

FROM "DISTANCE" TO "FRICTION": SUBSTITUTING METAPHORS AND REDIRECTING INTERCULTURAL RESEARCH

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The cultural distance metaphor dominates international management research, promoting a sterile, detached view where static antecedents in the form of artificially constructed differences serve as the dominant lens through which culture is viewed and its impact assessed. We examine culture and its positivist treatment in the foreign direct investment literature using the theoretical and real-world lenses. Adopting a social constructionist approach, we propose cultural friction as a substitute metaphor centered on the actual encounter of cultural systems within a context of power relations and potential conflict between a multinational enterprise and its host country constituencies.

Few constructs have gained broader acceptance in international management (IM) than "cultural distance." Presumably measuring the magnitude of differences in national culture, the cultural distance construct was popularized by the compact composite index introduced by Kogut and Singh (1988), an aggregate measure of Hofstede's (1980, 1991) cultural dimensions of power distance, uncertainty avoidance, individuality, and masculinity. Coming on the heels of such predecessor constructs as "psychic distance" (Johanson & Vahlne, 1977) and offering a seemingly parsimonious, quantitative expression of a hitherto intangible and complex concept, cultural distance has become the metaphor of choice in research ranging from foreign entry mode and performance of cross-border mergers/acquisitions to global strategic alliances and expatriate deployment. The metaphor has become so entrenched that it has spawned followers, with "knowledge distance" (Farjoun, 1998), "institutional distance" (Kostova, 1999), and "technological distance" (Vassolo, Anand, & Folta, 2004) coming in rapid succession.

But is "distance" the appropriate metaphor with which to describe, analyze, and assess the impact of culture in IM? What are the underlying assumptions and potential biases associated with relying on distance as a primary metaphor, and how have those assumptions and biases impacted theory and research in IM? Is there an alternative metaphor that can better capture the essence of the cross-cultural encounter as applied to international business phenomena? In this paper we aim to answer these questions, among others, and, in so doing, go beyond the conceptual and methodological deficiencies embedded in the cultural distance construct (Shenkar, 2001). What we seek to offer is an in-depth metaphorical analysis and a research framework built around a substitute metaphor and delineating an alternative research approach.

We begin with a discussion of metaphors in organizational research before turning to the roots of the cultural distance metaphor, its history, imagery, and the scholarly repercussions of its usage. We proceed to offer "friction" as a substitute metaphor denoting intercultural engagement and incorporating aspects of power and hierarchy as part and parcel of the intercultural encounter (e.g., Tsing, 2005). We then use

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the friction metaphor as a platform from which to reassess the cultural encounter in the context of foreign direct investment, critiquing, in the process, current theoretical approaches and proposing an alternative, socially constructed perspective: a world where cultural, economic, and political realities are intermingled and socially construed, continuously interpreted by constituencies separated by power differentials and divergent interests. The paper concludes with a discussion of the implications of the metaphoric substitution for IM research.

A METAPHORICAL JOURNEY

Metaphors in Organizational Research

Metaphors are a staple of social science (Kaplan, 1964) and organizational research (Alvesson, 1993; Morgan, 1980). According to Lakoff and Johnson, "The essence of metaphor is understanding and experiencing one thing in terms of another" (1980: 5). A source of cognitive priming, metaphors elicit semantic, behavioral, and affective responses (Blair & Banaji, 1996) that shape our view of a phenomenon and the mental systems in which it is embedded, triggering investigation into features that exist in the subject of interest (Morgan, 1980). For example, the use of culture as a metaphor for organization generated research into the expressive and symbolic aspects of organizational life (Smircich, 1983).

Metaphors can be an effective research aid; as Morgan notes, the "metaphor encourages us to think and act in new ways" (1997: 351), extending horizons, expanding insights, and creating novel possibilities. A metaphor can elicit new reasoning (Lakoff & Johnson, 1999), generate creative insights, open new directions in theorizing and research, and promote interdisciplinary research (Beyer, 1992; Cornelissen, 2005). Metaphors can also be used as a means to elaborate on and explicate existing knowledge (Morgan, 1983; Oswick, Keenoy, & Grant, 2002).

Benefits notwithstanding, the use of metaphors involves a number of potential negatives. Metaphors may cause scholars to drift away from content areas they know and understand (Pinder & Bourgeois, 1982), pushing them too far from their field of competency (Tsoukas, 1993). The emphasis on similarities between origin and target phenomena distracts from the ten-

sion between the two (Ortony, 1975; Oswick et al., 2002). Lakoff and Johnson write that metaphors highlight certain features while suppressing others that may be equally or more important, limiting the range of experiences by "highlighting, downplaying and hiding" (1980: 152). Tsoukas (1991) sees this problem occurring especially for metaphors that are difficult to conceptualize and visualize. Cornelissen (2004, 2005) points out that in organization theory metaphors have been mostly utilized in comparison models using preexisting attributes, neglecting the potentially more rewarding effort to generate new meaning. Since metaphors are imprecise and nonfalsifiable, they may be harmful to theory development, particularly once they become "frozen" or "dead" (Tsoukas, 1991, 1993). Metaphors can damage scholarly development by bringing about premature closure "in both thought and inquiry" (Morgan, 1980: 613). Oswick et al. (2002) concur and observe that analogical metaphors may not be much help in knowledge creation.

If we accept that the metaphor is "a basic structural form of experience through which human beings engage, organize, and understand their world" (Morgan, 1983: 601), it should be of special value to consider the metaphors used in IM, where diversity in circumstance and meaning is the order of the day. Given the complexity and intangibility of the international environment, metaphors serve as a substitute for an unobserved reality, increasing the threat of oversimplification. As Morgan and Smircich (1980) note, the choice of metaphors reflects core assumptions about ontology and human nature, and the temptation to use a metaphor that mitigates foreignness of meaning is especially pronounced regarding international issues. In "translating" meanings into a familiar "language," IM metaphors tend to limit the range of experiences, setting aside hidden, alternative, and socially construed meanings while using an analogue comparison with the focal and familiar. The preponderance of economic theory imports that do not lend themselves to subjective analysis imparts IM scholars with a tendency to treat actual circumstances and partisan beliefs as "noise" and "idiosyncrasies" rather than as content and essence, filtering experiences and perspectives that are judged external to an "objective" frame of reference. In this context the danger of "premature closure" is

especially salient as competing or complementary inputs from other disciplines are blocked, confining scholarly treatment to a single, narrow lens that a confining metaphor then serves to freeze. In the next sections we show how cultural distance, as the metaphor of choice for cultural differences in IM, has evolved and what the roots and repercussions of its permeation have been.

Metaphorical Roots: Cold, Hot, and Psychic

Beckermann (1956) was likely the first to coin the term *psychic distance* to denote differences between nations, later defined as “the sum of factors preventing the flow of information from and to the market” and utilizing a mix of variables, such as culture, language, education, and industrial development (Johanson & Vahlne, 1977: 24; see also Alpaender, 1976, and Richman & Copen, 1972). The psychic distance concept gave rise to the theory of familiarity, which argued that firms were more likely to launch foreign investment in markets relatively similar to their own (Davidson, 1980; Ozawa, 1979; Yoshino, 1976), and to the internationalization process theory (also known as the Uppsala School), which observed that firms progressively expanded from their home base into countries with greater psychic distance and performed better when pursuing such incremental expansion (Axelsson & Johanson, 1992; Engwall, 1984; Forsgren, 1989; Johanson & Vahlne, 1977; Johanson & Wiedersheim-Paul, 1975; Luostarinen, 1980; Welch & Luostarinen, 1988).

Throughout the psychic distance reign, the concept’s primary area of application was foreign direct investment. This was also true of Litvak and Banting’s (1968) “cold” versus “hot” targets—host nations that were scored according to their “geocultural distance” from a focal investor country, together with physiographic barriers, political stability, and other national-level variables. These were times of rapid growth in international trade and investment, and interest in the challenges facing a multinational firm navigating unfamiliar waters was running high. To IM scholars, it was never in doubt where this firm was based or that it was the focal actor. It was also self-evident that the multinational’s ventures abroad implied descent to some lesser ground. As one moves further away from the United States, observed

Goodnow and Hansz, “government becomes less stable, the markets become poorer, the economy becomes less stable, cultural homogeneity declines, legal and geographic barriers go up and cultures become different” (1972: 37).

From Psychic Distance to Cultural Distance

The publication of Hofstede’s landmark *Culture’s Consequences* in 1980 catapulted culture into the mainstream of management research. The appearance of a seemingly precise, straightforward classification served to demystify culture, facilitating its induction into the orderly world of a field dominated by structural and operational concepts. Once in, culture took on the rigid appearance of other management variables—away from the abstract, fluid, and ambivalent nature of the phenomenon. As Morgan explains, culture became to management theorists “a phenomenon with clearly defined attributes . . . often reduced to a set of discrete variables . . . that can be documented and manipulated in an instrumental way” (1997: 151). Still, a systematic way to measure the differences among cultures, something Hofstede stopped short of doing, eluded researchers. Kogut and Singh (1988) took on this task, developing a cultural distance measure on Hofstede’s platform by aggregating his four dimensions into a composite index. The measure and the metaphor might not have taken off, however, had the theoretical landscape not been in place.

At about the same time that cultural distance emerged as measure and metaphor, transaction cost theory (Williamson, 1979, 1985) was gathering momentum, eventually becoming the leading theoretical framework with which to predict the mode of entry into international markets. Cultural distance provided what seemed to be a perfect proxy for environmental uncertainty, a key though poorly defined transaction cost variable that was supposed to trigger internalization because of firms’ inability to specify transaction contingencies and because of fear that agents would take advantage of the limited knowledge of principals (Beamish & Banks, 1987; Williamson, 1979). With complete and accurate information on overseas agents difficult and costly to obtain, it became increasingly tough to ascertain their claims, raising agency costs (Roth & O’Donnell, 1996). Neither fundamental problems with the transaction cost logic (e.g.,

Anderson & Gatignon, 1986; Gatignon & Anderson, 1988) nor questions regarding its cultural anchoring (Hofstede, 1994)—not even repeatedly inconsistent empirical support (e.g., Benito & Gripsrud, 1992; Erramilli & Rao, 1993; Kim & Hwang, 1992; Padmanabhan & Cho, 1994)—have tempered the enthusiasm for the measure, and cultural distance has joined R&D and advertising intensity in the “must have” pantheon of independent and/or control variables. It has been there since, damaging critique notwithstanding (e.g., Denison & Mishra, 1995; Shenkar, 2001).

Cultural Distance: The Metaphor

Cultural distance is a complex, novel metaphor—a conceptual blending that extends the mental mapping and inferences associated with the primary metaphors (Grady, 1997; Lakoff & Johnson, 1999) of culture and distance. These two metaphors differ in a vital respect: culture is based on subjective meanings that draw attention to relatively abstract things, such as norms and values (Jelinek, Smircich, & Hirsch, 1983); distance carries a rational, quantifiable impression associated with its common application in daily life and geography. Smith and Simmons (1983) note that the meaning of a metaphor depends on the context in which it is placed, including its association with other metaphors. In this case distance appears to be the driving metaphor, while culture is the adjective, inspiring a “culture is distance” interpretation.

The *Oxford English Dictionary* defines distance as “the condition of being at variance, discord, disagreement, dissension, dispute, debate”; “difference, diversity”; “the fact or condition of being apart or far off in space; remoteness”; and “the extent of space lying between any two objects.” Other definitions mirror the “space between” and “remoteness” theme. Remoteness emerged as the interpretative lens for cultural distance because, in addition to its everyday and managerial usage (as in “we are a long way from achieving this goal”), it had an intuitive association with geographic distance, which, for a number of reasons, became a background source metaphor for cultural distance.

First, when cultural distance emerged as a new construct, geographic distance was already an established variable in international busi-

ness (Buckley & Casson, 1979; Davidson & McFeteridge, 1985; Vachani, 1991), which facilitated its metaphorical extension into cultural distance. Second, as a spatial property, geographic distance belongs in the sensorimotor domain and provides pictorial imagery of the physical world—historically, the dominant source for metaphors (Cornelissen, 2005; Lakoff & Johnson, 1980, 1999; Narayan, 1997; Tsoukas, 1991). Third, geographic distance constitutes “hard data,” and this fits well with the “imagery of order” and perceived rationality pervasive in organizational research (Meadows, 1967; Morgan, 1997; Smircich, 1983). This imagery was especially appealing given the perception of culture as a “soft intangible,” providing welcome relief from the vagueness of predecessor measures and the complexity of such metaphors as the sociologically inspired “social distance” (Litwak & Meyer, 1966), which facilitated the use of the cultural distance metaphor by nonexperts (Shenkar, 2001). Finally, management is dominated by Anglo-Saxon scholars (Pugh and Hickson [1997] counted forty-three Americans, twelve Britons, and two Canadians among the sixty-two most prominent organizational writers)—members of a “low contact” culture (Triandis, 1983; Watson, 1970) receptive to the “remoteness” interpretation. Further, ethnocentric attitudes led scholars to posit that the farther they moved from the United States, the less desirable the environment became (e.g., Goodnow & Hansz, 1972), creating a hierarchical bias. Per Fiske, “People in an authority relationship typically use spatial order and magnitude order metaphors to differentiate themselves” (1992: 691).

Metaphorical Repercussions

As noted in Shenkar (2001), “distance” connotes symmetry, which in the cultural application conceals the different roles of the home and host environments and confuses firm and environment as presumably interchangeable. Distance also implies steady state, which avoids looking at change, evolution, and learning. Furthermore, distance suggests linearity: just as the metric units that make up physical distance are alike, so, too, are the units of cultural distance presumably identical in essence and impact, diverting attention from nonlinear effects. With its geographic imagery, distance implies that cul-

ture is all encompassing, one-dimensional, and, despite evidence to the contrary (Au, 2000; Schneider, 1988), homogeneous across regions and firms. By zeroing in on differences, the distance metaphor diverts attention from the nominal properties of the host and home cultures (e.g., how firms in a high power distance culture behave regardless of whether the host culture is similar or not) and from relational properties such as the stereotypes held by members of one culture toward another.

Crucially, with distance as a metaphor, cultural systems are visualized as being situated away from each other. Placed at different intervals from a focal culture, different cultures seemingly never meet, let alone converge or clash. Cultures can be "bridged" but not infringed upon or overshadowed, nor can they threaten or be threatened. Researchers have come to "assume that national cultural identity remains separate and distinct throughout the process of interaction" (Boyacigiller, Kleinberg, Phillips, & Sackmann, 2004: 123). If organizational research has been criticized for dealing only with the surface level (Smircich, 1983), the distance metaphor has taken IM still further into the vast emptiness of "in between." What has emerged is a sterile view, where "messy" cultural encounters and their potential for disagreement, antagonism, and conflict are never dealt with; where social and political overtones are squelched; and where sensitivities relating to hierarchical positioning and power differentials across partisan interests are habitually overlooked.

This narrow, detached view has placed potentially relevant areas and schools of thought outside the boundaries of IM research. Neither the modernization school, which saw a clash between Western and "traditional" values (e.g., Eisenstadt, 1992; Randall & Theobald, 1985), nor dependency theory, with its focus on the power relationships between developed country investors and developing country hosts (e.g., Packenham, 1992), got a place at the table; diverse as their opinions on foreign investment were, both these schools looked at the phenomenon as an encounter embedded in a social and geopolitical context and showed interest in such sensitive issues as xenophobia, ethnicity, and national sovereignty. Importation from parent disciplines was also affected. Culture was dis-

connected from its early roots in anthropology, sociology, history, and political science, with their contextual, process-based, and "native views" (Gregory, 1983), and was set to assume a vastly oversimplified economic role as an "information cost" (Caves, 1996). Even the few caveats noted in the origin metaphor—for instance, the nonlinearity acknowledged by geography scholars in their concept of "distance decay" (de Blij & Muller, 2002)—were never brought in.

Just how entrenched the distance lens has become in management research is evidenced by its continuous metaphorical use (e.g., Nachum & Zaheer, 2005) and by the many derivatives of the metaphor that have retained its sterile, removed flavor. For instance, knowledge distance (Farjoun, 1998), an aggregate measure of industry knowledge requirements based on occupational groupings, is used to compare how similar industries are but not to assess the dynamics of their actual intersection (say, the conflict between different professional groups). Technological distance (Vassolo et al., 2004) gauges the overlap in technologies between partner firms, but the acknowledged resource asymmetries are devoid of any power implication. Institutional distance incorporates a cognitive element and takes interest in issue specificity (Kostova, 1997) and firm legitimacy (Kostova & Zaheer, 1999), all of which hint at an actual encounter, but it does not consider intergroup hostility or the possibility of conflict: a firm can have low legitimacy in a foreign environment but not stigmatization, outright rejection, or persecution. In Coser's (1956) treatment, legitimacy is an intervening variable between hostility and conflict, which implies that, by looking at legitimacy alone, one is likely to get a wrong reading on the potential clash between the organization and its environment. Nor can one consider "isomorphic" adaptation to the host environment without taking into account, among other things, the possibility of a backlash by local constituencies suspecting the motives of the adaptation. For instance, using the host language to defend questionable environmental practices such as lack of proper pollution control or unsustainable logging might lead locals to conclude that the multinational is turning this into "a local problem."

FROM DISTANCE TO FRICTION: SUBSTITUTING METAPHORS

The distance metaphor manifests positivist attempts to extend the codification of management knowledge into tacit, complex, and abstract domains, such as culture. Codification represents yearning among management scholars to follow in the footsteps of supposedly more developed scientific paradigms, ditching the messy, multiparadigm world of organization theory in favor of "technical certainty and consensus" (Pfeffer, 1993: 599). Tellingly, the alleged superiority of economics and political science is phrased by their proponents not in scholarly terms of predictive capability but in terms of power and resource competition. To Pfeffer (1993), that sociology and psychology reference more economics articles than vice versa is not a sign of scholarly openness but, rather, a symbol of weakness that will deprive them of funding opportunities (see also Hassard & Kelemen, 2002). With power and capital driving management discourse, it should come as no surprise that the field uses the same lens to look at the world. As Calás and Smircich (1999) have observed, the global capital that drives business is the same one to which organization theories attend and for which they speak.

The yearning for quantification and "objectivity" has been closely associated with the rise of strategy, an economics-based field that has shown it understands power by muscling organization theory out of the Association to Advance Collegiate Schools of Business (AACSB) curriculum. Laying claim to ever further domains, strategy faculty pushed to "consolidate" strategy and international business into "global strategy" units possessing little, if any, international content. Under threat, international business reacted in an isomorphic fashion, imitating the simplicity and closed-loop system approach endemic to strategic scholarship while shedding the context and depth that defined the founding phases of international business and underlined its competitive advantage. Not surprisingly, in an in-depth analysis of the *Journal of International Business Studies (JIBS)*, Sullivan found that

models increased in complexity in the early stages of *JIBS*. This trend reversed direction by the mid-part of the *JIBS* corpus. From this point on, IB scholars represented their logic of interpre-

tation with fewer nodes, even fewer links, and hence lower complexity (1998: 850).

In this context it is easy to understand the role played by the popularization of constructs that simplify and quantify the most complex and tacit phenomena so they can be placed in a one-dimensional conceptual framework and can fit into a regression equation. Such "comfortable simplifications for an uncomfortably complex reality" (Hofstede, 1996: 533), of which cultural distance is a prime representative, constitute a poor representation of the actual environment and are bound to inflict scholarly damage that outweighs the promised benefits (e.g., an expansion of empirical research). This is especially true in IM, where a dynamic and complex environmental mosaic necessitates multiple disciplinary lenses to avoid mistaking a portion of a phenomenon for the whole (Roberts & Boyacigiller, 1984).

To meet this need and to overcome the problems inherent in confining IM metaphors, we suggest that the cultural distance metaphor be replaced with another—namely, "cultural friction." Ironically, "friction" was coined by Williamson (1975) to denote the difficulty associated with market transactions, but in his usage the concept provides no insights into the actual meeting of entities or into the role and impact of noneconomic forces. Tsing (2005) has used the term to signify the encounter between predatory foreign investment and local constituencies in the Indonesian rain forest, but her ethnography is not about the repercussions to organization theory or IM. Other scholars (Erdener & Torbiorn, 1999, 2001, and Shenkar, 2001) have proposed "friction" to denote cultural interaction but have not developed its metaphorical meaning, nor have they fleshed out the full-fledged organizational and research ramifications.

In the *Oxford English Dictionary*, friction is defined as "the action of chafing and rubbing" and "the rubbing of one body against another." Secondary definitions—"(physical and mechanical) resistance which any body meets with in moving over another body" and "the jarring and conflict of unlike opinions, temperaments"—add connotations of tension and discord to the nature of the encounter. While Coser (1956: 23) observed that conflict is not necessarily "dysfunctional and disruptive" (see also Morgan, 1997), he acknowledged that it involves a meeting of

divergent interests. Substituting "friction" for "distance" denotes shifting the emphasis from abstract differences toward contact between specific entities, onto their partisan concerns. It also implies leaving behind a naive view of globalization as an era where people, capital, goods, and ideas move without impediment in favor of one where barriers to interaction are omnipresent (Tsing, 2005). With the friction lens, culture comes to be viewed as being created and re-created (Jelinek et al., 1983) by actors embedded in organizational and national identities (Schneider, 1988; Weber, Shenkar, & Raveh, 1996), possessing divergent resources and interests, and holding asymmetric power and hierarchical position (Burrell & Morgan, 1979), who are engaged in an ongoing exchange that consists of a chain of responses and counterresponses (Homans, 1950).

Adopting a friction metaphor necessitates substituting a perception of organizational science as universal and objective for one that is subjective and socially construed and that allows us to address epistemological consequences and messy issues in the context of an ambiguous environment where laws or regulations do not always prevail (Astley, 1985). The metaphorical substitution is therefore also about switching from a positivist, functionalist thrust to an approach where the world is viewed as continuously enacted and reenacted, negotiated and renegotiated, and subject to what Foucault (1979) calls the ramifications of governance, hierarchical ordering, and, most important, control (see also Sewell & Wilkinson, 1992). On a broader level, the proposed substitution means a replacement of the conventional wisdom of consensus and shared vocabulary with a critical view of organizational phenomena—in other words, a paradigmatic shift in how organizations and the organized are seen and perceived.

APPLICATION GROUND: FOREIGN DIRECT INVESTMENT FROM "DISTANCE" TO "FRICTION"

The metaphorical world described in the first part of this article provides an appropriate starting point for this section on culture and its impact on foreign investment. We begin with a metaphorical look at foreign direct investment, by far the most popular application ground for

research on the impact of culture in the IM literature. We proceed to "stage" culture within the main theoretical frameworks used to predict and explain foreign direct investment modal choice, looking at their underlying views and biases concerning the phenomenon and the role of culture in theory and application. We continue with a brief discussion of the reality of the foreign investment environment and why postmodern approaches, which have multiple lenses and consider a multitude of constituencies, provide a better way to view a global and globalizing environment. We conclude by outlining a cultural friction framework identifying actors, point of contact, and exchange.

Guiding our discussion are social constructionist and postmodern approaches that view organizational research within the rich context of society, power, and knowledge and that pay close attention to excluded, hidden, and marginalized voices and particularly to interaction and conflict (Astley, 1985; Calás & Smircich, 1999), as connoted by a friction metaphor. Furthermore, the social constructionist approach places metaphors within a broader context of social relevance and hierarchical encounter, which is especially critical to the understanding of IM with its built-in ethnocentricity biases and power imbalances.

Foreign Direct Investment and Cultural Distance: A Metaphorical Fit

The *Oxford English Dictionary* traces the word "investment" (in capital) to East India trade, whose champion, the East India Company, is regarded by many as the first multinational enterprise (and not one known for fair, equal, or mutually beneficial trade). The adjective "foreign," which remains in preferred usage over the terms *international* or *cross-border*, denotes, according to the *Oxford English Dictionary*, distance and exclusion of the unfamiliar, alien, and strange—that is, different from "us" and "ours." The key word in "foreign direct investment" may, however, be "direct," an adjective that separates this form from foreign portfolio investment. The relevant definitions of direct include straightforward, uninterrupted and immediate, and downright and absolute—all connoting control, which has become one of the most popular constructs in the IM literature. Key choices for the multinational enterprise—for instance, the

selection of an entry mode—are phrased accordingly (e.g., a joint venture represents low control, whereas a wholly owned foreign subsidiary represents high control). The multinational firm undertaking direct investment in a foreign country is invariably seen as seeking control over its investment in a bid to enhance financial return, with “monitoring,” “oversight,” and (the somewhat milder) “coordination” all aimed at that purpose. *Monitoring*, like other control terms, appears in this usage as technical and detached, without any of the panoptic implications addressed in organizational analyses following Foucault (1979; see also Sewell & Wilkinson, 1992).

In the IM literature, control is seen as strictly one-sided. It applies only to the ability of the foreign investor—invariably, the focal actor—to maintain oversight and dominance over facilities and operations in foreign locations, not to the ability of host country constituencies to defend their interests and derive benefits from the investment. The host government, if present at all, appears to play a passive role as barrier and constraint. Even in studies of international joint ventures—presumably the epitome of cooperation between foreigners and hosts—the perspective of the local partner is almost never taken into account (Luo, Shenkar, & Nyaw, 2001). The cooperative form eventually established (say, equity versus contractual venture) is taken as a measure of the strategic preference of the foreign partner, implying that the local partner lacks bargaining power to influence the outcome (Shenkar & Li, 1999). This should come as no surprise to knowledge consumption scholars (Calás & Smircich, 1999; Hassard & Kelemen, 2002): foreign investment studies address an audience of multinational managers, meting advice on how to improve firm performance rather than, say, on how to protect local culture and institutions. These consumers, as well as the overriding majority of knowledge producers, are based in the United States, confirmed to be the dominant comparison anchor in international business research. Indeed, the very probability a nation will be included in an article in *JIBS* has been shown to correlate precisely with the nation’s trade ranking with the United States (Thomas, Shenkar, & Clarke, 1994).

This one-sided perspective on foreign direct investment as a multinational bid for markets and profits fits well with the current conceptu-

alization and application of the cultural distance construct. Limiting the scope of analysis to a single focal actor selecting between tighter or looser control of “others” avoids the problem of cultural asymmetry, because cultural differences are always measured in the same direction (i.e., from the multinational to the host country). The assumption of no viable local partner with its own strategic intent takes away the need to assess interests, power, and bargaining and removes the “noise” of interaction from the supposed cultural impact. Treating local constituencies as “alien” defines them not in terms of their innate attributes but, rather, in terms of how similar or different they are from the focal player, providing for a perfect fit with the way in which cultural distance is conceptualized and measured.

Staging Culture in Foreign Investment Theories

Over the last decades, the literature on foreign direct investment has yielded or adopted a number of theories with which to explain the occurrence of such investment, its form, and its performance. Many of these theories—from monopolistic advantage theory, which focuses on the multinational’s superiority in knowledge and scale economies, to the product life cycle model, which takes for granted that innovation arises and production begins in a developed country before being farmed out to the developing world—carry strong hierarchical connotations. Culture does not play a role in these theories and, at the most, can be incorporated into some of their underlying assumptions (e.g., cultural differences can be said to limit scale economies by introducing product adaptation requirements). As noted, the above theories have been eclipsed in recent years by transaction cost economics (Williamson, 1975, 1985), which has become the predominant theoretical base from which to explain foreign investment. Clearly culture bound in its view of organization as the outcome of a market failure devoid of any power ramifications (Hofstede, 1983, 1993, 1994, 1996), transaction cost theory does not address either culture or foreign investment directly. Nevertheless, it has been eagerly applied to the prediction and explication of multinational entry modes and their performance (e.g., Hennart, 1991), as expressed in the cost and efficiency

differences between market activities, handled through exchange and contracting, and internalization, where activities are handled within the firm via "hierarchical fiat."

Prevailing assumptions about human nature and behavior in transaction cost theory and application range from the incredibly naive (there should be complete control of employees within an internalized organization) to the ethnocentric (outsiders are inherently more opportunistic) and the xenophobic (foreigners are especially not to be trusted, and the more different they are from us, the more careful we should be of them). Since outsiders cannot be counted on to make "credible commitments" (Williamson, 1996: 50), they should be monitored—a conclusion transaction cost economics shares with agency theory (Jensen & Meckling, 1976). Agents are viewed as self-interested parties (Kim, Prescott, & Kim, 2005) who should be mistrusted (Hendry, 2002) because they will use "private knowledge" to act opportunistically whenever principals are unable to exercise oversight or apply sanctions effectively (O'Donnell, 2000; Yan, Zhu, & Hall, 2002). Incredibly, although employees of foreign subsidiaries are nominally members of the same hierarchical fiat, they are considered agents rather than principals or interest-aligned agents, consistent with the "foreign is alien" metaphor.

This is where cultural distance, not an original transaction cost construct, comes in. The construct has been applied as a proxy for the uncertainty embedded in foreign investment, although uncertainty is not spelled out even in the positivist terms of structural contingency and appears devoid of any power ramifications (Crozier, 1964). Indeed, Williamson has observed that "there is less to power than meets the eye" (1996: 25). More broadly, this sterile view sits well with viewing the existing social economic order as given and not in any way "problematic" (Alvarado, 1996). Ironically, a close look at the transaction cost argument reveals that its neatly ordered world may not be so logical and methodical after all. As Anderson and Gatignon (1986) have observed, applied to foreign direct investment, the transaction cost thesis can be argued both ways: either the uncertainty derived from greater cultural distance will lead a firm to tighten control so as to curb opportunism, or it will lead the firm to loosen control because of its unfamiliarity with a culturally distant mar-

ket. Not surprisingly, empirical studies in that tradition have produced inconsistent results (Shenkar, 2001). That the theory remains dominant is a product of fit with mainstream IM research and a focus on the same audience/actors; after all, opportunism is attributed to "the usual suspects" and rarely to a multinational enterprise that takes advantage of a privileged position or control over local resources, as Tsing's (2005) study of the Indonesian rain forest amply illustrates.

Staged within the extant theoretical landscape, the cultural distance metaphor takes us away from the real world in which foreign direct investment is happening and into an artificial world stripped of bargaining and power dynamics. United Nations figures show dramatic liberalization of foreign investment regimes, where over 95 percent of legislative changes favor the foreign investor, suggesting a precipitous decline in the bargaining power of most states, especially developing ones. Multinational corporations bargain with multiple host country constituencies, more often than not from a power position (Boddewyn, 1988; Moran, 1985). According to *The Economist* (2000), many people think of multinationals as more powerful than nation-states and see them as bent on destroying livelihoods, destroying the environment, driving others out of businesses, or, in general, using predatory business practices. Even to rich, well-run countries, the sheer size of multinationals can seem daunting. Thus, the Irish sometimes fret about foreign firms' accounting for almost half of the country's employment and two-thirds of its output, and Australians point to the fact that each of the ten biggest industrial multinationals has annual sales larger than their government's tax revenue.

Rapid globalization is eroding territorial sovereignty, exposing participants to a world that political scientists call "anarchy," where an overriding authority is absent and compliance is not assured. Even the international institutions that supposedly govern the international business order, such as the World Trade Organization (WTO) and the International Monetary Fund (IMF), are losing their governance roles (Soros, 1998). This erosion of national authority and international guidance opens the door still wider to power and resource asymmetry between large multinationals and many developing states, especially where the former form ef-

fective coalitions. For example, 170 U.S. firms joined together to bargain with American Jewish groups regarding the Arab boycott. Similarly, thirty industry associations in the United States jointly went to court in Germany in an attempt to get that country's codetermination law overturned on constitutional grounds. Rules of engagement, to the extent they exist at all in the new global "order" (a telling metaphor in its own right), are ambiguous, overlapping, contradictory, and subject to rapid change—a world apart from the orderly universe of laws and regularities of positivist thinking (Calás & Smircich, 1999).

In this real-world context, culture and cultural impact are enacted, negotiated and renegotiated, and continuously bargained over (Tsing, 2005). Postmodernism and other social constructionist perspectives offer a better way to deal with the inherent ambivalences and indeterminacies of this cultural process. By definition, the socially constructed approach does not offer the (deceptive) clarity and determinism of positivist thinking, but by capturing the complexity and fragmentation of the international business scene, it holds the promise of relief from the rigidities, narrowness, and oversimplification of modern organizational analysis and, in the case of IM, a respite from the suffocating impact of a narrow theoretical lens that has failed to advance knowledge and understanding of a complex and often volatile world.

Cultural Friction and Foreign Investment in a Socially Constructed World

The framework for analysis we delineate below examines the impact of culture, as exemplified in the case of foreign direct investment, from a socially constructed perspective, using friction as a unifying metaphor. We cover the key players—namely, the multinational enterprise and host country constituencies, the "cultural carriers" (i.e., the individuals, groups, and organizations that carry and transmit cultural content and signals), the "point of contact" where entities intersect to produce cultural friction, and the "cultural exchange" where cultural goods are traded and exchanged.

The multinational enterprise and the host country. A fundamental divergence of interests exists between multinationals and their host environments because the national, economic, and

social goals sought by indigenous states are fundamentally different from the objectives of multinational corporations (Grosse, 1996; Poynter, 1985). Multinational firms seek to maximize risk-adjusted net returns, which is likely to discord with a host state's optimization of social equity and economic efficiency (Boddewyn & Brewer, 1994). To achieve these returns while reducing the risk and uncertainty of supply and delivery, multinationals seek to control production (e.g., technology, capital, information) and operational inputs (e.g., distribution, branding, marketing), while host states try to do the same to protect their infant industries, to maintain the stability of commodity prices and overall inflation, and to shape the pace and pattern of factor market development. Host states also try to mitigate the negative footprints left by many multinationals in the form of depleted resources and a degraded environment. In the ensuing bargaining, the multinational leverages the power derived from its control over resources on which a host state depends, including technology, innovation, and global expertise. Under asymmetry, the power of a monopolistic multinational increases the probability of conflict with the host state, which needs to contend with multinational opportunism (Buckley & Casson, 1988; Lorange & Roos, 1991) and the use of distributive rather than cooperative strategies.

Viewed from this angle, culture is not merely an external designator of the relative ease or comfort of operation for one or the other of those constituencies but, rather, a resource that can be exchanged, under certain circumstances, for power (Denison & Mishra, 1995). Culture is not just a measure or proxy for uncertainty but is instead a part of the struggle to gain and retain predictability in complex and uncertain markets and, by extension, to tilt the balance of power in favor of the organization over its exchange partners (Cohen & Levinthal, 1990; McNeil, 1978; Weber, 1968), be they the host government, other local constituencies, or its own employees who are supposedly subject to its hierarchical fiat. Culture is carried and championed by certain groups and individuals and disseminated to others who may embrace, reject, or otherwise negotiate over its content, delivery, and impact, all in the context of shifting and often ambivalent exchange rules.

Cultural carriers. Cultural engagement, like any interorganizational interface, is promul-

gated via human actors, who vary in the cultural content they carry and disseminate. As Erdener and Torbiorn (1999) suggest, staffing regulates the cultural inputs into an organization and, by extension, its "remedial friction" (Williamson, 1985) with those organizations and environments it interfaces with. Firms regulate the content and intensity of the cultural encounter by replacing the actors that come into contact—for instance, assigning executives who have cultural knowledge of the host country, are bicultural, score well on cultural sensitivity (e.g., Boyacigiller, 1990; Boyacigiller & Adler, 1991; Spreitzer, McCall, & Mahoney, 1997), or are well acculturated in the host culture (Berry, 1980; Morosini, 1998; Nahavandi & Malekzadeh, 1988). Proponents of a social constructionist view will look at the ability of a multinational firm to place culturally astute actors so as to span key junctions in and around key points of interdependency with the local environment, but at the same time will examine the attitude of host state actors toward the incoming culture and the tools they have to counter the impact.

From a friction perspective, expatriates and local employees are the key carriers of the home and host culture, respectively, because they typically have the most intense contact of any two groups and because, as argued earlier, they are often not considered subject to the same hierarchical fiat. That the literature is preoccupied with expatriates to the almost total neglect of the local workforce is understandable, given the view of the multinational as the primary knowledge consumer and the obsession with one-sided control. Indeed, IM scholars (e.g., Edström & Galbraith, 1977; Jaeger, 1983) view expatriate deployment as a control vehicle that is especially potent because of its combination of direct (e.g., behavior monitoring) and indirect (e.g., dissemination of corporate culture and norms) mechanisms (Harris & Holden, 2001). In a friction framework, expatriate dissemination of corporate and home country cultures will likely collide with the host culture of the local employees who make up the majority of the subsidiary workforce. While the clash might be mitigated by such factors as cultural attractiveness and complementarities, the struggle will essentially be about whether the subsidiary will become an extraterritorial enclave of the multinational culture or remain a local territory permeated by indigenous culture.

The cultural encounter includes steps and countersteps that may not seem to be directly related except where viewed in the context of the response repertoire available to actors based on their shifting power position. For instance, although some Asian governments have customarily denied visas to senior Japanese managers in an effort to block multinational control and cultural impact (the same is now happening vis-à-vis Chinese managers), Japanese multinationals can leverage their global reach to bypass a cultural showdown by shifting cultural carriers. For example, to overcome the animosity many Chinese feel toward Japan, Toyota has deployed Americans from its U.S. subsidiary to its China operations. These executives refer to themselves as "culture neutral" and note that they "can help smooth out kinks in communications between their Japanese and Chinese colleagues" (Shirouzu, 2006: A8). Multinationals also often vary the cultural message by audience. For instance, the much touted localization of foreign subsidiaries is explained at headquarters as a cost reduction move, but to the host environment it is presented as the embracing of local culture and norms. Still another reason for localization—cooptation of the host culture into the overreaching cultural system of the multinational—is seldom spelled out, but the impact, in terms of cultural dominance, is never far away.

Point of contact. From a friction perspective, cultural interaction is as much a product of foreign investment as vice versa. In other words, rather than looking at entry mode in the traditional fashion—as a product of cultural differences—we view it as something that is at least partially determined by power and that, in turn, influences the level and nature of cultural friction. As entry mode shifts from contractual (e.g., leasing, licensing, franchising, or cooperative arrangement) to equity-based arrangement (e.g., equity joint venture or merger) and from green-field investment to acquisition, friction is likely to grow. A joint venture brings together only portions of the cultural systems of the parties, which also enables a regulation of inputs—for example, limiting contact to subsystems with more shared values and lower antagonism (Shenkar, 1992)—whereas a merger brings together entire systems, which limits the ability to direct and constrain the point of contact, leading to an intense encounter in which culture ap-

pears in multiple roles (Weber et al., 1996). Vaara (2000), who studied cultural sensemaking in Finnish-Swedish mergers, found that individuals (1) searched for rational understanding of cultural characteristics and differences, (2) suppressed emotional identification with one of the parties, and/or (3) faced purposeful manipulation of cultural conceptions—for example, to justify tighter integration or to explain failure. Power and hierarchy are ever present even before a merger is consummated: "This great company must not be treated like a person who is put in the servant's room while others give the commands and decide the routes," commented the leader of Italy's largest union on the possible merger of the country's flag carrier, Alitalia, with the bigger and healthier French/Dutch carrier Air France-KLM (Barber, 2006: 18).

From a power perspective, it is not always so much the entry mode selected (the typical measure in the current literature) or the rarely studied "strategic intent" (Shenkar & Li, 1999) but, rather, the gap between the two that may be the most important. When the entry mode eventually established has been the preference of only one party, as is often the case, the other party might resent the cultural repercussions. For instance, a party that opted for a joint venture but had to agree to be acquired because of a weak bargaining hand might resist by making elements of its own culture more salient. This is also why an acquisition will bring about a more intense reaction than a merger, and why a hostile transaction will trigger greater antagonism than a friendly one. In hostile takeovers the acquirer's culture will be viewed as threatening, triggering a defensive response by target firm employees. Similarly, a 50/50 equity joint venture will likely trigger a milder cultural response on the part of host country constituencies than a deal awarding majority ownership and control to the foreign partner. In any event, the negotiations surrounding the transaction are only the first step in a long and arduous process of cultural negotiations, where local constituencies assess whether the incoming cultural content is threatening to the indigenous culture and whether it merits a counterresponse. Cultural signals, such as the appointment of local board members or positive gestures showing respect for local interests and ways of doing business, will therefore play an important role in deciding the cultural outcome.

Finally, cultural contact within the multinational firm and between the firm and its outside constituencies is tunneled via organizational channels. The choice of structure, from that perspective, is less about "strategy implementation" and more about creating the framework through which culture, as a conduit of power and control (Crozier, 1964; Weber, 1947), is transmitted and/or contested. For instance, a geographic structure typically permits subsidiaries to retain relative autonomy from headquarters in corporate matters, and in particular in their dealings with local stakeholders, limiting the permeation of the multinational's home country and corporate culture. Country managers in a geographical structure are usually situated in the host country, overseen by a regional manager who is stationed in the host region, the exception being home country regions that are culturally similar and geographically close to both the home and host regions (e.g., Miami is the Latin American regional headquarters for many U.S. multinationals). In contrast, a global product structure imposes home and corporate culture on subsidiaries that are monitored from the home country (in most product structures, product managers are situated in the home country). From this perspective, the shift from the geographic structure of yore to the presently more popular product (or product group) structure represents an attempt at cultural domination and power centralization as much as an effort to enhance organizational efficiencies.

The Cultural Exchange

Both multinational firms and host country constituencies are in a position to influence the exchange between cultural systems—for example, by specifying the exchange arena (Glassman, 1973). The multinational may choose to invest in an area that is more culturally hospitable (e.g., much of the initial German investment in post-Soviet Hungary went into areas with large German minorities), while avoiding areas where animosity runs deep (e.g., China's Nanjing, where antagonism toward the Japanese is understandably high). While host constituencies may act to prevent investment in a culturally sensitive domain (such as the French government's limiting foreign investment in media enterprises), there remains a fundamental difference between the two sides, especially

where developing nations are concerned. The host government may not be in a position to curtail investment because of a weak bargaining hand or because some powerful local constituencies may find it beneficial to allow it in. While the multinational enjoys an advantage of some hierarchical fiat, host constituencies tend to be a loose combination of weak and often contrasting interests, of which the host government may not be the strongest. An added reason for the discrepancy between multinational and host country power is linkage asymmetry, with the multinational being in a better position to invest in relationship-specific networks (Fichman & Levinthal, 1991). This asymmetry can lead to perceived exploitation (Blau, 1964; Kaplan, 1982), which a firm may try to downplay by claiming the collective setting of exchange rules (Gamoran & Dreeben, 1986) or via claims of procedural fairness (Bies & Moag, 1986; Chen, Brockner, & Greenberg, 2003).

The nature and consequences of cultural exchange are strongly influenced by the content and position of this exchange between and within the engaged cultural systems. Exchange will be more intense for cultural goods that are placed within the cultural milieu—for instance, “cultural industries,” such as media and the arts, which are perceived to be at the heart of national culture. Since power is a constant companion to such exchange, this will be especially true in countries where the national sentiment is that of a threat to indigenous culture by a powerful neighbor (e.g., Canada’s fear of cultural imports from the United States) or where globalization in general is thought to endanger a presumably unique way of life (e.g., France and Pacific island nations). Foreign investment in those instances is likely to bring about more cultural friction, eliciting a counterresponse from host country constituencies, either from designated local government agencies (e.g., the Canadian Ministry of National Heritage) or from the public at large. The Japanese purchase of the Rockefeller Center has created an outcry in the United States and a backlash against Japanese investment in the country, because the Center was seen as a symbol of U.S. economic and cultural might. Likewise, last year the French government reacted angrily to the (later denied) rumor that French dairy maker Danone was about to be acquired by a U.S. company, triggering a listing of “national treasures” that

“were not for sale.” In both cases sensitivity has enlarged the circle of domestic constituencies opposing cultural incursion, transforming a business transaction into a cultural standoff.

From a power perspective, extractive industries (e.g., oil, mining) and their derivatives (e.g., “downstream” activities such as refining) are sensitive areas of foreign investment as well. The conventional, transaction cost wisdom is that foreign investments in extractive industries are risky for the foreign investor because much of the investment is “nonrecoverable,” meaning that, once made, most of the vested assets cannot be withdrawn. However, once we broaden the circle of actors and knowledge consumers, the picture changes. Whether the resource is gold in South Africa or oil in Nigeria, the vulnerable party may well be the host country, whose natural resources are finite and who is under pressure to transform those resources into sustainable capabilities before the resource is depleted. Transmission of cultural inputs may represent an effort to lay claim to resources by foreign investors and their local allies, as exemplified in the forged cultural affinity between Canadians and the Indonesian elite described by Tsing (2005). Under such circumstances, cultural adaptability on the part of the foreign multinational can backfire and be interpreted as an effort to dim the boundaries between the indigenous right holders and the foreign constituencies. Likewise, attempts to improve “social responsibility” (Donaldson & Dunfee, 1999) may be deemed suspicious, because ties established with indigenous communities (Dunning, 1997; Grosse, 1996) may be viewed as a way to extend cultural reach via a “divide and conquer” strategy.

CONCLUSION

This paper confirms the powerful role played by metaphors in directing scholarly research but highlights their potential for both negative and positive impacts. While the introduction of the cultural distance metaphor has popularized culture as a research variable, it has forced the phenomenon into a methodological and theoretical straightjacket that has been counterproductive for understanding culture in IM. This simplifying and confining metaphor has played a central role in the descent of IM scholarship from the already limiting “ethnocentric research,” where the biases associated with a sin-

gle focal lens are at least acknowledged, into the "parochial," where all things are deemed universal and judged in relation to the focal (Adler, 1983).

It is easy to find other oversimplifying metaphors in IM whose repercussions have been a scholarly negative. Examples include the "borderless firm" (in the face of incontrovertible evidence showing national variation in firm behavior), "imperfect markets" (implying that anything interfering with open transactions is inherently flawed), and "globalization" (often misinterpreted as uniformity across national boundaries). In contrast to enriching metaphors, such as "organization as culture" (Smircich, 1983), confining metaphors like cultural distance narrow and reduce scholarly vision, especially when teamed with a confining theoretical platform.

Metaphors, theories, and methods can have a symbiotic existence. The unconditional acceptance of the cultural distance metaphor was encouraged by the prevalence of narrow and positivist transaction cost and agency lenses, but it has also helped solidify the dominance of those theories by supplying a deceptively simple way with which to conceptualize and measure key theoretical constructs. The power of this symbiosis has been such that inherent weaknesses in theoretical arguments have been masked, and lack of empirical support has not led to refutation or even reflection. Why give up a construct/theory combination that fits with scholarly preference for static antecedents easily culled from readily available data? And why worry about the interests of multiple constituencies, especially the "hidden voices" absent from such data, if the focus on a sole focal actor greatly simplifies research design? The result of this appeal to a single knowledge consumer is, ironically, less rigor, deflating the managerial advice that positivists purportedly strive to provide. For instance, as Tsing (2005) demonstrates, disregard for local constituencies can result in the demise of the very resources the multinationals come to exploit. And by treating culture as an information cost (Caves, 1996) with a "distance premium" (Hirsch, 2005) attached, scholars have signaled to multinational managers that the culture of host country constituencies is no more than a measure of how much they have "strayed" from the core culture of the multinational firm, producing a distorted view that has

done little to help multinational managers deal with the multiple and complex issues they face.

The friction metaphor proposed in this paper enables researchers to better investigate intercultural relationships and address their epistemological consequences. By drawing attention to the actual contact between parties, including its power and interest asymmetry, "friction" offers a way to appreciate the complexity and dialectical nature of cultural interaction. Using a friction lens also enables a consideration of how cultural relations evolve over time—for instance, how cultural tension may escalate into open warfare. Without examining such evolution, popular studies looking, say, at the advantage of early versus late entrants into a foreign market are unlikely to provide accurate and meaningful reading. A friction perspective also calls attention to the link between goal incongruity, a seemingly "strategic" variable, and the nature of cultural interaction as counterparts turn away from distributive strategies and cultural complementarities (Benito & Gripsrud, 1992; Brannen, 2004; Shenkar, 1992, 2001). Under goal incongruity, the more dependent actors lose their power to bargain over cultural territory and may turn to "guerilla tactics," such as contesting an open display of the dominant culture.

Like all metaphors, the friction metaphor is also, to an extent, limiting. For instance, one might argue that it highlights aspects of conflict while downplaying the benefits of cooperation and the possibility of harmony between different cultures and between foreign investors and local communities. One could also argue that by emphasizing the complexity and tacit nature of culture and its impact, we are discouraging empirical research and, in turn, lowering the relevance of the field. To that we say, first, that our proposed metaphor is aimed at changing the direction of IM research, and, hence, its benefit in surfacing abandoned or neglected features outweighs the negative of downplaying the obvious. Second, we believe that, relative to current metaphors, friction offers a more realistic way to understand culture and its impact and thus bring about more rigorous and relevant research. By focusing attention on the encounter, friction will help unveil the relationship between the cultural and institutional environments (e.g., McSweeney, 2002), assist in deciphering how multilevel cultural systems simul-

taneously interact to diffuse cultural meanings (Schneider 1988; Shenkar, 1992), and offer clues as to the saliency of cultural cues (Ghemawat, 2001; Triandis, 1994).

Finally, what does this imply for IM research? Before we answer that question, let us briefly go back in time—to the writings of Max Weber. Erroneously labeled a *closed system* scholar, Weber (1947) was anything but. Like Williamson, Weber addressed uncertainty and contracts but, in contrast to Williamson, he saw power as a central element in organizational life. He viewed uncertainty as a feature of industrial capitalism that necessitated the exertion of power over subordinates and over environmental exchange, and he believed that the absence of political and status constraints under modern industrial capitalism made power even more crucial (McNeil, 1978). Contracts, in Weber's view, reflected, above all, bargaining power and, hence, were inherently asymmetrical. Organizations sought not only to adapt to the environment but, more important, to control its elements, culture included. One way to do that, per Weber, was to extract proprietary rights from the state (McNeil, 1978), a classic multinational strategy. More contemporary work, such as by Adler and her associates (Adler, Campbell, & Laurent, 1989; Adler & Graham, 1989), attempted to inject a similar appreciation of content and complexity into IM research (see also Jack & Westwood, 2006), as did critical ethnographies, such as those by Chio (2005) and Tsing (2005) and the social constructionist view as a whole. Our hope is that the friction metaphor will make a modest contribution toward tapping those rich veins and that this will signify a willingness to question the very way in which we define, approach, and make sense of the fundamental issues in IM. Such questioning, which is part and parcel of the process of scientific investigation, will, in the end, provide better answers.

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