The interpretation of globalization amongst Chinese business leaders: a managerial and organizational cognition approach

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Abstract

Much of what has been reported about the impact of globalization is based on macroeconomic and social analyses. There is a dearth of research on the meaning and impact of globalization at the individual level. This paper attempts to fill this gap in the literature. The paper is divided into two sections; section one provides a brief review of literature on the conceptualization and meaning of globalization. Section two presents the results of a survey of a sample of 128 Chinese business people and professionals in the city of Beijing. The survey attempts to explore answers to questions such as: What do ordinary Chinese business people and professionals think of globalization? Do Chinese consider globalization mainly as an economic phenomenon or socio-political phenomenon? What are the practical and research implications of the meanings of globalization? The answer to these questions should shed light on the potential impact of the individual dimension of globalization. This assumption is based on the managerial and organizational cognition (MOC) literature, which suggests that interpretation and meanings attached by managers to events and phenomenon can explain their actions and organizational strategy (Hodgkinson, 2007; Mintznerg, Ahlsband & Lampel, 1998). Therefore the meaning attached to globalization by business people and professionals who can influence government policies directly or indirectly can shed light on the type of policy and strategy they might advocate or how they might react to government policies vis-à-vis globalization.
Since the 1980s China is one of the few countries that has embraced and benefited from economic globalization (Fishman 2006; Hirst & Thompson, 1999; Stiglitz, 2002; 2003; 2006). For example, in the last two decades China has experienced significant economic growth as it continues to move away from the command economy to market-based economy (Fishman, 2006). This significant growth in the economy is made possible largely by the trade liberalization across the globe (Stiglitz, 2006). This is a phenomenon widely referred to as economic globalization (Sander, 1996; Scholte, 2005). However, globalization as a concept and as a phenomenon has transcended economic boundaries to include political and socio-cultural boundaries. Thus, globalization can have different meaning to different people. The notion of the meaning of globalization is particularly important to a society like China where the impact of globalization can have both positive and negative connotations depending on where individuals are geographically located and whether they operate in the public or private sector.

The meaning of globalization particularly in China’s context can be appreciated from Fiss and Hirsch’s (2005:29) statement that “the emergence of capitalism, democratization, or globalization are marked by discursive struggles over their social and cultural impacts, and the outcome of these struggles may facilitate or impede the transformation’s widespread acceptance”. Given that globalization is a relatively new phenomenon in China, it can be argued that its consolidation in the Chinese institutions would depend largely on its acceptance by members of the Chinese society. However, the degree of acceptance will depend on the meanings attached to globalization by individuals across the society. In fact some researchers have argued that because globalization is founded on Western values and ideology, many non-western societies would find it difficult to embrace it whole-heartedly (Ahmad, 2003; Hutanwatr, 1998; Oka, 1998; Satha-Anand, 1998). Therefore to fully understand globalization and its implications in countries such as China, we also need to understand how key individuals within the society interpret globalization, hence the focus of this paper on individual perspective on globalization. Therefore, this paper is not a political or economic analysis of globalization and its impact, but rather an investigation of what globalization means to ordinary Chinese business people and professionals.

This investigation of Chinese perspectives on globalization was inspired by at least two prior studies. The first inspiration came from the ILO’s (2004) World Commission on the Social Dimension of Globalization. The study reported that “the current process of globalization is generating unbalanced outcomes, both between and within countries. Wealth is being created but too many countries and people are not sharing in its benefits. They also have little or no voice in shaping the process”. The report suggests that to the vast majority of people, globalization has not met their legitimate aspirations. The report further made strong and
contentious argument that “the global imbalances are morally unacceptable and politically unsustainable”. Although China has benefited from trade liberalization, its positive impact is yet to reach millions of Chinese people (Fishman, 2006), hence the need to investigate the interpretation of globalization by ordinary Chinese people. The second inspiration for this study came from the call for multi-disciplinary approach to the study of the meaning and impact of globalization (Fiss and Hirsch, 2005; Guillen; 2001a). Researchers have argued that it is essential to investigate the phenomenon at the level of meaning rather than at the level practice only. This is because the meanings attached to events or phenomenon influence people’s reaction to it (Broadbent, 1958; Fiss & Hirsch, 2005; Hodgkinson, 2007; Welford, 1976; Wickens, 1984). For example, in their investigation of framing and sense-making of globalization, Fiss and Hirsch (2005) found that the meaning of globalization is determined by actors’ interests. We argue that given that globalization is not a natural phenomenon but the decisions and actions of men and women who influence economic, social and political systems, to understand how the benefits and limitations of globalization impact on others, we need to go beyond analyzing its impact to consider how individuals interpret it.

Research Objectives

Much of what has been reported about the impact of globalization is based on macroeconomic and social analyses. There is a dearth of research on the meaning and impact of globalization at the individual level. This paper attempts to fill this gap in the literature. The paper is divided into two sections; section one provides a brief review of literature on the conceptualization and meaning of globalization. Section two presents result of a survey of a sample of 128 Chinese business people and professionals in the city of Beijing. The survey attempts to explore answer to questions such as: What do ordinary Chinese business people and professionals think of globalization? Do Chinese consider globalization mainly as an economic phenomenon or socio-political phenomenon? What are the practical and research implications of the meanings of globalization? The answer to these questions should shed light on the potential impact of individual dimension of globalization. This assumption is based on the managerial and organizational cognition (MOC) literature, which suggests that managers’ interpretation and meanings attach to events and phenomenon can explain their actions and organizational strategy (Hodgkinson, 2007; Mintzner, Ahlsband & Lampel, 1998). Therefore the meaning attached to globalization by business people and professionals who can influence government policies directly or indirectly can shed light on the type of policy and strategy they might advocate or how they might react to government policies vis-à-vis globalization.
Background: China in the global economy

It is probably true to say that, amongst the developing and transitional economies, China has so far benefited the most from economic globalization. In his bestseller book “China Inc.: The relentless rise of the next great superpower”, Fishman (2006) argues that China is influencing the lives of consumers, employees and citizens all over the world. This influence is made possible as a result of economic globalization. He pointed out that the phrase “made in China” is as universal as money. This is a further indication of China’s surge into the global economy. Fishman (2006: 1) reports: “The nation is making parts for Boeing 757s and exploring space with its own domestically built rockets. China is buying oil fields internationally and also signing exclusive oil and gas supply deals with Saudi Arabia and Russian companies. China is buying the world’s scrap metal, as well as enormous amounts of steel, to fashion into products sold globally. The country is relentlessly positioning itself for ever-higher levels of industrialization. It’s exporting computers with Chinese brand names”.

To say that China has benefited from international trade is an understatement. Table 1 bellow indicates that both exports and imports have been increasing from 2003 to 2006. Despite the recent down turn in the world economy, there are good reasons to expect that China’s volume of trade will continue.

Table 1: China’s international trade performance

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<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
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<tbody>
<tr>
<td>Imports USD bln</td>
<td>34.42</td>
<td>46.79</td>
<td>55.01</td>
<td>65.98</td>
</tr>
<tr>
<td>Exports USD bln</td>
<td>36.54</td>
<td>49.45</td>
<td>63.50</td>
<td>80.78</td>
</tr>
<tr>
<td>Net Trade USD bln</td>
<td>2.11</td>
<td>2.66</td>
<td>8.49</td>
<td>14.79</td>
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<tr>
<td>Exports/imports</td>
<td>106</td>
<td>105</td>
<td>115</td>
<td>122</td>
</tr>
</tbody>
</table>

Source: Main economic indicators: July 2007, OECD

This spectacular development in China’s trade performance is reflected in the improvement in employment and wages of the Chinese people (see table 2 below).

Table 2: Employment and wages

<table>
<thead>
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<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
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<tbody>
<tr>
<td>Civilian employment</td>
<td>744.3</td>
<td>752.0</td>
<td>758.3</td>
<td>-</td>
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<tr>
<td>Unemployment level</td>
<td>8.0</td>
<td>8.3</td>
<td>8.4</td>
<td></td>
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<tr>
<td>Unemployment rate</td>
<td>4.3</td>
<td>4.2</td>
<td>4.2</td>
<td></td>
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<tr>
<td>Average earnings Yuan</td>
<td>13969</td>
<td>15920</td>
<td>18200</td>
<td>20856</td>
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</table>

Source: Main economic indicators: July 2007, OECD
The globalization of the world economy has enabled China to pursue industrial development at various levels. China is no longer preoccupied with the manufacture of toys and household consumer products. Apart from aircraft parts, it is also engage in the manufacture of cars, trucks, planes, ships, submarines, satellites, and rockets (Fishman, 2006:15).

Globalization has also enabled China to attract financial capital in the form of foreign direct investment (FDI). For example, it has been reported that since 1978 one third of China’s industrial production was funded by half a trillion dollar foreign investment (Japan Research Institute of Economy, Trade and Industry, 2004). Hirst & Thompson (1999: 155) summarized how China has benefited from globalization of the world trade in the following ways: “China has been growing rapidly since 1978. In the 1980s Chinese growth averaged 9.3 percent per annum and during 1990-6, 10.1 percent. This is the highest in the Asia-pacific region. China had domestic savings rates of 39.3 percent of GDP per annum in 1990-4 – again highest in a region of high savers. China was the largest single recipient of FDI in the 1990s, being second only to the US on a world scale. By 1995 FDI flows represented 5 percent of GDP and FDI stocks 10 percent of GDP. China received $42.3 billion of foreign investment in 1996” (p. 155). Further benefits of international trade to China’s economy is demonstrated in Table 3 below. As can be seen, the contribution of trade to China’s GDP rose from 5.3% in 1970 to 65.4% in 2004. This represents an increase of 1233.96% from 1970 to 2004.

Table 3. China’s percentage share of trade in GDP

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<tr>
<td></td>
<td>5.3</td>
<td>9.2</td>
<td>21.8</td>
<td>24.1</td>
<td>34.8</td>
<td>43.9</td>
<td>44.2</td>
<td>56.9</td>
<td>65.4</td>
</tr>
</tbody>
</table>

Source: World Bank indicators database

By all accounts, China’s economy has benefited from globalization. The question is, has the benefits impacted on individuals? One approach to answering this question is to sample the opinions of key stakeholders in the Chinese society. This is because macro-economic data on trade and GDP figures are inadequate to explain the impact of globalization and all its ramifications. An individual level of analyses is required to capture other dimensions of globalization, hence the use of MOC literature.

The need for individual perspective on globalization

In recent years, many experts and commentators have question the morality as well as the democratic values of the current global capitalism which is aptly represented by the concept of globalization (see Dunning, 2003). In a volume entitled “making globalization good: the moral challenges of global capitalism" , successive authors highlighted the need to temper the unfettered capitalism with the spirit of shared human values of equity and fairness. Unlike the
proponents of globalization, these authors argue that the market cannot be relied upon to generate fair and equitable distribution of wealth. In charting a new paradigm for development under the current global world order, Stiglitz (2003b) argues that “If global capitalism is to be made more democratically and economically sustainable, a more holistic approach to development is needed. Such an approach should embrace a social, moral and environmental dimension as well as economic one” (P77). This approach advocated by Stiglitz necessarily requires an examination and analyses of individual perspectives on globalization. This is because we cannot appreciate the moral dimension of economic and social development without the views of social actors in the process. In fact, in conceptualizing Loci of development under a new paradigm, Stiglitz (2003b) contends that: “In the end, the transformation of society entails a transformation of the way individual persons think and behave” (P92). Subscribing to this view, it can be argued that the form and manner in which globalization is pursued by organizations (private or public) and the nation states is an aggregation of thoughts and behavior of individuals enabled and constrained by global forces. Hence, to understand why and how organizations and institutions behave in the global economy, we also need to understand how key actors interpret global phenomenon. However, given that not all societies are democratic, nor all individuals have the capacity, interest and willingness to be involved in global debate, we only need to canvass the views of those who have the potential or/and interest in the debate. To achieve this we need a theoretical tool and body of knowledge outside economics and political science. One source of theoretical materials to explain individual interpretation of the world around them is the field of social-psychology _ cognitive psychology to be precise. In the following section, we highlight cognitive literature and its relevance to the study of globalization.

Managerial and Organization Cognition Literature

In the last two decades, the field of managerial and organizational cognition (MOC) has developed exciting literature which is concerned with the analysis of processes of strategy formulation. The field largely relies on cognitive psychology, cognitive anthropology and social cognition (Hodgkinson, 2007). To fully understand the cognitive perspective on human behavior, it is perhaps necessary to start with the behavioral theory. Behaviorists explain human behavior in terms of reaction to external stimuli. That, it is possible to explain human behavior without recourse to concepts such as perception, attention and memory (Mowrer, 1947; Skinner, 1938). When applied to the issue of globalization the behaviorists would argue that social actors, e.g. policymakers, managers and activists would only act in response to the opportunities and threats from global forces. The cognitive school counters this view. The school focuses on the analysis of mental processes that mediates individual responses to the environment. Thus, rejecting the behavioral school’s argument that behavior is largely explained by external stimuli, cognitive psychologists (e.g. Welford, 1976; Wickens, 1984)
attempt to explain the mental processes in terms of a sequence of activities such as sensory and perceptual process, memory and decision making which culminates in specific behavior (Hodgkinson, 2007; Mintzberg, Ahlsband & Lampel, 1998). The cognitive perspective suggests that: “The way in which individuals act is driven ultimately by the way in which they interpret their worlds (perception), this in turn being shaped in part by their past experiences and learning” (Hodgkinson, 2007:152). It should be pointed out that cognitive school accept the fact that external stimuli can influence information processing especially when the actor has no prior experience with the external stimuli. However, at managerial level, Walsh (1995) found that conceptually – driven information processing rather than stimulus – driven information dominates managers’ actions. In other words, managers do not just react to external stimuli but rather they are guided by cognitive maps before they act.

Applying the cognitive perspective to the concept of globalization, it can be argued that, social actors’ interpretation of globalization and to its forces will influence their reaction to it. In other words, at managerial and policy-making levels, the decisions taken to respond to global forces will be influenced by the interpretation of what globalization means and what its impact might be. Thus far, cognitive perspective does not explain the basis on which individuals make decisions to deal with the environment. In other words, how would social actors interpret globalization and its impact? To put it in another way, what framework do social actors (e.g. managers and policy makers) use to interpret globalization? Cognitive psychologists have provided answer to this question (see Anderson, 1990, Hodgkinson, 2007, Johnson – Laird, 1003). They have developed the concept of schemata, cognitive ways, and mental models to explain how people make decisions based on prior learning and knowledge.

According to Eysenck and Keane (1995:81) “schemata contain collection of knowledge derived from past experience which serve the function of directing perceptual exploration towards relevant environmental stimuli. Such exploration often leads the perceiver to some of the available stimuli information. If the information obtained from the environment fails to match information in the relevant schema, the information in the schema is modified appropriately”. The notions of cognitive maps and mental models popularized by several cognitive scientists (e.g. Craik, 1943; Huff, 1990; Johnson – Laird, 1983; Reger & Palmer, 1996; Walsh, 1995) are similar to the concept of schemata. MOC scholars have used the concept to convey “the general idea that actors develop internal representations of their world which in turn are linked to organizational action” (Hodgkinson, 2007:153).

These concepts of mental representation are valuable in aiding to explain how social actors would interpret globalization and its potential impact. We argue that social actors have a
mental map of globalization and its impact which guide or influence their decisions and actions even before they are confronted by global forces. However, no such investigations has so far been undertaken. For example, an investigation of the meaning of globalization will provide us with a mental representation of how social actors perceive the threats and opportunities it presents. However, it should be pointed out that mental representations are not necessarily objective but subject to the perceiver. Hence several scholars have develop concepts that help to explain the variation in which different people interpret the same environment (see Dutton, et al. 1989; Dutton & Jackson, 1987; Finkelstein & Hambrick, 1996; Hambrick & Mason, 1984; Jackson & Dutton, 1988; Lant et al 1992; Starbuck & Milliken, 1988, Weick, 1969, 1979). In a nutshell, these scholars posit that “the way in which managers classify strategic issues into ‘threats’ and ‘opportunities’ entails a considerable degree of interpretation, this is essentially a sense making process in which meaning is actively assigned to ambiguous and uncertain stimuli, rather than an ‘objective’ analysis based on ‘facts’ of the situation (Hodgkinson,2007:158). The notion of selective perception (Hambrick & Mason, 1984), enactment (Weick, 1969, 1979) and sense-making (Starbuck and Milliken 1988) suggests that people are not always privy to the full information required to make objective decision. Instead, they operate in bounded-rationality (Simon, 1947), yet they make the decisions anyway. The idea that threats and opportunities in the environment are individually enacted, explains the reason why perhaps policy makers and managers pursue different policies and strategies pertaining to globalization. For example, it might explain why certain governments are more enthusiastic about economic liberalization than others. This is because their mental map of globalization differ. This variation comes about because of the variation in the enactment and sense-making of the threats and opportunities that globalization provides. In the words of Smircich and Stubbart (1985), the environment can be categorized as (a) objective environment, which is definable and exist waiting to be found; (b) Perceived environment, which is definable but only from the point of view of the person defining it but constrained by bounded rationality, (c) enacted environment where objective environment does not exist, instead the social actors enact their own environment and act upon it accordingly. Therefore, any variation in the meaning of globalization can be attributed to where the social actors fall in the categorization of the environment outlined above.

Based of the literature presented, we advance the following analytical framework to guide the study of individual perspective on globalization. As the diagram below indicates, we argue that:

perceived impact of globalization determines or at least influences individual’s meaning of globalization. The combine effects of the two independent variables determines individual’s global consciousness. It is the degree of global consciousness defined in terms of “local” or “global” that primarily influences individual’s reaction to globalization.
Reaction to globalization can be in the form of attitudes to the role of government and/or managerial strategic decision. Cultural orientations (e.g. *individualism-collectivism*) and pragmatic temporal factors (e.g. current *socio-economic situation*) act as mediators to global consciousness and reaction to globalization. This diagram below is an illustrative conceptual framework to guide the understanding of the relevance of MOC literature in the study of globalization. No attempt is made in this paper to test the validity of the framework.

The meaning of globalization

The term globalization means different thing to different people. In line with the cognitive school, as well as behavioral school, at practical level at least, the meaning can be influenced by social actors’ own experience as well as their mental map or schemata borne out of direct or indirect experience with the global forces such as technology and economic opportunities or threats. There are people who also view globalization through the lenses of cultural and environmental degradation. In a nutshell, the meaning of globalization is polarized. This is
because it captures the various impacts it has on individuals, societies and the environment. The following section summaries the various perspectives from which globalization has been defined or explained. We should point out that the definition is not necessarily the meaning as perceived by the social actors in the globalized world. Hence the need for researchers to investigate globalization from the individual level of analysis as well.

**Economic Dimension**

By far the most common use of the term globalization usually refers to the globalization of the world economy. This is represented by the liberalization of the national economies enabling integration of world economies (Sander, 1996). This is specifically evidenced by “widespread reduction or even abolition of regulatory trade barriers, foreign – exchange restrictions, capital controls, and visas” (Scholte, 2005:16). Still, related to the economic perspective is the view that globalization is a representation of interdependence across nations. This is not restricted to economic interdependence but political one as well (Hirst & Thompson, 1996, 1999). For example, McGrew and Lewis, (1992:23) define globalization as: “the multiplicity of linkages and interconnections between the states and societies which make up the present world system. It describes the process by which events, decisions, and activities in one part of the world come to have significant consequences for individuals and communities in quite distant parts of the global”.

George Soros (2004:1) views globalization as an economic phenomenon. He views globalization as “the development of global financial market, the growth of transnational corporations, and their increasing domination over national economies”. In the same vein, IMF (1997) refers to globalization as “the growing interdependencies of countries worldwide through the increasing volume and variety of cross border transactions in goods and services, and of international capital flows and also through the rapid and widespread diffusion of all kinds of technology”. For others like Wood (2000), globalization is not integration of the world economy or even liberalization, but rather the transformation of global economic activity leading to market expansion. Another group of scholars view globalization as “the organization of production and consumption of goods and services at the global level achieved mainly through transnational corporations” (Randall & Theobald, 1998:237).

There are also those who view globalization as an economic system or philosophy rather than activity or process. The term “global capitalism” is used to describe this phenomenon (see Bello, 2002; Dunning, 2001, Hardt & Negri, 2000; Huntington, 2002). For some, globalization as an economic system or economic philosophy has a hegemonic role in organizing and decoding the meaning of the world (Mattelart, 2000). Central to this view is the argument that nations are dragged along into the economic system without choice or ability to
participate.

Bello (2002: 1) views the role of global institutions such as IMF, World Bank and WTO as the “maintenance of the hegemony of the system of global capitalism and promotion of the primacy of the states and economic interests that mainly benefit from it”. To conclude this section, it is worth highlighting the definition of “global capitalism” as advanced by Dunning (2001:12). “Let me distinguish between ideal” and “actual” global capitalism. By “ideal” global capitalism I mean the optimal cross-border interaction between, or integration of the different forms or brands of national or regional capitalism, each of which is designed to meet the specific economic, social and cultural demands of its citizens. By “actual” capitalism I mean the existing state of the economic and social interconnections between regions and nation states, each of which is committed in principle of organizing economic transactions, but each of which embeds and in some cases influences, the character of the system by its own institutional structures, ideologies and social and cultural mores”. Thus far, we have spent some time discussing the economic perspective of globalization. This is because many commentators view the economic dimension of globalization as the main feature or driver of the phenomenon (Chan & Scarritt, 2002). We now turn our attention to other dimensions of globalization (ie. Political, cultural, spiritual, and psychological).

**Political Dimension**

To many, globalization is represented by the dwindling role and power of governments as we know it (Fukuyama, 1992; Ohmae, 2000). On the extreme, globalization is described or viewed as world without political boundary where nation states are governed by global political order – political boundaries are dissolving (McGrew and Lewis, 1992). In the new political world order, political power and political activity are said to extend across traditional boundaries (Held; McHrew; Goldblatt & Perraton, 1999; Nierop 1994; Woods, 2000). Globalization therefore is viewed as a representation of the growing convergence of political systems under the philosophy of political democracy (Scholte, 2005). Thus, the political dimension of globalization involves “a proliferation of international or governing regulatory organizations and of international regimes and a trend towards the globalization of social classes and social movements” (Randall & Theobald, 1998: 239-240).

In a nutshell, the political dimensions of globalization can be described as the (a) convergence of political systems and (b) the loss of control and influence of nation states. In terms of loss of control, McBride & Wiseman (2000) argued that in the modern state, there is clear division between the state and the civil society where the civil society becomes the realm of ‘private’ affairs while the state becomes the exclusive sphere of ‘general’ affairs enforced by law. However, with globalization, McBride & Wiseman (2000) noted that the
relationship between the state and the citizenry is reformulated. As they pointed out: “with globalization, these divisions between civil society are determined by global institutions which are not democratic and represent only the interest of the TNCs” (McBride & Wiseman, 2000:17). In their explanation to the end of liberal democracy, McBride & Wiseman (2000:17) pointed out that “in the present transition to a global economy, however, the TNCs need not accommodate the pressures and leverage springing from nationally delimited labor markets, organized subordinate classes, or subsets of national capital. The supranational agencies created to oversee globalization were not intended to be democratically accessible, but only to reflect the interests of capital, to provide a framework for global capital accumulation. The development of a policy framework for global economic considerations pre-eminence over national politics has led to a corresponding decline of national political powers”. The precedence of capital over labour and other aspects of governance system ensure that economics takes precedence over politics. As McBride & Wiseman (2000:17) further argued: “by limiting the influence of politics over the economic, the process of globalization presses national governments in the direction of the minimal state, an agency structured merely to frame economic relations and defend rule of law. In this shift, the political rights of the citizen begin to lose meaning”. To the extent that this view is shared by technocrats and business people who exercise influence over government policy, their role should be closely watched by TNCs and intergovernmental organizations. However, there is inadequate knowledge of what these categories of people as social actors in the global system think about globalization.

Cultural Dimension

A number of people who view globalization from the universalist perspective criticize the growing erosion of traditional values aided by rapid development of information technology and transnational corporations (Parker, 2005; Barber, 1992). At its extreme, proponents of this school appear to suggest that globalization is another form of cultural imperialism. Others who subscribe to the imperialistic nature of globalization include Mattelart (2000). In his view, the current globalization is similar to the imperialistic activities of the dominant political powers of the late 19th century. He cited the imposition through standardization of Greenwich time and the dividing up of the world into spheres of influence as examples of imperialistic activities of the past which are not dissimilar to what is happening now.

Albrow (1990) and Giddens (1999) also view globalization as a convergence in culture. For example, Albrow (1990) talks about “single world society——a global society” (p9). Similarly, Giddens (1999) views globalization as interconnection at cultural level. Yet others argue that globalization is the increasing polarization of cultures brought about by desire to reconnect to traditional values and beliefs due to the growing (perceived) threat of globalization (The
economist, 2001). If cultures are converging, what form or shape are they taking? Critics of the growing dominance of transnational companies and global institutions point to the concept of *McDonalisation*, *Westernization* or *Americanization* of cultural artifacts and values (Drane, 2000; Kuisel, 1993; Parker & Jary, 1995; Ritzer, 1998; Ritzer & Malone, 2000; Ritzer & Stillman, 2003). All the three concepts relate to the notion of cultural domination by the west. However, sometimes, globalization is viewed as neutral transfer of organizational and processual system of production and consumption from the west to other parts of the world (Ritzer & Stillman, 2003). Ritzer and Stillman (2003:50) contend that there is a “connection between a global-modern institutional / technological context of increasing connectivity and emergent cultural styles, imaginations, sensibilities, practices and values”. As Chan & Scarritt (2002) also pointed out “as inhabitants of this global village we increasingly share the same thoughts, values, and habits – a cultural convergence, if you will” (P3). Cultural school of globalization views the phenomenon as leading to the decline of cultural identity. Mcbride and Wiseman (2000) described the process of the decline of cultural identity in the following words: “The process of globalization, however, is done through the language of business, English, and because globalization takes place through the TNC, English becomes the international language of science and technology, of politics and the media, and even of literature. While it does not exclude the use of other languages, it subordinates them, and in many cases, reduces them to kitchen languages, putting an end to their growth and renewal as developing languages” (p21).

The understanding of the meaning of globalization from cultural perspective cannot be complete without undertaking an investigation of its meaning at individual level. McBride and Wiseman further described the process of the decline of cultural identity in the following ways: “Other aspects of national culture gradually succumb first to the *commodification* of all social needs, of life – experience itself, and then to globally produced products and services that are distributed around the world. The result is an increasing degree of cultural homogenization or hybridization at the global level” (p21). They argue that once culture is commodified, national identities become caricature of previously meaningful historical phenomenon. And that the “global commodification of culture is in essence Americanization is neither here nor there” (p21). An investigation of the cultural perspectives on globalization is essential to the understanding, explaining and perhaps predicting national policies and organizational strategy. We hope our conceptual framework has attempted to demonstrate that relationship.

*Spiritual Dimension*

From religious or spiritual angle, many researchers and scholars have commented on globalization and its impact. Some view globalization as impacting on political and economic boundaries as well as influencing the way people view life and its purpose. This has resulted,
it has been argued, to the commodification of religion (Satha – Anand, 1998), as well as the questioning of the traditional values on which religions are based (Chee Beng, 1998; Costello, 1998; Oka, 1998). This concern is reflected in Costello’s (1998:48) comments that: “The tension between the importance of the global and the local is apparent in all three meanings of globalization. How are local, cultural expressions of Christian faith to be preserved against the ideals of wider integration that seem to lead towards a homogenized, universal cosmopolitanism or oppressive majority culture?” (Costello, 1998:43).

In a way, religious scholars and commentators are reacting to Fukuyama’s (1993) book titled “The end of history and the last man”. In the book, Fukuyama argued that there is growing convergence of the world towards liberal democracy and free-market capitalism, and that there is no other form of societal economic and political system which is superior. This development is based on the foundation of Anglo–American worldview and European enlightenment (Camilleri, 1998). According to Camilleri (1998:10), the worldview is represented by five key elements” (1) individuality (each human being is considered to be a separate distinct whole); (2) moral agency (each person is a free, autonomous agency); (3) moral equality (each individual is deemed inherently equal); (4) rationality (each individual has access to reason); (5) individual integrity (each person has an inherent dignity concomitant with his or her individuality)”. While many religions might subscribe to all or some of the above, the way they are articulated and practiced can vary from society to society. This can create tension if one society is viewed as not upholding such values. Or if one society pretends to hold monopoly of all or one of the principles.

On the issue of penetration of the ideals of freedom across political, economic and religious boundaries which is leading to the questioning of tradition beliefs, Costello (1998:42) argued: “Globalization has intensified the theological question of the uniqueness of Jesus Christ as the only son of God, a pluralist, multi-faith, global world, that has superseded the insular, local Christian States of yesteryear, has forced a theological re-evaluation of how only Jesus Christ can truly and definitively reveal the nature of God. Globalization has extended this dilemma by demanding a Christology that gives full weight to developments within particular cultures as well as to the universal truths of the Christian revelation”.

Instead of viewing religion as irrelevant in the globalization era, Chee-Beng (1998:20) felt that religion is ever more relevant in the globalized world because it acts as a buffer to the materialistic American global capitalism. In his own words: “internationally, certain dominant states continue to seek to dominate the world. In particular, Western states led by the United States have intensified the politicization of “cultures” in the form of democracy and human rights to further their own agenda of political and economic dominance”. However, arguing
from Confucian perspective of globalization, Chee Bang (1998) is of the view that globalization has made individuals more emancipated from religious authorities and organizations. For he believes that “people need to be religious in their life but they should be liberated from religious authorities and even be from the stranglehold of religious dogma”.

Hutanuwatr (1998) offers a Buddlist perspective on globalization also. He argues that at the very core of the process, is the globalization of TANBA or “craving”. He asserts: “according to Buddhist analysis, tanba is the root cause of suffering”. This seems to suggest that Buddhism perspective is concern with both the process as well as the outcome of globalization. Thus, globalization should be defined not only from its objectives but from the process of achieving it as well. It is true to say that most proponents of globalization would admit that globalization (ie. Liberalization and free market philosophy) has created pain and suffering to many people. But it advocates would argue that, in the long run it will be worth all the pain. This is a view that Buddhist’s perspective on the process of globalization might criticize. For the process of globalization move us away from the present moment. “In Buddhism the causes and conditions of staying in the present moment or the moment of reality are of prime importance in the art of coping with suffering. Under the progress ethos we are stimulated to expect that things will be better in the future at the cost of sacrificing the present reality” (Hutanuwatr, 1998:92). This contradicts the emphasis on the present moment which is essential for human social, economic and spiritual development. Hutanuwatr (1998:95) is very critical of the impact of globalization. He views globalization as the spreading of greed, violence and individualism. From Buddhist perspectives he argues: “when cultural values are motivated by these unwholesome impulses, society itself will face all kinds of difficulties, notably corruption, crime, war, exploitation and abuse. Generally, these values lead to ecological destruction, cultural disintegration, and the breakdown of all relationships. This is because from a non-self point of view, we are one with other beings in the universe, human and non-human. Hence to harm others is also to harm ourselves”. Thus, Buddhist perspective would argue that any medicine from globalization which unnecessarily inflict pain in the pursuit of long term material gain is unacceptable. Therefore, globalization process rather than its material objectives is equally abhorrent if it inflicts unnecessary pain in the form of poverty, cultural and environmental degradation.

Hutanuwatr (1998:92) is also critical of the way globalization process has impacted negatively on cultural traditions; “for the sake of modernization, ordinary people have been organized to abandon cultures and ways of life that have evolved over thousands of years, and are for the most part remarkably suited to local conditions and the local environment. Workers have been maneuvered into sacrificing their labor for low wages for the sake of industrialization; farmers have been relocated for big infrastructure projects in the name of development and
economic growth. In these processes the disruption to living in the “present moment” and the resulting upheaval are given little or no consideration”.

Looking further into the religious / faith perspectives on globalization Oka (1998) advances a Hindu’s point of view. He begins by criticizing leaders and governments for succumbing to the materialistic tendencies of globalization. He sees the function of religion as: “to help human beings overcome their lower self so they can live in peace and harmony with fellow humans and with nature. Whereas at the heart of globalization is imbedded virile violence: nervous production is accelerated, but mainly of things not really needed but rather cultivated to keep the wheels of commerce running smoothly; competition, unhealthy and bordering on ruthlessness promoted; the art of manipulation to have power over our fellow beings perfected” (Oka, 1998:34).

Oka (1998) felt that the term globalization is deceptively used to refer to something which is not. Therefore, it has negative impact beyond what people think. He argues that the word global: “has a distinct connotation of something whole, something round, something that is transparent, since one can see it in the round, from all sides and directions, and above all something that is one. In its ideal state it suggests absolute relatedness, harmony, balance and smoothness. Transferred to our human condition on earth, we may interpret this as a harmonious state of living, of working in short, of being creative and productive as a whole, making our situation an integrated living whole” (Oka, 1998:32).

According to Oka, globalization is the total opposite of the above statement. It emphasizes and affects: "economic trade and ecology, and worst of all it will erode human values, those very values that generate the strength and soul of our community life, which is so inextricably bound up with nature. Corrupted by over valuing economics and pragmatic gain, our traditional life, that gives succor to our transcendental ambience, will eventually turn us into Elliot’s “Hollow men” of the third world” (Oka, 1998:32). Theoretically, globalization may be justified, vindicated in fine words, as beneficial to all. But Oka (1998:32) argues that human beings “tarred with the same brush of greed cannot restrain their selfish inclinations unless they listen to the spirit of conscience which only scriptures can give”. Oka (1998) is of the view that the five articles of Hindu faith cannot support the notion of globalization in the present global conditions. Both Oka’s and Hutanwatr’s views are very critical of globalization. To the extent that policy makers and key stakeholders share their religious views and interpretation of globalization, their attitudes and behaviours toward globalization policies is likely to be negative or contradictory to economic globalization as advocated by the Washington consensus.
The spiritual dimension discussed so far is more likely to be influenced by cognitive process than by external stimuli (e.g. experience with the impact of globalization). This is because even people from the remote corners of the world who might not have any contact with the global forces would have a view on globalization derived from spiritual understanding of the nature of “man” and his place in the overall schemes of things.

Ahmad (2003) offers an Islamic critique of globalization. Ahmad’s contribution was to offer a solution to how different economic and social systems can coexist. To many, the issue of coexistence lies at the heart of the problem of globalization especially when viewed from economic and political perspectives. This is because globalization is increasingly viewed as standardization and universalisation of economic and political systems where “other” systems do not have the opportunity to contribute to or influence the development of the new system. For example Ahmad conceded that capitalism's global reach is undeniable, but: “its inclusiveness and social desirability is open to question. How far its politico – cultural context remains an unalienable part of its economic ethos remains debatable. What is universal and adopted by others and what is specific to its Euro American historical background and cultural ethos? Is it possible, then, to detach its principles and precepts from the moral values and traditions that acted as the womb for the gestation of the embryo of self-interest into its economic imperative?” (Ahmad, 2003:186).

Having said that, Ahmad (2003) argues that Islamic economic system shares many of the tenants of global capitalism. Some of these elements include the recognition of the virtues of self-interest as motivating force; cooperation and competition, and market mechanism and “profit motive”. However, Ahmad (2003) argues that although the market mechanism is a fundamental pillar of the Islamic economic system, “Islam demands actions by extra market institution to ensure that the market does not degenerate into “Market fundamentalism” and that “self-interests” and the “profit-motive” do not create a situation that is socially disruptive and in violation of the norms of justice and fair play” (p196). Indeed, many view the rise of Islamic fundamentalism as partly fueled by the growing poverty in Muslim countries which enables easy recruitment of dissatisfied unemployed youth by the fundamentalists. In other words, market fundamentalism is helping to fuel religious fundamentalism.

Ahmad (2003) contends that Western – style capitalism has not been an unmixed blessing in all parts of the world. He argues that many have been excluded from the benefits of global capitalism. “Neither has its performance in Europe and America been entirely satisfactory. The specter of poverty is haunting half of the human race. Unemployment is rife in mature capitalist countries. Debt mountains are breaking the bones not only of people in poorer
regions of the world, but also of those in many industrialized countries” (p. 199). By implication, Ahmad (2003) alluding to the inequity and injustice in the current global capitalism. Ahmad argues that the Islamic economic and political philosophy puts the notion of justice and equity central to the dispensation of the system. He cited Ibn Khaldun, the famous fourteenth century Islamic scholar’s advice to a ruler pertaining to Islamic model of socio-economic organization. Ibn Khaldun states: “The strength of the sovereign (al-mulk) does not become consummated except by implementation of the shariah…. The shariah cannot be implemented except by a sovereign (al-mulk). The sovereign cannot gain strength except through the people (al-rijal). The people cannot be sustained except by wealth (al-mal). Wealth cannot be acquired except through development (al-imarah). Development cannot be attained except through justice (al-adl). Justice is the criterion (al-mizan) by which God will evaluate mankind; and the sovereign is charged with the responsibility of actualizing justice” (Ahmad, 2003:197).

In conclusion, Ahmad (2003) speculated that he has strong reservation that the non-western world will universally and willingly embrace or accept the hegemony of global capitalism. He asserts: “capitalism does contain some elements that are universal and as such common with other economic systems. But it also contains a great deal that is specific to its historical and cultural context. Its identification with the West, and its present association with the only world super-power, make its incursions into the non-Western world suspicious and destabilizing. The divergence of interests, aspirations and value frameworks possess not only formidable obstacles to a single over-arching global system, but also raises a range of questions about its desirability” (p199). In a nutshell, whether one views religion as private affair or as a public affair, the views and the interpretation of globalization by the spiritual school raises important questions about the role of policymakers and key stakeholders who might share such views. Yet, the investigation of such views appears to have been neglected by researchers on globalization in preference to studying its impact. In other words, the investigation of the meaning of globalization is undertaken at theoretical level rather than at practical level. Can academics afford to discount or neglect the views of key stakeholders in their conceptualization of globalization and its impact?

Psychological Dimension

A number of writers have taken a psychological perspective on globalization (see, Bartlett & Ghoshal, 1992; Cavusgil and Kinght, 1997; Harveston, et al, 2000; Kobrin, 1994; Scholte, 2005). The psychological perspective has been acknowledged by political scientists, economists as well as strategic management scholars as well. Therefore, the psychological perspective on globalization has at least two dimensions. The first dimension relates to the shrinking of the globe or integration of the world in time and space (Edward & Rees, 2006;
Roland, 1995). This is referred to as global consciousness where the world is viewed as a single place with common symbols, events and solidarities (Edward & Rees, 2006). It also means interrelatedness of people, societies and environment in which the action of one has implications for others. Viewed from this perspective global consciousness takes altruistic and value laden angle. This view and others to be discussed later has intrinsically individualized quality. This is because, the study of psychological perspective necessarily requires individual level of analysis.

The second dimension of the psychological perspective is instrumental in approach. It is largely popularized by strategic management scholars (e.g. Bartlett & Ghosal, 1992, 2000; Child, 2002). The first part of this approach focuses on the assumed commonality of human nature (Child, 2002). Here, there is an “implicit assumption that all human beings share common needs and motivational structures. It also assumed that the design of work organization as well as managerial control and reward systems must treat this as a major exigency” (Edward and Rees, 2006:7). However, this long held view has been contested by social scientists (e.g. Child, 2002).

The second part focuses on the mindset of social actors – namely managers. Rather than defining globalization from the point of view of consciousness, social actors are categorized based on their mind-set vis-à-vis globalization (Moran & Riesenberger, 1994). Harveston et al. (2000:92) defined global mindset as the propensity of managers to engage in proactive and visionary behaviors in order to achieve strategic objectives”. Others view global mindset as “the ability to develop and interpret criteria for business performance that are not dependent on the assumptions of a single country, culture or context and to implement those criteria appropriately in different countries, cultures and contexts (Begley & Boyd, 2003:25)”. Advocates of this school of thought view global mindset as a way of thinking which can significantly influence behavior (Gupta & Govindarajan, 2002; Rhinesmith, 2000; Parker, 2005). However, researchers have argued for the need for domestic mindset as well (Chakraborty, 1995; Rhinesmith, 2000; Parker, 2005). Bartlett & Ghoshal, (1992) are the foremost contributors to this debate. They described archetypal organizations (Global and Transnational organizations) as well as managers (Global Managers) who have develop this mind-set.

Empirical evidence provides support to the argument that global mindset influence individual and organizational behavior. For example, Kobrin (1994) reported that an index of a geocentric mindset is found to correlate with geographic scope and various aspects of International Human Resources Management policy and practice. Similarly, a number of researchers reported that managers with specific global mindset – ie. “Born global” behave in
the global market in a unique way (Cavusgil & Knight, 1997; Kobrin, 1994). This includes entering the international market quickly and creating their own opportunities. In a nutshell, psychological perspective assumes that social actors behave in a specific but common way. The reason for this behavior is based on the commonality of the way of thinking – global consciousness or global mindset. For our purpose, the psychological perspective, sheds light on the possibility that the meaning of globalization held by individuals can influence their behaviour. For example, policy makers who have particular global mindset might pursue a specific policy vis-a-vis globalization. However, investigation of such possibilities has escaped the attention of researchers. This research is an attempt to ignite investigations and debate on this issue. This is because we do not believe that all policy makers, influencers and implementers of policies are passive participants in the globalization process. In other words, their decisions and actions are not entirely influenced by pragmatism and the need to be socially desirable in the “global village”. Instead, we believe that their actions and decisions are also influenced by cognitive interpretation which is grounded in both economic as well as socio-spiritual rationality.

What then is globalization?

In his seminal work, "globalization: a critical introduction; Scholte (2005) provided a useful categorization of the definitions of globalization. The first category of definitions views globalization as synonymous to internationalization. This is largely an international economics perspectives. Hence globalization is measured in terms of international economic activities such as current account transactions in proportion to GDP, and cross border activities between countries (Kearney / FP, 2001, 2003, 2004). A lot of people who question whether globalization is happening (e.g. Krugman, 1994; Fligstein, 2001) point to the fact that contemporary trends in internationalization is no different from what has taken place in the past. This prompts Scholte (2005:55) to point out “no one needed a concept of globalization to make sense of earlier experience of greater international interaction and interdependence, and this notion is similarly redundant today”. Scholte (2005) points out that defining globalization –as- internationalization implies that the world’s social relations can only be organized and understood in terms of country units, state governments and, national communities. Hence this perspective is too narrow and politically objectionable.

The second category of definitions of globalization focused on the liberalizing dimension of globalization. However, much of those who followed this school of thought focus on the economic dimension. As Scholte (2005:56) argued: “in this case globalization denotes a process of removing officially imposed constraints on movements of resources between countries in order to form an ‘open’ and ‘borderless’ world economy. On this understanding globalization occurs as authorities reduce or abolish regulatory measures like trade barriers,
foreign – exchange restrictions, capital controls, and visa requirements”. Perhaps this is the battle ground for pro and anti globalization. Those against this dimension view worldwide liberalization, privatization, deregulation, and fiscal restraint rather than producing prosperity and freedom, are causing inequality, poverty, conflict, cultural destruction and environmental damage (Scholte, 2005). According to Scholte (2005) defining or, describing globalization from the perspective of liberalization is inadequate because debate on laissez faire economics has dealt with this issue in the past.

The third category of definition or description of globalization relates to the dispersion of ideas, ways of thinking, behaviors, and systems of economics, politics and general way of life. The term universalization has been used to describe this dimension of globalization. “Hence there is a globalization of the Gregorian calendar, tobacco, business suits, the state, curry dinners, bungalows, school curricula Barbie dolls, shotguns, and so on” (Scholte, 2005:57). Universalists view globalization as a form of standardization and homogenization that leads to cultural, economic, and political convergence. Similarly, critics of globalization also attack globalist for their obsession with harmonization through deregulation and liberalization. The issue of convergence or universalisation is only relevant if it is viewed as a bad thing. Indeed, many view convergence as inherently a bad idea because it limits diversity and opportunities for freedom at economic, political and cultural levels. The fourth and final category is cultural and political in perspective. Many who pursue religious and cultural perspective view globalization as Westernization (Costello, 1998; Satha-Hnand, 1998; Hutaruwatr, 1998). As such, globalization is regarded as a particular type of universalisation one in which social structures of modernity (capitalism, industrialism, rationalism, urbanism, individualism, etc.) are spread across all humanity, in the process, destroying preexistent cultures and local economy (Scholte, 2005:58). In a nutshell, globalization therefore, is viewed as Westernization (Petras & Veltmeyer, 2001; Hutanuwatr, 1998). Therefore, many critics of globalization see it as hegemonic ideological system that has far-reaching subordination by the western countries over the rest of the world (Petras & Veltmeyer, 2001). While, not subscribing totally to this view Scholte (2005:58) noted that globalization has Western footprint: “ … contemporary globalization has often inserted patterns of modern, western social relations more widely and deeply across the planet. Sometimes this westernization has warrant descriptions as imperialism. Moreover, it is true that governance institutions, forms, mass media, academics and civil society associations in Western Europe and North America have ranked among the most enthusiastic promoters of contemporary globalization”.

However, Scholte (2005) also acknowledged that globalization, in principle, can be viewed as non-western because, it is reasonable to talk about Buddhist, Confucian and Islamic globalization. In the final analysis, Scholte (2005) argued that all the four perspectives of
defining or conceptualizing globalization do not adequately capture what globalization is about. Each perspective is narrowly focused on one issue or an extension of previous observed global phenomenon or debate. As a result, Scholte (2005) advanced the concept of globality. Scholte's (2005) focus is on the connection between people rather than economic or political activities of nations or organizations. Scholte (2005) used the notion of *transplanetary* and *supraterritoriality* to elaborate on the importance of interconnectedness among people. Hence: “a global (in the sense of transplanetary ) social relation is one that (like an internet chat room and certain communicable disease) can link persons situated at any inhabitable point on the earth. Globalization involves reductions of barriers to such transworld social contacts. With globalization people become more able-physically, legally, linguistically, culturally, and psychological – to engage with each other wherever on planet earth they might be” (Scholte, 2005:5).

The general idea of conceptualizing globalization in terms of connectivity of people across the planet is a bit narrow although it reflects the recent technological phenomenon. Nevertheless the concept does not accommodate the fact that in some parts of the world there were more human physical interaction in the beginning of the 19th century than there is in the 21st century. Neither does the concept sit well with the fact that the majority of the African and South Asian population has no access to telephone and internet. In fact, there are more internet and telephone connections in the city of New York than the whole of African continent. However, the strength of Scholte's conceptualization over the first four is the fact that it is neutral. It is neutral in the sense that it makes no reference to ideology, system, process or even outcomes. Rather, it focuses on the observed phenomenon. However, as we noted earlier, the observation and the conceptualization do not capture all the experiences of individuals and communities around the world. More so, it does not acknowledge the impact of globalization on individuals, communities and nations.

*Debate on Globalization*

Apart from the controversy on the meaning of globalization, there is even a more contested issue of whether economic globalization is happening (Albrow, 1997; Giddens, 1990, 2000; Guillen, 2006; Held et al. 1999; Hirst & Thompson, 1996; Krugman, 1994); whether convergence is taking place (Child, 2001; Cox, 1996; Friedman, 1994; Garrett, 1998; Giddens, 1990; Guillen, 2006; Ortu, et al. 1997;) and whether globalization really undermines the authority of nation states (Cox, 1996; Guillen, 2001a; Kennedy, 1993; Kobrin, 1997; Meyer et al. 1997; Ohmae, 1990; Panitch, 1996; Sassen, 1996; Soros, 2004; Stiglitz, 2006; Strange, 1996; Tilly, 1992). Also, there is debate on whether globalization is different from the concept of *modernity* (Albrow, 1997; Giddens, 1990; Guillen, 2001; Held et al. 1999; Kobrin, 1997; Meyer et al. 1997; Robertson, 1992) and finally whether we are witnessing the
development of a global culture (Appadurai, 1996; Cox, 1996; Held, et al, 1999; McLuhan, 1964; Meyer et. Al. 1997; Portes, 1997; Sklair, 1991; Waters, 1995; Zelizer, 1999). In his conclusion to an extensive review of literature on globalization, Guillen (2001a) noted: “Most research rather assumes or documents that globalization is indeed happening, and most empirical studies – with the notable exception of the world-society approach – do not find convergence in political, social, or organizational patterns as a result of globalization. The most persuasive empirical work to date implicates that globalization parse neither undermines the nation – state nor erodes the viability of the welfare state. Some empirical evidence also documents that globality is different from modernity. Finally, it seems that no such thing as a global culture is emerging” (Guillen, 2001a:254).

Guillen (2001a) called for broader and multidisciplinary approach to the study of globalization that takes account of research in sociology, economics, management, politics and anthropology. He also noted that “The complexity of globalization certainly invites additional research. We are in great need of further theoretical work to clarify the economic political, cultural, and aesthetic dimensions of globalization and how they intersect with each other. We also lack theoretical perspectives that bridge the micro gap, i.e. that move across levels of analysis from the world system to the nation-state, the industry, sector, community, organization, and group. Many of the empirical disagreements in the literature are primarily due to the various levels of analysis at which different researchers operate” (p255). We undoubtedly concur with the above sentiments. In fact this paper addresses one of the concerns express by Guillen (2001a) that multi-level analysis is required to address the complexity of globalization, hence the focus of the paper on individual level of analysis.

**Methodology**

**Background Data and Instrument:** This study was based on a sample of 128 Chinese business people (7%) C.E.Os (3.9%), senior managers (7%) middle managers (26.6%) and professionals (55.5%). It is largely a representation of all individuals contacted and who expressed willingness to participate in the survey. All the respondents came from the city of Beijing, particularly in Hai Dian District. The majority of the respondents (52.0%) work for private companies. Others work for state-owned enterprises (22.8%), public government organizations (8.9%) and “other” forms of organizations (16.3%). The respondents also represent a cross-section of industries such as Banking and Finance (12.1%), Education and Knowledge industry (22.4%), Electrical and Electronic (46.6%), Manufacturing (6.9%) and, Retail and commerce (12.1%). About 12.5% of the respondents indicated that they have some input into or means of influencing government policy. This is achieved through membership of trade or professional associations, membership of NGOs, implementation of government policy and, membership of policy formulation body. Also, 37.5% indicated that
they export their products/services overseas. Only 17.6% are from joint-venture companies with foreign partners. The instrument (questionnaire) is made up of thirteen (13) items designed to measure the meaning of globalization. Respondents were asked to indicate the extent of their agreement or disagreement to the list of statements on a five-point Likert scale. The instrument was originally written in English. It was translated into Chinese and back to English and finally translated back to Chinese. The instrument has reliability of 0.81 Cronbach Alpha scale. This means that it is a reliable instrument.

**The Meaning of Globalization**

Central to the second part of this paper is the investigation of how the Chinese business people and professionals perceive globalization. In other word, “what does globalization mean to them as Chinese”. Given that the meaning people attached to a particular event or phenomenon influence their reaction to the event, MOC literature suggests that the understanding of how people perceive globalization will shed light on their reaction to it. For example, business people who perceive globalization as threatening would adopt different strategy from those who view it as an opportunity. Similarly, policymakers and those who influence policies who view globalization as threatening would initiate or influence policy that would limit the perceived negative impact of globalization. At this level of our investigation, the scope of the paper focuses on the meaning of globalization rather than its relationship with the action of the respondents.

Bello (2002: 1) views the role of global institutions such as IMF, World Bank and WTO as the “maintenance of the hegemony of the system of global capitalism and promotion of the primacy of the states and economic interests that mainly benefit from it”. For example Dunning (2001:12) defined “ideal global capitalism” as “the optimal cross-border interaction between, or integration of the different forms or brands of national or regional capitalism, each of which is designed to meet the specific economic, social and cultural demands of its citizens”. Dunning also distinguished ideal from actual capitalism. He views “actual” capitalism as “the existing state of the economic and social interconnections between regions and nation states, each of which is committed in principle of organizing economic transactions, but each of which embeds and in some cases influences, the character of the system by its own institutional structures, ideologies and social and cultural moves”. We argue that the meaning attached to global capitalism in any society will determine the “actual” globalization policy adopted by the government or organizations. Therefore, even amongst economist, globalization can have political connotations. It is therefore essential to investigate whether at individual level, key stakeholders view globalization as merely a reflection of major transformational economic activity or a phenomenon that transcends it to include philosophy and ideology. If so, what are the implications for organizations and nation
One of the most contentious issues regarding globalization is the degree to which it provides opportunities for all nations to be involved in and benefit from international trade. There has been growing debate on the fairness of WTO negotiations, for example. Critics argue that the process is rigged to benefit powerful nations (Bello, 2002). In this regard, respondents are asked to respond to the following statement: “to me as a Chinese, globalization means fair and equitable trade amongst countries”. As can be seen from Table 4 below, the majority (63.3%) agree or strongly agree with the statement. This figure increases to 75.8% when the unsure is included.

### Table 4. The meaning of globalization

<table>
<thead>
<tr>
<th>Meaning of Globalization</th>
<th>Strongly Disagree or Disagree</th>
<th>Unsure</th>
<th>Strongly Agree or agree</th>
<th>Mean</th>
<th>S.D</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 To me as a Chinese, globalization means fair and equitable trade among countries</td>
<td>24.2</td>
<td>12.5</td>
<td>63.3</td>
<td>3.57</td>
<td>1.23</td>
</tr>
<tr>
<td>2. To me as a Chinese, globalization means that Chinese workers will find it easier to find jobs in Europe and America</td>
<td>56.4</td>
<td>23.4</td>
<td>20.2</td>
<td>2.59</td>
<td>1.03</td>
</tr>
<tr>
<td>3 To me as a Chinese, globalization means that Chinese will find it easier to invest their money in Europe and America</td>
<td>23.5</td>
<td>33.6</td>
<td>42.9</td>
<td>3.22</td>
<td>1.00</td>
</tr>
<tr>
<td>4. To me as a Chinese, globalization means that the Chinese economy is part of the world economy</td>
<td>4.7</td>
<td>5.5</td>
<td>89.8</td>
<td>4.18</td>
<td>0.85</td>
</tr>
<tr>
<td>5. To me as a Chinese, globalization means that <em>everyone for himself</em> in a free market</td>
<td>25.8</td>
<td>32.0</td>
<td>55.4</td>
<td>3.23</td>
<td>1.12</td>
</tr>
<tr>
<td>6. To me as a Chinese, globalization means that capitalism is the only economic system in the world.</td>
<td>14.0</td>
<td>25.8</td>
<td>60.2</td>
<td>3.52</td>
<td>0.92</td>
</tr>
<tr>
<td>7. To me as a Chinese, globalization means that multinationals and global companies have more freedom to operate the way they like</td>
<td>26.5</td>
<td>22.7</td>
<td>50.8</td>
<td>3.32</td>
<td>1.15</td>
</tr>
</tbody>
</table>
8. To me as a Chinese, globalization means that the whole world is adopting western liberal values and behaviour

<table>
<thead>
<tr>
<th></th>
<th>44.5</th>
<th>25.8</th>
<th>29.7</th>
<th>2.78</th>
<th>1.12</th>
</tr>
</thead>
</table>

9. To me as a Chinese, globalization means the spread of western democratic system of governance

<table>
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<tr>
<th></th>
<th>39.1</th>
<th>30.5</th>
<th>30.4</th>
<th>2.83</th>
<th>1.11</th>
</tr>
</thead>
</table>

10. To me as a Chinese, globalization means the growing influence of technology in our lives

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<tr>
<th></th>
<th>10.2</th>
<th>16.4</th>
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11. To me as a Chinese, globalization means the government is playing less and less role in the economy

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<th>35.2</th>
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<th>1.18</th>
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12. To me as a Chinese, globalization means that the ways of operating in organization and doing business is becoming more and more similar.

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<th>22.7</th>
<th>28.9</th>
<th>48.4</th>
<th>3.31</th>
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13. To me as a Chinese, globalization means that the world is shrinking in time and space because of efficient ways of communication and transportation

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<th>8.6</th>
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This result can be interpreted in many ways. For example, the respondents view globalization as fair as far as trade is concerned. This is not surprising given the benefits of international trade to China’s economy. Another interpretation is that the respondents expect globalization to ensure free and fair trade. To this end, it means that they are in line with the rhetorics and debate about the need for fairness in international trade. Whichever way the result is interpreted, it is reasonable to say that these respondents would favor international trade and argue for the need for fairness in international trade.

To many, global capitalism should mean free movement of all factors of production particularly capital and labour. Evidence indicates that FDI movement has increased considerably over the years. China has benefited significantly with inward flow of FDI for example. However, it has also been noted that the movement of labor has been restricted in the current and last century. In fact, there has been more mass movement of people in the previous centuries than in the twentieth and 21st century. Our study investigated whether our respondents view globalization as free movement of all factors of production especially labor. The results indicated that the majority (56.4%) do not view globalization as an opportunity for Chinese workers to find employment in Europe and America. In fact, only one fifth (20.3%) of
the respondents agree or strongly agree with the statement: "To me as a Chinese, globalization means that Chinese workers will find it easier to find jobs in Europe and America". Given the opportunity, perhaps most of the respondents would hope that globalization offers opportunities for Chinese to find employment in Europe and America. However, it is worth noting that more than one fifth (23.4%) of respondents are not sure whether globalization means opportunity for Chinese workers to find employment in Europe and America. This result seems to suggest that the meaning people attached to an event is influenced by personal experience and observation. This partly supports the view advanced by Schirato & Webb (2003) in which they argued that individuals are not a source of meaning or free agents to make their own meaning of globalization, but rather product of globalization. This falls within the behavioral school rather than cognitive school which argues that people are capable of deriving meanings with or without experience from events or phenomenon.

To the extent that our respondents seek fairness from globalization, we argue that if and when they have the opportunity to influence government policy and the globalization process, they would seek access for Chinese workers to gain employment in Europe and America. Besides, evidence has shown that remittance of money by immigrants is a major source of foreign exchange and investment. In fact, the majority of Chinese FDI comes from countries, companies and individuals that have Chinese connections. Therefore, given its big population, China is more likely to benefit from free movement of labor than any other country.

We have already noted from the literature that China has benefited significantly from free movement of capital generated by economic globalization. We sought the views of the respondents whether they believe that globalization has made it easier for Chinese to invest their money in Europe and America. The result of our survey indicates that a significant number (43.0%) of the respondents believe that globalization enables Chinese to invest overseas. In fact, in the last couple of years, Chinese companies have been investing heavily in the European and American economies. However, it is rather surprising that about one third of the respondents (33.6%) are not sure whether globalization means opportunity for Chinese to invest in Europe and America. Perhaps their response is influenced by the current debate on sovereign wealth funds. A number of politicians especially in the USA are questioning the motives behind the acquisitions of western assets by the investment arms of the Chinese and the Middle Eastern governments.

Much of the writing and debate on globalization centres on the economic dimension. In fact many view globalization as an economic philosophy or economic system that is built on the foundation of free market and free trade. To be part of globalization is to be part of economic
system or philosophy. Thus, globalization is something much larger than economic activity but a way of thinking and acting within a particular economic system. While some writers call for developing countries to opt out of the system because of its negative impact on development, others do not see that as necessary or even possible. Even some reputable NGOs such as OXFAM who are known to be critical of globalization process because of its negative impact, view the solution to the growing poverty in the world lies in the global economy rather than outside it.

We asked the respondents to respond to the question whether globalization means that Chinese economy is part of the World economy. As can be seen from the table above, a significant majority (89.8%) believe that globalization means Chinese economy is part of the global economy. This is not surprising because China has recently been admitted into the WTO. Most of our respondents are aware of this recent development. A related question is the issue of whether globalization as an economic philosophy means survival of the fittest. The notion of Social Darwinism has always been used to describe the socio-economic philosophy of Anglo-saxon societies. Economic globalization has also been viewed as an Anglo-saxon economic model (Ahmad, 2003). Our respondents were asked to indicate the extent of their agreement to the view that globalization means “everyone for himself in a free market economy”. Interestingly, a significant number (42.2%) of the respondents subscribe to the view that globalization means everyone for himself. In fact, only about one fifth of the respondents (23.5%) disagree with the statement. In some ways, this is an acknowledgment that globalization means something larger than just economic activity but perhaps the adoption of new socio-economic values. If that is the case, perhaps these respondents would argue for Chinese to adapt in order to be successful in the global economy. In fact recent Chinese leaders have demonstrated their ability to operate in two political and economic systems. This is a lesson that African leaders need to learn in order to cope with globalization. This is because social Darwinism contradicts African values. Many African countries and their leaders expect rich countries to look after them during trade negotiations and other bilateral negotiations. To the extent that globalization is based on the foundation of social Darwinism, Africa and its leaders need to adapt in order to benefit from globalization. Although the respondents seem to suggest that globalization means the adoption of socio-economic values, they do not see it as the full scale adoption of Western liberal values and behavior. This is because the majority (47.5%) do not agree with the statement “to me as a Chinese, globalization means that the whole world is adopting Western liberal value and behavior”. In other words, less than one third (29.7%) agree with the statement. However, about one quarter (25.8%) are unsure. In a nutshell, these respondents do not subscribe to the cultural thesis of globalization which suggests that globalization is either a clash of civilizations (Huntington, 2002) or as the McDonaldization, Americanization, Westernization or
commodification of cultures. Similarly, the respondents do not view globalization as the spread of Western democratic system of governance either (39.1%). In other words, only less than one third of the respondents (30.4%) agree with the statement that “To me as Chinese globalization means the spread of Western democratic system of governance”. To the extent that, this is what globalization means to our respondents, we assume that their actions or decisions as policymakers, influencers or business operators and professionals would be influenced by their understanding that China is now operating under wider economic system rather than a new political philosophy of governance.

In line with the literature reviewed which indicates that people view globalization from economic dimension, our respondents seem to support the literature. For example, the majority (60.2%) agree with the statement that “to me as a Chinese, globalization means that capitalism is the only economic system in the world”. To get such a response from a sample of Chinese is an indication of how far globalization has gone. Another way to look at the result is that only slightly more than one tenth (14.0%) of the respondents disagree or strongly disagree with the statement.

There has been growing debate on the impact of MNCs on economic development. In fact, it has been argued that MNCs are the main vehicles for spreading globalization. Thus, to many, globalization is synonymous to the activities of MNCs. To test the view that MNCs are among the main sponsors of liberalization and free trade, we asked the respondents the following statement: “to me as a Chinese, globalization means that multinationals and global companies have more freedom to operate the way they like”. As can be seen from the table, the majority (50.7%) agree with the statement, only about a quarter (26.5%) disagree or strongly disagree with the statement.

Related to the increasing role and freedom of MNCs, is the dwindling or changing role of government. The literature has indicated that there is growing debate about the negative impact of globalization on nation-states. One of the arguments has been that nation states are becoming increasingly powerless to control their economic as well as political affairs. This view is partially supported by the respondents (40.6%). But, a significant number of the respondents (35.2%) did not agree with the statement “to me as a Chinese, globalization means the government is playing less and less role in the economy”. About a quarter of the respondents are not sure (24.2%). This result is not unexpected given that even the advocates of globalization see the need for government to play a significant role albeit by developing enabling environment for free market economy. It seems that the respondents are not sure what the role of government is or should be in the globalization era. Both in theory and in practice the role of government in the economy will increasingly come under scrutiny.
Based on the neoclassic economic theory, government will continue to play a role in the economy when there is market failure. However, the degree of government involvement in the economy will vary across societies. Collectivist cultures are more likely to have developmental approach to the role of government in the economy than individualistic societies who are prone to using regulatory approach (Whitely, 1999).

A significant feature of globalization is the so-called "shrinking World" in terms of time and space. This is made possible by the advancement of technology in the area of transport and communication. As a result, many view globalization as a convergence of ways of thinking and behaving made possible by the advancement of technology. These views are investigated using a set of three questions. With regards to the issue of shrinking World in time and space, a significant majority (79.7%) seem to view globalization from that perspective. Related to that is the perception of globalization as the increasing influence of technology (73.5%). In other words only one tenth (10.3%) did not agree with the statement that "globalization means the growing role of technology in our lives". The issue of convergence of management practices has received significant attention in the literature. To many, MNCs are vehicles by which management practices are transferred across the globe. Another feature of globalization is the increasing standardization of manufacturing processes and management practices through international Standard Organization (ISO). This study explored this issue by asking the respondent to respond to the following question “to me as a Chinese, globalization means that the ways of operating in organization and doing business is becoming more and more similar”. As can be seen from the table, a significant number (48.4%) seem to believe in the convergence thesis. However, about a quarter (22.7%) do not agree. Also, a significant number (28.9) are not sure about the convergence thesis.

As part of our analysis, we investigated the degree to which our respondents vary in their views regarding what globalization means to them. Analysis of variance (ANOVA) failed to find significant difference in eleven out of the thirteen items across the respondents in the four sectors represented (private sector; state-owned enterprises, government organization, and “other”). However, we found significant difference in terms of “the adoption of western liberal values and behaviour” (f = 4.16; p ≤ 0.008) and the growing influence of technology in our lives (f = 5.32; p ≤ 0.002). Post-hoc Tukey analysis revealed that there is a significant difference (p ≤ 0.008) between those from government sector and those from state-owned enterprises. Similarly, we found significant different (p ≤ 0.018) between those from “other” sector and those from government organizations. Respondents from government organizations are more likely to agree with the statement “Globalization means the whole world is adopting Western liberal values” (X=3.72) than respondents from state-owned enterprises (X=2.46). Also respondents from government organization are more likely to
agree with the statement than those from “other sector” (X=2.50). Regarding the variation across the respondents on the issue of technology in our lives, there is a significant difference (p ≤ 0.039) between those from government organizations and those from private sector. Again those from government organizations are more likely (X= 4.45) to view globalization as a growing influence of technology in our lives than those from private sector (X=3.60). Post hoc Tuckey analysis also revealed that there is a significant difference (p < 0.004) between private sector respondents and those from state-owned enterprises. In this regard, private sector respondents are less likely (X=3.60) to view globalization as the growing influence of technology in our lives than those from state-owned enterprises (X=4.35).

What does globalization means in a nutshell?

To answer the above question, we used mean ranking. We ranked the means of all the thirteen items to determine the degree to which each statement is favoured or disfavoured by the respondents. The mean ranking indicates that globalization means first and foremost the integration of Chinese economy into the world economy (x = 4.18; s.d. = 0.85). Secondly globalization also means the shrinking of the world in time and space (x = 3.98; s.d. = 0.98). This is further reflected in the respondents believe that globalization means the influence of technology in our lives (x = 3.89; s.d. 1.18). The respondents also view globalization in terms of fair and equitable trade (x = 3.57; s.d. 1.23). Finally, the respondents view globalization as the dominance of capitalism in world’s economic systems (x = 3.52; s.d. 0.92).

These statements are ranked significantly higher than the remaining eight items. This was determined using paired sample t-test. For example, the highest ranked statement (Globalization means that the Chinese economy is part of the world economy) was ranked significantly higher than the lowest four ranked statements [t(189)= 9.088, p ≤ .000; t(184)= 10.954, p ≤ .000; t(185)= 6.881, p ≤ .000; t(188)= 10.920, p < .000]. Similarly the ranking of the second highest ranked item over (globalization means that the world is shrinking in time and space because of efficient ways of communication and transportation) the last four lowest ranked statements was found to be significant: [t(189)= 6.393, p ≤ .000; t(189)= 8.357, p ≤ .000; t(203)= 11.904, p ≤ .000; t(188)= 8.064, p ≤ .000]. In a nutshell, to this group of respondents, globalization is viewed largely from economic perspective rather than socio-political perspective. In other words, globalization is not viewed as the adoption of Western values and behaviour (x = 2.78; s.d. 1.12) nor the adoption of Western democratic system of governance (x = 2.83; s.d. 1.11).
Conclusion

The purpose of this paper is to investigate the meaning of globalization from the Chinese point of view. MOC literature suggests that the decisions of individuals (e.g. managers) are the basis of understanding organizational strategy and behavior. Contrary to the behavioral school which view decisions as determined largely by individuals' reaction to the stimuli in the environment, MOC argues that individuals process information based on their prior experience, observation and intuition and proceed to attach meanings to the event/phenomenon which then becomes the basis of their action. Therefore, the concept of meaning is vital to the understanding of why and how managers, policymakers, policy influencers react to a phenomenon such as globalization. In other words, it might be possible, within reason, to predict managers’, policymakers’ and policy implementers’ decisions and actions by understanding the meaning they attach to globalization rather than explain their decisions or action afterwards. Our investigation of the meaning of globalization using a sample of Chinese professionals, managers and business people is an attempt to explore this possibility.

The study revealed that most of the respondents view globalization from economic perspective rather than from cultural convergence or political convergence perspective. Most significantly, they view globalization as representing one economic system in the world – which is capitalism. They view globalization not only as economic activities but as a philosophical and ideological (not cultural) shift in the way the world conducts economic activities.

The findings from this exploratory investigation have potential implications for theory and practice. However, given that the study is derived from a convenient sample, no generalization will be made. Thus, like most studies based on surveys, the contribution of this study is the identification of issues that warrant further in depth investigation. A number of research related issues have arose from this study. First, as a pioneering study of the meaning of globalization from individual level, there is the need to develop a comprehensive instrument that covers all the issues and perspectives on the debate on globalization. For example, there is the need to investigate the psychological and Religious/spiritual dimensions of the meaning of globalization. Second, in order to ensure generalization of the findings of any study, careful selection of the subjects of the study is essential. Hence the need to identify the sample of subjects for future study to ensure that the results from the study can be inferred in terms of generalization. For instance, sampling of senior government policymakers, senior technocrats and, leaders of NGOs and private companies can enable generalization of the meaning of globalization vis-à-vis implications for future direction of a country’s involvement in the globalization process.
Third, related to the issue of sampling above, is the need to test the efficacy of MOC assumptions within the context of literature on globalization. For example, future research should investigate whether the meaning of globalization held by policymakers, technocrats and business leaders lead to specific decisions and actions.

Fourth, an important issue worth pursuing is the determination of the factors influencing the meaning people attached to globalization. For example, it will be of academic interest to know whether the meaning of globalization varies across societies. If so, does it help to explain the variation and similarities in political economies and organizational strategies across societies? Fifth, connected to the determinants of the meaning of globalization is the need to undertake comparative studies across countries and across industries and sectors. The findings of such studies should shed light on the: (a) process of globalization (b) factors influencing variation in government approach to and organizational strategies for globalization and, (c) factors that shape government economic policies and organizational strategies. Finally, this research has raised important research questions that are worth pursuing. For example, it is worth investigating whether perceived impact of globalization has implications for and influence on the meaning of globalization. Similarly, in line with the behavioral school, there is the need to investigate whether the current role of government influence the meaning attached to globalization. Another relevant issue worth pursuing is the question of whether the meaning of globalization influence preference to what the role of government should be in the economy.

Despite the limitations of this study, it is perhaps reasonable to speculate on the practical implications of the findings. One of the practical implications is that, the meaning of globalization will partly explain the decisions and actions of our respondents. For example, the meaning they attached to globalization might predict their future lobbying agenda and influence over government policy. We also expect that their future decisions and actions vis-à-vis globalization would be influenced by their view of globalization as an economic phenomenon rather than cultural or political phenomenon.

Based on what we are able to discern from the findings of this survey, these respondents might oppose globalization process if it encroaches traditional Chinese values. This is because, they appear to be comfortable with the economic system and philosophy that forms the foundation of globalization but less comfortable with its assumed Western liberal values. As far as the role of government is concerned, it is not clear from this sample what role Chinese business people and professionals would like government to play in the economy. The final potential practical implication of this study relates to the impact of globalization. We
argue that, the more positive the impact of globalization experienced by the respondents, the more likely that globalization would be viewed as positive. Therefore, the more China continues to benefit from economic globalization, the more policymakers and key stakeholders would view globalization as positive and vice-versa.
References


Movements for Just World, p. 5-18


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