Winning the ‘co-opetition’ game in central Asia: South Korea and Kazakhstan

David Dickerson,
KIMEP University, Republic of Kazakhstan

William F. Pore
Pusan National University - Republic of Korea

ABSTRACT

The meaning and definition of “marketing” and “strategy” can be extracted and understood differently, specifically between Korea and Kazakhstan. This paper examines the need to provide a new framework for formulating business strategy in different destination “frontier” cultures of Central Asia. It is suggested that this new framework be crafted by the cultural interaction of the participants rather than by exporting an Anglo-Saxon driven marketing framework from one culture to another, which can lead to conflict.

Dilemma analysis is introduced as a means to resolve conflict resulting from two contrasting strategies. This analysis has been applied to an examination of South Korea’s attempt at gaining the competitive advantage in Central Asia, but it is potentially applicable to other regions and countries of the world. In the present study, the features of classic dilemma analysis have been applied, but this analysis has also been taken one step further by proposing that successful marketing in Asia today, especially in the emerging markets of Central Asia, involves the need to apply this analysis more creatively to resolve multiple contending positions that are not merely dichotomous opposites, but polycentric.

Keywords: dilemma analysis, new market entry, competitive advantage, cross-cultural marketing strategy, business strategy, Central Asia, Kazakhstan, East Asia, South Korea

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INTRODUCTION

The inception of ‘Business School’, ‘M.B.A.’, ‘B.B.A.’, ‘marketing degree’, was from the United States of America during the 1960s while the Koreans, Japanese and Germans never heard of the term because they were too busy manufacturing and exporting goods. The Anglo-Saxon world prides itself on winning, competitive strategy, and even guerrilla marketing tactics which all share an American ‘individualistic’ mindset built into their framework. The Asian world prides itself on winning, but one is only considered a winner if teaching the loser how to win; collaborative strategy, and even relationship marketing tactics that date back centuries. Thus, the confrontational American buyer, with the competitive spirit, will undoubtedly need to sit with his South Korean supplier, with a collaborative spirit, and write a “co-opetition” strategy unifying competition and co-operation.

The M.B.A. had to expand into new markets, as do new companies, such as the Association to Advance Collegiate Schools of Business (AACSB) which changed its name from the American Assembly of Collegiate Schools of Business (AACSB) when they realized there existed profit outside of the United States from gaining their accreditation. It is the commoditization of the ‘M.B.A.’ that has sent Business Schools around the world in a spin searching for their niche strategy while witnessing their local brand in decline, so they believe that AACSB will be their salvation. Hence, a ‘globalized’ product is not ‘culture free’, and the M.B.A. embodies an ideology that may not be welcomed with ‘regionalized’ expansion. International Business literature in marketing has mostly been from America, and little or no research has been done to develop market entry models that account for culture. This paper attempts to acknowledge multiple cultural voices, strategic positions and values into an inclusive, rather than an exclusive, praxis and to demonstrate the need to build new strategic cross-cultural frameworks for South Korean companies operating effectively in the different cultures of Central Asia. Genuine moments of cross-cultural pathways seem to be punctuated, ultimately, by exercises of hegemonic cultural power.

Dilemma analysis (Hampden-Turner and Trompenaars, 1997) is a methodology which enables one to map out the mindsets of key players, such as those in Korea and Kazakhstan which are the focus of the present study, at a time of failing internationalism. By learning how to identify and extract the different meanings of the key players’ value systems, one is able to map out a new cross-cultural marketing strategic framework for sustaining the evolution of an elite capacity for change.

A need for self-reflection and a critical examination of adopted management models, especially those within embedded ethnocentric contexts of shared beliefs, values and cognitive structures, are also explored. It is argued that organizations need to craft marketing strategy by building, from the ground-up, a new framework that has the strategy-making participants’ cultural values built into it rather than adapting an Anglo-American or European model to other cultures, such as those in East Asia or Central Asia. The need for the development of organizational ideologies that build on cognitive structures, culturally sensitized to diversity, is central to a generic strategy for managing increasingly culturally-diversified organizations that will make up the globalized economy in the Third Millennium.
CROSS-CULTURAL DIVERSITY: A NEGLECTED ORGANIZATIONAL CAPACITY

Societies with Anglo-American work ethics have created value systems which emphasize that individuals can succeed if they have talent and have commitment. There are also ethnie value differences within these work ethics that are often neglected in increasingly multi-cultural organizations. These differences are visible, even in the cross-cultural setting between "psychologically-close" cultures (Sappinen, 1992). Where there are similarities they are defined as those of a cultural, social, and economic kind. They are exemplified by country-led conglomerates. In Asia, these include the South Korean chaebol Samsung or the Japanese keiretsu Sony with their operations in the culturally close societies of Vietnam and China. However, when these same corporations operate in other Asian cross-cultural contexts that might be assumed to be similar, differences of a more complex kind have unexpectedly arisen in clashes arising from work and operational ethics, as have occurred in Indonesia and Thailand (Kyoto Review of South East Asia, 2011). These differences stem from the divergent fields of experience, broadly defined, of each society (Huo and McKinley, 1992; Kelley, Whatley, and Worthly, 1987).

Cultural Differences (Trompenaars and Woolliams, 2003) in national formative contexts may often impact the inter-relationship between business strategy; environment and control system attributes; and strategic management (Douglas and Rhee, 1989; Huo and McKinley, 1992; Kouzmin and Korac-Kakabadse, 1997; Ouchi, 1979; Porter, 1990; Schneider, 1989). Similarly, an organization's formative context (whether it has experienced organic and/or acquisition-based growth), history and circumstance determine organizational success (Kakabadse, 1991: 164). In a European context, French managers, for example, require considerable attention in terms of social skills training, while an in-depth study of senior managers in the UK, France, Germany, Sweden, Ireland, Austria, Spain, and Finland suggested that the French, in particular, resent interference in their work or in the management of their functions (Kakabadse, 1993). They also find criticism difficult to take and display a high need for control in terms of implementing their views and intentions. A French view of interference is seen by managers of other European organizations as comments made by one colleague to another which might require some consideration (Kakabadse, 1993). A study by Kakabadse and Myers (1995b) strongly supports this position. Ethnic culture affects the process of strategy formulation, particularly in scanning, selecting, interpreting, and validating information as well as establishing priorities (Schneider, 1989). Differences in ethnic culture are, therefore, likely to result in different interpretations and responses to the same strategic issue (Schneider and De Meyer, 1991)

THE MEANING OF DILEMMA ANALYSIS

Dilemma comes from the Greek word Di-lemma, two propositions, which means a situation in which a choice has to be made to gain or avoid between two equally urgent, yet cunningly incompatible, alternatives. It is true that decision-making is about choosing between two unpleasant alternatives and quite often that is a dilemma. Hampden-Turner (1990) sees di and lemma as two contrasting propositions, so choosing between them is a challenge. There are dilemmas which are impossible to solve because the person imposing the dilemma is determined to disintegrate the victim’s value system.

Hampden-Turner (1990) sees these as dilemmas because the author argues that any value one cares to name - such as universality or rule orientation - has the task of accounting for many
particular instances or exceptions to its rule. Hampden-Turner (1990) maintains that dilemmas are often defined as choices between unfavourable alternatives. This would certainly sharpen the dilemma, but it is also a dilemma to have to forgo one alternative for another when one would like to have both. Hampden-Turner (1990) argues that one needs to extend Dilemma Theory to describe a very common experience - such as management wanting rapid growth and high profitability, but it is difficult to obtain both. Hence, the effectiveness of the rule is how frequently one deals with encompassing, or failing to encompass, the unusual exceptions.

Choice includes combining values, not simply dividing them. The “horns” of a dilemma can be used like the cross-co-ordinates on a chart, allowing an organization to navigate and to plot its progress. Dilemmas are twin perils which you steer between. In early Greek mythology those sailors who tried to navigate the straits of Messina were said to encounter a rock and a whirlpool. If you were too intent upon avoiding the rock, you could be sucked into the whirlpool. If you skirted the whirlpool by too wide a margin, you could strike the rock. These twin perils had markedly contrasting natures: the first was hard, solid, static, visible, definite, asymmetrical and an object; the second was soft, liquid, dynamic, hidden, indefinite, symmetrical and a process. Now anyone with a bias towards regarding either peril as “more important” puts lives and ship in danger. Leaders who seek to steer organizations must somehow give due weight to evidences of a quite different order.

The purpose of the charts (Hampden-Turner, 1992) is to show that many managerial choices are not either-or, but both-and. The “horns” of the dilemmas can be steered between and it is possible to navigate in the direction of, say, “higher quality at lower cost”, while avoiding both the rock of relentless cost cutting and the whirlpool of ineffable and fathomless quality. Charting records judgements and allows these to be compared with the harder results and consequences that follow. Hampden-Turner (1990) argues that since Dilemma Theory holds that one can oscillate from horn to horn, the actual location of a quarrelling company is of less concern than the quarrelling itself. By Dilemma one does not mean a bind invented by philosophers or academics to perplex students in perpetuity. Nor does one mean an act of fascistic oppression, in the sense of Churchill’s phrase, “Everyone believes that if he feeds the crocodile, the crocodile will eat him last”. These are “pure dilemmas”, designed to be insoluble and, according to Hampden-Turner, one is concerned with practical dilemmas.

An organization, its working assumptions and strategies, constitute a whole mental and cultural pattern. Hampden-Turner (1990) argues that one can try to analyse the whole into discrete dilemmas, but these are not, in fact, discrete or separate. All dilemmas are connected weakly or strongly to all other dilemmas. All solutions or near solutions make the other dilemmas easier to resolve. All failures or near failures to resolve a dilemma make the other dilemmas harder to resolve. Dilemmas are connected by a generalised skill in the capacity to resolve dilemmas - akin to steering a ship skilfully.

Moreover, such skills are learned not simply by individuals but by whole groups and organizations, so that the resolving of several dilemmas is mediated by organizational learning - by routinized ways of combining the needs and the claims of different groups both inside and outside the organization. Dilemmas are combined by drawing upon the cybernetic process. A cycle or, more precisely, a helix shows development on all three dilemmas sequentially. As the helix develops, the corporations concerned become steadily more differentiated, yet better integrated, and encounter greater turbulence to which they respond even faster to achieve even greater economies of scale - supported by increased flexibility and versatility. From such learning circles, corporations can develop as wholes.
Good organizational performance requires one to break down value creation into its components and chart progress on the separate planes or strategic maps. By concentrating on key dilemmas, one discovers which issues and which resolutions are crucial to building a new, cross-cultural, strategic platform.

THE CENTRAL ASIAN DILEMMA: HISTORICAL AND CULTURAL CONTEXT

Asia today asserts its unity in its diversity. Many of the great variety of people who live in Asia now identify themselves first by the country in which they live and then often add that they are Asian as well. In doing so, they express a changed habitus and hexus. They are also perfectly expressing the realization that “between the global and the local there are regions, cultural areas and national states” (Evans, 2002). Probably nowhere else in the world is this truer than in Central Asia. It is here that the invented realities of East and West and the nomenclature of geographic subregions, the contested identities ascribed to insider and outsider, conqueror and subject, a multitude of ethnicities, religions, and languages, the meaning of past and present, meet and mix, converge, dissolve, come alive and still contend. Yet, Central Asia is a region where a new transnational configuration is developing, driven by economic growth, rising energy demand, and the collapse of geopolitical boundaries as evidenced by the recent Customs Agreement between Russia, Kazakhstan and Belarus. It is the region in which what has been identified as a “new continentalism” is now appearing (Calder, 2012).

Central Asia’s only previous experience of continentalism was in the thirteenth century. Before there was the world-is-one-ism of globalization, the Mongols ruled over a nearly total geographic unification of Asia between 1206 and 1368. Although at its fullest extent the Mongols’ empire existed for only about a hundred years, Chinggis (Genghis) Khan and his successors came to control a borderless, multifaceted empire that extended over most of Asia from the Pacific Ocean to Eastern Europe and Asia Minor. Within this first, virtual Asia-is-one, the Mongols were the first to hold both inner and outer Asia. This resulted in the disappearance of the boundaries between Persia and the western steppes, between China and the eastern steppes, and those among the regions of Central Asia. Trade flourished between East and West and, for the first time since the end of Tang China, the great trans-Asian overland link between the emporiums of East and West, the Silk Road, was reopened. Along this continental, interlinked route with multiple hubs, not only was trade exchanged, but also ideas, peoples, and even diseases. This great political realignment had dramatic consequences for Asian civilizations (Invictus, 2006; Spodek, 2006). While Mongol rule was at times decidedly harsh and unwelcome in most parts of Asia, the exchange of goods, the circulation of ideas, the connections among different cultures, and the enforcement of security of movement among peoples did not go unremarked by contemporaries (Rogers, 1998; Spodek, 2006).

Asia has traditionally been a continent of empires and the Mongol Empire, though the largest ever assembled, was not the first or last. Today, however, all the world lives with the essentialism of nations and states. Borders, not multicentrism and boundaryless-ness, are integral parts of the nation-state. The nation-state is new to Asia and borders even more so (Chandler et al., 1987; Ricklefs et al., 2010). There have been numerous studies of the way in which borders are constructed, negotiated, and policed and how they are transgressed, challenged, and renegotiated. The nation-state encompasses an ideological and conceptual hegemony and has built up epistemological conventions to support it that have lasted into the present day. Borders are not only physical divisions but can be discursive practices and cultural constructions. Yet,
borders can be multiple and hybrid (national, cultural, geographical, gendered, political, economic). They can also be scaled (local, national, supranational, global). Regions afford convenient sites in which to examine how “bordering” identities are constructed and performed and challenged.

Very often knowledge is defined, constructed, and constrained by borders, either national or other. Knowledge and its practices thus shaped may reinforce, reproduce, or redefine those borders. This is the situation today in the nationalistically defined Asian space. However, the identity of all the regions of Asia — East, Southeast, South, and Central — has been formed not only by remote experiences, such as the Mongol conquest, but also by the more recent experiences of Western and Japanese colonialism, wars and revolutions, decolonization, nation-building, the Cold War and a variety of ideas of pan-Asianism. These experiences have influenced the relations and identities among Asian peoples, as well as those of other regions. Yet, in a political, economic or cultural sense, the term “Asia” itself is contentious and fluid. The many upheavals in twentieth century Asia have not yet been completely overcome. Therefore, identity in Asia remains characterized by various changing local, regional, and national identities, which can be contradictory or mutually exclusive, but most of them stem from or were shaped by the twentieth century.

Still, we can learn from historical memory. The “new continentalism” which is now being conjectured comprehends not only the rotation of the world’s center of economic activity back to the East, but also a “New Silk Road” on which Central Asia is again a major hub (Calder, 2012). In such a situation, despite the endurance of the nation-state, one can be led to imagine again the borderless, interconnected, cooperative time of the first Silk Road and all of its implications.

**THE SOUTH KOREAN DILEMMA: NATIONAL RIVALRIES AND THREAT OF NEW ENTRIES**

Ever since South Korea began to establish diplomatic relations with the countries of Central Asia in the early 1990s, it has also actively sought in nationalistic fashion to conclude trade relationships within the region. South Korea’s demonstrated ability to develop a highly successful export trade based on the manufacture and sale of quality electronics and cars, as well as its construction and shipbuilding industries, makes it an attractive competitor in the Central Asian market. Less obviously this success may include an intangible factor The Economist recently identified as South Korea’s “aspirational entrepreneurial culture” (The Economist March 2012). The latter term conveys the soft power appeal of other South Korean exports, such as its television dramas, pop music, and the youth culture features associated with *hallyu*, or “the Korean wave,” which have recently become especially appealing in many parts of Asia. It is mainly for these reasons that South Korea, even though not a major power, has been able to find a foothold in the Central Asian market. But, the appeal of Korean exports stops on the political front; the mostly hardline regimes of Central Asia have shown slow progress or very little interest in liberalization or transparency in either business transactions or government-to-government negotiations.

For South Korea, China, and Japan, as for all of the nationalistically guided Asian economies, the dictum, “Trade follows the flag,” has perhaps always been the most meaningful way to understand their marketing strategies. The drive for national well being has supplied a major impetus not only for Korean economic success but also for the desire to ensure future...
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economic strength and national security. Relatively small, resource-poor and geopolitically challenged, South Korea is, even so, now more accurately ranked as a “middle power.” In this status, it seeks to ensure strategic regional advantages within its economic development planning. Such was in large measure the reason it moved to establish diplomatic relations with most of the five resource rich and strategically located CIS states of Central Asia. Yet, in the Korean attempt to penetrate the Central Asian market it faces some formidable challenges from competing nations. As such, its experiences are those typical of the condition of all countries in the era of the nation-state.

In such a one-against-one, or one-against-all world, South Korea and other Asian countries competing for the markets and resources of Central Asia face a conundrum. This conundrum is not inconsistent with the issues encountered in dilemma analysis: Should each of these rivals for the Central Asian market separately accept and deal as best they can with the present status of the region’s development, eliminate the competition or cooperate among themselves and/or with the Central Asian governments on a path forward?

KOREAN STRATEGIC IMPERATIVE: MARKET PRIORITIZATION AND COMPETITIVE ADVANTAGE

Six South Korean economic and business investment strategy studies since 2007 (Yi et al., 2007; Import-Export Bank of Korea, 2009; Cho et al., 2010; Yun et al., 2010; Kim and Kim, 2010; Yun, 2010) abundantly detail the benefits and difficulties, real and potential, Koreans face in attempting to establish trade relationships in five of the Central Asian republics. Each of these studies makes it clear that Central Asian resources, especially oil, gas, and mineral ores, lie at the heart of Korea’s strategic trade interests. South Korea’s main competitors in the region, China and Japan, seek the same benefits for the same reasons. All of the studies cited above are separately and collectively cognizant of the various drawbacks South Korea faces in comparison with its competitors, although they all to some degree see that the industrial cooperation environment in Central Asia has been changing rapidly since the early 2000s and seem to agree that the region has yet to realize its full potential. The most often cited drawbacks to Korean penetration of the Central Asian market were the lack of sufficient Korean capital and government support, the government’s lack of a solid financial vision for FDI investment in most developing regions such as Central Asia, and that despite some efforts, Korea’s exports and investments in the region have not led to expected results (Yun, 2010; Kim and Kim, 2010). In addition, these studies unanimously pointed out that South Korea must observe, research and continually monitor the changing relations among the Central Asian republics, so as to allow it to focus on strategic regional industries.

Further, South Korea must consider Russian, CIS, Middle Eastern, and European strategies as the region integrates. Moreover, the South Korean government and enterprises need to enter Central Asia with a thorough understanding of the strengths and weaknesses of the region and assemble detailed information about each country separately, so as to brighten investment prospects. Some of the studies also proposed that the Korean government should employ a variety of penetration strategies according to each of the Central Asian republic’s economic environments and recommended a government support system for enterprises expanding into the overseas open market. But the most important task that one of the studies recognized was that South Korea should establish measures which reinforce cooperative relations within Central Asia and should set priorities. The core objective, as viewed by this
same study, was that South Korea’s central objectives should be the exchange of economic cooperation and the securing of energy resources, the enhancing of geopolitical values, the establishment of a bridgehead for entering Eurasia, the improvement of South Korea’s status in general and the enhancement of its security. But, both studies emphasized that sustainable strategies in Central Asia are possible only after the establishment of mid- and long-range plans which take these objectives into account (Yi and Pak., 2007; Cho et al., 2010).

One study proposed in a socially circumspect fashion that the priority sectors for Korean attention in Central Asia should be industrial cooperation, value-added production and employment along with fixed capital investment. The same study recommended that the South Korean strategy should be to maximize resource exploration and extraction, then channeling the financial benefits so acquired into investments in infrastructure and industrial diversification (Kim and Kim, 2010). Recommendations of a more progressive nature have also come forth. A 2007 study suggested that South Korea should concentrate on economic cooperation especially with Kazakhstan, Uzbekistan and Azerbaijan before expanding into other Central Asian countries, through exploring marketability options, making assessments of economic development potential and the trade environment (Yi and Pak, 2007). However, the same study remarked that from the Korean point of view, since the establishment of diplomatic relations with the Central Asian countries, although economic cooperation has steadily expanded, it has not realized its potential. This study was, nevertheless, unequivocal in its recognition of the complimentarily of the Korean-Central Asian bilateral trade potential existing in the exchange of abundant Central Asian natural resources and Korean technology, communications, construction, and transportation.

In a comparison with China and Japan’s efforts in Central Asia, one of the studies noted that China’s trade with the Central Asian market far outdistances both Japan and Korea. China further was seen as pursuing not regional but global options. The same study recommended that Korea invest chiefly in Central Asian resources according to the receptiveness of the separate governments. But it also recognized the benefits to all competing investor countries of the low cost labor available within the region (Kim and Kim, 2010). Yet, China was viewed as already having positive diplomatic relations and economic support programs in Central Asia which enhances its influence (Yi and Pak, 2007). Another study observed that the Japanese strategy in Central Asia hinges on Japan’s promotion of itself as a collaborator in economic development by donating financial support for infrastructure, material and humanitarian support. The Japanese government is also actively involved in backing its companies efforts by offering entry plans and a course of action, in addition to business climate intelligence and courses of action and close support. Another competitor, Turkey, was also noted for its cultural and educational exchanges in Central Asia, which it undertook for the purpose of facilitating economic penetration (Yi and Pak, 2007).

“CO-OPETITION”: SOUTH KOREA’S COLLABORATIVE STRATEGY IN CENTRAL ASIA

All of the studies consulted on South Korean penetration of the Central Asian market provided detailed individual country profiles. Overall, Kazakhstan was judged by each study to be the most attractive in terms of level of economic development and policy factors favoring foreign investment, followed in order by Uzbekistan, Turkmenistan, Kyrgyzstan, and Tajikistan. In a broader comparison, on policy and political factors, Kazakhstan and Kyrgyzstan were
sometimes viewed as equally more attractive than other countries in the region because of their openness to international society and fewer regulations. In terms of political stability, Kazakhstan and Turkmenistan compared well, but Kyrgyzstan, Tajikistan, and Uzbekistan did not. In government efficiency, Kazakhstan was considered best. Somewhat pessimistically, however, one 2010 Korean study which considered the economies, policies, natural resources, and industries of the Central Asian region stated that it was not yet very attractive for investment, because of its low population and income levels compared to other possible areas of investment. While judged to be a small market, four of the five countries in the region were noted to have posted steady economic growth. In the one exception, Kyrgyzstan, its lack of economic growth was explained as due to political crisis in the country (Cho et al., 2010).

In terms of natural resources and industry, Kazakhstan and Uzbekistan were seen as most attractive for FDI, because of their energy, mineral resources and robust agricultural sectors. Turkmenistan was considered attractive due to its natural gas reserves. In the future, Kyrgyzstan was seen as becoming more attractive due to exploration of rare earth deposits. In the industrial sector, Kazakhstan, Turkmenistan and Uzbekistan were the most attractive for their establishment of fixed capital investment. One of the drawbacks to Central Asian investment which appeared frequently was the perceived lack of infrastructure. But Kazakhstan and Uzbekistan have competitive transportation facilities; Kazakhstan and Kyrgyzstan have ample distribution sectors; and Kazakhstan and Uzbekistan have a high rate of wire and wireless usage which makes them more attractive. Kazakhstan was observed to have a high internet penetration rate (Cho et al., 2010).

In terms of Law and Institutions, the same Korean study stated that the legal processes for establishing corporations were the simplest in Kyrgyzstan and Tajikistan and the most documentation was required in Turkmenistan. Setting up businesses in Uzbekistan was viewed as the most time consuming. As for real estate acquisition, Kazakhstan recognizes land ownership by foreign corporations and individual foreigners. Leasing, renting, and credit are not recognized in Uzbekistan and Turkmenistan. The same study did note that there were encouraging signs of improvement in the policy of openness of most of the countries in the region, but that there was severe political confusion in Kyrgyzstan (Cho et al., 2010). In an analysis of Central Asia’s attractiveness for investment, the above study found that the region’s changing political and economic environment must be considered. Regional political developments were considered to significantly affect the economy, and both domestic and foreign environments were believed to have direct effects on foreign investment. Recent improvements in inter-country economic exchange among all five countries in the region and the CIS are the most important factors in increasing the region’s investment potential. By promoting international economic cooperation, the five countries of Central Asia can reform their weak economic systems, improve their political transparency, and FDI conditions (Cho et al., 2010).

In another Korean study, the potential for economic growth through the building of industrial plants and their accompanying potential for adding to economic growth in Kazakhstan and Uzbekistan was widely considered to be the newest source for raising the economies of those two countries. This study concentrated on how South Korea could make inroads into this market. The study concluded that the industrial plant market in Central Asia presents opportunities for South Korean economic growth, but that there were also considerable obstacles, including the lack of industrial and legal support from the countries themselves. Korea’s main industrial plant market is currently in the Middle East. In Central Asia, it was recognized that there are
insufficient funds at present for plant construction and fierce competition from China and Japan in the same market, due to their massive financial strength (Cho et al., 2010). As such, the study proposed that an overseas investment fund be established for industrial plant development and, at the same time, the acquisition of natural resources. The so-called ‘package strategy’ that has been in use involves what were considered highly political agreements. As a caution, the study recommended that the risks pertaining to each country in the region be handled very attentively. In the competition for industrial plant installation, China and Japan were judged by the study to be the most successful (Cho et al., 2010).

One further study commented that Kazakhstan and Turkmenistan have been able to achieve their level of industrialization, such as it is, through a resource-based economic structure. But Kyrgyzstan and Tajikistan were seen as the least developed countries in the region and, in fact, still dependent on international aid. These two countries’ development policies consist almost entirely of alleviation of poverty. Also according to this study, Uzbekistan has the largest population, most diversified economy, and abundant agricultural production. Somewhat promising was the recognition that Uzbekistan also has a policy of export promotion based on its low labor cost and abundant resources. In sum, this study recognized that the economies of Central Asia in general were concentrated in primary products, especially fuels, metal products, and that the main imports were machinery, transportation equipment, vehicles, and construction materials in exchange mainly for fuels — all promising for South Korean investment (Kim and Kim, 2010).

Finally, as of 2006, South Korea had also established collaborative science and technology agreements with Kazakhstan and Uzbekistan in the research and development of nuclear reactors for power generation. A research report prepared by the Korean Institute of Atomic Energy revealed the involvement of Korean and Kazakh scientists in experimental joint projects and in designing nuclear power plants (No et al., 2006). Hence, rather than Korea ‘compete’ against China and Japan for the competitive advantage, they have sought a collaborative strategy that co-operates with the Kazaks, but yet still competes with the other two East Asian countries.

CONCLUSION: CRAFTING A CROSS-CULTURAL STRATEGY FRAMEWORK

The conceptualization of unity through diversity, or unity permeating difference, is becoming more acceptable today as part of some of the changes which have given rise to the information age, undermining the cultural integration of the nation-state. The concurrent incorporation of the state into large units and the transformative effects of global economic and cultural flows require a global unity within which diversity can take place. This is exemplified by the current efforts to create a European identity, sponsored by the EC (European Commission), in such a way as to allow cultural variation and unity through diversity (Schelsinger, 1987). Thus do we have one manifestation of the still not completely understood concept of globalization and how it will evolve. It is a European idea — the Kantian local idea of the cosmopolitan world. However, by extension, within the Kantian legacy, while the Euro-American idea of the ‘global’ has the right to exist, it is not guaranteed the status of exclusive universality (Mignolo, 2011). It is recognizing and drawing on the concepts of another universalism, that of the East — from Asia, and China and its cultural sphere specifically — that we may be able to create a better strategic framework.
The effort to create an "imagined community" for Europe, generating unifying symbols which differentiate Europeans from others, also draws sustenance from areas of cultural conflict such as the notion of ethnie; the set of symbols, myth, memories, heroes, events, landscape and traditions woven together in popular consciousness (Smith, 1990) and which are grounds for a common culture. Reconstructing all national European cultures and constructing new symbols for an emerging European super-state and transnational culture is problematic, although with the further development of the European Union it is expected that trade between EC member states will rise and that collaborative and joint-venture projects will be increasingly perceived as low risk initiatives (Burns, Myers and Kakabadse, 1995). In Asia, there exists the possible viability of another idea. The ancient syncretizing concept of yin-yang (the blending of opposites, rather than their absolute opposition, as in the West) may in the end prove to be a useful starting point for harmonizing marketing strategies East and West. Indeed, yin or yang are continuously blended, neither is always dominant. Both systems theory and yin and yang direct our attention to context. It is after all the context, whether in the mundane world or marketing strategy which evolves and requires us to revise the way we perceive reality (Jamieson, 1995). This returns us to the hybridized and blended business structural and marketing approaches already found in parts of Asia.

However, the ethnic and cultural diversity of Central Asia present us with a problematization — a complication of dilemma analysis — that moves us beyond the more clearly grasped yin and yang duality dominant in the East Asian cultural sphere. This is because Central Asia adjoins and draws from the influences of not only East Asian, but also South Asian, Middle Eastern, and Eurasian civilizations. A further complication is that in employing the invented reality “Central Asia,” we are led to assume a unity that, in fact, never was, and certainly today remains, not of one mindset. Relations among the republics of Central Asia is at best cautious, at worst hostile. China and India (and Russia as an afterthought) may be the major Asian rising powers which provide some counter-attraction in the region, but we would be wrong to assume a binary contest for Central Asia’s allegiance (Tellis, A., 2012). In this regard, Central Asia is not unique, but rather a challenge subject to change on a daily basis.

Ethnie resilience to reconstruction has often been under-estimated, as frequently seen in newly industrialized societies such as Brazil (Osiel, 1984: 49) and Eastern Europe. Convergence, however, is never complete and the adoption of particular social forms is mediated by cultures and strong social forces of ethnie. Hofstede (1992; 1993) contends that research evidence indicates that cultural diversity and diverse ways of thinking will remain for the next few hundred years. Although ethnie cultural differences undeniably exist, the significance attached to these differences is the point of discourse. Some theorists argue that differences in international organizations have less to do with culture and more to do with the absence of a shared experience within the organization. The argument is that being of a different ethnie culture should not be a issue (Kakabadse and Myers, 1995a). Kakabadse and Myers (1995a) argue that the real issue of ethnie differences is preventing the "inhibition factor" from rising to prominence; not acting on the challenges that exist in an organization simply because they have been labelled as differences of ethnie.

In order to manage "cultural dilemmas" (Trompenaars and Hampden-Turner, 1997) successfully in response to global business connections requiring organizations and managers to become competent in cross-cultural interactions, organizations need to reconcile the idea (Trompenaars and Hampden-Turner, 2001) of building a new strategic platform, by first mapping out the existing cultural differences between Koreans and each of the national cultures.
of the Central Asian Republics. These shared and internalized basic assumptions enfold organizational scripts and values welcoming change and the nurturing of the development and growth of all organizational actors. It could be suggested that charting the mindsets of people East or West, working together in one organization, would illustrate where the cultural differences exist. Synthesizing these differences will enable the organization to avoid conflict and crisis, and enable a unified strategy to be implemented. Reconciling cultural differences will enable the strategy participants to build their own cultures into it (Dickerson et al, 2006). It could be suggested that a trans-culturally competent strategy for growth would include a platform that is built in unity by people from diverse cultures.

The Anglo-American management "curse" of gender, multi-cultural talent, and chronic human resource wastage, in the name of re-engineering both public and private sectors for short-term, least cost efficiency and competitive advantage, is yet to be confronted in any strategic or cross-culturally systematic way. This is why organizations based in New York, Mumbai, Almaty or Seoul need to sit with their customers, strategic partners, investors and suppliers to design a platform that takes each one’s cultural assumptions and imperatives into consideration because conflict can be costly as a result of a failed strategy that did not unify organizational value systems.

Neither have the behavioural implications of "24/7" connectivity been addressed. We are now in the age of technology and world-wide communication virtual networks. We use information technology so that interactions between service provider and client can be in either "real-time" or 'virtual." An increased use of virtual interventions comprising "canned" or playback interventions, stored and administered by technology, is also rising. Consultants, coaching mentors and some psychologists have already used this technology in learning - such as how to do psycho-therapy and to diagnose through software, designed as an exert system, based on decisions trees, heuristics and fuzzy logic. In order not to invisibly "cage" individuals, more research and considerably more thought must be put into the design and implementation of such techno-interventions and services in the globalized workplace that are aligned with a newly constructed strategic framework that allows intercultural interaction.

Given the support of the research extracted from Korean sources, there is a need for more case studies within a collaborative inquiry framework, to increase actor understandings and to develop shared meanings of actors' contexts. In the field of cultural diversity, ideologies and lifestyles compete for hegemony. Dominant classes, represented by global enterprises, often impose culture on others in a globalizing world (Thorne and Kouzmin, 2004) with little or no consideration of the host cultures’ framework for formulating market entry strategy. The emergence of new economic partners from different destination cultures comes with different perceptions, assumptions and expectations, this causes conflict, and without the reconciliation of those differences, sustaining a long-term market presence will inevitably result in crisis. This paper suggests that organizations of this millennium will require a new cross-cultural framework for formulating market entry strategy; specifically in frontier markets as Central Asia. This framework will be custom designed by the various participants and one which will include different value systems eliciting difference. These cultural differences should be reconciled to sustain the evolution of market entry strategy and the avoidance of revolution.

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