

EDITORIAL

More than three decades since Theodore Levitt's (1983) seminal piece on the Globalization of Markets appeared in the Harvard Business Review, the global community with its markets, citizens, consumers and cultures seems not to have converged into a common global monolithic utopia as suggested by Levitt, but has in many ways become increasingly and uniquely glocal (global and local), and even more heterogeneous and divergent. While globalisation has increased the level, speed and ways of interdependencies within the global community and its actors, leading to a higher degree of standardisation and universalist behaviour in global relations and business, this has not diminished the roles of national and sub-regional cultures, distinct national, sub-regional and ethnic communities, nor their corresponding identities.

The simultaneous processes of globalisation and standardisation on one hand, and intensifying localisation and regionalisation on the other, can quickly cause serious cultural misunderstandings and stereotyping, which in the end impact both the political, as well as the economic and business behaviour of actors in the international community. Globalisation is largely a paradox since it seems to undermine the most fundamental principle of the international environment – *the richness of contexts*. Abandoning the neoclassical economic absurdity of fully rational atomised individuals, real-life, flesh-and-skin policy-makers, politicians, diplomats and businesspeople are profoundly influenced every day by social, cultural, historical and institutional backgrounds, as well as various kinds of embeddedness and institutions. As mortal human beings, they are governed by not only social structures and contexts, but also by complex cognitive processes (i.e. stereotyping, prejudice).

In particular, stereotypes not only impact individuals' behaviours, but can as well deeply impede political, diplomatic, economic and business relations between countries. Nowhere is this more apparent than within small, yet culturally and ethnically heterogeneous environments, like those of the Western Balkans.

In addressing these issues, this special thematic section of *Teorija in praksa* you are reading focusses on the question of how stereotypes impact political and economic cooperation among countries of former Yugoslavia 25 years after its turbulent disintegration. It is based on a comprehensive and interdisciplinary study entitled: "Cross-cultural differences and stereotypisation: an advantage or disadvantage in political and economic cooperation among ex-Yugoslavia member states", financed by the Slovenian Research Agency. Adopting both a multi-method approach as well as drawing on an interdisciplinary theoretical framework spanning international relations and diplomacy, international business and cultural studies, as well as cultural

sociology and cultural anthropology, the study is the first of its kind in Slovenia and the wider region of former Yugoslavia.

In trying to show the relevance of this region also to 'outsiders', we would just like to highlight that this historically and socio-culturally complex patchwork environment has not only experienced a reversed deculturation from the previous common Yugoslav identity and a unique process of cultural divergence, but to this day remains an interesting setting to study political and economic interaction against the backdrop of the so-called psychic distance paradox whereby culturally similar actors underestimate cultural differences and fail to make appropriate accommodations.

In a series of articles, the corresponding pairs of authors have adopted various international political, business and cultural perspectives relevant to Slovenia and other former Yugoslav countries. Yet, regardless of their different perspectives, their works share some common denominators:

- a. Stereotypes and the tendency towards stereotyping are very strong among former Yugoslav nations, and may represent a significant barrier to various kinds of bilateral or multilateral political, economic or cultural relations among countries.
- b. The level of awareness and sensitivity to local cultural specifics is relatively low, and appears to support the so-called psychic distance paradox, which is leading to the loss of competitive advantages of former Yugoslav countries (especially Slovenia) in other former Yugoslav markets.
- c. We can observe growing cultural and national identity divergence – not convergence – when it comes to the former Yugoslav countries, holding profound implications for international relations, diplomacy and business.

The world is increasingly becoming what we make of it. Thus, studying perceptions, judgments and stereotypes should be ever more relevant to understanding human behaviour and its outcomes in the international environment – in terms of both politics and policy, as well as business and economics. As the world shifts to a new multi-power third millennium, we in Slovenia and others in the region need to reconnect with the Western Balkans, which has been moulded into something fundamentally different by cultural and social divergence, and fallen victim to the economic transition and other international appetites. For Slovenia, once a flagship locomotive of the proverbial Yugoslav train, the question of its identity and role in the region needs to be not so much reopened, as much as revisited afresh. This needs to be done in terms of both understanding its own regional standing and national identity, as well as regaining much of what it has lost in terms of its competitive advantage in the other former Yugoslav markets.

Boštjan Udovič and Matevž Raškovič
guest editors