in the field of mental, ethnic characteristics are individualized and are served in an imperfect plan territorial. If "ethnicity category is based mainly on the facts of culture", "use globalization facts belonging to the category of civilization " (Geana, 1997).

In connection culture, globalization is also necessary to clarify the status of coordination, subordination that relationship at the state level. Analyzing data many definitions of "globalization" in the modern period, definitions coming from sociology, anthropology or political economy, we can talk about two distinct and coherent position on the issue. A first category of definitions see globalization in connection with the notion of cultural imperialism - "the sum of processes by which a society is brought into a modern world system and its dominant ways in which the blanket is drawn or pressured to restructure local institutions so that they correspond dominant values and structures of the system center" (Schiller, 1976).

Hall defines globalization as a particular form of homogenization, cultural differences being absorbed into a wider and wider, which is essentially an American conception of the world. Hall believes that globalization is equivalent to the handling of local cultures and clearly identified with a process of "Americanization" or "capitalization" of the world [Hall].

Linking the concept of globalization with the concept of "cultural imperialism" suggest a certain interconnection and interdependence of world cultures, interdependence is seen as benefiting a particular crop or a particular politico-economic powers transcultural (Schein, 1993).

A second perspective on globalization-cultural connection also allows for an accepted subject to the concept of "global culture". This approach assumes that the culture of the world is created through a growing interconnection of different cultures, and cultural development through without a clear anchor in the territory of any of these cultures Hannerz, (1990).

Internationalisation as a feature of the process, as issues relating to unequal forces are here canceled, leaving a conception that the globalization not as an intentional diffusion of cultures throughout the world, but as a communication on an equal footing, an interplay of cultures that happen in a less intentional, making it clearly distinguishable cultural imperialism, the latter having a clear intentional character (Tomlinson, 1991).

How homogeneous is the global community? As a result of literature analysis, we consider globalization does not invalidate the national or local identity. Companies, regardless of globalization stadium, trying to maintain their cultural identities, and this analysis should not ignore a paradox that in the literature: globalization does not inevitably lead to a global cultural homogenization, but at the same time, there is another process, otherwise, the location, which has to do with increased cultural specificity.

Finally, it seems that the paradox is only apparent, as they are in fact two sides of the same process. It is a distinction in terms of fragmentation within the meaning of the conjunction of fragmentation and integration and globalization within the meaning of globalization corroboration, namely location.

The two terms designate the same dual process, except that the "fragmentation" is a term formulated from the standpoint of global culture, while "globalization" into the local television station on the same phenomenon.

Thus, at least in theory the opposition of local and global seem to be unfounded. We believe that each term is a condition of the other. Global relations are subject to local issues, local time should be seen as the contextual level. As increasing globalization, companies tend to promote local values, which often is a tendency for the defense said that these regions tend to avoid marginalization and cultural disintegration. But within the same company are identified as part of a whole different communities in terms of cultural affiliation. Increasingly more parts go on the principle of regionalization in its economic needs determined by local funding that level of income.

Sachs Wolfgang term used in his works cosmopolitan localism that defines the universal right of local identity, but is universal vocation context (McMichael, 1996).

Assuming that the globalization process that can lead to individual nations and entities, Cosmopolitan localism question the assumption of uniformity of the overall project.

Meanings synthesized to date in connection with cultural connections - globalization can be synthetically structured as follows: the existence of a national culture that tends to spread aggressively and to colonize the local cultures, which was generated by perspective of globalization as cultural imperialism, there a

culture such as "melting pot", which collects and restructures differentiated cultural elements that belong respectively to the source. And it is driven by the vision of global culture as a synthesis of local cultures, the existence of a transnational culture, which is in bi-univocal relation with local cultures.

### **Conclusions**

Result analysis of local culture penetration by global culture, the global business environment is different depending on the type of response of the receiving area of culture. Thus, there were three main types of reaction: passive, participative or conflict.

In general, the old centralized market economies, post-communist general trend and unrestricted acceptance of Western cultural elements, especially in terms of an option within the meaning clear transition from a planned to a market economy and from a totalitarian system democratic one. In light of these cultural communities, acceptance of new values is a guarantee of a new system integration in the West. Somewhere in the middle as a means of approach is only a limited penetration of the new culture within the target culture. This involved a process of negotiation with limited results in the area of assimilation of new values. Another extreme in terms of cultural assimilation is the joining of a inconsistent set of values and a culture impervious to the country of destination.

Beyond these levels of penetration, it locates the most significant debate within the concept of globalization convergence of cultural significance to the sphere of modernity. Are the two equivalent? We believe that their coverage areas are differentiated, so the answer is no. Here we start from three basic assumptions: modernity inevitably be seen as a given and technology is the way to improve existing prospects, even if that model different culture, society and business at the international level are marked by a continuous process of transformation and the criterion for placement of business continuity axis is the degree of resistance to change related to modernity.

Global values in modern culture is unified because there are a sensitive response similar to modern international consumer and process innovation.

Modern cultures are thus characterized by: an individual orientation pa basis of purchasing power display exercise of individual freedom; emphasis on material achievements and values of this area; an economic sense, materialistic time; a tendency to disregard the past in relation to the future; a high degree of utilitarianism.

These are the environmental consequences of globalization for international affairs if we consider culture as variable as standard.

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