Chapter 1

America—The Change Makers

A merica today is still the world’s most powerful country, both in terms of the size of its economy and its military muscle. Even more important than this, however, is the soft power that the country exercises. In particular, after America and its allies won the Cold War, there was an implicit sense in many parts of the world that American values and ideals would become the global norm. It was this sense that persuaded the political economist Francis Fukuyama to prematurely call out the End of History, on the basis that fundamental debates about values were over and we were all marching toward an American future whether we recognized it or not.¹

The American model also seemed to have triumphed in business. The idea that free markets should create the champions of the future through Darwinian selection became widely embedded. Other notions took hold, too: push relentlessly for ever higher targets and differentiate aggressively on the basis of performance; never rest from change; let companies outsource to the lowest cost providers around the world. American executives who went abroad did so on the front foot and led predominantly through American leadership values. The country’s business schools were also teaching leaders from around the world how to manage their companies, and American heroes, such as Jack Welch and Louis Gerstner, were the doyens of the global business community.

Just a few decades later, however, the world looks very different. American business values are no longer the default setting for executives around the world. The global financial crisis that struck
Cultural DNA

in 2007 has had a particularly significant impact on the credibility of the American business model. A short while ago, America's banks, ratings agencies, and insurance companies were seen as highly sophisticated operators in complex markets. Now many believe they had either no idea of what they were doing or were malevolently self-serving—neither judgment is flattering. While the American reward culture has created enormous wealth for some, many feel senior leaders have been excessively rewarded, often for indifferent performance. The model is also under question internally. Decades of economic growth have barely touched the living standards of the bulk of the American population and there is a sense of weariness and latent resentment among many in the workforce. Outsourcing may have benefited company profits—but whole sectors of American society have lost out or live on the precipice of insecurity.

American leaders wrestling with lower economic growth at home must think globally, now more than ever before. However, they can no longer go around the world simply teaching other people how to sing the American business tune. They have to adjust to a multipolar business world with all its complexities and contradictions. This requires American leaders to understand other cultures and flex their own approach as never before. On a day-to-day level, an American executive has to deal with a bewildering range of nationalities either within a firm or in global markets. Increasingly there is a chance your boss will be from a culture with which you have had only fleeting experience before.

More generally, America has lost its sense of omnipotence. People around the world instinctively recognize that other ideologies and values for how life should be organized are now on offer. In America itself, this has created a sense of ambivalence and uncertainty. American exceptionalism has always been deeply rooted in the national psyche; as such, the idea that others could genuinely overtake the country—rather than pretend to and then fade away, as did the Soviet Union or Japan—causes disquiet. America is in an uncertain mood where, psychologically, a lot of things are up in the air. The rest of the world is equally uncertain as to how Americans will adjust to a new multipolar world. Which of the myriad of potentially conflicting values that constitute its cultural soup will get stronger, and which will get weaker?
Founder Effects

Understanding America’s psychological DNA provides some clues to answering the above questions. This DNA arises chiefly, but not only, from the fact that the early history of America was created by distinct groups of people who migrated there for very particular reasons. To understand American cultural DNA one has to understand the psychology of the myriad groups that founded the country.

The importance of founder effects can be illustrated by a simple story. Recently, researchers led by Deborah Neklason, of the Cancer Research Institute in Utah, achieved a breakthrough in their understanding of one cause of colon cancer in the United States. The team studied an extended community in Utah where 5,000 people were stricken with an unfortunately high rate of colon cancer. Whereas the chances of developing the disease is something like 4 percent by the time one reaches 80 in the general population, close to two thirds of people in this particular community were found to be at risk of developing the disease. A specific genetic mutation was identified as being responsible for this heightened vulnerability.

Fortunately for the researchers, Utah—by virtue of its Mormon heritage—keeps quite detailed genealogical records. The researchers were therefore able to trace the source of the mutation back across a number of generations—which caused them to make an extraordinary discovery. There is another extended community in upstate New York that also has exceptionally high rates of colon cancer and the same genetic mutation. Tracing back the records of both, they found the inheritance paths began to converge. Eventually, they led to a common ancestral couple, Mr. and Mrs. George Fry, who arrived in the New World onboard the William & Mary around 1630. The Frys had four children, of whom one was the source of the extended community in Utah and another for the one in upstate New York. The authors concluded that the elevated risks of colon cancer in both these extended communities emanated from a single founder genetic mutation that Mr. and Mrs. Fry had brought with them—along with their hopes—to the New World. The authors also speculated that there were almost certainly many other extended communities across the nation who could be related to Mr. and Mrs. Fry, for whom the risks of colon cancer would be similarly elevated.
What this story illustrates is the powerful way that the exponential mathematics of procreation can lead to founder effects being amplified within a population. Quite simply, when a population has arisen from a clear founding group, there is a strong chance that many biological and psychological characteristics will be passed on to later generations, thus leading to differentiation from other populations that have different founders.

The Peopling of America
The peopling of the Americas is essentially a two-part volume with a short prologue and a longer and more complicated main story. The prologue concerns the original peopling of the American continent by modern humans some 10 to 15 thousand years ago. These modern humans settled, populated, and established ecological footholds that remained in place for thousands of years on the American continent. Unfortunately, these original human settlers were decimated by the arrival of European migrants over 500 years ago. To understand modern American cultural DNA one must therefore understand who settled there and why in the recent past. Unlike the settlement accounts for other regions, this is a story around which there is a lot of detailed information.

Although various parts of North America were populated by small colonies of Spanish, French, and Dutch settlers, substantial settlement of the Americas early on involved various migrations out of Great Britain and Ireland. This is well documented in David Hackett Fischer’s book, *Albion’s Seed*, and I rely extensively on the research described there for the early part of the story. According to Hackett Fischer, four significant communities were driven by political developments or economic necessity to seek their fortunes in a vague and undefined land that lay at the other end of a forbidding journey across the cold, grey waters of the Atlantic.

The first significant community was that of the Puritans, who formed a strong movement in Oliver Cromwell’s New Model Army. Unsurprisingly, the Puritans’ stern and unyielding belief in a simple life and rejection of all pomp and ceremony did not endear them to the English aristocracy. Not unnaturally, as the fortunes of the different parties in the civil war fluctuated—when Charles I was in
the ascendency—there were aggressive and wildly popular purges of Puritans. Many of those who were unwilling to quietly shed their beliefs and melt into the background decided to migrate to North America and set up base in the Boston area. By 1640, there were 20,000 people predominantly from a Puritan background in the area, which expanded by 1700 to 100,000, and to a million by 1800. This initial population was the root community from which Massachusetts, Connecticut, New Hampshire, upstate New York, and northern Ohio were eventually populated.

The early Puritans believed they had found a simple and ordered universal model for how the world should be organized. They were vehemently committed to a disciplined, pious, simple, and ordered way of life as a means of keeping man’s sinful nature in check and for establishing a compact with God. As will be illustrated later, the aspirations around creating a moral “city upon a hill,” utilitarian instincts, commitment to the idea of salvation through work, and attachment to a simple and ordered moralistic society had, and continues to have today, a significant impact on American cultural DNA.

A second, significant religious order that settled in the North American continent early on were the Quakers. The Friends, as they called themselves, believed in seeing the best in people and in extending the hand of friendship to others. Unfortunately, they found many responded to their well-meaning overtures with an iron glove. In particular, powerful sections of English society rapidly took against this new order once they learned that the Quakers were not enthusiastic about paying tithes to the established church. Perhaps also their peacefulness and reluctance to fight back elicited, through some paradoxical psychological process, unusual levels of animosity.

William Penn, an early convert to the Quakers, had been granted by the Crown an area that was subsequently to be called Pennsylvania, in payment of a debt that had been owed to his father. Weary of the hostility and difficulties that his peaceful and tolerant order attracted in England, William Penn decided to set up a kind of human experiment in his newly acquired land, creating a community of Friends that was free from the many forces that buffeted the religion in his homeland. The vision was radical, and fortunately for William Penn, the early Quaker settlers found the Native Indians
Cultural DNA

were relatively peaceful and welcoming. William Penn’s experiment attracted considerable attention in England and, between 1675 and 1725, something like 25,000 Quakers flocked to the colony, principally from the North Midlands, but also from Wales.

Like the Puritans, the Quakers had a strong work ethic and a belief in “serving God with one’s talent.” Their belief in wealth creation, not for its own sake, but as a service to the community, seeing possibility in people, and a desire to place all people under a universal umbrella of harmonious coexistence are all important strands of influence with respect to American cultural DNA. Eventually, Quaker communities were a significant source of the populations of the eastern parts of Virginia, large parts of the Delaware valley, and the state of Maryland, as well as Ohio.

The Puritans and Quakers constituted the first significant European populations to settle the northern part of the United States. Hackett Fisher describes the first significant southern community as the Distressed Cavaliers. Like the Puritan migration, their movement was driven by the ups and downs of the English Civil War. Just as conditions improved for the Puritans in England with the victory of Oliver Cromwell, so they deteriorated for members of the landed aristocracy who had supported the Royalist cause. This class of people suddenly found themselves on the wrong side of the line that granted authority, power, and patronage in Great Britain. The dimming of privileges proved particularly challenging for the second sons of such families. Many went to the Caribbean and a host of other places but a number ended up in Virginia. They brought with them their servants and indentured labor. Between 1642 and 1676, 40,000 decided to seek their fortunes in America, and this community was responsible for populating significant parts of Virginia, Southern Maryland, South Delaware, and coastal North Carolina.

The Distressed Cavaliers were in some senses the polar opposite of the Puritans and Quakers. Simplicity of lifestyle was not for them and they hankered after the trappings of privilege and the good life. As a community, though, they were bounded by a strong sense of honor and a commitment to supporting others of their class. However, they were inherently hierarchical and saw themselves as a class apart from the servants and indentured laborers that they brought with them. An interest in the good life made tobacco farming a natural area
of economic activity for these settlers. They also had no compunction around importing vast numbers of slaves from Africa to help them support a somewhat leisurely but privileged lifestyle. Whereas the Quakers, and to some extend also the Puritans, had made efforts to extend a hand to the Native Americans, this group predominantly regarded the indigenous inhabitants as an irritating presence that had to be removed from their rich farmlands and plantations.

The fourth and final community that also settled predominantly in the south did so in the western hinterlands rather than the coast. This was a community from the border country between England and Scotland, as well as areas surrounding the Irish Sea, including Northern Ireland itself. In the seventeenth century, this was an area characterized by small but fiercely independent communities. The borderland migrants were driven to America in large part by a fierce desire to preserve this independence, which was being steadily eroded by landed gentry and a mercantile economy encroaching on their territory. In terms of scale, this group constituted one of the largest early communities into America; it is estimated that, altogether, 250,000 people went from these regions. Their initial point of entry was often Pennsylvania and other parts of the Delaware valley. However, the already settled Quaker communities rapidly recognized that the newcomers had very different values and encouraged their swift onward movement to the Appalachian Mountains; eventually this group settled in the mountains and hills of Maryland, Virginia, the Carolinas, Arkansas, and eventually Georgia, Oklahoma, Texas, and other southern states.

The cultural DNA of this community had been forged by a constant history of warfare in the border territories and the ensuing rise of clans and local chiefs. Another significant influence was the relative difficulty of working the land, with consequent emphasis on animal husbandry and pastoralism. These communities were fiercely independent minded, self-reliant, and hard to coax into any form of collective endeavor. A strong feature was an inherent belligerence, allied with a culture of blood feuds and retributive violence, which arose from the clan-like structure of the borderlands. Although independent minded, this group was inherently conservative and resistant to new or alternative philosophies. As Hackett Fischer notes, they also brought with them “the ancient border habit of belligerence to other
Cultural DNA

ethnic groups” and were strongly xenophobic—not just against other races but toward any outsiders.

The above four communities created distinct cultural values in the areas in which they settled and, by virtue of their early arrival, set down a blueprint for American cultural DNA. Relationships and friction between these communities were also a significant dynamic of the early history of America and continue to this day. Two examples in particular illustrate this dynamic. The first is from history, and the second from recent psychological experiments.

The American Civil War was essentially and fundamentally a battle between two distinct groupings of cultural DNA. Although a southerner by birth, Abraham Lincoln’s ancestry was almost completely Puritan and Quaker. His sober and prudent manner and strong underlying sense of moral conviction were characteristics typical of these communities. When he ran for president on the pledge to stop the expansion of slavery outside of the southern states, he swept the board across the north of the country but carried virtually no states settled by Distressed Cavaliers or the borderland migrants.

When the Civil War eventually broke, the north had far more resources than the south. However, both the Distressed Cavaliers and the borderland migrants had a much greater familiarity with warfare and violence. The Civil War itself was fought out between a northern army that essentially resembled Oliver Cromwell’s New Model Army—with its emphasis on professionalism rather than social standing—whereas the south was led by swashbuckling, independent-minded characters who fought for honor and freedom.

To this day, one can see the same fault lines across American culture. When outsiders express dismay at the vehemence with which, in particular, the south resists efforts at gun control, they would benefit from recognizing that the right to bear arms and to rely on one’s own resources for protection was one of the fiercest emotional drivers for the borderland migrants’ decision to uproot in the first place.

The second example comes from psychological experiments conducted by the psychologists Richard Nisbett, Dov Cohen, and others in 1996 on how individuals from different parts of the United States react to the challenge of being physically or psychologically provoked. The team found significant differences in how northerners and southerners responded to provoking episodes, such as
somebody bumping their shoulder or being called names. Southerners were quick to move from higher levels of initial friendliness to greater hostility when such affronts occurred. The team also found that cortisol levels—which are related to feeling stressed—rose in 79 percent of the southerners after being bumped and in only 42 percent of northerners. The researchers ascribed these differences to the honor culture that existed in the pastoral communities from which these groups originally arose and which they had re-created in the Appalachian Mountains.

While these initial communities set the cultural tone for America as a whole, including differences between regions, the other significant community was, of course, the slaves from Africa. Something in the region of 12.5 million were brought to the New World under horrendous conditions between the years 1525 and 1866. However, only a tiny proportion, perhaps in the region of 500,000, from 1620 through to 1865, ended up in North America, the rest going to South America and the Caribbean. Though ports of embarkation were in West Africa, many of the slaves came from the interior of the continent, predominantly sourced by African leaders who were complicit in the slave trade. They were either members of tribes who had been overrun or were relatively powerless members within their own communities. These communities brought with them many aspects of Sub-Saharan cultural DNA, which over time has enriched the American cultural soup.

Following the initial settlement by the communities from Great Britain and the slave trade from Africa, a series of migratory waves rolled into the country and added to the mosaic of American cultural DNA. First, a movement of people from Northern Europe occurred throughout the nineteenth century. Germans were particularly prominent. A number were political refugees following failed revolutions in 1848, while others belonged to radical Protestant sects. Others were agricultural workers. Today people of German descent constitute roughly 17 percent of the American population—a greater number than those who claim Irish, English, or African ancestry. The founder effect of the English speakers explains why English, not German, is the official language of the United States, and perhaps why in all national culture studies, the United States clusters with England, not Germany. At about the same time, the Irish famine caused large
numbers of Irish Catholics to move to Boston, Philadelphia, Detroit, Chicago, and New York.

A second wave of significant migration across the nineteenth and twentieth centuries came from Italy, Greece, Poland, and Lithuania. This was a dispersed and varied set of people driven in large part by economic considerations—but also, as in the case of the Jews from Eastern Europe, virulent persecution. In many ways, these Southern and Eastern European migrants were culturally quite different from the various Northern European settler communities, and created strong enclaves in which they congregated, while buying into broad aspects of American culture—particularly, the American dream.

Since World War II, the migration of Hispanics has been a dominant theme. People of Spanish descent now constitute considerable proportions of certain southern and western states. Their arrival has started a process of changing the underlying cultural DNA of the American south. More laterally, there has also been a significant stream of migration from Asia. Although varied, this migration has one feature that was not always evident in other migratory communities. People coming from Asia often do so in substantial measure because of their technical or professional skills or qualifications, and in many cases they constitute elites within their own countries.

Some obvious points arise from the above account. First, it’s clear that significant numbers of people were attracted to America by a desire to preserve their distinctive religious or political beliefs in the face of serious persecution. They believed in something and were not prepared to bend like trees in a gale in the face of serious pressure to conform. Second, a fierce drive to escape poverty or to seek economic advancement characterized many migrant communities. Third, no other major region in the world has absorbed so many diverse ethnicities and nationalities as America has in its relatively short modern history. For the most part, while newcomers have swiftly been socialized into key facets of American values, their diversity has been respected. The earliest communities, having escaped strong forces pushing them to conform or drop their beliefs, were not inclined to start doing the same thing to others.

The themes created by the above patterns have sometimes reinforced each other to create powerful cultural forces within American society. An example is the Puritan and Quaker religious belief in
salvation through work, that likely added fuel and potency to the drive for economic betterment, resulting in an attitude toward work that is quite distinct from that which exists in Europe. At other times, as in the American Civil War, these forces have created schisms in society. The particular mix of these different forces has also helped shape a myriad of subcultures within the overall mix. This extends to individual states and even cities. For example, Nevada was substantially populated as a result of a silver rush in the 1860s, as the discovery of the precious metal led a legion of opportunists, chancers, and gamblers to try their luck in the state. People are still trying their luck there, and Nevada’s global reputation as a center for the gaming industry is a consequence of this early pattern of settlement.

At other times, some of these currents have run against each other and created contradictory elements in American cultural DNA. We see these between individualism and community, radical change versus conservatism, the pursuit of morality versus the pursuit of money, and reaching out versus withdrawing from broader engagement. Let’s now examine the psychological themes that constitute the American mindset.

**Positivity**

A European executive of an American-founded consultancy firm told me a story of the clash between the two cultures that illustrates a gulf with respect to emotional mindset. The firm had underperformed the market for many years. Eventually, the leaders decided to pull in all the consultants from around the world for a global get-together in Miami. The European consultants, expecting a sober review of problems, were surprised to find that the meeting felt more like an evangelical gathering. When the CEO articulated highly ambitious goals for the future, they noticed that he glossed over the fact that these new aspirations represented a significant inflection from the results of the recent past. Most of the audience seemed also to ignore this inconvenient truth.

The executive I spoke to had gently asked at the end of the presentation what changes the firm might make to achieve these results. That evening, his regional manager took him aside and told him that the CEO was “fuming mad with him.” In fact, the CEO was going around
the conference vociferously complaining of the European’s negative attitude, whom he accused of “going around like terrorists lighting fires all over the conference.” The so-called European terrorists were completely taken aback by how their behavior had landed.

Many global cultures share the view that Americans are constitutionally positive and optimistic. In the world of work, engagement scores vary quite systematically across the world. Like the sun, they follow an east to west trajectory. For example, a survey by management consulting firm Aon Hewitt in 2013, covering an extensive range of global companies, found that only 16 percent of Asia-Pac workers showed high levels of engagement, compared with 18 percent of Europeans and a full 24 percent of American employees. Latin Americans were the most enthusiastic, with 33 percent highly engaged. Many years back, when we opened an office in the United States, we encountered serious issues providing feedback about people’s strengths and development needs—many American managers reacted to our assessments as if we had poured a bucket of icy cold water over them. We learned over time to convey our messages more carefully and with a philosophy of building on positives. Our global 360-degree feedback business, which has run tens of thousands of surveys globally, finds Americans rate both themselves and their colleagues much more positively than Europeans do. People from the Far East also do, but this is likely due to hierarchical respect.

Although Americans are distinctively renowned for being positive, there is in fact a bias toward optimism in all humans. Psychological research on people’s explanations for events shows an overwhelming drive to take personal credit for success but to ascribe blame conveniently to others or external events. Optimism bias is a well-researched phenomenon in psychology that involves overestimating one’s chances of succeeding at just about anything, including academic, social, career, or sporting success. Related is the above-average effect, where routinely vast swaths of the population consider themselves to be above average in intelligence, attractiveness, earnings, charm, popularity, or even luck. We would live in a nirvana surrounded by happy, healthy, beautiful people, if everyone’s self-images were even vaguely accurate. Cross-cultural research shows that the nature and extent of these biases do indeed vary across cultures. Americans, for example, are
more prone to self-serving attributional biases, optimism bias, and the above-average effect compared to East Asians. Europeans are closer to Americans, but when differences are found, they are less optimistic than their cousins across the Atlantic.\textsuperscript{7}

These differences also show themselves at all levels of American life—from the discourse at a political level, which is overwhelmingly oriented toward themes of optimism and positivity, to the incomprehension of American filmmakers when Europeans produce films that do not have a happy ending. Consider the packaging of oneself for interviews or just the simple day-to-day behavior where Americans routinely smile more and greet each other with greater positivity. The burgeoning self-help industry in America, which dwarfs that which exists in other cultures, rains an unending supply of positive advice upon people on how they can better themselves, fix their marriages, become wealthier, and live longer. These attributes of American society are not just a modern phenomenon. As long ago as 1750, Benjamin Franklin wrote, “Sorrow is good for nothing.” Just about every successful American presidential candidate has made it his task to frame an agenda in positive terms. Recent examples are Ronald Reagan’s \textit{Morning in America} video, Bill Clinton’s “There is no problem that America faces that cannot be solved with what America has,” to Barack Obama’s “Yes we can.”

What are the roots of this increased bias toward positivity in American cultural DNA? I believe this was deeply embedded in the early phase of settlement of the continent. Unless you were forced to go to America, as was the case with the African slaves, actively choosing to cross a murky and forbidding Atlantic Ocean for a very dimly understood land nearly 3,500 miles away was not something for the fainthearted. In fact, 15 percent of people perished on the journey alone and even more once they reached the promised land. All this meant that a trip across the Atlantic was literally like rolling the dice, knowing that you would die if you got a one. Vessels bearing people to America soon came to be known as coffin ships. Choosing to go to America essentially required one to be an optimist—someone more inclined to see possibility rather than peril, hardship, or even death as a potential consequence of your choice. The same has applied to many subsequent people making the decision to migrate to the United States.
Psychologists have long known that some people have a more positive outlook than others; the reason why, however, has been a mystery. Numerous family and twin studies have indicated that there is a strong genetic component to always seeing possibility in situations. More recently, advances in genetic research have begun to tie down just what genes may be responsible. One candidate gene is the serotonin transporter gene, different variants of which determine the level of free serotonin in the brain. Serotonin is a plausible candidate for involvement in optimism, given the efficacy of serotonin-boosting drugs in the treatment of depression. There are two significant alleles of the transporter gene, the short and the long version. As noted earlier, a number of studies have shown that having the long version may be associated with greater optimism and resistance to stressful life events. Elaine Fox, a specialist in the field of optimism, has shown, for example, that people who inherited two long versions—one from each parent—attended much more to positive than negative images presented on screen, whereas others were more balanced.8

Oxytocin, which has been found to be associated with maternal bonding, empathy, and interpersonal trust, has also been studied in this context. Shelley Taylor and her team looked at genes associated with the OXTR receptor gene, which determines how receptive neurons are to oxytocin. At one locus of the OXTR gene, there are three alleles: AA, AG, and GG. The researchers found that people with at least one G scored significantly higher on measures of optimism, mastery, and self-esteem. Other lines of inquiry have also shown that people can tell whether someone has AA, GA, or GG simply by rating traits like emotional expressiveness and likeability. However, there is some evidence that while oxytocin may increase trust levels within in-groups, it may actually increase distrust toward out-groups. Similarly, other research indicates that individuals who are GG or GA for the receptor gene may need higher levels of social support and trusting early environments for their well-being.9

While a lot of the preceding findings are new and need to be more widely and consistently replicated, there is substantial emerging evidence linking both the serotonin transporter and oxytocin receptor genes to optimism, mastery, and trust, as well as sensitivity to negative events. There are well-known differences in the alleles of both these genes across cultures. As noted earlier, the long version
of the serotonin transporter gene is most common in Africa, where 75 percent have the variant. The comparable figure for Americans and Europeans is 60 percent, and for East Asians 20 percent. With respect to oxytocin, it appears that the A version appeared after humans had left Africa. So virtually everyone in Africa is GG but only about 16 percent of people in the Far East are GG. The figures for Europeans and Americans are 50 percent. These global rates chime eerily with higher levels of happiness and optimism in Sub-Saharan Africans and much lower levels in people from the Far East, with Europeans and Americans somewhere in between, but closer to Africans.

However, while genetics might explain some differences between Americans and East Asians, this cannot entirely explain the gap with Europeans. The self-selection for positivity factors unrelated to serotonin and oxytocin is a partial explanation. However, this tendency has likely been reinforced as well by a virtuous cycle driven by success in the new environment. As arduous and life threatening as the journey across the Atlantic was for the early pioneers, those who made it had good cause to view themselves as lucky and successful. These settlers rapidly moved to get a foothold, escape British control, and—in less than 200 years—settle the whole continent by establishing flourishing communities and cities. In this headlong expansion, optimism and success reinforced each other again and again. Even when they encountered severe problems—such as the 1930s’ Depression—there was always the sense that things could be fixed. Franklin D. Roosevelt’s “We have nothing to fear but fear itself” was classically rooted in this aspect of American DNA.

We can see this positivity throughout American business. In our database, a full 35 percent of American executives—the second highest level of all groups—were seen as having a strength in positivity/emotional resilience compared to say only 19 percent of Indian and Chinese executives. European executives were also reasonably positive, with a score of 30 percent. Globally, only Latin American executives were stronger than Americans in this area. This attitude is evident in all aspects of the culture of American companies, ranging from how leaders are expected to appear, the spirit they exhibit in engaging with problems, and the tone of leadership conferences. A sense of innovation and entrepreneurism is also evident in many U.S. companies. Consider the fact that bankruptcy—something seen as a
severe embarrassment in many cultures—is relatively accepted in the United States. You just dust yourself off and go on to your next brush with destiny or failure. The ability of businesses to set stretch goals—a target that is beyond the company’s current abilities—as well as being open to new ideas, is also evident in many American companies.

While a mindset of positivity is mostly a virtue, it can create issues—especially when Americans are dealing with cultures that are much more driven by avoidance of failure. Lack of pace and caution can frustrate American executives, while those on the receiving end of the American positive mindset can internally resent the setting of impossible stretch goals or the airbrushing away of genuine problems. Other cultures can also experience American positivity as inauthentic, which can hinder the ability to make a genuine connection with others. One of the most common observations that our consultants report is that in spite of their reputation for openness, American managers are sometimes the hardest to assess—because it is so difficult to penetrate that protective layer of learned positivity. In fact, only 11 percent of American executives were rated as having a strength with respect to “emotional openness and authenticity,” the lowest level of all global cultures, with the exception of Africa. In addition, 19 percent were perceived to have a development need in this area compared to a global average of less than 10 percent. In addition, when it came to honest self-insight, only 3 percent of American executives were strong and 19 percent had a development need. Only Latin American and Indian executives were weaker with respect to grounded self-insight globally.

At a personal level, positivity can also be a double-edged sword for Americans themselves. If you are not feeling internally positive, it can be tiring and wearing to constantly present an upbeat image. This issue also begs the question of how deep the projected positivity actually runs. The idea that, if you are positive, then good things in life will come to you has a bitter alter ego. If you are not experiencing good things, then it must be because you have been negative and pessimistic. You start to blame yourself for becoming ill, for example, or for not being able to beat cancer with a positive attitude. Similarly with work, underneath their high engagement scores, our experience is that there is an unexpressed sense of weariness, fatigue, and cynicism among American employees. Such a gap exists in most cultures,
but in the United States, the need to project a constantly upbeat image makes this issue more pronounced.

As Barbara Ehrenreich notes in her book *Bright-Sided*, there are societal issues that a culture of unrelenting positivity can create. The first and foremost of these is that you can risk getting ahead of yourself as a country. You might wade into situations whose complexity you have not anticipated, as has occurred with many external interventions by America. You can also blot out things that are uncomfortable, and metaphorically airbrush them from the mental picture that you have of your country. Since the American economy became dominant, the country has delivered the global economy a number of spectacular boom-and-bust cycles. The latest, credit-fueled economic crash that much of the world has experienced was in no small measure due to the collective irrational exuberance of American banks, regulators, investors, and consumers.\footnote{11}

There is another aspect of positivity that needs to be considered as America enters, potentially, a more difficult and challenging future. What happens when a country finds that the positive engine of optimism that powered the genuine success described earlier starts to stutter? This has happened for short periods before; but how do you react psychologically if it is more enduring? While many in American society are still adhering to an ideology of positivity, there are also powerful undercurrents of resentment and frustration. The Tea Party movement, the rise of extremist political sects, or the now all-too-frequent rampages of crazed gunmen are all potential signs of the puncturing of the culture of optimism. To be sure, there have always been vast swaths of the American population that have not been able to fully partake of the American dream. But, in earlier times, there was always enough to make the dream a realistic vision for the many rather than the few. What if this changes? Americans would probably regard these questions as unduly negative. America has always responded to crises and come through, and a mindset of *there is always a way* gives the country much to draw upon.

**Embracing the New**

The depth and extent of religious belief in the United States is something that catches people by surprise, even though it is well known
that Americans have a greater gravitational pull toward religion than other regions in the world. The sense of religiosity hits you immediately upon picking up newspapers or switching on the TV. There are over 1,600 religiously oriented TV and radio stations catering to the American thirst for religious connection and uplifting of the spirits. Over 40 percent of Americans attend church weekly, and close to two thirds claim to do so at least once a month—compared to fewer than 10 percent for weekly attendance in the UK. Over 75 percent of Americans say that prayer plays an important role in their lives and 80 percent say they have never doubted the existence of God.

Religion infuses all aspects of American life. For example, it is frequently considered electoral suicide for an American politician not to openly proclaim his or her faith. In Europe, and particularly in Northern Europe, politicians are encouraged to keep their faith under wraps, lest it scare the voters.

The cultural roots of this religiosity in the United States are obvious from the early account of the initial founder communities that settled America. Compared to many other migrant communities, such as Canada, South Africa, or Australia, the American migration had significant numbers of people who went for religious reasons and, at times, also for political freedom. However, these people were also radicals. When one talks about the original Puritans, Quakers, the various German Protestant sects, or indeed the German revolutionaries, one is talking about people who had a fundamentally radical set of values that almost always challenged the existing status quo in their countries.

While sections of the original founder population, such as the Distressed Cavaliers or Irish Catholics, went for predominantly economic rather than ideological or religious reasons, they nevertheless also made a disjunctive choice in life. The decision to migrate to a place that no one really understood—without a fixed or ordered society—could only have been made by people who were prepared to disrupt their lives. You were reacting to whatever was going on around you and saying these problems can only be fixed if I seize this opportunity of making a once in a lifetime choice. If you were indecisive, change averse, or content to play it safe with what you had, then you were unlikely to have rolled the dice in this way.
One sees this dynamism reflected in many ways early on in American life. In the religious sphere, new ways of connecting with God, referred to as awakenings, regularly swept the country. The first great awakening began in the 1720s and lasted for about 30 years. It consisted of preachers, such as Jonathan Edwards and George Whitefield, rejecting the turgid and theologically dense sermons administered in favor of a much more emotionally charged tone, which created a more vivid sense of immersion and experience for the audience. This was associated with a strong sense of rejecting orthodox and hierarchical religious observance for a much more open and democratic ethos. Not unnaturally, many historians believe that this initial great awakening was a precursor to the American Revolution itself. Since then there have been at least three more periods of emotionally charged awakenings, each impacting society more broadly, that have swept the country.

This dynamism is evident even today. An extensive survey by the Pew Forum in 2008 covering more than 35,000 Americans found a huge churn in people’s religious affiliation. The survey found that something like 44 percent of adults had switched religious affiliation, moved from being unaffiliated with any religion to embracing religion, or dropped out of religious observance. The survey also found extensive fragmentation and diversity as being increasingly characteristic of American religious life. Even outside of religion, American life is peppered with cult-like organizations that bring together believers in all kinds of generally new ideas. When we look at this—along with the history of various American revivalist movements and the rollercoaster of religious sects that have multiplied across the American landscape—it’s clear that something in American psychological DNA predisposes people to believe in something—but that this something is open to dynamic change.

This simple and obvious fact has had an enormous impact on how American individuals, companies, and indeed the society as a whole cope with challenges and embrace change. A perfect example of this is the rapid and confident decisions that Americans made when the recent financial crisis emerged—whether around injecting money into the system or saving certain banks and letting others go to the wall. Compare this to the indecisiveness with which Europeans faced up to the Eurozone crisis. A constant theme in the dialogue between American
and European officials was frustration on the part of Americans that the Europeans were just not seizing the problems by the scruff of the neck and making active choices about how to solve them. Meanwhile, Europeans saw Americans as gung-ho shooters from the hip who preferred action to thoughtfully considered steps.

We can also see this openness to change across American business. In global surveys of innovation, American companies top the league. Close to 40 percent of companies in the 2014 Forbes Most Innovative 100 are American. Europe has a similar size economy but only 25 percent of companies on the list, while Asia-Pacific is even worse, with only 16 percent. This innovation happens across all spheres of activity and not just in Silicon Valley or Wall Street. Whether it is new forms of retailing, military technology, aviation, or fast food, America sets the tone. Another feature of this strength is that American companies are able to execute innovation fast. Like the earliest pioneers, they are prepared to be bold in turning thought into action. In our research, over 40 percent of American executives had a strength in action orientation, the highest score globally. While having the capacity to be intellectually innovative, their European rivals struggle to translate this creativity into action.

However, while American society can be highly innovative, this may happen through radical disjunctive change rather than more continuous steps. In fact, as will be argued in the next section, there is a relatively high psychological need in Americans for holding a clear schema that provides certainty of belief. This schema can be dropped, but the need for clarity can lead to resistance to change on a day-to-day basis. Despite American strength in radical innovation, American executives in our database were found to demonstrate only average strength globally with respect to improvement and change orientation; a kind of continuous-improvement mindset. The resolution of this paradox naturally takes us to our next psychological theme.

Assimilation over Accommodation

A while back a client of ours asked us to look at a whole range of highly successful global organizations to identify common cultural patterns that might explain their success. We found three clear themes in the companies studied compared to their less
successful competitors. All the successful companies had aggressive performance cultures. Surprisingly, however, they also combined this with an equally strong focus on *coaching*. The third thing they shared in common was a clear cultural signature. American companies such as GE, P&G, and Coca-Cola were almost cultlike in the strength of their culture—which gave them great strength in terms of internal alignment, executional effectiveness, and knowing who to recruit. Such companies also invariably promoted from within. This observation points to a deeper reality about American psychological DNA: the need to hold a clear schema and to socialize people into that worldview.

Many outsiders who engage America commonly encounter a precise script and routine one is expected to follow—across a myriad of areas. Processes like checking into a hotel, ordering a drink in a bar, boarding a flight, or just about every other day-to-day activity involves dealing with people who engage you in a friendly but scripted and semi-robotic manner. If what you say and how you say it is not in line with expectations, then you’re likely to face incomprehension and a sense that you have completely failed to get through. One female executive explained to me how she had to repeat her request for a gin and tonic four times before finally finding the right intonation that allowed her to be understood. One might think that this is natural when speaking a language with a different accent. However, I have rarely heard Americans in England complain of a difficulty in getting through, whereas by contrast virtually everyone from Britain experiences this problem in America.

The clue to understanding both the above phenomena lies in the psychological concept of assimilation versus accommodation—developed by the renowned Swiss developmental psychologist Jean Piaget. Piaget posited that a child’s development requires the creation of schemas for understanding the world. These schemas represent an individual’s concept of reality or a map of preconceived ideas. Once these initial schemas are formed, they are developed through the twin processes of assimilation and accommodation. Assimilation occurs when new information is integrated into an existing schema and made to fit in with the original concept of reality. Accommodation occurs when new information causes people to adjust their original schema. For example, consider a small child’s schema of things that
float in a bath. Initially, a child might have learned that things that float in the bath are called toys. One day, the child drops a piece of soap in the bath and notices that this also floats. The child can assimilate this information and conclude that soap is a toy. Alternatively, the child might change the prior schema for what floats in a bath and conclude that besides toys, other things can also float. Essentially, assimilation involves bending external reality to the mental constructs that you have already and using new information to confirm these constructs. Accommodation means adjusting your internal mental models in response to new information and data.

In my experience, there is a strong psychological bias within American culture for assimilation over accommodation. Americans have clearly developed schemas for a variety of situations, and look to absorb things into these internal mental models. If things come at them that do not conform to their precepts, then they are inclined to reject the unfamiliar. For example, when it comes to team sports, Americans show little interest in many games that the rest of the world plays, preferring instead their own distinct locally grown sports, such as American football and baseball. Of course, I do not intend to be black and white here; clearly Americans, just like any other people in the world, engage in both processes of assimilation and accommodation. There's just more of a tendency toward the former in American culture.

The reason for this preference likely has roots in the original reasons that many people came to America. Those who came for religious reasons did so in response to intense pressure in their various European homelands to shed their beliefs. While many people eventually chose to follow a path of least resistance in the face of such pressure, those who wanted to preserve their schemas more or less intact did so by moving continents. Even the early migrants who came for nonreligious reasons were often driven by a desire to preserve a way of being that was under threat in Europe.

This tendency toward assimilation over accommodation manifests itself in many areas. The ease with which outsiders can feel the sense of disconnection and lack of comprehension noted earlier is an example at a micro level. It also shows itself in the speed with which people from the UK who are living in America start calling
mobiles “cell phones,” petrol “gas,” and ask for the “check” rather than the bill in restaurants.

It is evident as well in how American executives operate. In our assessments, only 8 percent of American executives had a strength around empathy and listening skills, whereas 20 percent had a development need in this area. Only African executives were weaker in this area. In addition, only 16 percent of American executives had a strength around intellectual flexibility compared with averages of 30 to 40 percent for most other cultures.

Much of American business success abroad also seems to stem from firms that have found a formula for success that they then roll out worldwide. McDonald’s, Kellogg’s, Heinz, Marriott, and many, many other U.S. brands are based on the launch of products and a standardized business model scaled up around the world. These companies show very little accommodation in their approach. European multinationals in similar sectors to the preceding ones, such as Unilever, Cadbury-Schweppes, or Nestlé, tend to be much more flexible around adjusting their models as they engage different parts of the globe. A particular feature of the American market also leads to this difference: When a nascent successful business starts to expand, the initial challenge is to enter markets in other states. Such expansion requires little adaptation and a model of tight replication for managing growth often is reinforced. In other parts of the world, expansion pushes firms very early on to think about non-familiar markets.

As a consequence, American firms operating abroad typically show strength in implementing their values and creating cultural clarity. However, there has been increasing criticism within the United States of the lapse into cultism that many strong organizations seem to promote. In many cases, employees are expected to absorb everything uncritically and to give enthusiastic endorsement to a firm’s values. The gatherings of such firms can feel like over the top rallies that stifle dissent and seduce employees into forsaking their personal lives for their work—often without too much compensatory reward. The recent emphasis on employees bringing their full selves to work, openly exhibiting high engagement levels, and identifying closely with their companies has, if anything, accentuated this sense of uncritical acceptance. However, in my experience, while executives can
enthusiastically embrace, say, the Coca-Cola way, if a better offer from Pepsi comes along, emotional commitment can shift to the new player in a nanosecond.

This orientation can also land badly when engaging other cultures, such as Europe and India, where people desire more flexibility. A CEO of an Indian business, which had been owned by a British company but was then taken over by an American global giant, said, “It is chalk and cheese. There is no room for discussion. I feel I have just been taken over by a cult.” In a sense, this represents the propensity for holding a schema at the level of business once it has been shown to be successful and taking pride in not changing it or accommodating to different contexts.

This psychological theme also explains why overseas firms find it so difficult to penetrate the American market. Legions of firms have failed to crack the American market after setting out optimistically. The barrier of “it’s not invented here” is a real issue—whether you are a professional services firm, bank, or retailer. Unless you are a global luxury brand selling on the basis of uniqueness, businesses seeking to prosper in America must carefully adapt to the precise preferences of American customers. At one level, you could say that this amounts to the exercise of economic power and leverage. However, even the mightiest foreign companies face issues of the kind described above when operating in America—likely due to powerful underlying psychological processes.

The preference for assimilation is also the underlying cause for the overwhelming sense of parochialism that overseas visitors experience when connecting with America. In spite of the global reach of American cultural soft power and military hard power, virtually all visitors are struck by how insular and America-centric news is in the United States. The fact is reflected in American knowledge and interest in the external world. For example, a recent survey found that despite having fought two recent wars with Iraq, close to 50 percent of Americans were not able to locate the country on a map. Some Americans are surprised that English is spoken in the UK—assuming, one supposes, that the early settlers of the continent created the language. The common statistic that a third of Americans do not possess passports and that more than half have never traveled abroad is another feature of this parochialism.
These inclinations do not arise because Americans are not inquiring, intellectually lively, or inventive. Frequently, they are all these things. As we saw earlier, there is a greater tendency to embrace disjunctive change at a societal level in America than just about anywhere else in the world. Rather, the extent to which Americans are interested in exploring and adapting their mental schemas, particularly with respect to information and data from other parts of the world, is more questionable.

Indeed, the whole history of how migrants are absorbed into the United States illustrates the supremacy of assimilation over accommodation. While a large number of Americans are hyphenated—in other words, they see themselves as Italian-American, Greek-American, Indian-Americans—it is clear that wherever you come from, you are expected to voluntarily absorb and make your own American values. You are expected to join the melting pot. Paradoxically, this means that new settlers are required to mentally accommodate themselves in order to assimilate to the norms and expectations of American society.

There may be a natural inclination to assume that the tendency to assimilate is counterproductive, that it smacks of intellectual rigidity and lack of receptiveness to external influence. However, it can also be a force for good. The strict adherence of the early settlers to their ways of communicating, living, and getting along together has helped create a distinct cultural identity across the United States. In business, too, preserving your schemas and being clear about your identity, cultural values, and how your products and services should look creates clarity as well as potential confidence in the consumer base.

The psychological reluctance to accommodate would be a more serious impediment to progress in America if there wasn’t also the ability to adopt a new schema when change is required. Whether it is at the level of politics, business, or religion, Americans are very good at this kind of disjunctive change. However, it typically represents the adoption of a radically new schema and the two forces may actually complement each other rather than be contradictory. That is, the ability to change disjunctively may arise precisely because one also has the capacity to maintain a schema intact for quite a long time—driven in part by the implied tolerance of ambiguity that an accommodative approach to life inevitably requires.
However, as America plays out its global role in a context where other powers are emerging, there is plenty of room for missteps and error if your predominant orientation is assimilation rather than accommodation. This is demonstrated in the sheer surprise Americans show when others are not open to American values in the way they naturally expect. The expectation that vast proportions of the Iraqi population would enthusiastically embrace Western values after the overthrow of Saddam Hussein is an example. One of the most successful global colonialists of all time, the British, recognized this and trod a fine line between preserving British traditions and values versus adapting and working with local rulers. Americans need to appreciate that they cannot simply export their values with the same ease with which they set up Coca-Cola plants or factories for building iPhones.

**Mammon: Tamed and Untamed**

When Sigmund Freud made his trip to America to give his famous lectures on the history of psychoanalysis, he was not particularly looking forward to his encounter with the country. Traveling with his colleagues, Sandor Ferenczi and Carl Jung, he said before the journey, “The thought of America does not seem to matter to me, but I am looking forward very much to our journey together.” Freud had been tempted to make the trip by a financial offer he could not refuse. Central to his antipathy toward the United States was the belief that Americans had channeled their sexuality into an obsessive concern for money. Going to a country toward which he had expressed vociferous antipathy for financial gain must have created the kind of internal conflict that Freud was famous for analyzing in his patients. Rationalizing later, he commented with rare emotional intensity, “Is it not sad that we are materially dependent on these savages, who are in no way a better class of human being?”

Ironically, despite his offhand and distant manner on the tour, Freud’s lectures were a great success. American positivity meant that his subtle hostility mostly went over the heads of his hosts. As a result, psychoanalysis took off in America in a much bigger way than it ever did in Europe. American openness to new ideas and the well-embedded cultural desire for self-improvement made American
audiences naturally more receptive to Freud’s revolutionary psychology than the cautious and skeptical Europeans.

Freud’s observations on the preoccupation that Americans have for money is, of course, a commonplace stereotype held both inside and outside the country. Alexis de Tocqueville noticed this in 1831 when he visited America.13 “I know of no country where love of money has such a grip on men’s hearts,” he wrote. Virtually anywhere that you turn in America today, you notice a different attitude toward money, especially if your reference point is Europe, less so if you have been immersed in the commercially intense Far East. If you switch on the television, and just randomly go through the hundreds of channels, you will find that close to a third of them are showing advertisements at any time. The nature and quality of the advertising is also instructive. It is rare to see many concessions to artistic creativity or efforts to create a mood or sense of beauty. Viewers are instead hit by short, rather forceful admonitions extolling them to buy something because it is cheap or has this or that feature. The jarring legalistic disclaimers commonly appended at the end also add to this sense of overdone functionality.

The ubiquity of tipping is also another distinctive element of American life. Most other cultures view this act as a discretionary reward for good service and not some kind of inalienable human right. A colleague once described how he was chased out of a restaurant and followed up the street—not because he had failed to give a gratuity, but because the 10 percent tip considered more than adequate in the UK was felt to be insultingly small. Although service relationships in any society are inevitably transactional, the fact that such relationships almost always carry with them an expectation of financial reward in America means the aura of money is always hanging in the air. In all walks of life, whether it is higher education, healthcare, or the conduct of political campaigns, money is much more directly evident in America than just about anywhere else.

Americans, too, embrace this picture of themselves. There is collective ennui about overconsumption in society, but few seem to want or feel they can get off the treadmill. The trend for consumption seems to be getting stronger. For example one survey showed that between 2005 and 2007, 62 percent of young people said they wanted lots of money, compared to 48 percent in 1976 to 1978. Ironically, the
percentage that didn’t want to work hard also went up, from 25 percent to 39 percent. More recently, there is evidence that people in America increasingly recognize that money does not equate with happiness; however, this does not seem to stop people from still wanting more of it.

Paralleling the attitude toward money is the role of work in American society. Americans simply work harder and longer than people in other countries that are comparable in terms of living standards. A study by consultancy Mercer found that many countries in Europe give employees between five and six weeks off a year when one combines vacation with holidays. American executives are often visibly taken aback when they discover that most of Continental Europe shuts down in August. Americans do not have any nationally defined legal requirements for holidays at all. The norm is for people to start with two weeks’ vacation, which then gradually increases with tenure. But even then, it’s common to see an unexpressed cultural pressure for not taking one’s full leave in many firms. Americans are not unique in this attitude. Mercer found that many Asian countries had a similar attitude to holiday leave. But what distinguishes American culture is that, relative to its wealth, people work much longer and have far fewer holidays than say, Scandinavians, whose income levels match American wages.

What explains this attitude toward money and work? An obvious point is that one of the main reasons that many historically chose to leave everything and everyone they knew behind was because of a burning desire for economic betterment. All voluntary migrant communities show this enhanced drive for material success; the only difference is that America is globally unique in terms of the extent to which it is composed of such groups. Collectively, this creates a critical mass of people who are unusually focused on material advancement as the lens through which personal success and the success of others is evaluated. The second reason is that both the Puritans and Quakers had a deeply held view that honest work was a religious duty and the basis for one’s compact with God. Idleness broke this relationship and constituted a sin rather than being a personal choice one made between work and leisure. The notion of salvation through work was embedded in the early fabric of American culture, especially in the north.
The work ethic shows itself in many features of American life. Global leaders who attend Harvard Business School are frequently shocked at the level of effort and application that the programs require. “I was expecting to be worked hard, but did not think I would get hardly any sleep for three weeks!” exclaimed one executive, used to the more relaxed tempo of European college life.

Harvard was set up by the early Puritan community in New England, barely a decade after their arrival. The Harvard laws of 1643 and 1700 established the new college as a highly disciplined center of learning and virtually all of its early leaders, although curiously not the first president, who was quickly removed, were Puritans. They instilled a strong and rigorous work ethic that still lives on today. Yale was itself founded by dissenters from Harvard who felt that its Puritanical values were not being enforced strictly enough.

While some like Freud might hypocritically view American materialism and the work ethic that accompanies it as unbalanced, there is another side to the coin. The honest and direct relationship that Americans have with money perhaps creates a straightforwardness around the material impulse that other cultures seek to airbrush. American organizational culture’s no-nonsense focus on end goals also encourages an honest clarity about business life—and, for good or ill, this orientation shows up in many places. In our research 45 percent of American executives had strengths around commercial thinking, the highest score out of all regions, with the exception of the Middle East. In the Globe survey, Americans achieved one of the highest scores out of 62 countries surveyed on performance orientation.

In researching value dilemmas, Charles Hamden-Turner and Fons Trompenaars asked global executives what they would do with an employee who had served a company exceptionally well for 15 years, but whose performance had deteriorated, and was unlikely to improve. The options were “Dismiss the employee regardless of age and previous record” or “Show understanding and tolerance and take previous contribution into account.” Over 75 percent of Americans were happy to fire the underperforming individual at once. The figures for European executives ranged from 30 to 40 percent. However, only 20 percent of Japanese or Korean executives were prepared to bite the bullet in this way.17
Of course, the gravitational pull of money and the unrelenting demand for even more time and commitment at work can have some corrosive implications. We see an underlying sense of guilt that one is not doing enough—or that you have dared to go for lunch when you could have been doing even more work—emerge in many leaders during coaching. Underneath the commitment to work bubbles a resentment born of the fact that real wages have barely moved for the vast bulk of the working population for decades, while they have skyrocketed for those at the top. This unexpressed resentment can hinder productivity, and many leaders from outside the United States complain of a culture of presenteeism—that is, physically showing up on the job but not fully performing. The over-reliance on money as a motivator can also make American leaders neglectful about tapping into other sources of drive or recognizing that the motivational calculus of people in other parts of the world is different. The fear of losing a bonus or one’s job can also make American workers more compliant and less inclined to challenge corporate orthodoxy than one might expect given the directness that is also a feature of American culture. Often this directness is much more evident in external or downward dealings than in upward internal relationships.

American lawyer Thomas Geoghegan was surprised when he went to Europe, and saw the lifestyle and working conditions that people enjoyed there. This turned to shock when he calculated that, once social benefits and shorter working hours were taken into account, Americans were barely better off. This prompted him to write a book, *Were You Born on the Wrong Continent?*, to tell his country folk the sorry truth about their reality.\(^\text{18}\)

More broadly, as Kenneth and William Hoffer point out in their book *The Puritan Gift*, American business has come to be dominated by Taylorist number-counting experts and finance men over the past hundred years—a trend that is only just being reversed.\(^\text{19}\) Experts in the science of business rather than people have come to dominate corporations, reducing whole areas of industry, such as car making, to a shell of their former selves. Interestingly, this numbers-driven approach also applies to many American sports, where there is often an intensive focus on a plethora of statistics. The money motive untamed has also led to a crash in not just the value, but also global reputation, of many firms on Wall Street. I argued in my last book,
Meaning Inc., that the future belonged to firms that thought more widely about their purpose, were passionate about their people, and were led by those who had more than a passing interest in the products they were delivering for customers. The money motive untamed can ride roughshod over these sources of strength. Some of America's most successful companies, such as many Silicon Valley stars, owe their success to putting the money-people in their rightful place and behind those who care about the product.

However, a significant feature of the pursuit of material success in America is that it is balanced by an equally strong countervailing moral drive. This itself is an expression of the moral and religious sentiments of many founding communities. The psychoanalyst Clotairer Rapaille has also argued that "money as proof" is what drives the materialist impulse in American society. That is, it does not matter for its own sake but as proof of worthiness. The way in which you have acquired money, therefore, counts. Inheriting it or illegitimately earning it does not cut any ice. Once you have demonstrated proof, you can also give the money away as it has served its function. So while American leaders can be highly results oriented and not shy about pushing for enormous packages, they also outdo executives from just about anywhere in terms of their philanthropy. Nationally, the United States is also extremely generous. Few countries in history have resisted the temptation to economically milk defeated nations after victory. The Americans by contrast poured huge amounts of money into Europe and Japan following World War II, and have done so with many other countries more recently.

In fact, a dynamic interplay between materialistic and moral forces has been the motor behind many significant events in American political and corporate history. The Unionists and Confederates, the robber barons and the antitrust drive, prohibitionists and bootleggers, the Great Depression and the New Deal are all reflections of this interplay. While all cultures experience a tension between moral concerns and materialistic values, a distinctive feature of American cultural DNA seems to be the intensity with which these two drivers intermingle—at times supporting and at other times opposing each other.

This moral countervailing force is significantly focused on leveling the playing field for all actors in the economic sphere. It also
finds distinct expression in the legalization of many areas of life that other cultures seek to manage more informally or through relationships. Strict rules around equality of treatment and fairness at work, including a strong sense of political correctness, arise from this tendency. The sue at a drop of a hat attitude of some Americans, and a tendency for juries to award exorbitant damages, are also a natural consequence of the legalistic expression of morality in the context of a highly materialistic culture.

After having let the materialistic genie run riot for a few decades, the pendulum is swinging back once again in American today—and the moral legalistic countervailing forces are reasserting themselves, on a variety of fronts. External scrutiny and regulation are now one of the chief areas of focus for American leaders. The moral backlash, not just against Wall Street, but also big corporations, corrupt politics, and the power of big money in all walks of life is now once again bubbling to the surface as it has done before on many other occasions. This modern taming of mammon is a trend that all business leaders operating in the country will need to adjust to and appropriately support.

The Triumph of Functionality

When one visits America, one is struck by how well everything works and is designed to make life easy. Vast and broad highways dominate the landscape; the supremacy of getting people quickly to where they want to go overrides everything. Expansive shopping malls make parking and shopping so much easier than in typical European city centers. The bars, eateries, and cafes in America typically operate with efficiency to provide you with good food and service. A lot of things in America are designed to get you from A to B, whether this represents geographical movement, nourishment, and rest in a hotel room, or the satisfaction of any other basic human need.

There is, however, another side of the coin to this functionality. Virtually all the people I know who love America are themselves intrinsically practically minded, efficient, and purposeful individuals. Invariably, those who have a more aesthetic bent and a greater drive for things to look and feel good find America less enticing. Although Americans may not recognize it, outsiders tend to experience an
overwhelming and pervasive sense of *functionality* triumphing over aesthetics. Whether it is design of airports, freeways, buildings, hotel rooms, restaurants, or everyday objects such as fridges, irons, washing machines, American versions just seem less aesthetically pleasing. Did someone in America once get a bulk discount on sepia-tinged paint? Because much of the country seems to be enveloped by these somber tones.

The roots of this functional approach to life lie in the same factors that were posited for the material impulse in American culture. The drive to improve one’s life in a concrete and pragmatic manner was, and continues to be, an important motivator for migration to the country. Furthermore, a core tenet of Puritanism and many of the other early religious denominations centered on decrying an excessive focus on form over substance in all walks of life. Simplicity, a focus on the basics, and a suspicion of flowery show or adornment were early values within American culture. The task of creating a functioning industrial society from scratch in an incredibly short space of time inevitably also favored a functional and practical approach to life.

This triumph of functionality has a pervasive impact on business culture. In particular, it leads to a strong practical focus and a results orientation. A full 40 percent of American executives exhibited strength around action-oriented thinking in our assessments, the highest of all regions studied. Americans get to the point fast in business and can be frustrated by cultures that are more elliptical in their mode of operating. American corporate culture also favors brevity with respect to presentation. Business books in America usually include readily accessible lists of practical tips that one can imbibe without necessarily bothering with the less useful—that is, longer—bits. The European luxury of exploring a topic for its own sake generally lands poorly in the American context.

A values dilemma that Charles Hampden-Turner and Fons Trompenaars posed for executives focused on exploring their fundamental view of an organization. Respondents were asked to choose between two views: “A company is a system for performing functions and tasks in an efficient way” or “A company is a group of people working together, the functioning of which is dependent on these relationships.” About 75 percent of American executives
chose the first option, while 30 percent of Asian leaders and 40 to 50 percent of Europeans shared this view. This fundamentally different perspective has an enormous impact on how just about everything in business works and arises ultimately from the functional orientation of American cultural DNA.

Functionality does not just influence how things look or how businesses operate; it’s also evident in the way people speak. Americans typically use language in a direct, pragmatic, and no-nonsense manner, as a functional tool for communication. This different attitude toward the use of language is only really appreciated by those who have had substantial experience outside of America. Catholic priest Dwight Longinecker spent close to 25 years living outside of the United States and he commented upon his return:

I do love my home country and I’m glad to be back. However, there is a certain aspect of America that I still find difficult. It is a vague and uncertain quality; something I have never heard defined before but I think I can give it a name: literalness. America the literal... the English use language as a poem, even when they are being practical, the Americans use language as a tool, even when they are being poetical. This is what I mean about the literalness of America.

I remember being struck by this difference when studying at Oxford. I was friends with a number of Americans and watched some of them perform in debates. The English approach was to try and entertain the audience, be creative, witty, and ironic. Losing elegantly was considered something of a triumph. The Americans meanwhile had been competitively schooled in debating and taught to make as many points for their view as quickly as possible in a machine-gun-like manner. This literal approach was a shock to the English and rarely led to the expected victory for the Americans, who often felt perplexed at having lost out to wacky individuals advancing flimsy and insubstantial arguments. The widespread view that Americans “do not do irony well” may also arise from this functional approach to language.

While this functionality means that many things work in a simple and straightforward manner, the lack of attention to aesthetics, or the importance of other aspects of life, can also lead to problems
when Americans engage the rest of the world. American products can struggle in the global marketplace in areas where aesthetics or other nonfunctional attributes are valued. For example, American manufactured products such as cars, washing machines, or kitchen appliances tend to travel less well globally than their German or Italian counterparts. American business culture itself can also sometimes be experienced as lacking in soul or insufficiently attentive to the human elements.

However, when the world wants fast food or coffee delivered efficiently, it is often American firms that are favored. Even the success of Google, Amazon, and Facebook arises in no small part from the simplicity and ease with which customers can access their services. Brands, like Apple, which combine superb functionality with elegant, admittedly British-driven design, become world-beaters. However, this combination is not seen as frequently as one might expect. Aesthetics and design sense are also much more prevalent in the outward facing areas of America such as New York, California, and Miami rather than in the core. Marrying functionality with these influences is likely to be a powerful strategy for American firms’ ability to engage global consumers as they become more discriminating in their tastes.

**Increasing Plurality**

While American cultural DNA has strong tendencies around assimilating people to clear, overarching values, these norms themselves have built-in acceptance of diversity. American politics are also diverse, at least when compared with many European countries. No European country has had a nonwhite leader. Additionally, the exceptional success of many new migrant groups, such as the Indians, Lebanese, Nigerians, Iranians, and various Far Eastern groups, attests to the fundamental openness of American society. As Amy Chua and Jed Rubenfeld mention in their book *The Triple Package*—while there is sound recent evidence that upward mobility has declined for many sections of American society, it is alive and kicking for many of America’s new minorities.\(^{22}\)

The roots of this acceptance of diversity have already been alluded to earlier. The plurality of groups escaping persecution that constituted the early founder communities were never going to be
that inclined to throw their weight around over others. Independence and freedom from suppression was what drove them abroad, not power over others. Similarly, as other groups joined the melting pot, their early experiences of being outsiders made them broadly accepting of others that came later. The American sense of comfort with radical change has also helped the country cope with its constantly evolving plurality. There is much greater wariness toward outsiders in Europe, China, or the Middle East, for example, driven in part by fear of change.

A kind of communitarian individualism is also apparent in American cultural DNA. That is a fundamentally individualistic psychology, bounded by defined communities that one was either born into or has chosen to join voluntarily. Americans can be both conformist and highly individualistic at the same time; that is, they can conform when in a group to which they have bonded, but be highly individualistic if not committed, or when breaking an allegiance to find something new. This is different from the free-for-all individualism one sees in parts of Europe. Outsiders can also find America difficult to penetrate socially if they do not fit into a natural group and be surprised by the drive for conformity they find in people.

In U.S. business, this plurality leads to a greater diversity of leadership than one typically sees in other cultures. American companies today can be led by all manner of nationalities. In 2014, four of America’s most iconic companies, including Microsoft and Pepsi-Cola, had Indian-American CEOs. Hispanics, African-Americans, Lebanese, Asians, and various European nationalities are all increasingly visible at senior levels in U.S. multinationals. This gives many American companies a great edge in the global marketplace, as people see partial reflections of their own culture when dealing with them. Going forward, this will also help American companies to moderate their natural tendency to simply roll out the American model when venturing abroad.

It also gives rise to a much greater internal variability within the United States than many from outside expect, given the relatively uniform projection of American culture externally. The Human Resources Director of Tesco Clare Chapman, felt that one of the reasons for the lack of success of their Fresh & Wild model in the United States was that “We completely underestimated the
variability within America." The formula was extensively researched in and around the Los Angeles area. However, even expansion to northern California, Arizona, and Nevada threw up big differences in consumers’ tastes and predilections. Similarly, organizational cultures can vary tremendously between regions, especially when one gets below the surface. The different settlement histories of individual states create distinctive micro cultures everywhere. The parochialism of American local papers and the lack of a significantly dominant national newspaper are reflective of this fractionation.

This plurality gives the United States great strengths in the new, emerging multipolar world. It also gives the country the feel of a dynamic cauldron of ideas and approaches. However, there is also a price to be paid for this increasing plurality. Compared to many other cultures, the ever greater lack of a dominant cultural frame means that relations between communities have to be regulated by something other than a common and shared set of values. Step forward the legalism of American culture, which seems to be designed to fill this vacuum. This legalism has become more and more pronounced over time and is now a source of considerable bureaucratic delay and for what outsiders see as a ridiculously overregulated culture of control in many aspects of life.

A second issue is the increasing difficulty, as the plurality of communities grows, of different parts of the whole to find common ground. The United States is now more politically polarized than ever before. Legislative gridlock and an increasingly shrill dialogue that completely bypasses the other point of view is a natural consequence. The tendency of parts of the whole, such as the business community, to pursue their own interests at the expense of the wider good is another. Extracting the value out of plurality, while reducing its harmful effects, has always been an acute tension within the U.S. mindset, but more recently the task has got a whole lot more difficult.

**Looking Ahead**

Many of the themes implicit in the American mindset combine to create a culture of change makers—which is perhaps the country’s greatest gift to the world. Positivity, tolerance of plurality, preparedness
to take risk, pragmatism, and indeed the emotional desire to find and believe in something new, all combine to create a deep-seated tempo and dynamism around change. This gives American companies a great edge in the fast-moving world of global business. The country’s openness to talent from around the world also means it has a natural self-corrective mechanism for ensuring that it evolves and stays relevant as new powers emerge.

However, Americans would benefit from stepping back and looking at themselves from the outside as others might see them. This would make the country less complacent about the quality of people’s lives and the environment more generally. For all the self-help literature that abounds, Americans do not always pause to take a deep and authentic look at themselves—and they will need to do so as they enter a more emotionally complex era. Many questions could be neglected when the country was surging forward, but now deeper reflection—that moves beyond the default option of positivity—is required.

Most importantly, in order for American business and the country itself to prosper in a multipolar world, U.S. citizens will need to curb their tendency to assimilate everything to domestic frames of reference. Psychologically, the future will also require the country to develop a greater capacity to live in a world of greys rather than absolutes. The tendency to withdraw when the world cannot be engaged on its own terms has always been a strong default option within the United States. In response to the economic crisis, many American firms, as well as investors, have chosen to pull back from their global ambitions and focus instead on home. The same may happen with respect to the country’s willingness to be, and pay the price of being, the global policeman. Developing the capacity to engage the wider world flexibly, leveraging its plurality even more, and exercising both economic and military power thoughtfully and with an understanding of other people’s perspectives will be necessary if America is to avoid the disappointments that may naturally lead to another cycle of drawing away.

Yet despite these questions, the United States has much deep strength in its cultural DNA to draw upon in response to future challenges. In fact, the capacity to change is a meta strength that equips
the country for many things that the future might throw its way. The speed with which the country has bounced back from the global financial crisis or the rapidity with which the world’s energy market has been transformed by American shale production are two examples of the distinctive U.S. ability to confront issues through embracing radical change. Those who write off America as last century’s superpower underestimate the sheer capacity of the country to reinvent itself.