# COVID-19 CRISIS AND INTERNATIONAL BUSINESS AND ENTREPRENEURSHIP: WHICH BUSINESS CULTURE ENHANCES POST-CRISIS RECOVERY?

# Dr. Yu-Feng Lee

New Mexico State University, NM

# ABSTRACT

Since the global outbreak of Coronavirus (COVID-19) at the end of 2019, while all countries were trying to respond to the shock by working together or acting alone, countries are still racing to save their economies and develop vaccination plans, while minimizing all possible damages to attain a speedy recovery. However, little attention has been paid to cultural aspects of responses to the pandemic across countries and regions. Based on Hofstede's cultural paradigm with five dichotomous dimensions, this study examines the variation of cultural practices across international economies as it is deemed to potentially promote or hinder COVID-19 relief, as well as consequent business recovery around the world. It is concluded that cultural characteristics under relatively long-term orientation, collectivism, high power distance, low uncertainty avoidance, and low self-indulgence would tend to subdue the public health crisis and enhance economic restoration. Corporate policy makers and entrepreneurs are therefore advised to consider infusing and practicing such cultural norms as proposed, to regain post-COVID-19 business growth and sustainability.

Keywords: COVID-19, Hofstede's paradigm, corporate policy, entrepreneurs, sustainability

#### **INTRODUCTION**

Since the global outbreak of the Coronavirus (COVID-19) from the end of 2019, all countries have been trying to respond to the shock by working together or acting alone. They are all racing to save their economies and develop vaccination strategies, while minimizing all possible damages to attain a speedy recovery from the pandemic. The COVID-19-induced demand shock is real and substantial, starting from the days when universal business and social lockdowns and stay-at-home orders were issued; this led to pervasive production shortfalls and business sales followed by employee furlough and lay-offs. Numerous studies have focused on the 'hardware' capacity relating to public provision and shortage of medical rescue and assistance, economic and business impact and relief, and other socioeconomic aids (Bartik, Cullen, Glaeser, Luca, Stanton, & Sundaram, 2020; Cavallo & 25 MBA/Harvard students, 2021; Cohen & Meulen Rodgers, 2020; Cutler & Summers, 2020; Khot, 2020; Nicola, Alsafi, Sohrabi, Kerwan, Al-Jabir, Iosifidis, Agha, & Agha, 2020; Schellekens & Sourrouille, 2020; Sheridan, Andersen, Hansen, & Johannesen, 2020). These are done concurrently with research and development on COVID-19 vaccines, whereas the equally important disease preventive scheme centered on cultural practice, referred to as the 'software' capacity, nevertheless receives little or no immediate attention (Bruns, Kraguljac, & Bruns, 2020). Although nationals across countries either completely or incompletely with complaint or resistance followed the state-mandated public safety measures (e.g., face-masking and social-distancing), many have little or no idea that cultural forces may essentially play a role in curbing the pandemic-both in medical and macroeconomic terms.

As more and more business sites announce, "No mask, no business," people with mixed feelings may wonder, "Is this a 'point of no return'?" The pre-epidemic business convention (i.e. open and free customer behavior without protective devices) seems so distant and currently unappreciated. Even if an advanced era of business 'digitalization' seems imminent and inevitable, most customers still maintain hopes of returning to their pre-COVID-19 social life and business norms. Currently developed literature pertaining to the studies of public-health (medical) conditions and global or domestic economic impacts and remedies would shed light on the cross-regional cultural analysis between Western and Eastern economies to add relevant intellectual contribution to the ongoing COVID-19 crisis (Bartik et al., 2020; Cutler & Summers, 2020; Cavallo et al., 2021; Egger, Miguel, Warren, Shenoy, & Vernot, 2021; Jackson, Weiss, Schwarzenberg, Nelson, Sutter, & Sutherland, 2021; Martin, Markhvida, Hallegatte, & Walsh, 2020; Nicola et al., 2020).

#### COVID-19 Fallacy—It Is More Than Just a Medical Disease!

COVID-19 creates ironically more 'excitement' than scenes from a science fiction movie. It is heavily political, religiously intermingled, and said to be theoretically conspiring. This is supported by strong medical evidence (Cheng, Wong, Huang, So, Chen, Sridhar, & Yuen, 2020; Eikenberry, Mancuso, Iboi, Phan, Eikenberry, Kuang, & Gumel, 2020; Feng, Shen, Xia, Song, Fan, & Cowling, 2020), rational use of face (Liu & Zhang, 2020; Lyu & Wehby, 2020; Martin et al., 2020), including recent statements of the U.S. Center for Disease Control and Prevention (2020). It is claimed that the face-mask is one of the 'most powerful weapons' to fight against COVID-19, as mask-wearing can effectively protect individuals and their communities from virus spread; any related fallacy is ill-founded, and lacks medical and scientific support.

# COVID-19 vs. Politics: Is Wearing a Facemask 'Politically Correct'?

Politics is paramount today, with COVID-19 being no exception. From face-masking to COVID-19 vaccine production and allocation, politics is inevitable—even the six-feet social distancing is claimed to be the 'military protocol' (National Public Radio, 2020). In late May of 2020, as facing the COVID-19-related death toll reached 100,000—and currently close to 600,000 as of June 2021—the then-U.S. President Trump disparaged those who wore face masks, calling it 'politically correct' not to do so. Despite U.S. former Vice President and current President Biden arguing that "it is not political; it is just 'correct' to fortify face-covering to prevent the virus from spreading (CBS News, 2020), Trump's gesture however has invited his followers to disapprove of face-masking to show their loyalty to the party. Rather unsurprisingly, some other national leaders, such as Brazil's President Bolsonaro, Belarus' President Lukashenko, and Mexico's President Obrador, were poised to 'lead by example' choosing largely not to cover their faces in public and downplay COVID-19 as a 'little flu' with small danger (see Painter & Qiu, 2020; Etehad, 2020).

# *COVID-19 vs. Religion: Is wearing of facemasks not biblical and social-distancing against God? Will those who comply receive the 'ultimate punishment' from God?*

In East Asia and many other places around the world, it is common that people use 'folklore therapy' to treat medical conditions with or without the use of formal medicine, and often invoke the supernatural or religious force of deity beyond science. Since the outbreak of COVID-19 across the U.S. and other Western countries, 'in the name of God', people against face-masking alleged that wearing a mask is not biblical while social-distancing for evangelical activity disgraces God (Yezli & Khan, 2020; Venkatesh & Edirappuli, 2020; Huynh, 2020). In a late-June, 2020, county commissioners hearing at Palm Beach, Florida, the citizens who were anti-maskers charged that the state mask-mandate was not only political as a 'devil's law' and a 'communist dictatorship order' against 'constitutional right' and 'freedom of choice', but it also led to an act of 'throwing God's wonderful breathing system out', while people who 'obey the devil's law' by wearing masks would be 'punished by God' and not able to 'escape [from] God' (The Telegraph, 2020; TYT Investigates, 2020).

### COVID-19 vs. Conspiracy Theory: 'Who' is really behind COVID-19?

As summarized by U.S. National Public Radio (2020), conspiracy theory is conceived on the essences of 'a plausible but not necessarily real element', 'one (rich) individual or institution having the desire to 'control the world', and 'the anti-tech movement' (Ahmed, Vidal-Alaball, Downing, & Seguí, 2020; Jovančević & Milićević, 2020; Meese, Frith, & Wilken, 2020). Different scenarios of COVID-19 conspiracy have been denunciated from the national level where, for instance, both the U.S. and Chinese governments each finger-pointed calling COVID-19 the 'Wuhan' or 'China Virus' against 'U.S. Virus', desiring to condemn to potentially suppress the counterpart's political power amid the already-tense U.S.-China trade wars (Pomfret, 2020). The other scenario involves the Hollywood science-fiction creativity in Schwarzenegger's style or superhero of Marvel movie series fighting against the 'bad guy' who attempts to deploy a lethal weapon, through some unprecedented high-tech scheme to control the world. In the COVID-19 incident, three key ingredients-Coronavirus and its 'ultimate vaccine tracking chips'; Bill Gates and his global vaccination research; and, 5G cellular network (i.e. the 'high-tech')-sketch the 'perfect' conspiracy. The fictitiously conspiring plot then goes that Bill Gates, the world-renowned elite and the 'bad guy', secretly triggers the pandemic which would rely on his Gates Foundation funds and vaccination research to develop the vaccine for a cure. Then, once the vaccine with a tracking device is injected into the human body, it sends signals to the 5G activated network which is Gates' ultimate control. Regrettably, such deceitful intrigue goes viral via telecommunication and across social media, causing many to believe them. Rather than the combat the virus epidemic, such 'infodemic' (misinformation spreading) from ambitions anti-vaxxers and anti-techs could potentially lead to more devastating damages than the deadly COVID-19 itself.

### COVID-19 Verity—Cultural Practice Affects COVID-19 Crisis Management

Although many believed that the Coronavirus does not choose who and where one is-rich or poor, male or female, young or old, powerful, or weak, public, or private, or domestic or foreign—the infectivity of the disease and its control do reflect somewhat in national practices of culture. So, does culture play a role in a country's COVID-19-crisis management? It certainly does. Since the outbreak of COVID-19, in economies such as China, Japan, Hong Kong, Singapore, South Korea, Taiwan, and Vietnam, although they faced initial intensities of outburst with surges of confirmed cases and sudden high death rates (in thousands in China), the sign of worsening was quickly under control after the first couple of months due to instant state interventions. In contrast, in Western countries including the U.S., U.K, Italy, France, Germany, Spain, and Brazil of the Southern Hemisphere, the spread of the virus lagged a couple of months after rising in the East, but not effectively contained as it progressed gravely like a 'wildfire' across these regions and beyond.

COVID-19 is new to every country where mostly none is prepared for its inception. The urgency of generating immediate medical hardware and taskforce to the rescue is needed while facing resource shortages and challenges. Countries which could promptly and effectively

respond to the crisis and curb the casualty must rely on factors other than the hardware and utility infrastructure, such as the 'software' in one's culture (Hofstede, Hofstede, & Minkov, 2010). Such software in cultural traits reflecting whether a government could work cohesively with its citizens in all aspects (e.g. maintaining political, economic, and social order; comprehensive mandates followed by complete civil compliances) become crucial to fight against, and control, the contagion. When many argued that the lagged months after the Eastern outbreak should provide enough time for the Western nations (especially the well-developed ones) to prepare themselves for the potential hit. This nonetheless ended up with disappointing crisis responses. It is deemed to be the fact of culture—to say the least, the political aspects included—as some of the bureaucrats appeared over-confident in their disbelief and shortfalls in conquering the formidable virus-war.

# **COVID-19 vs. Culture: Theoretical Foundation**

Across generations, culture is reckoned to be the foundation of human behavior even if defined in conceptual variations. Hofstede (2001) identified culture as the "collective programming of the human mind that distinguishes the members of one group or category of people from another", whereas Matsumoto (2000, p. 24) defined it as "a dynamic system of rules—explicit and implicit—established by groups in order to ensure their survival, involving attitudes, values, beliefs, norms and behaviors, shared by a group, but harbored differently by each specific unit within the group, communicated across generations, relatively stable, but with the potential to change across time". Essentially, culture endogenizes human behavior while how humans act reflects their underlying culture.

Since the early 1980s, the Hofstede paradigm or cultural system by Geert Hofstede (Hofstede, 1980) has been widely used in cross-cultural psychology, which later became a popular application in international business and multicorporate management. Its follows six categories classifying human and business behavior into long-term versus short-term orientation, individualism versus collectivism, high versus low power distance, strong versus weak uncertainty avoidance, indulgence versus self-restraint, and masculinity and femininity. (See Table 1B for extent of these dimensions in the U.S. national culture).

#### Long-term versus short-term orientation

Long-term orientation refers to "the fostering of virtues related to future rewards—in particular, perseverance and thrift" whereas, short-term orientation denotes "the fostering of virtues related to the past and present—in particular, respect for tradition, perseverance of 'face', and fulfilling social obligations" (Hofstede et al., 2010). A culture with a high score is labeled as long-term-oriented—orienting towards the 'future' and promoting personal assertiveness and materialism, whereas a low score culture implies short-term focus—favoring 'presence' ('now') with a more relaxed lifestyle and less material gain.

# Individualism versus collectivism

Individualism refers to "societies in which the ties between individuals are loose; everyone is expected to look after himself or herself and his or her immediate family", whereas collectivism denotes "societies in which people from birth onward are integrated into strong, cohesive in-groups, which throughout people's lifetime continue to protect them in exchange for unquestioning loyalty" (Hofstede et al., 2010). A culture scoring high in individualism indicates that as individuals are prone to self-interest, it is contrary to those in collectivism with low score who tend to integrate into a strong and cohesive group with consistent loyalty.

# High versus low power distance

Power distance refers to "the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally" (Hofstede et al., 2010). For a culture with high power distance scoring high, organizational ranks are palpable and hierarchical, and power is distributed favorably toward superiors but inauspiciously against subordinates. In cultures of low score reflecting low power distance, rewards, force, and prestige are more equally shared within organizations.

# Strong versus weak uncertainty avoidance

Uncertainty avoidance refers to "the extent to which the members of a culture feel threatened by ambiguous or unknown situations" (Hofstede et al., 2010). A high-scored culture implies people insecurity and less daring to take risks. In the workplace, employees are contained by formal rules and likely to shy away from challenges, resulting in difficulty of implementing new changes in the organization. In contrast, a low-scoring culture shows low uncertainty avoidance as people are open to changes, and will accept new ideas, thoughts, and beliefs.

# Indulgence versus self-restraint

Indulgence refers to "a tendency to allow relatively free gratification of basic and natural human desires related to enjoying life and having fun", whereas self-restraint denotes "a conviction that such gratification needs to be curbed and regulated by strict social norms" (Hofstede et al., 2010). A high-scored culture typically approves indulgence and encourages individuals to 'treat oneself good' and 'reward oneself', while a low-scored counterpart sinfully disgraces self-pleasure, believing self-restraint and strict discipline honor intrinsic human value.

#### Masculinity versus femininity

Masculinity refers to societies "where emotional gender roles are clearly distinct: men are supposed to be assertive, tough and focused on material success, whereas women are supposed to be more modest, tender and concerned with the quality of life". Femininity, on the other hand, signifies societies where "emotional gender roles overlap: both men and women are supposed to be modest, tender, and concerned with the quality of life" (Hofstede et al., 2010). As linking to the definition and distribution of gender role, a masculine society with high score means that men seem to be assertive and competitive, prioritizing goal-achieving over relinquishment, whereas in a feminine culture both genders are deemed to be more caring, harmonious, and mutually modest.

#### **Data and Sample**

Fourteen countries from well-industrialized and first- and second-tier newly industrialized economies (NIEs) across the West and the East which are ranked highly in COVID-19 cases and deaths against their relatively low-impacted counterparts are studied. These comprise the U. S., Brazil, the U. K., France, Italy, Spain, and Germany in the West, and Japan, South Korea, China, Singapore, Hong Kong, Vietnam, and Taiwan in the East. Data of COVID-19-confirmed cases and total deaths of these countries are extracted from WHO (2021a) and from data banks including Statista (2021) for Hong Kong, Worldometers (2021) for South Korea, and the Taiwan Centres for Disease Control (2021) for Taiwan between March 9, 2020, and March 3, 2021, across 51 weeks. The percentages (rates) of cases and deaths are estimated by dividing the country-specific cumulative number of cases and deaths, respectively, by the country's population. The statistics on regional and global economic outlook are retrieved from McKinsey & Company (2021). The corresponding cultural dimension scores are extracted from the website of Hofstede Insights (2021).

#### **Empirical Findings and Discussions**

#### **COVID-19 Impact on Business and Future Economic Outlook**

In the wake of the global public health crisis since early 2020, the global economy has been shattered by widespread cross-country business and social lockdown, temporary or permanent shutdown of businesses, suspension of trade and travel, record-high unemployment or furlough, and under-performance of government. Numerous studies (Bartik et al., 2020; Cavallo et al., 2021; Cutler & Summers, 2020; Egger et al., 2021; Jackson et al., 2021; Martin et al., 2020; Sraders & Lambert, 2020; OECD, 2021) reported that over a million companies worldwide, big or small or domestic or foreign, suffered from different degrees of COVID-19affected sales reduction and business closures; others fought against time to transform into omnichannel operations while avoiding 'bricks and mortar' to survive. Even if most governments work jointly or act alone trying to appease the pandemic and rescue their economies from being austere, most businesses still face ongoing challenges. This is because the pre-crisis level of operations would not seem to easily resume if the universal vaccinations is not achieved, as commented by WHO with a currently unknown percentage to reach the herd immunity threshold of world population (see WHO, 2021b).

Nevertheless, amid various uncertainties, McKinsey & Company (2021) surveys released the information that global business executives expressed their optimism in forthcoming economic climate. As illustrated in Figure 1A, global business atmosphere was gloomy at the inception of COVID-19 outbreak but were progressively filled with confidence and positivity in the hope of seeing the 'light at the end of the tunnel', thanks to the development of global disease-fighting networks and plans of action for vaccination. Its recent survey shown in Figure 1B even depicts highly positive economic sentiment among the companies' home-offices in the region of Greater China (including Hong Kong and Taiwan), followed by those in North America and the Pacific-Rim, although a somewhat pessimistic business mood is observed in Europe, Latin America, and other developing regions.

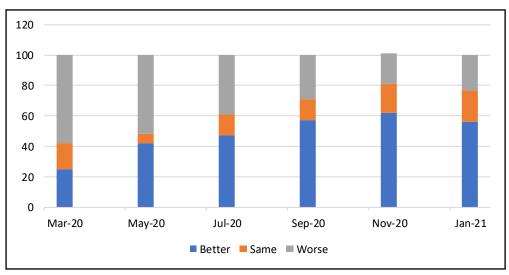


FIGURE 1A Global Economic Outlook in the Next Six Months

Source: McKinsey & Company (2021).

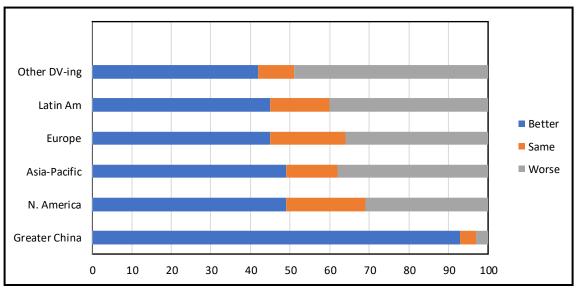


FIGURE 1B Home-Country Economic Outlook in the Next Six Months (Survey Time: September 2020)

Source: McKinsey & Company (2021).

# Preliminary Statistics of COVID-19 Across Regions

Table 1 presents the COVID-19 condition across the West and the East as of March 03, 2021, where both infections and deaths were topped in the U.S., Brazil, and Europe, while the crisis control seemed relatively effective in East Asia. The population-based affected cases and death rates of COVID-19 virulence were high in the U.S.A., U.K., Spain, and France, in contrast to the less-than-1% low rates across major Asia-Pacific economies (except Singapore's 1% virus-affected case rate).

Country	Cumulative No. of Cases	Cumulative No. of Deaths	TTL Population	Affected Cases (%)	Affected Deaths (%)
Western Economies:					
U.S.A.	28,825,174	522,469	331,002,651	8.7084	0.1578
Brazil	11,122,429	268,370	212,559,417	5.2326	0.1263
U.K.	4,229,002	124,797	67,886,011	6.2296	0.1838
France	3,860,118	88,613	65,273,511	5.9138	0.1358
Spain	3,164,983	71,727	46,754,778	6.7693	0.1534
Italy	3,101,093	100,479	60,461,826	5.1290	0.1662
Germany	2,518,591	72,489	83,783,942	3.0061	0.0865
Eastern Economies:					
Japan	443,001	8,402	126,476,461	0.3503	0.0066
China	102,172	4,849	1,471,286,879	0.0069	0.0003
S. Korea*	92,471	1,634	51,710,000	0.1788	0.0032
Singapore	60,062	29	5,850,342	1.0266	0.0005
Hong Kong**	11,258	203	7,507,000	0.1500	0.0027
Vietnam	2,529	35	97,338,579	0.0026	0.0000
Taiwan***	978	10	23,570,000	0.0041	0.0000

 TABLE 1

 Western vs. Eastern Economies, COVID-19 Statistics as of March 03, 2021

Source: WHO (2021a)

\*Worldometer (2021).

\*\*Statistica (2021).

\*\*\*Taiwan Centres for Disease Control (2021).

Alternatively, from a flow and dynamic viewpoint, the trends of COVID-19 in cases and deaths across the West and the East over 51 weeks between March 2020 and 2021 are illustrated in Figures 2A and 2B (Western economies), and 3A and 3B (Eastern economies). As somewhat expected, the cases followed by growth of death rates after the first several weeks (Weeks 7 or 9 in most countries) reveal the intrinsic human nature and governmental character as they first reacted to the shock and then acted either proactively or reactively to the crisis management. Proactive governments tended to activate proactive safety measures such as imposing face-masking and social-distancing orders and limiting business and social activities; whereas, reactive governments refuted the effectiveness of public safety measures, with a few even claiming such calls to be some sort of political or economic conspiracy. Consequently, a proactive government supported by its proactive citizens, such as those in major Asian economies except Japan would seem to ameliorate the COVID-19 crisis, while the misfortune tends to linger when a reactive government is followed by a skeptical and resistant public, as seemingly observed in the Western world.

In Asia, China as the outbreak origin—and given its largest and dense population—was able to suppress and stabilize its infection and death, while Singapore and South Korea were able to curb their COVID-19 incidents after experiencing cases and death surges, respectively, in the early months due to Singapore's 1.4 million Southeast Asian migrant workers. These workers mostly lived in crowded dormitories, and South Korea's first outbreak epicenter in the City of

Daegu hosted mega-religious gathering. In Japan, its casualty outburst included the case and death tolls of the Diamond Princess cruise ship. In October 2020 it was reported that a sizeable elderly (70 years and older) population was subject to developing serious medical conditions (see report by Japan's Ministry of Health, Labour and Welfare (2021). See also, Clark, Jit, Warren-Gash, Guthrie, Wang, Mercer, and Checchi (2020). As Japan is anticipated to host the COVID-19-postponed 2021 Summer Olympic Games in Tokyo, its government is under pressure to tamp down the pandemic with time constraint while showing its strategy and capacity in ongoing crisis management to ensure and provide a COVID-19-safe Olympic environment.

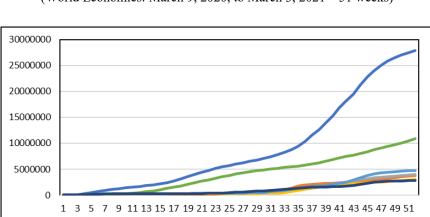
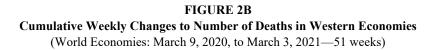


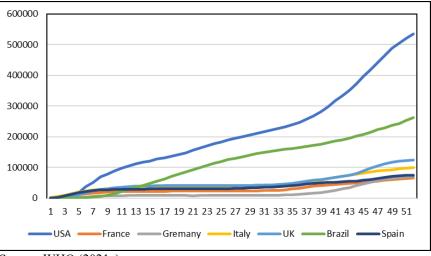
FIGURE 2A Cumulative Weekly Changes to Number of Cases in Western Economies (World Economies: March 9, 2020, to March 3, 2021—51 weeks)

Source: WHO (2021a).

USA -



France Germany Italy UK Brazil spain



Source: WHO (2021a).

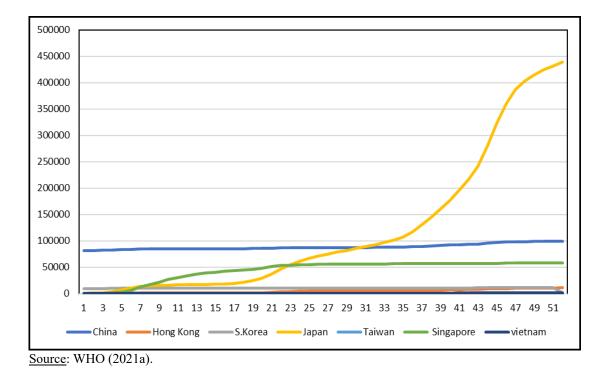
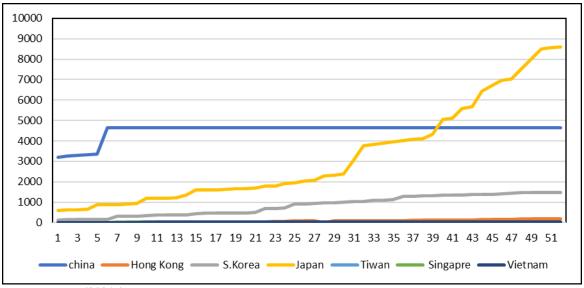


FIGURE 3A Cumulative Weekly Changes to Number of Cases in Eastern Economies (World Economies: March 9, 2020, to March 3, 2021—51 weeks)

FIGURE 3B Cumulative Weekly Changes to Number of Deaths in Eastern Economies (World Economies: March 9, 2020, to March 3, 2021—51 weeks)



Source: WHO (2021a).

#### Hofstede's Cultural Evidence of the West and the East

Figures 4A, 4B and 4C demonstrate regional cultural traits, cultural traits in the USA, and uniqueness across Western and Eastern economies. In sum, as compared with those in the East, the general culture of the West maintains lower power distance, higher individualism, higher uncertainty avoidance, less long-run focus, and higher self-indulgence, as it signifies Westerners who favor less hierarchy (especially in the U.K. and Germany), encourage the pursuit of self-interest (especially in the U.S. and the U.K.), possess likelihood of resisting challenges (especially in France, Brazil, and Italy), prioritize short-run goals (especially in the U.S. and Brazil), and endorse personal pleasure-seeking (especially in the U.S. and the U.K.). On the contrary, Easterners emphasize overall conservatism in high-power gap (especially in China, Hong Kong, Singapore, and Vietnam), long-term orientation (especially in China, South Korea, Japan, Taiwan, and Singapore), low self-indulgence (especially in China, Hong Kong, and South Korea), while being flexible and ready for necessary changes (especially in China, Hong Kong, Singapore, and Vietnam).

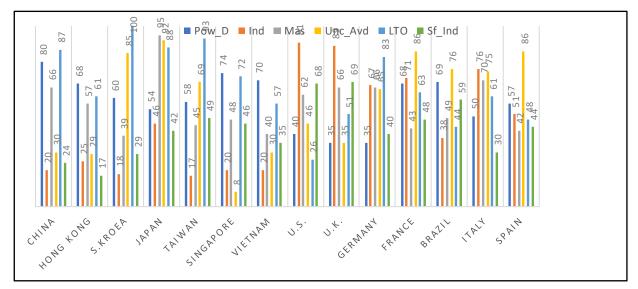
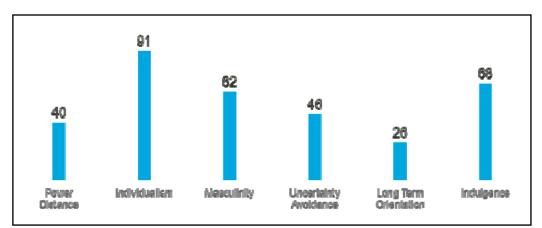


FIGURE 4A Hofstede's Culture Dimensions: Eastern vs. Western

Source: Hofstede Insights (2021b).

FIGURE 4B Hofstede's Culture Dimensions: USA



Source: Hofstede Insights (2021b).

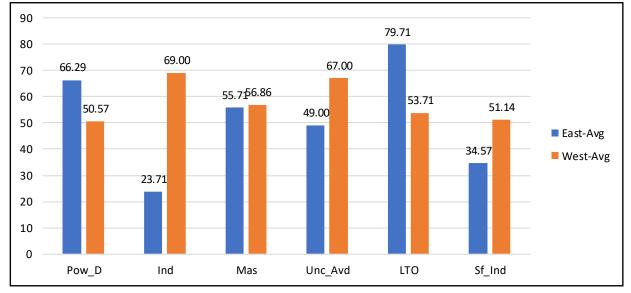


FIGURE 4C Hofstede's Culture Dimensions: East-West Regional Comparisons

Source: Hofstede Insights (2021b).

# Culture Combined: What can international entrepreneurs learn from cross-cultural practices to promote post-crisis growth and business sustainability?

Since the coronavirus outbreak, only scant literature attests to the implication of cultural perspectives on pandemic prevention and control. Gokmen, Baskici, and Ercil (2021) suggested that Hofstede's 'individualism' and 'self-indulgence' pose positive impacts on the increasing rate of total COVID-19 cases per million (IRTCCPM) across Europe, while a 'power-distant' culture is observed to lead to negative IRTCCPM, meanwhile leaving 'masculinity', 'uncertainty avoidance', and 'long-term orientation' insignificantly improving COVID-19. Similarly, in a pre-COVID-19 study by Deschepper, Grigoryan, Lundborg, Hofstede, Cohen, Van Der Kelen, and Haaijer-Ruskamp (2008), 'power distance' and 'uncertainty avoidance' play more positive and impactful roles than other Hofstede dimensions in European antibiotic use, suggesting that European patients tend to respect the 'power order' from their physicians to avoid the consequential risks.

In this qualitative study across Western and Eastern economies, it is shown that the comparatively effective control reflected in major Asian countries' low COVID-19 case and death rates has resulted from their regional cultural practice. This may serve as a pragmatic example for other counterpart regions to assess and reflect in their pandemic management and business tactics. East-regional low 'individualism' customarily suggests that its people value collective and in-group culture, which prioritizes social altruism over those of the individuals. In the implication of COVID-19 control which needs national-level collective collaborations, a low individualistic society is deemed to follow the state order for new business guidelines and other safety calls more closely, presumably ending in lower virus contagion and spread.

'Long-term orientation' is also an Eastern cultural norm, which describes individuals to be forward-looking and 'patient' for their future while willing to endure 'present' sacrifice, as opposed to the mindset of short-term focus on present enjoyment. In the COVID-19 intervention, future-oriented Easterners may mostly aim at their long-term welfare and therefore are more likely to adhere to pressing public safety protocols and practice business promptly accordingly. Contrary to Westerners' relaxed lifestyle which may reflect in loose state-order compliance, Eastern businesses tolerate present sacrifice (e.g.: complete face-masking) to prevent any shortrun disadvantages to safeguard their long-run prosperity.

As concluded in Gokmen et al. (2021), 'power distance' is influential in pandemic prevention across the European experience. Distinct power in a culture is recommended to slowdown virus transmission, while a 'flattened' power or 'squeezed' hierarchy tends to deteriorate disease control. In Eastern economies, high power distance keeps people in different ranks and 'distances', counter to the flatter hierarchy in Western societies. Facing COVID-19, oriental firms follow a normative power gap by complying with state safety regulations to avoid mandated business lockdown, and therefore conceivably contribute to restraining the disease from aggravating.

As asserted by Gokmen et al. (2021), adoption of 'self-indulgence' is to invite more virus infection. Parallel to the outcome of 'individualism', self-indulgence (hedonism) emphasizing

one's interest in the pursuit and freedom of choice may lead to lax compliance of public decrees. In Eastern businesses, practical conservatism confines the quest for such desire to persuade its buyers and sellers to support and follow the societal goals. This shows in the process of COVID-19 relief where less-emphasized self-indulgence or hedonism is normally endorsed by civil subservience in face-masking and social-distancing around the business environment.

'Masculinity' in Hofstede's cultural setting receives no significant distinction across the West and the East. As also validated by Deschepper et al. (2008) and Gokmen et al. (2021), medical exercise and public health (crisis) management in general are unlikely to be affected under masculine or feminine practice of a culture. Hence, in managing COVID-19-affected businesses, firms and entrepreneurs are advised to impose their public safety codes based on their operative capacities and customers' needs, along with other cultural references.

Finally, 'uncertainty avoidance' reveals the degree of cultural acceptance in changes. As claimed by Deschepper et al. (2008), citizens of a high uncertainty-avoiding culture are observed to follow existing rules while discrediting changes. In Eastern economies, low uncertainty avoidance compared with that in the West may offer a plausible rationale as to why they could calm their regional COVID-19 contagion, thanks to the flexibility of taking challenges and swift adjustment to public safety orders as new norms. Facing the novelty of COVID-19 and its unknown development, instantaneous crisis response of international businesses and their proactive strategies are imperative. Indeed, a culture with higher propensity to accept changes, like the one witnessed in the East, is believed to potentially produce affirmative results for business recovery and sustainability.

#### Post-COVID-19 Global Business Policy and Recommendation

Given the above cross-regional cultural analysis and implication of ongoing the Coronavirus spread, it is important that international business leaders and entrepreneurs, while developing strategies and safety measures to sustain organizational operations, take the country's inheritance and business culture into account for COVID-19-relevant business management. As 'prevention [following cultural norm] is better than cure' declared by Ubani (2020), Hofstede's cultural classification across Western and Eastern economies indicates that low COVID-19 case and death rates of the latter are deemed to be notably attributed to its cultural practices. These include long-term orientation, collectivism, high power distance, low uncertainty avoidance, low self-indulgence, and impartial masculinity. Cultural idiosyncrasy and difference are natural across regions which promote cross-cultural learning and should be appreciated while cultural ethnocentricity should be discouraged. During the prolonged epidemic, the gradually pandemicfatigued public would resume some or more of their conventional business activities. Itt becomes critical therefore, for companies worldwide to not only be pragmatic and coordinate jointly, but also learn from one another in cultural contexts to combat the virus for global relief.

As Western businesses may ponder the low virus case and death rates across the East while assessing how its positive COVID-19 preventive outcome is achieved, it is essential to note that disease control and prevention rely on collective actions of a nation, while considering business cultural aspects of (1) long-term orientation by which firms should undertake short-term

sacrifices by requiring customers' public safety practices for long-term sustainability; (2) low individualism by which businesses prioritize societal goals to act communally by protecting one another from disease aggravation; (3) high power distance by which firms follow state safety codes with complete compliance; (4) low uncertainty avoidance by which businesses adopt social and business flexibility for changes and new rules; and, (5) low self-indulgence by which firms promote collective and altruistic pursuit rather than accommodating individual business interests through self-seeking prerogatives.

# CONCLUSION

The unprecedented COVID-19 pandemic has interfered with all aspects of human life publicly or privately around the globe. Many studies have been conducted to provide advice on COVID-19-related medical rescue and public health crisis management, concurrent with national monetary and fiscal plans to alleviate the economic and business disturbances—whereas scant analysis has been applied to the cross-cultural impact on COVID-19-affected business management. This study acknowledges the importance of national or regional 'hardware' capacity, including medical remedy and economic and financial stimuli for disease relief, while it stresses the vital 'software' of cultural exercises contributing to organizational and business recovery and sustainability.

From the Hofstede cultural paradigm across Western and Eastern economies, it is believed that effective pandemic control most likely results from a collaborative culture, reflected in long-term orientation, low individualism, high power distance, low uncertainty avoidance, and low self-indulgence. An early and inclusive compliance of state-mandated safety measures need to be adopted by all citizens and businesses—while the risks of failing interventions due to any form of defiance may prevail in a contrary culture. Entrepreneurs and international business policy makers contemplating future post-COVID-19 business management should therefore take the pragmatic cultural traits of Hofstede's paradigm into consideration. Indeed, we should put away the jargon, "East is East, and West is West, and never the twain shall meet." (Kipling, 1940).

#### REFERENCES

- Ahmed, W., Vidal-Alaball, J., Downing, J., & Seguí, F. L. (2020). COVID-19 and the 5G conspiracy theory: social network analysis of Twitter data. *Journal of Medical Internet Research*, 22(5), 1-9.
- Bartik, A. W., Cullen, Z. B., Glaeser, E.D., Luca, M., Stanton, C. T., & Sunderam A. (2020). The targeting and impact of paycheck protection program loans to small businesses. National Bureau of Economic Research, Working Paper No. 27623. Retrieved from https://www.nber.org/system/files/working\_papers/w27623/w27623.pdf
- Bruns, D. P., Kraguljac, N. V., & Bruns, T. R. (2020). COVID-19: facts, cultural considerations, and risk of stigmatization. *Journal of Transcultural Nursing*, *31*(4), 326-332.
- Cavallo, A., & 25 MBA/Harvard Students. (2021). Global Policy Tracker. *COVID-19 Business Impact Center, Harvard Business School.* Retrieved from https://www.hbs.edu/COVID-19-businessimpact/insights/economic-and-financial-impacts
- CBS News. (2020, May 27). Trump mocks those wearing face masks, calling it "politically correct". Retrieved from https://www.cbsnews.com/video/trump-mocks-those-wearing-face-masks-calling-it-politically-correct/#x
- Centers for Disease Control and Prevention, of U.S.A. (2020, September 10). COVID-19 updates: Protect yourself. Retrieved from https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html
- Cheng, V. C., Wong, S. C., Chuang, V. W., So, S. Y., Chen, J. H., Sridhar, S., & Yuen, K. Y. (2020). The role of community-wide wearing of face mask for control of coronavirus disease 2019 (COVID-19) epidemic due to SARS-CoV-2. *Journal of Infection*, 81(1), 107-114.
- Clark, A., Jit, M., Warren-Gash, C., Guthrie, B., Wang, H. H., Mercer, S. W., & Checchi, F. (2020). Global, regional, and national estimates of the population at increased risk of severe COVID-19 due to underlying health conditions in 2020: A modelling study. *The Lancet Global Health*, 8(8), e1003-e1017.
- Cohen, J., & Rodgers, Y. V. D. (2020). Contributing factors to personal protective equipment shortages during the COVID-19 pandemic. *Preventive Medicine*, 141(December), 106263. Retrieved from https://doi.org/10.1016/j.ypmed.2020.106263
- Cutler, D. M., & Summers, L. H. (2020). The COVID-19 pandemic and the \$16 trillion virus. *Journal of the American Medical Association*, 324(15), 1495-1496.
- Deschepper, R., Grigoryan, L., Lundborg, C. S., Hofstede, G., Cohen, J., Van Der Kelen, G.,
  & Haaijer-Ruskamp, F. M. (2008). Are cultural dimensions relevant for explaining cross-national differences in antibiotic use in Europe? *Health Services Research*, 8(1), 1-9.
- Dhama, K., Sharun, K., Tiwari, R., Dadar, M., Malik, Y. S., Singh, K. P., & Chaicumpa, W. (2020). COVID-19, an emerging coronavirus infection: advances and prospects in designing and developing vaccines, immunotherapeutics, and therapeutics. *Human Vaccines & Immunotherapeutics*, 1-7.
- Egger, D., Miguel, E., Warren, S. S., Shenoy, A., & Vernot, C. (2021). Falling living standards during the COVID-19 crisis: Quantitative evidence from nine developing countries. *Science Advances*, 7(6). Retrieved from https://doi.org/10.1126/sciadv.abe0997
- Eikenberry, S. E., Mancuso, M., Iboi, E., Phan, T., Eikenberry, K., Kuang, Y., & Gumel, A. B. (2020). To mask or not to mask: Modeling the potential for face mask use by the general public to curtail the COVID-19 pandemic. *Infectious Disease Modelling*, 5, 293-308.
- Etehad, M. (2020, May 22). Some world leaders embrace face masks, others reject them. *Los Angeles Times*. Retrieved from https://www.latimes.com/world-nation/story/2020-05-22/world-leaders-face-maskscoronavirus
- Feng, S., Shen, C., Xia, N., Song, W., Fan, M., & Cowling, B. J. (2020). Rational use of face masks in the COVID-19 pandemic., *The Lancet Respiratory Medicine* 8(5), 434-436.
- Gokmen, Y., Baskici, C., & Ercil, Y. (2021). The impact of national culture on the increase of COVID-19: A crosscountry analysis of European countries. *International Journal of Intercultural Relations*, 81, 1-8.
- Hofstede, G. (1980). *Culture, consequences, international differences in work-related values.* Beverly Hills, CA: Sage Publications.

- Hofstede, G. (2001). *Culture's consequences, comparing values, behaviors, institutions, and organizations.* Thousand Oaks, CA: Sage Publications.
- Hofstede, G., Hofstede, G. J., & Minkov, M. (2010). *Cultures and organizations: Software of the mind* (3rd ed.). New York, NY: McGraw-Hill.
- Hofstede Insights (2021a). Design a culture that will support your strategy. Retrieved from https://hi.hofstedeinsights.com/organisational-culture
- Hofstede Insights (2021b). Country comparison. Retrieved from https://www.hofstede-insights.com/countrycomparison
- Huynh, T. L. D. (2020, October). Does culture matter social distancing under the COVID-19 pandemic? Safety Science, 130, 104872. Retrieved from https://doi.org/10.1016/j.ssci.2020.104872
- Jackson, J. K., Weiss, M. A., Schwarzenberg, A. B., Nelson, R. M., Sutter, K. M., & Sutherland, M. D. (2021). Global Economic Effects of COVID-19. *Congressional Research Service*. Retrieved from https://fas.org/sgp/crs/row/R46270.pdf
- Jovančević, A., & Milićević, N. (2020). Optimism-pessimism, conspiracy theories and general trust as factors contributing to COVID-19 related behavior–A cross-cultural study. *Personality and Individual Differences*, 167, 110216. Retrieved from https://doi.org/10.1016/j.paid.2020.110216
- Khot, U. (2020). Navigating healthcare supply shortages during the COVID-19 pandemic A cardiologist's perspective. Cardiovascular Quality and Outcomes. Retrieved from https://doi.org/10.1161/CIRCOUTCOMES.120.006801
- Kipling, R. (1940). Rudyard Kipling's Verse. Garden City, NY: Doubleday. pp. 233-236.
- Liu, X., & Zhang, S. (2020). COVID-19-19: Face masks and human-to-human transmission. *Influenza and Other Respiratory Viruses*, 4(4), 472-473. Retrieved from https://doi.org/10.1111/irv.12740
- Lyu, W., & Wehby, G. L. (2020). Community use of face masks and COVID-19: Evidence from a natural experiment of State mandates in the US: Study examines impact on COVID-19 growth rates associated with state government mandates requiring face mask use in public. *Health Affairs*, *39*(8), 1419-1425.
- Martin, A., Markhvida, M., Hallegatte, S., & Walsh, B. (2020). Socio-economic impacts of COVID-19 on household consumption and poverty. *Economics of Disasters and Climate Change*, *4*, 453-479.
- Martin, G. P., Hanna, E., & Dingwall, R. (2020, May 26). Urgency and uncertainty: COVID-19, face masks, and evidence informed policy. *British Medical Journal*, 369. Retrieved from https://doi.org/10.1136/bmj.m2017
- Matsumoto, D. (2000). Culture and psychology (2nd ed.). Pacific Grove, CA: Brooks Cole.
- McKinsey & Company (2021, April 30). The coronavirus effect on global economic sentiment. Retrieved from https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/thecoronavirus-effect-on-global-economic-sentiment
- Meese, J., Frith, J., & Wilken, R. (2020). COVID-19, 5G conspiracies and infrastructural futures. *Media International Australia*, 177(1), 30-46.
- Ministry of Health, Labour and Welfare, of Japan. (2021, March 23). Expert Meeting on the Novel Coronavirus (Press Conference). Retrieved from
  - https://www.mhlw.go.jp/stf/seisakunitsuite/bunya/newpage\_00032.html
- National Public Radio. (2020, July 10). Anatomy of a COVID-19 conspiracy theory. Retrieved from https://www.npr.org/2020/07/10/889037310/anatomy-of-a-COVID-19-conspiracy-theory
- Nicola, M., Alsafi, Z., Sohrabi, C., Kerwan, A., Al-Jabir, A., Iosifidis, C., Agha, M., & Agha, R. (2020). The socioeconomic implications of the coronavirus pandemic (COVID-19): A review. *International Journal of Surgery*, 78(June), 185-193. Retrieved from https://doi.org/10.1016/j.ijsu.2020.04.018
- OECD. (2021, March). Strengthening the recovery: The need for speed. OECD Economic Outlook Interim Report. Retrieved from https://www.oecd.org/economic-outlook
- Painter, M., & Qiu, T. (2020). Political beliefs affect compliance with COVID-19 social distancing orders. VOX EU & CEPR Institute. Retrieved from https://voxeu.org/article/political-beliefs-and-compliance-socialdistancing-orders
- Pomfret, J. (2020, March 17). The U.S.-China coronavirus blame game and conspiracies are getting dangerous. *The Washington Post*. Retrieved from https://www.washingtonpost.com/opinions/2020/03/17/us-china-coronavirus-blame-game-conspiracies-are-getting-dangerous

- Schellekens, P., & Sourrouille, D. (2020). Future development: The unreal dichotomy in COVID-19 mortality between high-income and developing countries. Retrieved from https://www.brookings.edu/blog/futuredevelopment/2020/05/05/the-unreal-dichotomy-in-COVID-19-mortality-between-high-income-anddeveloping-countries
- Sheridan, A., Andersen, A. L., Hansen, E. T., & Johannesen, N. (2020). Social distancing laws cause only small losses of economic activity during the COVID-19 pandemic in Scandinavia. *Proceedings of the National Academy of Sciences*, 117(34), 20468-20473.
- Sraders, A., & Lambert L. (2020). Nearly 100,000 establishments that temporarily shut down due to the pandemic are now out of business. *Fortune Magazine* (September). Retrieved from https://fortune.com/2020/09/28/COVID-19-buisnesses-shut-down-closed
- Statistica (2021). Number of novel Coronavirus COVID-19 cumulative confirmed, recovered and death cases in Hong Kong from January 22, 2020, to May 30, 2021. Retrieved from https://www.statista.com/statistics/1105425/hong-kong-novel-coronavirus-covid19-confirmed-deathrecovered-trend
- Taiwan Centers for Disease Control (2021). COVID-19 (SARS-CoV-2 Infection). Retrieved from https://www.cdc.gov.tw/En
- The Telegraph (2020, June 25). Florida residents reject face masks: 'They want to throw God's wonderful breathing system out'. Retrieved from

```
https://www.youtube.com/watch?v=DaFSH0K4BdQ&ab_channel=TheTelegraph
```

- TYT Investigates (2020, June 25). Are you praying to the devil? *YouTube*. Retrieved from https://www.youtube.com/watch?v=CJM-MvfBRbo&ab channel=TYTInvestigates
- Ubani, K. (2020). COVID-19, Culture and public health conditions in developing countries: Prevention is better than cure. *Canadian Social Science*, *16*(4), 14-19. Retrieved from http://dx.doi.org/10.3968/11622
- Venkatesh, A., & Edirappuli, S. (2020). Social distancing in COVID-19: what are the mental health implications? *British Medical Journal, 369.* Retrieved from https://doi.org/10.1136/bmj.m1379
- WHO (2021a). Coronavirus Dashboard. Retrieved from https://COVID-19.who.int
- WHO (2020b, December 31). Coronavirus disease (COVID-19): Herd immunity, lockdowns, and COVID-19. Retrieved from https://www.who.int/news-room/q-a-detail/herd-immunity-lockdowns-and-covid-19
- Worldometer (2021, June 30). South Korea Coronavirus cases. Retrieved from https://www.worldometers.info/coronavirus/country/south-korea
- Yezli, S., & Khan, A. (2020). COVID-19 social distancing in the Kingdom of Saudi Arabia: Bold measures in the face of political, economic, social, and religious challenges. *Travel Medicine and Infectious Disease* (September-October), 37, 101692. Retrieved from https://doi.org/10.1016/j.tmaid.2020.101692