

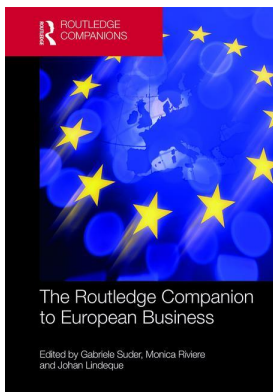
This article was downloaded by: 10.2.97.136

On: 22 Mar 2023

Access details: *subscription number*

Publisher: *Routledge*

Informa Ltd Registered in England and Wales Registered Number: 1072954 Registered office: 5 Howick Place, London SW1P 1WG, UK



The Routledge Companion to European Business

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Culture and European business environment

Publication details

<https://test.routledgehandbooks.com/doi/10.4324/9781315397306-9>

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Published online on: 26 Jul 2018

How to cite :- Sonja A. Sackmann. 26 Jul 2018, *Culture and European business environment from: The Routledge Companion to European Business* Routledge

Accessed on: 22 Mar 2023

<https://test.routledgehandbooks.com/doi/10.4324/9781315397306-9>

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9

CULTURE AND EUROPEAN BUSINESS ENVIRONMENT

Past, present and future

Sonja A. Sackmann

Introduction

As one of the old world's settlements, Europe has 'a richness of cultures and languages unparalleled anywhere else in the world' (Hill 1993, p. 9) including a long business tradition that has co-evolved over time. Important shapers of culture in Europe and in business are its history of the various nations and regions, its ethnicities, various societal groups and their predominant Christian religion. Most frequently, Europe is implicitly or explicitly associated with the countries that belong to the European Union (EU) including the countries that belong to the European Free Trade Association as well as the Schengen Treaty comprising the nations of Iceland, Liechtenstein, Norway and Switzerland. Moreover, each one of these European countries has regional differences that may surface in the form of different languages or dialects, region-specific products and customs. As research has shown, regional cultural differences may be stronger than national differences (Kaasa et al. 2014).

Nevertheless, Halecki (1957, p. 5) argues that Europe came together as a historical unity, because many very different peoples joined to cooperate on the basis of common cultural understanding, traditions and principles without giving up their characteristics and without uniting politically. In the process of passing on these cultural understandings, the related beliefs, values, norms and practices to new generations, some of them remained rather stable over time while others changed.

The following sections will examine how culture in Europe co-evolved with European business ideologies and practices in the context of specific societal and political constellations due to a number of drivers for change. The discussion focuses on six different 'ages': the late Middle Age; the Age of the Commercial Revolution; the Industrial Revolution; World War I and II; the period of Europeanisation; and Europe today with its current and future challenges.

Table 9.1 provides an overview of these six ages in terms of their political and societal context with the predominant values of different societal groups being important regarding business at that time. It includes the co-evolving business ideologies and the nature of business with some of its customs, practices and markets as well as the driving forces for change in this evolutionary and at times revolutionary process.

The following discussion is based on Table 9.1, providing richer contextual information for each age. Despite all the driving forces for cultural change in European society and

Table 9.1 Overview of major factors influencing European business culture in different ages

<i>Middle Ages</i>	<i>Age of Commercial Revolution</i>	<i>Age of Industrialisation</i>	<i>Age of Changing World Order</i>	<i>Age of Europeanisation</i>	<i>Europe today and tomorrow</i>
> 15th century	Late 13th–18th centuries	18th–19th centuries	1914–1945	1946–2000	Present – Future
Political and Societal Context	Monarchies and Clergy (Patriarchal system); many fiefdoms and small towns	Monarchies; developing democracies; nation states on the basis of monarchies	Democracies replacing most monarchies; changing borders of nation states	Democratic nation states; few representational monarchies	Democratic nation states; few representational monarchies
Predominant Societal Values	Reigning Class: power, materialism; Peasants: survival; work is duty Craftsmen: quality; recognition, achievement, materialism	Reigning class: power, materialism, discovery; Peasants: survival; Craftsmen: quality, recognition, achievement, materialism; Calvinism: work is duty	Democratic values; materialism; achievement; status; survival; work is duty	Democratic values; entrepreneurship; independence; status; materialism; emerging post-materialistic values (interdependence, life-balance, personal development; ecological balance)	Democratic values; post-materialistic and materialistic values
Predominant business ideology	Feudalism	Mercantilism	Capitalism, evolving socialism and Marxism	Social capitalism	Social capitalism
Nature of Business, Customs and Practices	Agriculture (land owned by nobility); Town-based guilds of skilled freemen; hierarchical apprentice system	Agriculture (land owned by nobility); Trade; Town-based guilds; developing cottage industries	Industry: mass- and customised production; trade; agriculture (increasingly owned by farmers)	Mass- and customised production; trade; entrepreneurship; service-based industries; agriculture	Service-based industries; Trade; Mass- and customised production

Markets	Small protected town-based markets; monopolies of guilds	Trade with colonies → large protected markets within kingdoms	Large protected markets (nation-based tariffs)	Nation-based protected markets	Development of unified EU-based market; free movement of goods and labour	Unified EU-based market; free movement of goods and labour
Drivers for Change	Increasing importance of guilds and accumulation of wealth of craftsmen	Inventions (navigation, shipbuilding, cartography) Need for natural resources; Reforms in banking and accounting; ideological changes due to reformation and renaissance	Inventions re. production methods (mass-production); French and Glorious Revolutions	Economic crisis World Wars I and II: changing world order; Emigration; Revolutions; multi-national agreements	Reconstruction; multinational agreements; founding of EEA and EU; introduction of common currency in most EU countries; deregulation; information technology/internet	Economic crisis → re-regulation; Immigration; Refugees; Digital transformation

business, some of the underlying values and themes remain, such as the quest for freedom and democracy.

Culture and European business in the late Middle Age

The Middle Age in Europe was characterised by the ideology of feudalism – a hierarchical structure regulating the distribution of land and wealth, of rights and responsibilities in all spheres of life including business. Emperors and kings had most power; they owned the land, made laws, and imposed taxes on their citizens, who they also had to take care of. Dukes ruled provinces; knights were mostly vassals protecting their lord and his land. Even though over 90 per cent of the population were peasants, they had the lowest social rank, struggling for survival with work being a duty. While some were freemen and could own a small piece of land, most were serfs having neither political rights nor land. They were at the disposal of the vassal who had to take care of them.

In towns, higher social status could be achieved by joining a guild – either a craft guild or a merchant guild. Each craft had its own guild. Guilds were founded as a form of collective protection from the excessive tax raises of the royals. Each guild created its own guild law regulating the competition among members by determining and thus limiting the number of craftspeople, journeymen and masters, by regulating prices, quality of goods and workmanship. The guild law regulated working hours and conditions, protected members when travelling, helped with funeral expenses and regulated admission and apprenticeship. They also prevented outside traders from selling goods in their town or forced them to pay tolls for being allowed to conduct business in their town (Webster 1919). As such, guilds were early monopolies, educational institutions, insurance providers and quality control institutions at the same time.

Guild members, in turn, had civic duties such as protecting the town as well as helping when building a church. Admission to a guild was only possible for freemen fulfilling certain criteria. An apprenticeship lasted between three and six years. Becoming a master was rather restricted for journeyman and involved, among other things, money to finance their masterpiece, paying for citizenship and other items such as a large meal with several courses for the masters (Schulz 2010). With increasing industrialisation and globalisation of trade, the power and importance of guilds declined towards the nineteenth century.

Even though feudalism ended with the emergence of the nation state in the late eighteenth century, some of its underlying values and elements, such as hierarchical structures, collective organisation and social welfare, as well as rules regulating apprenticeship, workmanship and quality of products remained important cultural characteristics of European business. Zurich still has an active guild tradition, limited today, however, to social activities. Guild apprenticeships represented some early roots of the dual education system typical of Germany, Austria and Switzerland and recently considered a possible means to help reduce unemployment among young people in countries such as Spain, Portugal and Greece (Lübke 2013). The pride in good workmanship, quality, innovation and perseverance may also be one of the reasons of the success of the so-called European hidden champions (Simon 2009). These are medium-sized companies with annual revenues under \$4 billion being world market leaders in their respective industries and niches.

The commercial revolution – the age of discovery, colonialism and mercantilism

The commercial revolution spanned the time from the late thirteenth century until the end of the eighteenth century (Lopez 1971). This was a period of European political and business

expansion characterised by colonialism and increasing mercantilism, motivated by a spirit of exploration and the need for resources. The venturing out into the new world was enabled by inventions in shipbuilding, navigation instruments and cartography as well as in banking and insurance helping to finance the ventures. The result was an exploration and domination of substantial parts of the globe, an accumulation of wealth in Europe through global trade, increasingly formalised rules of conducting business and the emergence of the modern nation state. Europe became the dominant player in world trade. Present implications of colonialisation include migration from former colonised regions and, as a result, increasing cultural diversity within Europe and its workforce.

Modern colonialism began with striving for discovery. Marco Polo, a Venetian merchant, paved the way with his travel to China in the thirteenth Century. During colonial times, several major powers emerged on the European continent due to their specific knowledge, skills and resources: Portugal and Spain followed by England, France, the Dutch empire and Sweden. All these kingdoms were skilled seafarers. Increasing knowledge and formal arrangements, their resources and skills allowed them to explore the world across the oceans, develop a better understanding of the world and set out to acquire natural resources in the 'new' world, thus dominating business in Europe and in their colonies.

The need for natural resources such as silver and gold for printing coins, and spices and silk as well as trade difficulties with the Ottoman Turks motivated a Portuguese expedition to search for a seaway to India in the fifteenth century (Newitt 2005). Portugal became the first world empire and the longest-lasting colonial empire of Europe, ending in 1999 with the return of Macau to the People's Republic of China. The Portuguese expedition started along the African coast creating so-called factories serving as trading outposts to secure the trade route and eliminate competition. With their discovery of the seaway to India, landing in Calicut in 1498, Portugal became the leading trade and naval power in the fifteenth and sixteenth centuries. Supported by the Catholic Church who wanted to missionise heathen people, the Portuguese crown acquired colonies in South America, Africa, Arabia, India, South-East Asia and China (Russell-Wood 1998).

While the Portuguese expedition to India was motivated by the desire to open up a new trade route for securing needed resources, the following wave of colonialisation was predominantly motivated by mercantilism, trying to gain and accumulate as much wealth as possible and thus gain power on the European continent. England, France and Holland soon followed with their expansions into Asia, taking over most of the Portuguese colonies. Spain and later Britain ventured across the Atlantic exploring and conquering the Americas.

The colonies provided raw materials, customers and investment opportunities. They had to benefit the mother countries, which prohibited them from developing their own commerce and imposed their respective administration systems. With a shortage of people in the colonies due to the massive die-off of indigenous people, a triangular trade was established. Slaves were exported from Africa to the Americas, raw materials were imported from the Americas to Europe, and finished goods were exported from Europe to the Americas.

Reforms in banking and accounting such as double bookkeeping had spread from Italy throughout Europe. Lending with interest was now allowed and the first stock exchanges opened in Amsterdam and London refining the financial systems. To share the risks of the trade across the oceans, emerging insurance practices were formalised. Lloyd's of London started to publish news from different parts of the world, which underwriters used to assess the risk of a particular trading ship with its cargo. All these developments enabled and supported trade, which enhanced the emergence of nation states based on existing monarchies.

The age of industrialisation

Scientific discoveries and developments gave rise to the age of industrialisation that had tremendous impact on European business, societies, their structure and way of life due to new production methods based on radical inventions. The first industrial revolution started about 1760 in England. Important inventions such as the spinning frame, steam-powered engines, machine tools and the production of chemicals took place in Great Britain giving rise to entrepreneurial behaviour. While absolutist forms of power were still dominant on the European continent, the Glorious Revolution in 1688 in England with the bill of rights and the King-in-parliament provided a business-friendly legal and cultural framework. England united with Scotland provided a market without tolls so that trade and entrepreneurship could blossom. In the early nineteenth century, mechanised forms of production spread to continental Europe and the second industrial revolution with steam-powered transportation including railways and ships and, eventually, the motor car took off.

Industrialisation started to change all spheres of life – the way of production, the nature of work, living standards, as well as legal frameworks, social structures and the economy. The invention of the affordable spinning jenny gave rise to the cottage industry and mainly women formerly active in farming now became involved in the textile industry working at home. With mass production due to the invention of costly spinning mules and power looms, new kinds of factories developed owned by capitalists. This form of concentrated production fostered urbanisation. People who previously had worked in agriculture, then in a cottage industry, now had to move into the cities and the industrial areas for work, thus separating work from home. Important industrial areas in England were London and Manchester, Wallonia in Belgium and the Ruhr Valley in Germany. Since Germany still consisted of 36 politically separate and independent states at that time, industrialisation started later, taking off after its unification in 1871. France, weakened by its Revolution and Napoleon's wars, was also delayed in the industrialisation process (Trebilcock 1998, p. 52).

Because of the factories and urbanisation, the population density in these areas increased, resulting in slums with poor living conditions. These gave rise to severe criticism from Marx (1992) and Engels (2009) and other socialists and communists. While some economists suggest that standards of living for the ordinary people underwent sustained growth with industrialisation (Lucas 2002) probably due to the fast-growing GDP, others argue that many workers' living standards declined in the first phase of capitalism (Feinstein 1998). Trade unions developed to try and help improve working conditions. The first law against child labour was passed in 1844 in England prohibiting children's work before the age of nine and during nights, limiting workdays to 12 hours for those under the age of 18.

With industrialisation, the social structure also changed. The middle class grew including a new group of professionals such as businessmen, entrepreneurs, engineers, clerks and foremen as well as those who had accumulated wealth either through trade or through mass production. These 'nouveaux riches' and professionals became more powerful, achieved recognition and status while reducing the social power and influence of the nobility.

After the Napoleonic wars, Europe experienced a long peaceful period. In the 1880s, the international gold standard was introduced and the value of Europe's major currencies became fixed in relation to each other. All these factors contributed to flourishing trade, representing one-third of world production between 1800 and 1913, with Europe accounting for almost two-thirds of global trade and even more of global investments, which had grown 20 times between 1855 and 1914 (Stevenson 2014). With the achievements of the French Revolution, the combined values of freedom, equality and solidarity spread, fostering increasingly

democratic values. Having to struggle for survival was still dominant among the labour workforce consisting of both men and women. Work being a duty was an important value especially among Calvinistic professionals and businessmen – both groups being reserved for men while their wives managed the family and their societal life. The predominant business ideology was capitalism with materialistic values being important for all social groups.

Changing world order and power due to World Wars I and II

Both World Wars changed the distribution of world and business powers, including national borders, leading to major social and cultural changes. The defeated empires of Germany, Russia and Austria-Hungary as well as the Ottoman Empire were partially dissolved and several new countries were created in Eastern Europe. The socialist and communist ideas of the Russian Revolution in 1917 spread to Western Europe, especially to Germany and Hungary. Among the ideas were calls for the destruction of the power of capitalists, the redistribution of power and wealth, and the introduction of equal rights and pay not only between men and women but also between highly skilled professionals and workers.

In combination with starvation and the flu pandemic, these influences contributed to the German Revolution in 1918–1919 creating the Weimar Republic. Democracies, however fragile, replaced most monarchies in Central Europe. The treaties created after World War I offended many citizens and allies partially due to the redistribution of land, wealth and people, forming new states with national minorities resulting in a large wave of migration.

Reparation payments after World War I created hyperinflation in Germany followed by deflation after the collapse of the New York Stock exchange in 1929 spurring the world economic crisis (Blaich 1985). In Europe, businesses were destroyed, many people lost their fortune and many more lost their jobs. The great depression with high unemployment and feelings of unjust treatment strengthened socialist ideas and prepared the ground for nationalistic ideas and the rise of strong leaders such as Hitler, Mussolini, Franco and Salazar, promising betterment especially regarding the economy of their countries. This led to the next major destruction of Europe, migration and again a redistribution of land, wealth and people redrawing national boundaries. Many intellectuals, business people and professionals emigrated to the Americas. The power between states shifted again, and Europe became divided into Western Europe, with its business and culture influenced by (social) democratic ideas and Eastern Europe influenced by the socialist and communist ideas of the Union of Soviet Socialist Republics (USSR), founded in 1922. With the destruction of many European economies including their industries and businesses, the economic supremacy of Europe had vanished by the end of World War II.

The United States helped rebuild Western Europe's economy with the European Recovery Plan (Milward 1987), providing loans, food, natural resources and goods. During the four-year programme (1948–1952), the US supported Europe's economic recovery with about US\$13 billion. The money was distributed with the help of the newly founded Organisation for European Economic Co-operation (OEEC) that evolved into the OECD in 1961. The US goals were helping people in need, containing the USSR and communism, and creating a market for US goods.

In the late 1940s, several multinational institutions were founded and agreements negotiated to stabilise countries and their economies and to secure peace. Among them are the United Nations and the General Agreement on Tariffs and Trade, the latter evolving into the World Trade Organization in 1994. The International Monetary Fund (IMF) was founded in 1944 to stabilise economies, introducing the Bretton Woods System of exchange rate bands in combination with the gold standard, which was abandoned in the early 1970s.

In March 1957, Belgium, France, Italy, Luxemburg, the Netherlands and the Federal Republic of Germany founded the European Economic Community, which evolved into the European Union in 1993, thus creating a common European market with increasingly common standards.

The age of Europeanisation

After World War II, the relationship between the two world powers, the USA and USSR, evolved into the Cold War. The ideological conflict between capitalism and communism dominated foreign, security and business policies on both sides for the second half of the twentieth century. The demarcation line ran through Germany due to the American, French, British and Soviet occupation separating the newly founded Federal Republic of Germany from the German Democratic Republic under Soviet influence. Increasing tensions between the two world powers led to the Soviet's order for the construction of the Berlin Wall in 1961. With its history of industrialisation and solidarity, capitalism in Europe received a social interpretation with a concern for the well-being of workers and citizens expressed in collective agreements, labour laws and welfare systems shared in EU countries to different extents (Gerhards 2005). The formerly strong hierarchical and patriarchal structures in business and societies softened, starting participatory business practices such as co-determination in Germany.

The reconstruction of Europe and the newly created political and economic frameworks stimulated most economies in Western Europe. After years of destruction and deprivation, the dominant values became materialistic combined with a general entrepreneurial spirit. Europeans were optimistic looking forward, trying to rebuild their homes and improve their living conditions. This resulted in the *Wirtschaftswunder* (economic miracle) of the 1960s in Germany as well as other countries of Western Europe (Eichengreen 1996). Western European countries conducted business with the West based on predominantly social-capitalistic ideals, values and practices while Eastern European countries conducted business with the USSR and other communist countries based on communist ideology, values and respective practices.

The US civil rights movement in the 1960s spilled over to Western Europe, leading to civil and values conflicts. Demonstrations especially among students culminated in 1968, starting a democratisation process in all phases of life including European business and its work organisations. The results are less hierarchical systems, aspiring to gender equality with women no longer being only part of the labour force but also entering into professional, managerial and leadership roles. As a result of a combination of increasing prosperity, liberalisation and ecological problems due to intense industrial production, the establishment of the Club of Rome (Meadows et al. 1972) and the oil shock of 1973, post-materialistic values started to evolve, replacing materialistic and work as duty values especially among the younger generation with a focus on life and ecological balance, personal development and interdependence.

Gorbachev's Perestroika and Glasnost, a lagging economy, the nuclear catastrophe of Chernobyl and the growing quest for more freedom created a climate of change in the USSR leading to the peaceful break-down of the Berlin Wall on 9 November 1989. Overnight, the demarcation line between the Western and the Eastern world, between capitalism and communism was gone. Germany became reunited and (social) capitalist ideas penetrated formerly Eastern bloc countries. More and more states declared their independence marking the official end of the USSR on 31 December 1991. Hence, additional markets opened for Western goods and thoughts as well as business values and practices. In addition, Eastern European countries provided lower-cost production opportunities and a highly motivated workforce wanting to improve their standard of living, thus creating new business opportunities in an enlarged open market.

The founding and enlargement of the EU have strongly influenced today's European business. An increasing number of European countries joined in several rounds of enlargement, with UK, Ireland and Denmark joining in 1971. Greece, Spain and Portugal followed in the 1980s, Sweden, Finland and Austria in 1995. With the fall of the Iron Curtain, the formerly communist states Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovenia, Slovakia and Hungary joined in 2004 as well as the island of Malta and the Greek part of Cyprus. In January 2007, Romania and Bulgaria were accepted and Croatia in 2013. The citizens of Norway and Switzerland voted against membership. Official candidates for joining sometime in the future are Turkey, Macedonia, Montenegro, Albania and Serbia. Depending on their GDP, member states pay a contribution to the EU or receive support. As such, the EU is a means of fostering the development of less-developed European nations, securing peace and providing a large common market.

When the Schengen Treaty was passed in 1985, borders between EU nations opened, easing travel and business across borders. The Treaty of Maastricht in 1992 turned the EEC into the independent legal entity the European Union (EU) headquartered in Brussels with the European Court located in Strasbourg. The EU treaty guarantees free movement of people regarding work and residency, of trade and services as well as capital and payments with certain restrictions for newly joined members (Suder 2012). Information technology and the spread of the internet enables virtual business opportunities and practices.

Over the course of its existence, the EU's competencies have increased, addressing mutual issues such as foreign, security, labour, legal, ecological and digital policies as well as research funding. Of the current 28 members, 19 form an economic and currency union. In 2000, the euro was introduced as a common currency while leaving fiscal policies to the nations. This has all contributed to a large common market in Europe with goods, services and labour moving freely based on democratic, materialistic as well as post-materialistic values. As the research of Inglehart and Baker (2000) shows, economic development in Europe 'is associated with shifts away from absolute norms and values toward values that are increasingly rational, tolerant, trusting, and participatory' (p. 19). These values have influenced European business policies and practices with nation-, region-, industry- and firm-size-specific interpretations surfacing in their implementation.

Europe today and tomorrow

While the common economic policies, enlarged common free market and information technologies have enabled Europe to prosper and raise living standards for most of its nations and people, the financial and subsequent economic crisis in 2008 tested some of its achievements. Faced with economic and social problems such as slow growth, high numbers of unemployed and refugees, many EU member states tend to see their nation's or regional business interests as more important. Being part of Denmark but autonomous, Greenland left the EU in 1985 and Great Britain officially turned in its formal motion to exit the EU on 31 March 2017 after 51.9 per cent of its citizens had decided against EU membership in 2016. Other member countries have political parties that also support an exit from the EU arguing that they will fare better economically on their own.

What has happened to the *Aufbruchstimmung*, the idea and spirit of a united common market and Europe? Despite the efforts to ease the movement of trade, business and people within EU member states, despite common EU laws, policies, symbols and a common currency, there seems to be some EU fatigue among citizens of the 28 EU nations. To what extent does a European identity exist and what are its chances of surviving next to national and other cultural

identities? Some of the social and political movements have shown that cultural boundaries and identifications do not necessarily coincide with national boundaries (Sackmann and Phillips 2004; Phillips and Sackmann 2015). Examples are the break-up of the USSR, the troubles in Ireland, Catalonia and the Basque region striving for more independence in Spain, the Lega Nord trying to separate from Southern Italy and the differences between England and Scotland. In their desire to stay in the EU, Scotland and Northern Ireland are even considering leaving the UK. Gerhards' (2005) comparison of social values between EU member states and EU candidate countries shows considerable cultural differences especially regarding democratic ideas, the importance of religion and gender roles.

Some European countries are still suffering from the aftermath of the financial crisis. There are ongoing discussions about a Europe of 'two speeds', a strong and a weak euro currency or even abandoning the common currency. The long-term consequences of the high unemployment rates even among well-educated young people especially in Southern European countries are unclear in terms of a lost generation (Froymovich 2013). In addition, increasing life expectancies will strain social welfare systems and consequently will put strains on the European business environment.

The recent waves of migrants and refugees trying to find a new home in the EU do not only place logistic and financial strains on the EU and its member states but also social and especially cultural strains based on different social values and religions. As discussed above, the EU member states have undergone a democratisation process in all spheres for a long period including gender roles. Their values are predominantly rooted in Christianity and most of them consider religion a personal and thus private matter. As stated in the preamble to the EU treaty, it drew 'inspiration from the cultural, religious and humanistic inheritance of Europe, from which have developed the universal values of the inviolable and inalienable rights of the human person, freedom, democracy, equality and the rule of law'. Many refugees and immigrants share neither this history nor religion, with views on, for example, the role of women that differ from the EU ideal (Gerhards 2005).

Despite all these challenges, Europe has experienced one of the longest periods of freedom and the member countries of the EU have reached a higher living standard compared to their situation at joining. Europe represents a market of about 500,000 million people providing ample business opportunities. Most European citizens have received advanced education and solid work qualifications. They can work and travel within a Europe with no boundaries. Educated and skilled refugees may help to tackle Europe's problems with its social security system due to its aging population and the shortage of skilled labour and experts.

Europe's culture has always been diverse, consisting of many facets that have influenced its business culture and practices. The overarching values of democracy, equality, freedom and solidarity have led to European business policies providing common symbols and common frameworks (Suder 2012). Nevertheless, their interpretation and translation into business practices still vary between nations, regions, industries as well as firm size and organisation. Examples are differences in jurisdictions influencing taxation, working hours, pay systems, benefits, and management and leadership practices including the interpretation of gender equality. Northern and some Western European countries as well as younger industries tend to practise, for example, participatory leadership with equal opportunities for men and women including few status differences and informal interactions. Leadership practices in Southern European countries still tend to be more patriarchal, formal and status oriented including dress codes as documented in many publications (e.g., Bosrock 2006; Gannon and Pillai 2012; Hofstede et al. 2010; Kessler and Wong-Mingji 2009; Trompenaars and Hampden-Turner 2012). Given a history in which hierarchy played an important role with men dominating business, many European countries

still have fewer women in managerial and leadership positions, and those who have made it these positions are often paid less than their male colleagues.

The framework and values of the EU provide a basis for embracing cultural differences. As the EU Preamble states, 'United in diversity, Europe offers them [the peoples of Europe] the best chance of pursuing, with due regard for the rights of each individual and in awareness of their responsibilities toward future generations and the Earth, the great venture which makes of it a special area of human hope'. With the tolerance acquired on its long route to freedom and democracy, European business has become increasingly diverse and it may have to add a few facets to its diversity, turning it increasingly into a multicultural fabric. In addition, European citizens of all ages should remain aware of how far Europe has come in its present social, democratic, economic, legal and ecological accomplishments, so that the idea of solidarity does not get lost when faced with social and economic problems.

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