The Russian perception of the Finnish identity in case of cross-border cooperation in international business

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Abstract

In the contemporary globalization process plenty of previously national companies tend to expand to the international markets. This process is difficult because of the different perceptions and identities network in the minds of different nations. To facilitate the process of national business adaptation in another state there is a need to research the perceptions that are created in the minds of the citizens of the country planned for the expansion. The cooperation with other nation representatives provides identities network shift for the individuals that are executing international contacts. This research focuses on Russian perception of the Finnish identity in case of cross-border cooperation in international business. It aims to demonstrate how the misperceptions and stereotypes emerge and being changed in the co-working process. The given thesis’ research worth and novelty for the international relation studies is preconditioned by the fact that the problematic of the research is concentrated mostly on international business. Long-lasting historical partnership between Finland and Russia and the contemporary processes that are happening in the sphere of this partnership provide the relevance of the topic. In order to analyze the identities formation and perception the research adopts the postsructuralist approach. The methodology of the study is an interview of Russian employees of Finnish companies in Saint-Petersburg in order to gain a picture of identities shift and the influence of the daily cooperation on the other nation’s perception establishment.

Keywords: international business, perception, identity, image, Finnish-Russian co-operation
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Chapter 1: Introduction

1.1. Background

Development of relations with neighbors is one of the country’s foreign policy’s priority objectives. In this case, the perception of neighbors plays a significant role in the development of cross-border cooperation. In international business sphere these perceptual issues may play the key role in the cultural and business adaptation process. Cultural differences are usually built on basis of images and identities that are being constructed by citizens of one country towards another one. These perceptions are given to citizens during the process of socialization and are impossible to ignore. However, when the local company seeks to become international the issues of different identities are often neglected on the early stages of conducting international business.

Finnish business is functioning in Russia as well as Russian business is functioning in Finland and the particularities of these processes are inevitable because of the cultural, social, historical, economic, political, legislation and other differences. It is common for the researchers to study these particularities through the prism of identities and perceptual issues. Plenty of researchers made a sufficient input in the identities and perceptual studies. One may hardly find a person involved in the international relations studies who have never heard about A. Giddens, M. Castells, F. Webster and V.E. Morozov. The scientific works of these researchers are creating the basis for the identities studies.

Long-lasting historical partnership between Finland and Russia and the contemporary processes that are happening in the sphere of this partnership provide the relevance of the topic. Nowadays Finland is one of Russia’s most important partners in the economic, political, cultural and other spheres. In addition, Finland, as a representative of the European Union, uses this international organization to promote its interests that are often concerned about the Finnish-Russian cooperation. In recent decades the Finnish-Russian cooperation became closer. According to V.E. Morozov’s point of view, “we may argue that year 2002 is marked by the beginning of a new stage in development of Russian-EU relations. Both sides moved from the declarations towards the concrete bilateral cooperation problems solution partly for the reason of a mutual interest, partly because of the circumstances’ influence. Straight after this has happened it occurred that there are plenty of problems on the way of cooperation development. It is difficult to use the new opportunities in a current international situation because of the dividing lines that are mainly inherited from the Cold War period”\(^1\)

There are plenty of aspects of current Finnish-Russian cooperation: from the high-level political issues to

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\(^1\) Morozov, 2003. 7
the cultural cooperation between peoples living near the border, or frequently visiting the neighboring country. The author draws reader’s attention to the perception of Finns image in Russia in an international business sphere of cooperation between the two countries.

One can say for sure that Russia and Finland have become closer in economic terms, expanding the business together. Due to geographical proximity, the Finnish and Russian companies are reasonably and seriously considering the possibility of mutually beneficial cooperation. In this case Russia is a promising market for Finland and the possible direction of business expansion for the growing Finnish companies that seek to bring their production abroad.

Due to so called Nordic “closed” nature many foreign companies follow one rule - they are trying to preserve the core of the company in Finland and follow the established principles of operation when the process of expanding abroad begins. However when foreign businesses comes to Russia it has to deal with immediately appearing problems associated with huge differences in institutions, economy, politics, culture and social life of two neighboring countries. Speaking about Finland, there may be the following reasons for that:

1. Modern Finland is now going through its economy’s relative prosperity. This prosperity is often considered to be reached by the previous generation of Finnish citizens who have worked for it for several decades. It is believed that the modern Finns are only using the result of their ancestors’ hard work.
2. Modern Russia has gone through many upheavals. Those upheavals inevitably imposed a certain imprint on Russian business, and on the whole life of Russian Federation in eyes of foreigners.
3. Some researchers believe that so called “northern mentality” of the Finnish inhabitants prevent them from adaptation to other realities that are significantly different from those which they are accustomed to. Finnish business management problems in Russia may be a living proof for this thesis.
4. There is an opposite position, which lies in the fact that Russian mentality hinders Russians from carrying out economic activities with maximum efficiency.

The amount of scientific attention to the topic is discussable. On the one hand there are plenty of valuable materials concerning national, cultural and intercultural relations. On the other hand there is no unity in understanding of processes and realities that are being studied. Thus “culture” and “nation” notions have gained a multitude of definitions and the amount of these definitions will be even bigger because nowadays during the process of globalization and European integration these notions are becoming more popular and relevant.
1.2. Research Worth

The given thesis’ research worth and novelty for the international relation studies is preconditioned by the fact that the problematic of the research is concentrated mostly on international business. It is common for international relations studies to examine identity and perception problems and issues through the prism of bare “othering”. “Us-Others” dichotomy is common for ethnic and national studies but it has not been fully highlighted in the sphere of international business. The given thesis deals with the international business problematic on the example of Finnish-Russian cooperation.

The object of research is Russian’s the perception of Finns, that are working on the territory of the Russian Federation. Thus, we are studying the problems of Russian perception of Finnish identity on the case of cross-border cooperation in the field of international business.

1.3. Overall Research Aim and Individual Objectives

One may say that stereotypes disappear if representatives of different groups are communicating with each other. However, on practice every day co-working influence the perceptional stereotypes creation. Day-by-day co-working creates new stereotypes but does not make stereotypes disappear.

The informational society theorists such as Frank Webster and Manuel Castells argued that in the modern globalized world distances are smaller than before and thus prejudices concerning other nations and states tend to disappear. The author of this thesis does not fully share this point of view as on practice one may see that situation differs from the theory where co-working is facilitating the prejudices liquidation.

Contrary to Castells prejudices do not disappear in the situation of co-working. Prejudices tend to emerge in new forms that are specific for a certain type of everyday co-working activity. The aim of this research is to demonstrate how the misperceptions and stereotypes emerge and being changed in the co-working process.

The objectives of the research include:

- Analysis of perception notion and finding the international features in it
- Definition of perception notion and its evaluation
- Giving examples of perceptual features using the example of Finnish-Russian international relations
- Identification of methodological approach for the analysis of the "perception" concept in the context of international relations in Nordic region, as well as for the analysis of cross-border cooperation in international business.
- Specifying the reasons for choosing the method to work on the topic of "The Russian perception of the Finnish identity on the example of cross-border cooperation in international business."
- Develop an algorithm to work out action of the material collected according to the chosen method
- Development of "perception" category analysis levels in order to apply it in the case study

1.4. Outline Structure

The structure of this paper is following: the research is divided into three parts. The first one deals with the view of perceptional, identity and related issues in works of Russian and foreign researchers. The identity concept is studied through the prism of different theories performed by the international relations theorists that are having views belonging to different theoretical approaches. The author’s approach to this case study is sharing the poststructuralist theory positions meaning that identity is an image that is being created by the individual in case of being asked about it. The environment that is surrounding the individual who was asked to create the identity plays a key role in the constructing of the identity. This fact will be studied more precisely in Chapter 2.

The second part is devoted to the methodological approach to the case and includes the sociological interview method to study the perceptional issues. The Russian employees were asked to give an interview to the author of the thesis in order to make classification in their perception of the Finns that are working in Russia. The respondents are people with higher education, different age (from 24 to 50) and are active participants of the current international business environment. All of the respondents are working in Saint-Petersburg offices of the Finnish companies. According to the opinion on the thesis author the interview method tends to be the most objective one for the case given as it demonstrates the pure opinions of the target respondents that are not mediated through other researchers and analytics.

The third part of the work is a case study itself. The successful Finnish company decides to expand. It already is acting in more than 20 sites of Finland and that scale is enough for this country. The company is specialized on a creation of innovational infrastructure for IT companies. The idea is to help start-up companies become more successful and to create a fruitful environment for that kind of companies, to encourage sharing of ideas and common work by means of different kinds of events and services. Most of the IT start-ups that were mentioned above are sure that in case they have a good idea they may gain the financial aid from the government and different kinds of governmental funds aimed at support of new

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2 The category analysis levels table may be found in the Appendix 2
progressive ideas. And this is in fact happening. The company’s board of directors decides that if the process happens in Finland successfully it may be expanded to other countries. Decision is to open such kind of building in Russia. Cultural and mutual perception issues are obvious.

The case study is devoted to the process of dealing with this problem and finding the ways of possible solutions.

Before the beginning of studying the problem of perception the following hypotheses for this study were made:

- Close cooperation with other nation representatives changes the myth concerning the “Others”
- Close cooperation with other nation representatives improves the general perception of the “Other”

Because of the ongoing process of business internationalization this work tends to be relevant. Even closed companies with closed nature that were not supposed to be expanded to other countries are now demanded to expand in order to grow and struggle with the companies of the same segment. It may seem that international business has not much to do with international relations that are related mostly to politics but this will be a wrong assumption. Mutual perception issues are common for the business and politics as they are done by the same citizens of the same states. The neighbor images are created in minds of country’s citizens since it is well-known that the beginning of the socialization process that starts in early childhood. As a result we are facing the problems of misunderstanding that we need to be aware of to create a suitable environment for a decision-making process.

Plenty of sources and literature devoted to the subject contains materials of scientific conferences concerning the Scandinavian and Finnish studies devoted to cross-border co-operation, materials of the European Commission in Russia, the information concerning the cross-border cooperation programs on the website of the Embassy of Finland in Russia, the official web site dedicated to collaboration within the Northern Dimension in various areas, information provided by the Federal Frontier Service of Russian Federation. In addition, consideration should be given to monographs of N. Mezhevich, D. Bolotov, G. Yarovoy on cross-border cooperation. Theoretical basis of work also helped formulate textbooks in disciplines of Area Studies and International Relations Theory, authors such as I. Barygin and P. Tsygankov. Russian and European papers on cross-border cooperation, such as the concept of cross-border cooperation between the Russian Federation, the Madrid Convention, documents of the Ministry of Foreign Affairs of Finland were also under consideration.
Moreover, theoretical chapter includes studies of wide range of theoretical approaches proposed by such scientists as I. Kant, A. Wendt, V.E. Morozov, F. Webster, M. Castells, and definitions, studies and concepts related to the topic and provided by Russian, Finnish and other scientists.
Chapter 2: Theoretical approaches towards perception concept. The concepts mutual cultural and national perception, prejudices, identities and stereotypes in contemporary studies

There are several ways to define the meaning of perception and prejudice concepts. Constructivism and Post structuralism are reflecting the identity-based approaches. V. Morozov in his work “Russia and the Others: Identities and Boundaries of Political Society”\(^3\) outlines the fact that speaking about identity theories applying to international relations one obviously needs to start with the Alexander Wendt’s “Social Theory of International Politics” published in 1999. This book influenced the international relations the deepest possible way in the recent 15 years. 

On the first sight one may say that Constructivist and Poststructuralist approaches are executing the same point of view towards perception, however there are plenty of important differences between them that have to be taken into consideration. Definitions of the key notions that will be used in a case-study of the thesis are also impossible to ignore in order to have a clear picture of the concepts that we are meaning in this research.

Thus in the following subchapters we will study Constructivist and Poststructuralist and other approaches towards perception and prejudice concepts, definitions of notions that will be studied in the given thesis and also the identity status in contemporary international relations studies.

2.1. Constructivist approach towards perception concept

Constructivist theory argues that the perception of a certain image or identity exists permanently and may stay the same for a long period of time. Perception is mostly stable, argues Alexander Wendt in his Constructivists work\(^4\). The image is changing or stays the same in the percipient’s mind in case of practical submission or declination. It is true that certain stereotypes stay the same for a long period of time and even for a whole life in case of certain individuals. But this stereotype fixation takes place only in case of communication with stereotype object absence on everyday basis. If the stereotype object is present in an individual’s or group of individual’s life permanently we need to have another approach towards the perception concept.

Alexander Wend argues that identities are given and this assumption lacks the key Poststructuralist thesis concerning the boundaries of identities that should also be studied as the parts of relational senses system. Moreover, there are identities that have very transparent and unclear boundaries such as euroregions – cross border regional projects in Europe where territorial borders are insufficient due to the

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\(^3\) Morozov 2009. 144
\(^4\) Wendt, 1999
desire to participate in joint actions on the basis of common interests. There are more questions appearing concerning the other types of identities such as ideological or national identities.

Wend’s approach towards identities may be discussible but it created an interest towards the identities and his research made a basis for a productive scientific researches. For example Norwegian researcher Yver Noymann outlines four relevant for international relations approaches towards the identities studies: ethnographic, psychological, continental philosophy’s approach and so-called “eastern excurse”\(^5\).

Frederic Bart’s figure is in the centre of the ethnographic approach. Bart was the classical scientist of social anthropology of the XX century. He made a sufficient input to the identities studies by means of showing that ethnic groups are existing because of the boundaries that differ them from another groups\(^6\). Thus, the border between “I” and “Others” is necessary for “I”-construction but the choice of the cultural differences that are characterizing the group individuality is not intentional. Some differences in comparison to other ones have way more chances to become trans-boundary. For example language differences can characterize the identity. Thus the boundary of identity should be determined basing on the empirical research of corresponding social and political practices.

Psychological approach concentrates on the dichotomy friend-or-foe as on one of the fundamental features of human consciousness. This approach occurs to be incapable to describe the interaction mechanisms between personal self-identification and the large anonymous communities’ identities such as nation. One of the most interesting works here is the research of Ann Norton “Reflections on Political Identity”\(^7\). Here identity is studied through the category of subtraction and this fact leads the author to the statement of barrier absence between individual and collective identity. She outlines that self-conscious comes through the lacks and unsatisfied desires.

Continental philosophy approach is in V. Morozov’s opinion unnaturally constructed by Noymann in order to outline the uniqueness of the “eastern excurse”\(^8\). Continental philosophy gives to I-Other relations a need for assimilation. In contrast to in the “eastern excurse” derives from M. Bahtin’s works and from the notion of dialogism mentioned in his researches. For example: “The east is an “other” for Europe. The “absence of easterness” is the distinct feature of the “European” identities”\(^9\).

Constructivist approach cannot fully characterize the practice. Perception is performed every time we are thinking about the image and as we are living in a certain environment that is permanently changing. In these conditions perception could not stay stable for a long period of time as long as it would be declined.

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\(^5\) Noymann 2004
\(^6\) Bart, 2009. 9-48
\(^7\) Norton, 1988
\(^8\) Morozov, 2009. 159
\(^9\) Noymann, 2004. 267
Thus we need to have another theory that would give us a proper explanation of perceptual stereotypes changes that are happening on a regular basis in case of day-to-day work.

Poststructuralist approach may be a suitable alternative for a perceptual stereotypes changing explanation for the reason listed in the next subchapter.

2.2. Poststructuralist approach towards perception concept

In contrast to Constructivism position Poststructuralist theory argues that the image is being formed by the individual during the communicational process. The image is not constructed in the respondent’s mind before the respondent is posed the question concerning one or another image.

Poststructuralism has an advantage in comparison to Constructivism as it explains the reason for creation of different individual images and perceptions of the same object. According to Poststructuralism many factors may influence individual during a perceptual image creation in a certain time period and circumstances role. The image is formed every time the individual is asked about a certain object.

Thus poststructuralist point of view proves the assumption posed in the introduction of this thesis concerning perception during the process of co-working on a daily basis. Perceptions are formed every time in a communicational process. For example one of the interview respondents, that will be studied later on in this thesis gave strongly negative answers concerning Finnish-Russian perception as before that the respondent was involved in communication with Finnish colleagues concerning a complicated and non-standard issue that was difficult to resolve. Later the respondent approved that this situation influence the answers to a certain extent.

Thus, the environmental and emotional factors as well as time period may seriously influence the individual’s perception concerning different issues. Also co-working process facilitates the stereotypes and perceptual images creation although these images may differ significantly from one day to another. Provision of this fact makes poststructuralist approach closer to a given reality and thus more relevant than a constructivist one.

Moreover, according to Poststructuralist theory the perception of society is based on a pure declination and thus the antagonism meaning that a radical difference is a major force that is forming political communities and defining their identities. The pure declination and antagonism are the only conditions of society existence and simultaneously are proving of its impossibility to be a locked and fully determined structure. Antagonistic force is a proof of occasional character of any identity and necessary condition of its existence simultaneously.
Identities cannot have an atomic character as they are built on the complex of definitions. Any identity is setting the relations of being a member of more broad range of identities that are united by common features.

The presence of “Other” in any identity is inevitable because of relational nature of the identity. This presence of “Other” causes violence amid at the exclusion of “other” elements from the internal space. Violence appears as a necessary feature of the border between internal and external that exists in any identity. Identity’s seeking to the pure being may be defined only through the violence antagonism that are caused by the presence of “Other” in “Myself”. Otherwise there is no way of understanding the identities existence.

According to V. Morozov’s opinion every social identity is built on the social exclusion. Articulation practices transform exclusions to antagonism. He also argues that identities formation and boarders construction are closely linked aspects.\(^\text{10}\)

Theoretical approaches are crucial for thesis content as they determine the way of researcher’s thinking. However in order to fully understand the chosen problematic one also needs to state what are the terms researched in the case-study chapter are meaning. For this reason let us pay attention to the perception-based and related terminology that deals with the chosen topic. In the following subchapters we will study the key concepts relevant for the research.

\section*{2.3. Perception definitions posed by researchers}

There are plenty of ways to determine what the mutual perception is. Psychological, sociological, philosophical and political definitions may be different but they have some common features. “Perception is a cognition that is performed through the process of physical contact with reality. Perception is a phenomenon of subjective reality. Percipient, the subject of perception, often considers this phenomenon as an objective reality. The truth requires that the cognition should define and differ the perception phenomenon that seeks to be a reality and the reality itself. \(<...>\) Perception is effective only in case of being penetrated the feeling of the realism”\(^\text{11}\) according to O.Gorodnova’s point of view.

The problem of human’s perception of the environment has always been interesting for researchers and scientists and often created a basis of philosophical paradigm. Perception as a subjective way of existing cognition realities gives a ground for different interpretations of this process. In a spoken language perception mostly means environmental factors seen by the individual. In this case the perception notion mostly consists of the personal opinion.

\(^{10}\) Morozov, 2009. 169
\(^{11}\) Gorodnova, 2005. 6
The first definitions of perception may be found in an Ancient Greek philosophy. The notion of perception has been studied also in psychology afterwards. It is important to outline that speaking about perceptional notion usage one needs to keep in mind the following: philosophers meant sensuous perception in the framework of cognition theory primarily when they were using a perception notion. Perception has been studied in multitude of theories such as: Sensualism (J.Locke), Rationalism (G.Leibniz), Subjectivism (D. Berkeley), Idealism (D.Hume), Neo-Kantianism (W.Windelband, H. Rickert) and others. Let’s take a closer look on these theories.

2.3.1. Perception in Sensualism

Sensualism assumes that the perceptions along with sensations are the key and most important components and forms of cognition. Sensualism is a philosophic doctrine of the cognition theory and the key representatives who devoted themselves to the Sensualist doctrine were Aristotle, Thomas Aquinas, David Hume and John Locke mentioned above.

The idea of perceptions as key components of cognition was argued by many other researchers who assumed that the sensations are not the only sources of the pure perception. There are theories that are contradicting this kind of perceptual understanding. Rationalist theory is one of such alternative approaches.

2.3.2. Perception in Rationalism

In the broadest terms Rationalism argues that the reason as a source of justification. In philosophic terms Rationalism is often contradicted to Empiricism. Empiricism argues that the experience is the source of all ideas. The experience may be gained either from five basic human senses or from the inner sensations. Rationalism stands in contrast to Empiricism and derives from mathematical forms and methods of situation analysis.

Rationalist philosophers stated that having some basic axioms given one can analyze and perceive all occurrences deductively. Rationalist theorists argued that one can gain all knowledge by means of using only reason. Logical explanations are the key principle of Rationalist approach. Rationalism is a process of perception shift as the researcher needs to shift from irrational and emotional to strictly logical and rational perceptual methods.

The illustration of Rationalism key principle may be found in the Rene Decartes’ most famous quote “cogito ergo sum”. According to Rationalism the reason determines knowledge and this process can leave
the feelings and emotions aside. Experience and perceptions can be doubtable and thus there can be no mutually accepted truth.

However this point of view was also discussable and certain theorists argued that perception cannot be determined by a fixed amount of algorithms and formulas. Thus there appeared a need of another approach that would be different both from the Sensualist and Rationalist assumptions. The Subjectivism theory also deals with the perceptual issues but studies it from the other side.

2.3.3. Perception in Subjectivism

According to Subjectivism the individual vision and primacy of subjective experience are the most important factors for the perceptual process. There is no objective reality as only the individual reality that one perceives is real and true and for each individual the reality is a bit different. Thus, Subjectivism contradicts Rationalism that argues that there is an objective reality underlying. For Subjectivism this type of reality is absent.

2.3.4. Perception in Idealism

For idealism experience is based on mental activity. According to Idealism abstractions and ideas are the only things that could be known for certain. Idealism is often contrasted to Materialism as for Materialism physical substances are primary and for Idealism the most important basis are things of perfect forms. Thus, Idealism argues that the ideas are the basis of perceptions and perceptions are built on the grounds of perfect ideas.

Immanuel Kant whose works are belonging to Idealist theory stated that “we are perfectly justified in maintaining that only what is within ourselves can be immediately and directly perceived, and that only my own existence can be the object of a mere perception<...> In a true sense of the word, therefore, I can never perceive external things, but I can only infer their existence from my own internal perception, regarding the perception as an effect of something external that must be the proximate cause<...> It must not be supposed, therefore, that an idealist is someone who denies the existence of external objects of the senses; all he does is to deny that they are known by immediate and direct perception”\textsuperscript{12}. Thus, in the Idealist tradition perception is strongly interlinked with the individual who perceive the objects as the individual position is the true source of ideas that are perceived.

\textsuperscript{12} Kant, 1781
2.3.5. Perception in Neo-Kantianism

Later on Kant’s ideas were criticized and rethought by philosophers such as Arthur Schopenhauer, Johann Friedrich Herbart and Jakob Friedrich Fries. The renaissance of the Kantian principles occurred in response to materialist thought in a German philosophy.

In fact the term Neo-Kantian may be used also to any theorist that adopts Kantian views in a limited way but the Neo-Kantian school in a common sense tends to emphasize the views of Kant in scientific and conceptual connotations often forgetting or underestimating the role of intuition. Ethical sides of Kantian theory often drew Neo-Kantians to the framework of socialism. For example, the Kantian statement concerning the limits of perception influenced an antiperpositivist sociological movement in Germany particularly in works of Georg Simmel as his question concerning society is the allusion on Kantian “What is nature?”13.

2.3.6. Perception in other approaches

The past experience is also important for perceptual process. The more reach individual’s experience is the more reach is it’s perception. Individual differences in perception determine its integrity and preciseness. Perception is not only a simple sum of feelings. It is always a more or less complicated integrity that is crucially different of those elementary feelings that it consists of. However, some parts of perception may be the dominant ones and may influence the whole perceptual process.

The major perceptual types may be classified basing of a sensuous organs or on form of material existence. Psychology scientists also define the following kinds of perception:

- Unconscious
- Interpersonal – individual’s perception of individual
- Social – including a group perception
- Human’s perception of the environment14

The crucial social importance of human puts him on the first place in a recognition process. There are three interrelated sides of communication process: communicative, interactive and perceptive. The last one is interpreted as a process of partners’ perception of each other and creation of mutual understanding on this basis. Group perception may be characterized by creation of stereotypes, integrity of cognitive and emotional components and evaluation features.

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13 Levine, 1971. xix
14 Puzakov, 2004. 11
The reflection element is always present in the mutual perception process. It influences every participant of perceptual process. Each participant knows the way of being perceived by its partner. The subject’s actions performed towards the object are components of the process that transforms the reflected into the reflection.

I. Kon paid attention to this reflection phenomenon in context of national group perceptions. He wrote, that “we perceive and evaluate other nation’s behavior and the way of life through the prism of our own national group’s cultural traditions and values.”

Perception is the awareness of objects that appears on the basis of our knowledge and feelings. Perception is the reflection of objects and situations of outer world in the person’s mind. This is a result of the active cognitive activity aimed at the solution of tasks and acted according to socially developed etalons and norms. Perception is like a mirror reflection.

Thus, perception is a combination of feelings that is presented in the object’s conscious in it external characteristics. It is also a reflection of objects and phenomena when they influence the sense organs.

Although the perception doesn’t change world, it changes the subject of the perception and forms its personality and determines its actions. The person becomes the one he is because of his past perceptions and actions. One continues to change himself by means of present perceptions and actions.

Being active is an important factor that in necessary for the development of real perception. Children, for example, prefer to watch unknown objects instead of those that they have already seen.

It is necessary to have an information minimum for a proper reality perception. It is impossible to perceive something correctly in case of informational isolation. Perception of other people and nations are built on a previous experience and by means of usage and combination of information that person already has. If a person is locked in the room with no sounds, smells etc. It becomes difficult to control his mind and thoughts.

Perception’s adequacy is a norm. However in the process of sensuous perception when the personal experience, internal assumptions, feelings of the percipient are influencing the subject we face the problem of the reality being changed to a seeming.

Psychological differences of the person such as its motives, intentions, demands experience, evaluations, skills that all together create the internal conditions of the perception may be the preconditions of perceptive process.

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15 Kon 1968. 215-229
16 Gorodnova, 2005. 8
17 Kaverny, 2000. 141
18 Granovskaya 1997. 608
“Perception is an endless connection between person and environment, person and world where the environment and the world are opened for the person and are available for him. Because of the perception living creatures are feeling their participation in the reality. They are able to have an orientation and save themselves as an integrity”\textsuperscript{19}. The perception is demonstrated in a form of event or a concrete life episode. The process of reality transformation into the element of sensitive experience is accompanied with the integration of the element to the concrete time and other psychical phenomena and interrelationships of individual with environment.

Perception is also a sensual connection of individual with the environment and impressiveness of the person. This is more or less common definition for all researchers. The differences in definition occur when we try to determine WHAT by WHOM and HOW is being perceived. The difference occurs because of the differences in three basic realities: subject of perception, object of perception and the way of interrelation between those two. The most important thing in the perceptual process is the subject of perception. The subject is mostly an individual that is simultaneously a holder of reality’s reflection the connection to the reality. The subject of the perception can interact with environment, control the current circumstances of its life cycle.

The most important characteristics of the perceptual subject may be the following:

- Being active – the ability to initiate the perceptual process, correlate its products, control own resources (experience, ways and means of the perception), create and change the perceptual conditions and thus form not only an image of reality but also oneself.

- Integrativity – the integrity of the perceptual subject; it acts like a molar entity that implements the perceptive relation of individual to the conditions of being.

- Substantionality – the implication of different psychical phenomena to the same objective unit that differs from the phenomena themselves; subject starts to be a basis of this mean of connection of relatively simple physical functions to the whole, and the new quality that was absent in each of them occurs.

- Double planning – the opportunity to differ facts within the framework of the same external and internal plans; one is reflected in another, showing their interconnection and unity\textsuperscript{20}.

The world perception is mediated by the systems of signs, activity and a culture as whole and includes a symbolic content. The key role belongs not only to the process of necessary information search but also to its interpretation – inclusion into context and semantics of the perceptual subject. Perceptual needs and ways of their satisfaction are being filled with social context the component of will is strengthened, the sensitive image becomes realized, the value constitute of perception appears as well as esthetic and

\textsuperscript{19} Barabanshikov. 2004. 89
\textsuperscript{20} Barabanshikov. 2004. 100
moral factors. Finally individual accepts values norms and interests of the referent group and feels himself as a part of the collective subject.

Object of the perception is also important. It is usually determined as an integrative substation that includes different elements of individual and environment connected by the common place and time of their being, connections and relations, including the need of the subject and the opportunities of satisfaction those needs. Object of the perception is often subject-centered. The borders of perceptional object are determined by subject’s resources and the performing task’s character. The first perceiving thing is what influences the subject’s life directly.

Social system of being shows the space of interrelations with people; the behavior of people and their state, roles, positions in the society, cultural traditions etc are included into the context of the object.

Perceptional object is constructed by not only physical, geographic or ecological particularities of the environment, but also by social and cultural factors— norms, rules and roles. Intentions and purposes of the subject are key factors of the object-situation. They determine the situation type, its structure, the activity strategy. Significance of the object for the perceptional subject is one of the most important structural characteristic of the object. There might be parallel objects in the perceptional process.

Perception object may also be defined as a unique system of circumstances that are concentrated and related to the individual in a certain time moment21.

Perceptional activity is also important component of the perception is the. It is individual’s interaction with the environment that also includes the birth, action and transformation of the reality’s sensuous entity. This is a solution for contradictions between perceptional subject and object, and also their form of existence and unity.

The higher is subject’s level of perception the more complicated and multifaceted the connection between external and internal is, the more radical way is implemented for transforming the external events. The common form of this process is identified in the determinism principle. According to this principle the external is always percepted through the internal, the reality’s reflection is mediated of the subject’s perception and the subjective activity is changing reality itself. The event chain is concentrated and aimed on the subject and its features. To understand the rules of internal means to point out the means of object’s transformation in the perceptional process.

Perceptional activity has several key features:

- The presence of initiating object that starts whole process

21 Barabanshikov. 2004. 118
• Determination of the process on some situational element that becomes the perceptional object
• Actualization of process mechanisms, i.e. means and ways of transformation or preservation of
the subject, the object and its sensual image

In a social situation when it is necessary to determine people’s relations the perceptional activity has a
form of communication. Because of the mutual perception communicants are interfering to each other,
get the psychological, ethnic, individual, emotional, gender and other characteristics of partners and act
on basis of this information.

The other person’s perception is performed as a getting and giving the message that is always being
corrected and made more precise. This requires the common non-verbal language, the unity of sense
space, the common informational background. Every participant of the perceptional process presumes the
partner’s activity, identifies himself with the partner and tries to see the situation “via partner’s eyes”.

When someone is in the perceptual process of another person he not only gets the information about
the person but also shows the relation towards the person. Perceptional activity has the function of
gesture and has a symbolic character. Perceptional acts of the process participants become the one and
dependant either from each other or from the communicational process’ contents and structure.
According to that when a person percepts the partner he gains an opportunity not only to regulate his
own behavior, but also influence on others’ behavior and be influenced of the regulation from others. The
Mutual perception processes are interfering and affiliatin

g each other mutually correcting the situational
schemes motives and plans of perceptional activity, as well as the ways and means of implementing the
perceptional actions.

This side of perceptional activity reflects the social and personal perceptional plans. It is being studied in
context of communication (verbal and especially non-verbal) and common activity of people. The closest
attention is usually given to the rules of image creation, the role in this process of the individual itself as
well as the communicative experience, settings, relations, conditions, social situation and other
determinant’s roles.

This fact is crucial for international relations analysis because this feature of perception is often left aside
of the common analysis. We often analyze only the way we are perceived ourselves, but not the way that
we can be changed by our perception and the perception of others. However, these facts are having an
equal importance in the perceptual and identity construction issues.

Barabanshikov. 2004. 123
Any kind of perceptual activity has a double effect: changes of subject’s state and its sensitive image modification, and situation transformation for the object. The situation development looks like transformation of the perceptual subject’s position, relations etc.

Perceptual activity is characterized with the following features regardless the researcher’s position and chosen paradigm:

- It is a self-regulated and self-developing system
- Perceptual activity is heterogeneous (it includes different functional forming factors)
- It has hierarchic structure
- It can be polymotivated and can work in several dimensions simultaneously
- Perceptual activity is concrete and multifaceted

The source of perceptual need for the individual is in necessity of having information about environment and its own organism. This information is given to the individual in a sensitive form and is necessary for his orientation and behavior regulation.

Individual perception is often preconditioned by the cultural specific features of certain country or nationality. This fact cannot be ignored while studying the perceptual matters. Let’s take a closer look on the cultural aspects in the perceptual process.

2.4. Culture and its role in the perception

Perceptual setting is also an important aspect of perceptual process between two nations. Every person has its view on some situation that depends on several factors, such as: expected events probability, needs character and subject’s values. Bringing up in different cultural traditions leads to formulation of different perceptual settings and furthermore to different perception of the same reality.

Perception of nations by other nations deals also with cultural aspects. There are plenty of definitions of what culture is and it proves that the cultural world is divertive and there is a great scientific interest towards it. One seeks to overcome the frameworks of its temporary and biological existence in culture and through culture. Mutual cultural influence is a complicated process where the connections of different interaction level are settled. Processes of cultural exchange and communication have crossing character. Dialogues as the most productive way of intercultural communication are characterized by a presence of mutual perception of two or more cultures.

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23 Barabanshikov. 2004. 132
24 Barabanshikov 2004, 156-157
Ethnographic scientist Ch. Velihanov noted that nations and peoples differ from each other by the individual character features, language, traditions and arts.\textsuperscript{25}

Establishing of collective perception of nations about each other is a complex and complicated process that begun to be studied quite recently. When interested in a problem of intercultural relations historians and ethnic scientists often studied only a process of nations’ interrelations in the field of agrarian and material spheres. There was not enough attention given to the another culture’s perception. However emotional and psychological aspects are having a crucial importance for international relations and international communication.

It is necessary to outline a notion of “culture perception” among other spices of perception, such as perception of space, time, movement, artistic and esthetic perception that have been determined by culture science. This notion needs a terminological description within the framework of the same historic and cultural category.

Culture perception category is a process of revision, understanding of the cultural information that is finished by forming of corresponding perceptions (traditions, perceptual stereotypes). It is studied as historical and cultural aspect i.e. as one of the ways of scientific knowledge implementation when the object examination is done from historical and cultural points.

In the modern world there is a tendency towards multifaceted and strengthening interrelation of different countries and nationalities as Gulziya Serekova notes.\textsuperscript{26} Modern cultures are enriched by the mutual penetration process when there are conditions for a fruitful co-operation created. There is a need for a new approach to study intercultural dialogues in a globalizing world. Here the cultural traditions and ethnos are having a crucial importance. One needs to remember that cultural tradition has two functions: adaptation of culture process and integrative function.

The integration into the traditional culture helps to preserve the unique national culture and gives an opportunity of a mutual exchange of cultural values. The cultural dialogue process may be effectively accomplished only in case the tradition includes the values that are possible to perceive by the conscious of any nation, i.e. common values for all mankind but simultaneously national and filled with concrete scientific contents.

Serekova argues that the ethnos is a core of a national culture. Without ethnic conscious the development of national consciousness is impossible. National conscious includes a national culture’s specifics and the conscious of the uniqueness of the own ethnos and also common features that can be seen in other

\textsuperscript{25} Velihanov 1968, 412
\textsuperscript{26} Serekova 1994
national cultures. This is ethnos that forms national uniqueness and also cultural diversity. Ethnos is one of the basic conditions of national culture’s naissance and development.

National and common for all mankind notions have much in common as without common for all mankind notion national notion has only a local significance that finally leads to national isolation and the national culture destruction.

Simultaneously national culture includes a common for all mankind elements because it provides an opportunity for a cultural exchange and the input of different cultures to the common world cultural legacy. Any national culture has the features and components that are common for every culture. These common features create a basis for communication, mutual enrichment, dialogue and cultural values exchange. But this dialogue won’t be successful in case of common values absence or in case only national features are dominant in a national culture. This culture is not able to conduct a dialogue if it is locked inside itself. Thus the dialogue is possible only in case culture has simultaneously common and specific features.

Cultural traditions often may be defined as specific experience gained by the nation. There are three sources of cultural tradition creation according to F. Saltykov:

- Action of identical laws concerning society functioning and development
- The unity of these laws source
- Common cultural features can be a result of cultures interaction

The cultural traditions preservation and cultural legacy usage may be either unconscious or on purpose, by means of corresponding institutions and personalities. Historical experience that is situated in traditions creates a nation’s cultural legacy and thus tradition facilitates either the generation’s adaptation or saves a special memory that has a crucial importance for nation’s consolidation and cultural development.

Thus, cultural tradition may be defined as an expression of social and collective experience on a certain territory. Tradition has not only an integrative function but also a political and legal because the norms and rules that tradition consists of are creating a public opinion and make people to fulfill these norms i.e. make the national way of life updated.

Also tradition can change its symbolic and functional course but simultaneously continue its existence in a common conscious and facilitates the renaissance of social memory in certain moments. Nowadays this process is quite common. Let us recall the example of national traditions’ renaissance in Finland, the support of national language and culture.

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27 Saltykov 1972, 6
When national cultures are communicating with each other there might appear certain difficulties. For example, the common problem of intercultural cooperation is a transmission of national symbols that are often articulated in an emotional or image symbols that are clear only for a certain nation. There are also nationalism problems common for intercultural cooperation of several nations.

Thus, any national culture has common and specific features for other cultures. However international dialogue can’t be established in case national culture lacks common values. This culture is not able to have a dialogue.

Cultural values are often strong and well-established in the minds of the certain country’s citizens. This establishment may gain new formations and transform ordinary cultural values into the perceptual stereotypes. This aspect can’t be left aside the research as stereotypes are the key factors in the perception.

2.5. Stereotypes’ role in national perception

Perceptual stereotypes studies of one nation towards another nowadays became one of the most actively developing dimensions of humanitarian science all over the world. More and more research papers published during recent years are devoted to nation’s perception of other countries and nations. Plenty of scientists tend to think that stereotypes play a key role in explanation of international relations and settings.

It is common to think that the first definition of the “stereotype” notion was given by Walter Lippmann. In his work “Public Opinion”28 Lippmann writes about a quasi-surrounding that is placed between the person and the environment. Every person understands the world’s complication and creates its own “mind map” to facilitate the connection with the environment. “Mind map” is often determined by culture and a person chooses those things that have already been chosen by his culture and percepts the chosen thing as a stereotype that his culture created for him.

Lippmann stated that stereotypes are undesirable because of their unjust contents and because they may be a result of mistaken judgments. According to Lippmann stereotype is a fixed cognitive image that was formed by a national culture. Stereotype creates a “map in the head” i.e. a simplified world’s image. Thus, stereotype is both social image of people that belong to a certain ethnic group, and a personal “map in the head”. Lippmann states that stereotype stands before the mind meaning that individual can’t ignore it. In this case we miss such subjective features as activity, responsibility and ability to choose.

28 Lippmann, 1922
G. Allport\textsuperscript{29} states that stereotype is a standard that consists of familiar signs of the environment. He sees stereotype’s functional nature in economy of human’s effort amid at the cognition of subjects and occurrences through typical and common. Individual has no time to see everything in details.

K. Katz and K. Braly\textsuperscript{30} proposed a modern point of view on stereotypes. According to their definition stereotype is a fixed perception that slightly corresponds to real facts that it tends to perform and derives from what we define and afterwards perceive\textsuperscript{31}.

In the process of studying the stereotypes one has to remember that perceptive stereotype can easily differ from the reality as it may be based on wrong information, rumors etc.

The core problem in stereotype studies is explanation of its stability and polarity. Social stereotype includes unity of two interrelated factors: the knowledge and the relation. The basis of social stereotype’s existence is a deficit of true information about certain reality area.

Stereotypes are often being created by the mass media and propaganda. Thus, we need to take a closer look on these factors in order to understand the way they are influencing the perceptive process.

2.6. Mass media and propaganda and their role in the perceptional process

Stereotype may often be professionally formed by the nation state. It is easier to govern when a nation has clearly defined perceptions of the “Others”. Of course stereotypes are made on basis of some perceptive settings that always were common for this or that country, but the business and government make sufficient efforts in order to strengthen these stereotypes and make them common for the nation.

The role of governmental propaganda here is extremely high. It is interesting that as E. Carr notes, the Soviet Russia was the pioneer in the broadcasting usage for the external propaganda during the World War II\textsuperscript{32}. The propaganda is still often used by governments, often in a hidden form, but the effect on the citizens is still significant.

The author would like to draw’s reader’s attention to the fact that perception of different nationalities may highly depend on the state’s ideology. We have an interesting example of that in a monograph of M. Fainstein\textsuperscript{33} who argues that America was perceived in Russia absolutely differently during the imperial times and after the Revolution, later in USSR and during the Cold War. The culture inside the country was totally changed and the public opinion was under pressure of propaganda that seriously affected the

\textsuperscript{29} Allport, 1954
\textsuperscript{30} Katz K., Braly K. 1935, 175-193
\textsuperscript{31} Katz K., Braly K. 1935, 181
\textsuperscript{32} Carr, 1939. 25
\textsuperscript{33} Fainstein, 2005
individuals’ perception. Propaganda by the way is also based and depends on the perception of country leader or group of leaders. So we are having a perceptual issue here once again.

V. Iadov also argues that the important part of perception is its selectivity. The selectivity of perception is caused by the previous experience. It is the selectivity that differs perception of nations. The nation has a dimension of thinking34.

The dimension of thinking may highly depend on the mass media factor. Mass media is a filter of information that can reach the public. Journalists may write different materials but the printed ones will be those that the public wants to see on pages of newspapers. This occurrence highly depends on nation’s ideology and stereotypes.

This interest to stereotypes is mainly determined by practical demands in the intercultural communication sphere. Culture plays a significant role in formulation of one’s way of behavior towards others. It is important to understand that very often the things that are true for our own social behavior can be unacceptable for people with other cultural values. However there are also plenty of common features in people’s behavior regardless significant cross-cultural differences. Our world is now becoming smaller and we are facing people with other cultural values more often. Simultaneously global integration processes are unable to solve international conflicts yet. Moreover, forming of adequate perception of the country’s realities by other nations is a strategic goal of any state that seeks to gain foreign investments. This proves the need of studying the mechanisms of other culture perception by means of using different human sciences together.

In informational revolution conditions country’s image is one of the most important components of national competitiveness. Thus the improvement of country’s image is as natural as our own image improvements while we are our country’s patriots and the part of national business. There is no dividing line between the country’s reputation and its citizens’ reputation35. The reputation is the factor that preconditions the possibility of intercultural cooperation and stereotypes creation that will be studied in the following subchapter.

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34 Iadov V.A., 1972. 89
35 Delyagin, 2001. 61
2.7. The influence of intercultural cooperation on perceptional stereotypes creation

Intercultural cooperation is an activity that has been performed either together with other culture actors or under the influence of other culture. Such kind of activity's results may be either material (books, articles, works of art etc.) of immaterial (thoughts, oral statements, behavior templates etc.).

It is important to understand that during the process of “Other” culture’s perception there is a comparison of its elements with the same elements in the native culture. The nation conscious is forming on basis of such kind of comparison.

Culture perception is constant. The major examples of that are the perceptional stereotypes. National stereotypes have an amazing feature of stability. Everything else may change including international situation and governmental systems, but national images always stay the same.

Culture perception is a historical and cultural process that consists of cultural information reprocessing and understanding that is finished by forming of corresponding traditions and perceptional stereotypes.

The features of cultural perception are:

- Historicity – culture perception has its own historical frames and particularities, traditions and stereotypes that are common for a concrete historical moment
- Integrity – during the perceptional process individual usually does not have an access to the whole complex of culture’s elements. However because of the close interrelation of the culture’s elements the image of culture includes also those details that haven’t been perceived.
- Objectivity – the person’s ability to understand a culture separately from other cultures
- Constancy – the ability to perceive a culture as a relatively permanent according to a variety of parameters regardless of the perception conditions.
- Conciseness – while studying culture an individual starts to outline culture’s components and recognize them.
- Structuralism – meaning that culture’s element (i.e. image) may be associated with culture.
- Selectivity – the object’s separation from the environment. The object is often the most interesting culture’s element for a person.
- Apperception – the dependence of culture perception on past experience, knowledge, profession etc.

The functions of culture perception are:

- Informative – gives an opportunity to meet other cultures

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Puzakov, 2004.2
• Differenciative – conscious and outline of own culture among others
• Communicative – provides a culture dialogue. It is an important function as it helps to overcome the old stereotypes that are no longer relevant.
• Modernizing - other cultures’ achievements influence the own culture modernization
• Integrative – the common features of all cultures give an opportunity to understand the other cultures achievements

Each culture forms the nation in its own cultural way. Individual development of the person belonging to the nation is performed through understanding of values created by the society. The process of personal socialization is usually developed in every society. Person’s social and cultural factors may be seen during the examination process of those roles that are accepted for every subculture in a society given as any social group is a set of several positions.

Social and personal are closely interrelated either in the structure or in a dynamic of communication process. Public relations and single person activity may be studied as two sides of a whole. Although intercultural communication has a group communication form it has mostly a personalized character. Also, there is still no division between ethnic and national culture in a scientific researches. National culture is multifaceted not only because several nations and ethnos have created it but also because it includes different cultural areas: political, religious, everyday life etc.

The most productive way of intercultural communication is a dialogue between cultures. It may be characterized by presence of mutual perception of two or more cultures. Culture perception during three- or more cultures dialogue may be direct or indirect. International communication includes both informational and emotional aspects. The perception of other culture’s elements is performed on basis of national settings and depends on the degree of person’s understanding its own nation’s settings. Our perception of another culture is not only a sum of individuals’ perception but a group perception of the nation. This process also has a personified character as well. International relations can be created as relations of subjects as a specific kind of communication, although subject’s internal nature is complex and multifaceted.

Any national culture is either under the influence of other cultures or cultivates a myth about itself. The comparison of other culture elements to own culture elements is an essential part of cultural perception that forms the nation consciousness. The association of image with the culture happens often unconsciously.

The culture perception process is often finished by creation of image that is a basis of tradition and stereotype. It influences the common conscious.

A. Puzakov outlines several factors that influence on culture perception:
• Personal factor
• Ethnic factor
• National factor
• Human factor
• Situational factor

International perception of each other among different nations has been actively studied in a literature devoted to ethnic communication. Basing on this kind of literature we may outline several key approaches to setting up psychological particularities of people from different ethnic groups:

• Firstly, psychological particularities of people from different ethnic groups may be seen as features caused by biological instincts of people

• Secondly, psychological particularities of people from different ethnic groups may be seen as psychical features that depend on climate and other conditions of nation’s life

• Thirdly, the problem of national psychology and international perception lies in understanding of psychical particularities of people from different ethnic groups as characteristics of a person that depend on the level of industry and on the process of historical development of people’s social life.

2.8. National character notion and its role in the perceptual creation

Speaking about national culture we can’t put aside a national character notion, its classifications and characteristics because it has an impact on the international relations development. National character’s features are determined by economic, social, legal, cultural and geographical conditions of nation’s existence as well as by the particularities of nation’s historical development. To have a clear picture of international perception we need to determine a notion of national character.

According to philosopher E. Bagramov’s definition national character is a complex of several key features of nation’s image that are reflected in common for nation’s representatives’ forms of behavior and environment perception. Bagramov also outlines that there can be no national character without society and national institutions. In case social and institutional environment changes, the national character changes as well.
National character is permanent and cannot be changed by means of administrative sanctions. It is determined by social development as it is historical, but it’s wrong to admit that national character is a fatal force that determines a nation’s destiny.

National identity is often preconditioning the national character as it is a basis for the formulation of perceptions about the nation in the eyes of “Others” and in the nation members themselves. Identity is a core notion in the given thesis so let’s draw attention to this notion and its meaning.

2.9. Approaches towards identity concept and identity-based approach to international relations

In the volume of studies introduction published in 1996 Stewart Hall argues that “there has been a veritable expansion in recent years around the concept of “identity””.\(^{40}\) After this statement there was an avalanche of works devoted to identity issues and it is still popular to study international relations through the prism of identity.

However, the identity itself is now being unclear and foggy as Zygmunt Bauman notes in his article “Identity in the globalizing world”\(^{41}\). There are so many options and opportunities in the globalized world that many people fail to relate themselves to some groups and identities and thus are having a crisis of identification.

According to Bauman “Identity owes the attention it attracts and the passions it begets to being a surrogate of community: of that allegedly ‘natural home’ which is no more available in the rapidly privatized and individualized, fast globalizing world, and for that reason can be safely imagined as a cosy shelter of security and confidence and as such hotly desired”.\(^{42}\) He proposes to speak of identification rather than of identity as the identification is an open-ended activity in which everyone is engaged.

N. Elias argues that the identities are now being transformed to a single identity due to the process of globalization and its’ feature – increased mobility and information flows. This is happening because identities are having plenty of common features that may unite and create a single world identity in a several dozens of years\(^{43}\).

Arjun Appadurai argues that in a globalized world there are more and more of new groups of people who are seeking to create their own identity, regardless the old ones. They would like to unite some features of other’s identities in order to create their own ones. Old cultures may be replaced by these new identities. He also gives a great importance to the independent role of culture in the process, which

\(^{40}\) Hall, 1996
\(^{41}\) Bauman, 2002
\(^{42}\) Bauman, 2002. 481
\(^{43}\) Elias, 1991
through the speed and amount of electronic media transmission become a massive set of resources from which people select to construct their identities.\textsuperscript{44}

Jonathan Freidman has another point of view on identity. He raises the question of the transnational or trancultural identities existence. He argues that this can only occur when the identification process is trancultural that is mixed, or occurs on the level above the nation-sate and not between them. This is a typical position of a cosmopolitan individual that participates in many worlds without being a part of any of them.\textsuperscript{45}

The major feature of these researchers’ point of view is that the globalizing world affects the identities and their creation much. In fact globalization becomes the most important factor that influences this process. We can’t ignore that, but we can’t ignore a historical legacy when studying the identities. National past experience also has a crucial importance for understanding the nation’s behavior and stereotypes.

Eiki Berg and Pret Ehin draw the reader’s attention to the fact that in Baltic-Russian relations the constructivism is the most correct approach towards the studying of the international relations within the region and also to examine the identities that are constructed by the nations. Their conceptualization of identity “rests on three premises: identities are constructed, not natural and essential; they are relational and involve references to various “significant others”; and third, identities have a discursive, narrative structure.”\textsuperscript{46} Moreover, the researchers call for the attention towards the historical legacy of the Baltic-Russian relations because it is an important part that has to be taken into consideration when one is speaking about the identities construction. They call this historical legacy phenomenon a “collective memory”. There is also a place for “national narrative” when we speak about the historical legacy. This is a constructivist term that means the perceptions that nations created about self and other nations. This is an approach to the nation’s history and history’s participants constructed by nations.

When one is using a constructivist approach to explain the identity construction and current international relation situation it is necessary to outline that constructivism shares the major principle of neorealist and liberal approach to IR that states are central in the international system. Although there are still plenty of differences left. Constructivism “conceptualizes structures and actors as constituting each other, attributes independent casual force to ideational factors and focuses on discursive practices by which identities and ideas are conveyed, reinforced and transformed.”\textsuperscript{47}

\textsuperscript{44} Appadurai, 1990
\textsuperscript{45} Freidman, 1994
\textsuperscript{46} Ehin P., Berg E. 2009. 2
\textsuperscript{47} Ehin P., Berg E., 2009. 8
The major constructivist claim according to Alexander Wendt is that intersubjectively shared ideas and values create a unique force in international relations that differs from material structures but still is powerful\(^48\). We may call a national identity construction a fully constructivist term that fits the explanation given by Wendt.

The identity notion is now a wide-spread in the international relations field, however there is still no clear definition for it and no factors that can help us to measure its impact. Wendt proposes to use the following definition of the identity: “relatively stable, role specific understandings and expectations about self”\(^49\). Ehin and Berg add that there are three premises that their understanding of identity lies on: “First, identity is not essential but socially constructed in the process of describing and conceptualizing it. Second, identity is relational in the sense that the self is defined through relationships to various “significant others”. Finally, identity has a narrative, discursive structure of which memory and history are essential ingredients.”\(^50\)

Also, V. Morozov argues that Identity may be studied as an instrument of collective economy\(^51\). As the human mind is limited in the perception and analysis of information we adopt the identity to the others ant thus classify them as representatives of different groups that are associated with the certain set of socially important qualities. The same applies to us also. This is the only way of understanding the others’ behavior as this classification facilitates the understanding of motives and sense of others’ actions. These adaptations are the social relations’ components that are facilitating the social environment cognition. In the process of individuals’ cognition we gradually attach to the individual some original features but we can’t do the same to the every person we meet in our life and thus we are forced to perceive the biggest part of people we meet using the adopted (приписываемые) to them identities. Identities are adopted under the influence of mutually accepted in the society definitions of each group that are personally modified by the individual.

Also it is important to understand the fact that there is a thesis concerning relative discourse integrity. All important identities are more or less dependent from each other. The content of identity is determined by its place towards others. Thus, identity cannot be changed itself unless relations of equivalent and difference, that are connecting identities, are changed. Thus, rearticulation of identity undermines demolishing of old boundaries and creation of the new ones.

Thus, identity-based approach is preferable to analyze Finnish-Russian relations in case of international business as well as it gives an opportunity for deeper understanding of these relations. When other approaches are studying the conflicts themselves and causes of these conflicts, identity-based approach

\(^{48}\) Wendt A. 1999  
\(^{49}\) Wendt A. 1999. 397  
\(^{50}\) Ehin P., Berg E., 2009. 9  
\(^{51}\) Morozov, 2009. 125
studies the early symptoms of these conflicts and offers a possibility of more complex research. However it is a rationalist approach that dominates nowadays in mass media and in some political discourses and thus it can’t be forgotten overnight.

It is important to remember also that although identities are matter there are other factors that are important to create the common picture of the international relations within the region such as mass media, international institutions, international society, stereotypes etc.

Ansi Paasi argues that during the globalization processes people on the one hand are often left alone with their self-identification and thus they begin creating their own images by themselves but on the other hand people’s awareness of being part of the global space seems to force them to create a new borers and strengthen the former ones. This process is often based on identities of resistance. Identification movements are not always based on a contradiction of “Us” and “Others”, they may be based on the similarities as well. Pasi also notes that regional identity concept has gained a relative popularity in a contemporary political discourse especially in the European Union.

2.9.1. National identity concept

National identity is also crucial for the research as the perception is based mainly on the national identity that the individual or group of individuals belonging to the nation tends to correlate itself with.

In the broadest sense the “identification” notion means the “self-determination” of individuals and groups of individuals in society. The crucial here is the fact concerning what society is suitable for the individual or the group and concerning what society these actors are self-determined.

One can perceive himself as a member of a certain group only in case of existence of something different from this group and individual. In case there is nothing to be different from it is impossible to speak about the one’s originality. The processes of integration and globalization have created new conditions for individual existence and relations with the society on the European Continent in the recent decades.

Identity crisis is a common modern occurrence. Social borders are being destroyed, large groups and societies are disorganized and cultural fragmentation is growing. In a contemporary literature the process of identity transformation is perceived in a context of globalization. However, national traditions in Europe are still present and have a sufficient significance in the political course formulation of different states.

52 Paasi, 2006
53 Nepritskiy, 2003. 124
B. Porshnev devoted many of his philosophical works to the problem of national identity. He argues: “Subjective psychical side of any human entity and any group consists of psychical occurrence “Us” and “Others”. There is no “Us” that was not contradicted to “Others”. “Us” is formed by means of mutual similarity of people and “Others” is formed by means of these mechanisms’ limitation, by means of forbidden imitation, by means of differing this entity from other ones. The whole social, cultural and psychical isolation between “Us” and “Others” has never existed. It was the contradiction of own entity to another one that always facilitated the fixation and active establishing of nation’s own differences and strengthening of its integrity”\textsuperscript{54}.

B. Porshnev’s research is valuable for studying perception issues because he studied the problem of internal social and psychical contradiction mechanism for the certain society fixation. This means that to define himself as a member of certain group the individual needs to contradict to another groups.

Also M. Kulichenko studies the role of borrowing in the process of nation’s cultural enrichment of values. He argues that the borrowing of values process leads to the renewal and enrichment of the own national values and transforms national values into international ones.

An interesting theoretic approach concerning mutual penetration of national and international in features of nations was performed by P. Rogachev and M. Sverdliny\textsuperscript{55}. The core idea of their research is following: the nation is penetrating elements of the whole as a “national” always has an acquired “international”.

International and National specifics are never identical but they facilitate internal transformation of international features into the national characteristics.

In R. Abdulatipov’s research we can find a notification concerning the fact that in the process of international communication a person may define unknown features of own nationality lifecycle and improve its own moral and psychological characteristics through the other nation’s social experience\textsuperscript{56}. Certain characteristics, including specifically national ones, may go away. Others will become a basis for new international qualities.

2.10. National consciousness and its co-operation with national culture

The problem of interrelations between national consciousness and national culture has been studied by many researchers. The growth of the national consciousness is from the one hand an opportunity to avoid unification which is more dangerous than before due to globalization processes, and on the other hand the “explosions” in national consciousness appeared as a result of states’ policy.

\textsuperscript{54} Porshnev, 1973. 15
\textsuperscript{55} Rubinshtein, 1946
\textsuperscript{56} Abdulatipov, 1978
There is a close cooperation of national culture and national consciousness on different levels:

- National consciousness and national culture are the parts of the whole - the nation’s lifecycle
- National culture is the most stable ethnic feature that helps the representatives of a certain community proceed a self-identification
- Culture is a sphere of materialization of national conscious which is a concrete historical part of national culture, its concentration and up-to-date expression.

National consciousness can influence national culture and stimulate its development.

According to the opinion of philosopher Irina Malygina the understanding of national culture’s values is a precondition of national consciousness development. National consciousness is a distinct concrete and historical feature of national culture its concentrated expression and simultaneously a precondition of its development \(^{57}\).

When studying a national culture one needs to remember about its involvement into the international cultural process that is a major condition of national culture’s stable development. By means of cultural integration every society and nation integrates into a history of human civilization.

The specific of national culture is not in unique features but in a unique combination of features common for different nations, in their intensification and in the level of importance that a nation gives to the one or another feature. National culture differs from one nation to another and the proper understanding and positive dialogue between the nations can be reached by means of overcoming certain difficulties. This issue will be studied in the next subchapter.

2.11. National culture and mutual understanding in the globalized world

The world is permanently changing in the conditions of globalization and this process impacts national cultures as well as the other aspects of national life. One cannot force another to behave according to the specific culture and thus it is necessary to work out an own strategy of intercultural dialogue that settles common perspectives, finds out intentions, creates principles of mutual understanding of the process’ participants. Regardless the appeal of enlargement of this kind of dialogue the modern world still has a deficit of it. The power of objective interests often occurs to be stronger than the will and ability to reach the mutual understanding and the dialogue is being built within the strategy of interests’ insistence. Thus there are objective restrictions of the desire to understand and accept the opponent’s position. Along with that the tough insistence on the certain position leads to sharp contradictions that may cause a deep

\(^{57}\) Malygina, 1993
crisis. Thus there is a need to replace the model of narrow and pragmatic interest defense by a new model.

We perceive a mutual non-understanding as a situation when a signal (speech, text, gesture) is coded and sent correctly but its sense is understood in a wrong way.

In 20th century there were two ways of mutual understanding possibility:

- The way of analytical searching of universal base of statements
- The way of ideology critique where such base is not unacceptable

But in both ways one can find shortcomings that do not facilitate the real understanding. The second way is becoming doubled in a certain moment. Firstly, we are able to know only one distinct social and cultural position. Secondly, we can refuse to take a certain social and cultural position but if we don’t accept a universal language we thus are forced to remain silent.

Thus to create a mutually fruitful dialogue between two cultures one needs to be friendly and wise as the aggressive behavior and the desire to put our minds in other’s heads won’t be successful.

Creation of fruitful dialogue is crucial when two countries are meeting each other regardless the field of activity that cultures are communicating in. In the business sphere creation of two cultures dialogue is important as well as in international politics. Corporate values play the key role in the process of cultural adaptation and smoothing of the dialogue between two strongly different cultures. The cultural values will be studied in the following subchapter.

2.12. Corporate values

There is a need to say a couple of words concerning the corporate values notion and perception as this work deals with international business and thus corporate values are having a crucial importance in this issue.

There are several restrictions common for organizational changes when corporate values are uncoordinated. Activity amid at changes of organizational and economic factors is suspended only when the external sources of this initiative are present. The corporate values should be perceived the same way by all participants of organization and should be presented in symbolic a form of an ideal organization.

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59 Zhuravlev 2002.
The presence of common image of ideal organization among top management provides an opportunity for organization’s sustainable development without activation of other processes from the external changes agent’s side.

2.13. The role of associations with a certain nation in a perceptual process

When one is speaking about other nation’s mentality there usually is a list of strong associations and key words for a nation. For example, O. Chernysheva, a well-known Scandinavian countries researcher determines the following features that are common for Swedish people: respect for law, honesty, accuracy, bona fides in any kind of business, pragmatism, respect for traditions, feeling of fairness, self-dignity, nobility, interest for technical improvements that may facilitate the labor, love to the nature and own country. The common character features are: modesty in feelings expression, love to the home atmosphere. In social life common features are: seeking for democracy, social activity, mutual respect, tolerance, including religious matters, high importance of women’s equal rights in family and society. Many Russian authors wrote about Swedish trust to people and the clean environment everywhere.

The perception may slightly vary depending on different factors such as percepient’s groups or profession, age, beliefs etc. For example the opinion of Russian diplomats about Swedish people is a little different from the opinion of Russians that was expressed in memoirs of Russian scientists and artists for example. However, diplomats also outlined the key features of Swedish character such as the truth to the word, honesty, rationalism, in labor organization particularly. The different features common for Swedish diplomacy were the following ones: arrogance, high self-esteem, snobbism and national pride. Some diplomats considered that these features may be explained by a great past and political significance of the Swedish country.

One of interesting features of the Swedish people in Russian perception is reasonable economy of labor force that was pointed out by the Russian agricultural specialist I. Lebedev who was surprised with the absence of waiters, librarians and security in Swedish common places.

Nordic people also pay great attention to the time and resource management, as O. Chernysheva notes. Planning procedures have a great importance for them regardless the sphere of planning. Timing of meetings and working hours are always planned beforehand.

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60 Chernysheva, 2000. 23
61 Lebedev, 1957. 9-10
62 Chernysheva 2000. 139
2.14. Recommendation for adaptation of certain culture representatives to an international environment

In order to make a propaganda influence lower and increase a tolerance of the nation it is important to create direct connections between different nations, to introduce them to each other in person to some degree ignoring the mass media factor. This is proved by the speeches of the rector of Moscow’s Higher School of Social and Economic sciences T. Shanin and Russian government’s minister K. Lubenchenko on the conference concerning perceptual issues of nations\textsuperscript{63}. Speaking about corporate values and national particularities it is also interesting to outline the recommendations that are done by Russian ethnographer A. Okoneshnikova. She notes that nation’s perception during the international business process depends on the time proximity of communication and also of the working experience. The biggest part of the negative features in mutual perception is caused by the early stages of the young specialist’s activity. Okoneshnikova proposes to organize permanent consultations for young specialist concerning nation’s culture, communication etc. Also the ethnographer proposes to give a supervisor to a young specialist. The supervisor is given to help the young specialist in creation of contacts with other people belonging nations. Finally, Okoneshnikova proposes to organize “introducing evenings” in the working environment for all employees to listen to the young employee, his background and the place he came from\textsuperscript{64}.

In fact these actions are performed in international companies quite rarely. Often they are related to the CEO or higher management cluster, but not to the young employees in Russia particularly. The author of the thesis is assumed that there might be also other recommendations to be driven out in order to overcome the differences between Finland and Russia in international business and make Finnish and Russian international business more familiar and tolerant to each other.

As we have studied the theoretical perceptual aspects in the field of international business let us say also a couple of words concerning EU-Russian perceptual issues as it has a certain importance for the given thesis.

2.15. EU-Russian perception in the broadest terms: the tendencies in current relations between two sides.

EU-Russian perceptual issues have gained attention of political scientists as the need of drawing out a new strategy of communication and dialogue between the EU and Russia is obvious. Russia is a developing neighbor country with huge markets and opportunities to propose to European Union. Simultaneously it can be a serious threat or even an enemy to certain EU member-states due to the historical legacy, national perception and prejudices caused by these factors.


\textsuperscript{64} Okoneshnikova, 1999. 382
The problem of drawing out a common strategy has been mentioned in studies made by plenty of researchers. The points of view on the common strategy vary from the fully optimistic to absolutely negative views on the problem. For example, Professor and Chairman of Political Science of the Catholic University of Leuven (Belgium) Katlijn Malfliet in the article “The European Union and Russia: towards a Common Strategy?”\textsuperscript{65} argues that all initiatives aimed on creation of bilateral mutually accepted strategies of joint EU-Russian strategy of common actions have failed and it is almost impossible to create such a strategy. Russia’s “otherness” tends to disturb EU officials’ while creating a joint strategy but thus “in any case translating the underlying idea that Russia, for its own identity building, needs Europe as the “Other””\textsuperscript{66}.

Professor V. Mikhailenko argues that the EU-Russian economic integration won’t be fast. There was a low degree of capital participation in the perspective areas of economic integration. The political scientists recommend not to forget about the possibilities of integration in the fields of science, education, culture, mass media, tourism etc. Also he argues that both sides need to encourage the process of prejudices overcoming, to do a revision of bilateral and multilateral cooperation institutes and create new forms of cooperation and concrete action plans and programs. Also both sides need to continue conducting the policy of mutual information and consultation concerning the key international issues\textsuperscript{67}.

Researcher of the Institute of Europe Russian Academy of Science N. Kaveshnikov also argues that the EU-Russian partnership “looks much more similar to limited cooperation or competition”\textsuperscript{68}.

The Chief Advisor of the European Cooperation Department of the Russian Ministry for Foreign Affairs V. Stefankin has a positive view on EU-Russian relation and predicts the mutual economic penetration. However this tendency is contradicting the “old barriers” and the task is to forget the contradictions and to encourage the economic cooperation\textsuperscript{69}.

Political scientist D. Smirnov argues that in its relations with European countries Russia should participate in the cooperation process in a natural way. In case Europe is open for co-operation Russia will do the steps to the mutual cooperation\textsuperscript{70}.

According to opinion of A. Marin’s (PhD Candidate, Political Studies Institute, Paris) because of several problems related to Kosovo and Chechnya Russian-EU cooperation in the framework of the Northern

\textsuperscript{65} Malfliet, 2003. 11
\textsuperscript{66} Malfliet 2003. 28
\textsuperscript{67} Mikhailenko, 2003. 40
\textsuperscript{68} Kaveshnikov 2003. 51
\textsuperscript{69} Stefankin 2003. 49
\textsuperscript{70} Smirnov, 2003. 105
Dimension is absent. There is a need to develop a more concerted policy within the Northern Dimension for Moscow and Brussels.\textsuperscript{71}

Moreover, V. Morozov recalls the speech of Czech Republic's ex-president V. Gavel in order to characterize the content of the “Europe” notion:

“The major complex of European values that has been formed by spiritual and political history of the continent... consists of: respect towards unique personalities and human regulations, freedom and dignity; solidarity principle; power of law and equality in the law context principle; minorities protection; democratic institutions; division of legislative, executive and law powers; political pluralism; respect for the private property and private entrepreneurship; market economy; strengthen of the civic society.”\textsuperscript{72}

Thus we may draw the following conclusions:

- Firstly, the perception of one’s own national entity typical features depends on the authentic moral and ethic value and on the features of other entities that are the most often to be contacted with.

- Secondly, the national conscious sees the distinct features of “other” national groups and the accent on these features is committed through the psychical features nuance comparison.

- Thirdly, national consciousness means not only a presence of other national group specific but also an emotional relation towards it. This relation is expressed through the evaluation of the national group.

It is necessary to mention that the national perception may be affected by other factors such as: social, ethnic, professional, age, personal relations etc.

The more nationalities we have to deal with during our lives, the more tolerant we become. Our perception becomes more advanced than it was when we communicated only with people from our own nationality. This is an important factor to consider during the studies of international relations. Many international companies seek to have a general manager of another nationality than the country where he works are accomplished exactly for creating an international environment, to give the employees an opportunity to communicate with foreigners and practice in a different perception issues. However this process also has certain weaknesses.

\textsuperscript{71} Marin, 2003. 169

\textsuperscript{72} Gavel, 2009. 159
Chapter 3: The interview methodology. Reasons for its selection and usage.

The method selected for the research was an interview of Russian employees of Finnish companies based on their affiliate companies in Russia. The reason for choosing this method is the fact that among all other methods the chosen one will fully demonstrate the referent group's opinion and perception concerning the case the author of thesis is interested in. The questions for the interview were selected on the theoretical basis of the study in order to get clarification and approve or decline the theoretical assumptions drawn out by the researcher. Let’s take a closer look on the questions, perceptual factors that were studied and communicational process’ influence on the identities creation.

3.1. Factors that are influencing the perceptual process

The basic assumption of the research was to find out by means of interview what are the key perceptual difficulties and negative features in Russian perception of Finnish citizens and to find out the way of their overcoming. For this reason first of all one needs to understand what factors are influencing the perception and images formation of Russian employees the most. There were several questions concerning images formation posed to the interviewees, such as: “What is your relation to Finland and Finnish citizens?”, “Do you think that in a common sense for Russians “Finnish” equals “good, high quality”?”73. By means of answering these questions the respondents outline their relation towards Finnish culture and listed the factors that made them adopt one or another point of view towards Finland and Finnish citizens.

Thus, on basis of the interviews we may conclude that major factors of the perception influencing are the following:

- Communication with Finnish colleagues on everyday basis
- Frequent usage of Finnish products and services
- Regular business and touristic trips to Finland as Saint-Petersburg offices are situated relatively near the Finnish-Russian boarder
- Finnish principles of business organization and processes control
- Finnish quality control of work that is higher than a Russian one
- Stress from regular higher management visits and tough deadlines

All these factors are influencing the image creation towards the Finnish colleagues in Russian employees’ minds in different degrees. Moreover, the stereotypes that were given to the interviewees in the process

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73 The full list of questions may be found in Appendix 1
of socialization that happened before the period of their activity in a Finnish company’s affiliate structure cannot be forgotten overnight even taking into consideration the fact that these stereotypes may be changed to other ones during the working period.

3.2. Perceptual stability or instability

As we have already related to the constructivist and poststructuralist approaches we may argue that perception could be either stable or unstable. According to constructivist position perception is rather stable. It can be changed only by means of influencing and questioning of the stated axioms. Poststructuralist approach provides a broader view with a bigger amount of alternatives. Thus, for example, perception is dependent on the mood of respondent, his views and life experience and also the background of the image or the event that we are asking about. The perceived object could be different for the respondent every time we pose the same question concerning this object because life conditions and environment are always changing.

However, there can be a relative stability concerning certain sides of the image created in the individual’s mind. For example, the answers on questions like “What was the reason of choosing the Finnish company as the place for your permanent job?” could be unchangeable for a long period of time as the choice was made in the past and this event is already happened and thus impossible to be changed.

But regarding the biggest part of questions the answers of the same respondent may be changed from time to time depending on a variety of factors what makes us think that perceptions are mostly unstable for the biggest part of the respondents. The instability of perceptions and differences in identities formations may be caused by the communication process to a certain extent. This issue will be studied in the following subchapter.

3.3. Communication process’ influence on the identities formation

Identities may be formed in the individuals’ minds by means of a variety of factors. Identities that tend to be common stereotypes are usually formed on the basis of socialization, national historical legacy and traditions. However these are certain identities formed on the basis of communicational practices. Communication plays an equally significant role in the identity formation of the Self and of the Others.

In the case studied in this thesis communication plays a key role in the identities formation and perceptual process as we are studying the perceptual issues of one nation towards the other in a business sphere which is related to a permanent communication of one nation representatives to another one. Everyday communication makes Russian employees of Finnish companies to create images of Finnish
colleagues which are not equal to the images of Finnish citizens formed in those Russian citizens who have never been in a close business contact to the representatives of other nation but only gone under the socialization via the information in different institutions an mass media. This fact can be proved by the interview answers that are listed in the following chapter.

3.4. Usage of interview method in the perceptional studies

The interview method was chosen as it facilitates taking a closer look on the respondents’ perceptions concerning another nation in a direct way. We are not studying the research papers of political scientists concerning this matter for the reason that they are relatively rare and also subjective to some degree as the results of the researcher’s work depend on the researcher’s opinion to a certain degree. The pure answers of a referent group representatives are the most reliable source of information concerning the perceptual matter although we still need to leave a room for a possibility of some answers ignorance or paying more attention to a certain matters as every scientific work is subjective no matter how hard the author seeks to avoid a subjective and individual connotations.

In order to understand the specification of the given interview method we need to pay attention to a certain factors of the interview and the interviewees.

3.4.1. Interview questions and the reason for their choice

The interview concerning Russian-Finnish perception consisted of twenty one questions. Some of them were yes/no questions but still all of them required the thoughtful answer with the broadest possible amount of information the interviewer could get.

The interview questions were mostly concerned about the adaptation of Finnish practices towards Russian realities, but the interview also contained some personal-feeling questions in order to find out what common for Russians stereotypes are situated in the minds of the respondents.

Certain questions were posed in order to find out the relation of Russian citizens towards the Finnish business expansion. These questions were necessary as for the proper understanding of the perceptual issues we need to know the common opinion concerning the possibility of daily communication of two different cultures. Also the questions concerning the cultural differences and their awareness were posed to the interviewees as national cultures strongly influence perceptions and identity.
The answers given were mostly precise and serious but there was always a room for improvisation that some respondents tend to use. This freedom in answers led to several deviant responses that will be studied in the next subchapter.

3.4.2. Deviant factor in the interviews

Deviant factor is a factor that deals with untypical, unusual or partly unserious answers to the interview questions. Usually the biggest part of the respondents tend to include into the answer their opinion that they really have, but some respondents either make jokes instead of answers or telling some extraordinary stories or just give unusual answers being under the influence of certain factors.

For example unusual answers were received on the following questions:

- “Do you think that the formal communication with Finnish citizens during the working hours on business matters differs from the informal communication during your free time?” The answer was the following: “there are no high-ranking officers in the sauna” meaning that during the informal communication there are no lower or upper-class employees.
- “Do you feel yourself closer to the Finnish culture while working in the Finnish company?” The biggest part of the responses was negative but one of the positive answers was dealing with the interviewee’s love to the environmental protection.
- “Please name the common national qualities that are expressed by Finnish citizens”. One of the respondents named the love to sing karaoke.
- “Why in your opinion does Finnish business chooses Russia as an expansion area?”. Some of the respondents recalled the data concerning Finnish-Russian confrontation and named the reason of Finnish expansion to Russia is conditioned by the country’s ambitions and desire to conquer the country that Finnish citizens suffered from.

Deviant factors are usually present in every interview and although these answers may be not serious enough, but still they have sense. In every joke one may find a hidden sense or even an obvious opinion that the interviewer needs to count with. The answers listed above were as well considered in the percentage gradation when all other non-deviant answers were studied by the researcher.

The deviant responses were given by different respondents regardless their profession of status in company. However for a proper research there still was a need to divide the respondents on several groups.
3.4.3. Groups of the respondents

To make a proper study of the perceptional issues and the identities we need to consider opinions of at least several groups of respondents that are different from each other. For example, studying the perception of Finnish colleagues in the field of Finnish-Russian business we should count with the opinions of the broadest possible types of employees.

The closer look on interviewees’ personalities will be provided in the further chapter but beforehand we may divide the respondents on several groups:

- Management
- Support specialists
- Engineers
- Executive assistants
- General managers and directors

Each group differs from another one by such factors as: frequency of communication with foreign colleagues, reasons for communication with foreign colleagues, the amount of stereotypes and perceptional issues in mutual communication (for example, marketing manager that creates advertising brochures in Finland and seeks to create the same brochures in Russia has way more cultural and stereotype difficulties to overcome than an Information Technology specialists in both countries that are dealing with the same international computer languages and skills).

The group difference conditioned either answers complicity and degree of argumentation or the ability of respondent to give a competent answer to certain questions concerning Finnish-Russian business.

Thus after the interview is conducted we may conclude that it made an input to the fulfillment of the aim of the given research which is to understand how the misperceptions and stereotypes emerge in the process of co-working. Also this method showed that the emerging stereotypes depend on the referent group of respondents and some of them may be deviant.
Chapter 4: Case-study: issues of mutual perceptions in Finnish-Russian international business relations

The common dynamic of today’s relations with Russia and Northern Europe is a growing subtraction. This is a point of view of Theodor Shanin, the rector of Moscow’s Higher School of Social and Economic sciences. This subtraction is dangerous and its depth is not yet understood by the Russian politicians. In this chapter we will try to analyze the level of this subtraction and to find out what do Russians really think of foreigners activity on their territory.

The case study of the problem deals with the Finnish-Russian perceptual issues of Russian employees of a Finnish company that has recently expanded to Russia.

According to the basic perceptions of Russian employees the Finnish company that is to be studied is a well-known and internationally famous. It influenced the process of a welfare state creation in Finland. Since 1979 it is participating in active cooperation with the Finnish government and different kinds of governmental funding organizations and venture capitalists. Finnish mentality and way of life influenced the system of doing business a lot. This is also visible in a policy of Finland towards new ideas and innovation organizations. One can start doing business in Finland with a good idea and almost no money and the chances for the success won’t be miserable.

Thus, the common idea of technopark creation was to give a space for small start-up companies with fresh and interesting ideas to share these ideas and to develop them simultaneously. When several innovation companies are working under the same hut there is a possibility to create an innovation infrastructure and have an analogue of a silicon valley that the United States of America already have. This idea was successful in Finland as small companies gained a sustainable amount of funding from TEKES and SITRA that are key venture capitalists for such kind of companies. According to these assumption the respondents of the further described interview tend to argue that the Finnish company developed so much for recent 20 years that its board of directors decided to go abroad and to gain new markets that are not yet explored as staying in Finland was impossible for the company that already has spread all over the state and will be defeated by competitors in case it stops expanding.

Interview respondents tend to think that expansion to Russia was chosen as the best possible way of company development as the company already had a project near the Finnish-Russian border in the city of Lappeenranta. The Russian project was quite ambitious and Finnish board of directors was aware of possible cultural and institutional differences. The differences begun to claim of themselves straight after the company started the registration process in Saint-Petersburg that was chosen as a most perspective city for the further development. The company faced legal difficulties as the registration process in Russia is more complicated and takes much more time in Russia than in Finland. Also the main principle of the

74 Shanin, 2001. 18
company was a total clarity of all support operations. This principle influenced the company’s policy in Russia a lot as it needed to find legal ways of doing business.

Support processes were also a difficulty for the Finnish company activity in Russia as they were totally different and took more time than in Finland. The Finnish financial controllers needed to study Russian realities and laws in order to understand the money flows. It was impossible to implement Finnish way of acting for Russian workflow as the adopted Finnish process in Russia took twice more time than the same Russian process because of necessity of provision of documents’ hard copies, translation of documents as there are not many people in Finnish accounting department that spoke Russian and vice versa. The possibility of common bills registration system implementation came only after several years of activity in Russia.

Accounting and legal problems were not the only ones as the demand of the board of directors was to have a foreign general manager in Russian project. The foreign general manager was found, but had to visit Finland quite often in order to understand the processes and built a “piece of Finland in Russia” afterwards. Russian reality showed that as the Federal Migration Service changed the laws for working activity of foreign employees twice a year. The possibility to work in Russia was present, but the procedure of proper foreigner’s registration after every business trip was complicated and took plenty of company’s ordinary employee’s time.

Moreover, during the process of innovation centre building the company faced a problem of gaining of permissions on different kinds of works, communications building etc. It all requires not only a wish and ability to do, but also a useful links and connections to the necessary people in the city.

Even doing all those things properly in several years the company faced a problem of unsatisfactory providers’ work.

Another problem was in a lack of human resources. The large amount of differences of Russian practices in comparison to Finnish demanded a bigger amount of employees trying to deal with these problems and fulfill their duties simultaneously. Finnish side claimed that the major part of problems is not real and demanded the same functions of employees as they are in Finland.

All these problems in a separate Finnish company gave the author of the thesis an assumption concerning the reasons for these problems. There might be specific problems like legal, accounting and institutional differences but the reason for all these differences is cultural and historical individuality or identity of every nation. This identity is the basis of further differences that have been installed during the development of the nation.
4.1. Key assumptions and hypotheses made before the interviews

In order to find out the major perceptional problems between citizens of Russia and Finland the author of the thesis conducted interviews with Russian employees of Finnish companies. The purpose of interviews was to create a perceptional system and find out the reasons for international misunderstanding.

Before the interview there were following hypothesis and assumptions concerning mutual misunderstanding and different Finnish and Russian identities drawn out by the researcher:

- Due to historical stereotypes and perceptions Finnish citizens are seen as precise, accurate, slow nation that does its job properly and follows carefully the created plan
- The notion “Finnish” in Russia equals the notion “high-quality” and “very good”
- Russia is not the desirable partner for Finnish politicians and businessmen. It is a risky business to get into this unknown and large country with unclear legislation and decision-making procedures. However, there are not much opportunities and free niches for successful business left in Europe and Russia has plenty of opportunities for business to perform and provide
- Russians tend to idealize Finnish values and people
- There is no closeness between Finnish and Russian national cultures, these cultures are extremely different and unclear for each other, but after several years of working in a Finnish company the values became clearer for Russian employees and they are starting to adopt these values inside themselves
- The “welfare state” in Finland was reached through the hard work of previous generations and modern generations are using these goods for their profit. In case the current generations of Finnish citizens would stand in the beginning of the “path towards a welfare state” they wouldn’t reach the same success as Finland has now.
- Russian employees of Finnish companies in Russia should adopt Finnish values in international business as they are the part of Finnish environment.

In order to find out whether these assumptions are right of wrong there were made interviews of Russian employees of Finnish companies situated in Russia. Let us take a closer look on the most important interview actors-the interviewees.
4.2. The interviewees

The interviewees were chosen from the Finnish companies situated in Russia. These companies might have the international offices in other countries but their native country is always Finland. According to that the international company with a headquarter in Finland seeks to adopt Finnish values in its international departments. The same situation was discovered in other companies as according to the words of several interviewees’ who worked also for other international companies the values of the company’s native country were adopted even more severely than in Finnish companies.

The common features of respondents were:

- Higher education – finished BA degree, several respondents had a MA and PhD degrees
- The age of respondents was from 24 to 45 years. Thus we may call these respondents an economically active part of Russian population.
- All of the respondents have been abroad more than 10 times mostly in European countries including Finland
- Fluent English. All of the respondents were able to communicate in English as it was a general demand of the international company in order to create a mutual communication between the Russian and Finnish offices
- Active communication with Finnish colleagues. All of the respondents were communicating with Finnish offices on regular daily basis.

There were also differences between respondents related to the following features:

- The respondents were representatives of different types of professions: engineers, business services managers, facility managers, sales specialists, customer service assistants, heads of different departments, active participants in Finnish-Russian policy making, accountants, secretaries etc.
- The duration of the working time in Finnish company was different: from 7 months to 5 years.
- The amount of communication with Finnish colleagues was different. It is interesting to outline that the amount of communication with Finnish colleagues was not fully dependant on the time that employee works for the Finnish company. For example an account manager who works in company for several months could communicate with Finnish colleagues more often and regular than an engineer who works in company for couple of years.
- The gender of respondents was different however there were not much men because international companies occurred to be more attractive for women perhaps because there are
more strict standards of business and less possibilities of unclear subordination between employees.

Also as a basis for investigating Russian perception of Finnish citizens, culture and country the author used Fintra’s research on Building Customer Relationship in Russia\textsuperscript{75}.

Interviewees were asked to answer twenty one questions concerning their perception of Finnish colleagues, Finnish international companies and Finland itself. The questions may be found in the Appendix 1 to the research. The questions were posed in February 2011 and the answers were submitted and worked-out in March-April 2011. In the following subchapter one may find an answers review.

4.3. Interviews and answers review

The first impression after the responses analysis is positive as the major part of respondents’ perceive Finland and Finnish citizens as calm, reliable and able to communicate with other countries and cultures.

Almost all respondents argued that they are happy to work in Finnish company as it means stability and good and clear structure of work and division of labor. However, many of them stated that they are not feeling a unity with Finnish culture and do not share the Finnish values as they are working in Russia and are devoted to Russian cultural values, laws and code of conduct. Here lies a major contradiction. The perception that influenced Russian and Finnish national cultures for ages caused the distinct laws and conduct codes and now it is difficult to change citizen’s perception as it already influenced the past generations very much.

According to the survey 62.5\% of responders percept Finland in a positive way and only 12.5\% percept it in a negative connotations. The most popular characteristics of Finnish citizens among Russian employees were: slowness, rationality, calmness, responsibility. There were also deviant responses on the question concerning common characteristics of Finnish citizens like easy relation towards reality, low variation of thinking and even love to singing karaoke.

Let’s take a closer look on different areas of perception and on the way different national values are being perceived.

\textsuperscript{75} Official website of the affiliate enterprise of the Finnis Institute for International Trade/Официальный сайт дочернего предприятия Финского института международной торговли (FINTRA) www.fintra.ru
4.3.1 Perception of labor and relation towards the working practices

There were several questions concerning practices adaptation processes in the interview. All respondents argued that Finnish citizens that came to Russia in order to work for Finnish company should adopt Russian practices for a proper implementation of their work. Some respondents also stated that Finnish citizens are even forced to adopt these realities otherwise they won’t succeed in their career in Russia. For Russian citizens this adaptation of foreigners towards Russian reality is an objective need. However, this process is extremely difficult and painful for both sides as cultural differences may be found in a big number of spheres and areas. This fact has been submitted by the answers of the respondents who stated that Finnish citizens should adopt Russian realities but it is a very complicated process on practice.

There was also an opposite question posed to the Russian employees of Finnish companies concerning the adaptation of Finnish standards into the work of Russian citizens in Finnish companies. Here 62.5% of respondents agreed that they have to adopt Finnish values and traditions in their work, however the rest of the respondents, 37.5% argued that the Russian traditions and values are dominant in their live and they aren’t able to adopt Finnish values as they are citizens of Russian Federation and regardless their work in Finnish company they are still living in Russia and follow the Russian principles and rules. Such a significant percentage of refusing to adopt Finnish standards Russian citizens is understandable, because many of the respondents argued that the legislation is different and other actors’ behavior also differs from Finland much.

The most complicated part here is to understand to what degree and in which spheres of life should Russian citizens adopt Finnish values to correspond to corporate standards and simultaneously to save their own country’s values. It may come to one’s mind that there should be a strict division between the working hours in Finnish companies and spare time in Russian realities, but unfortunately this variant is too simplified because of the mutual penetration of Russian realities and Finnish company’s activity. Regardless the internal corporate values the company situated in Russia should adopt Russian realities and make its activity corresponding to the environment’s demands. Otherwise the living period of this company won’t be long as it won’t have abilities to survive in a demanding Russian environment.

The other important feature of Russian respondents’ opinion concerning their correspondence to Finnish standards was the fact that 75% of interviewees agreed that they have to pay more time and attention to make their work corresponding to Finnish standards. They need to work more time and to be more hardworking than their Finnish colleagues to adopt Finnish standards to the Russian realities and save their effectiveness. On practice Russian employees of Finnish companies should always do a double work: in Finnish and in Russian ways of perception simultaneously.
Moreover, interviewees outlined that Russian procedures are more multifaceted and require more actions than in Finland. This statement applies mainly to the finance, accounting and legal areas of activity in Russia. Also the reports concerning employee’s activity should often be prepared in two different forms in order to be accepted in Russia and in Finland.

Also the high-quality and precise commitment of duties is not the best side of Russian business-making. Thus we gain skipping deadlines, not proper work execution etc. from the Russian side and this means the more strict control on Russian’s offices from Finland. Moreover Russian offices of Finnish companies are also having their providers that can be either entirely Russian companies or international companies with Russian offices. Anyway, the quality control should present in every single sphere of activity and it also takes more time than in Finland, where quality control can be less strict as people are taking their duties with higher level of responsibility.

However some respondents (25%) outlined the opposite point of view. Their argumentation was that there are particularly no problems and they shouldn’t work more. The major trick is to understand Finnish quality demands and make the processes go smoothly without an internal conflict inside the employee. The intensiveness and the degree of responsibility in Finnish company would stay the same as in Russian company and would be even less chaotic. It is necessary to outline that this point of view was common for exploitation managers and engineers who have not much to do with accounting and legal procedures and don’t face them on an everyday basis.

Speaking about the relation towards work the author of the thesis also would like to note that for Finnish mentality it is very common to create a system in many different kinds of activity. The system consists of the development plan and of regular meetings that are seeking to make the overview of the achieved results. However, there are several particularities that one needs to take into consideration while working in a Russian office of Finnish company. Often there are so many small corrections to make and things to do immediately that the meetings don’t make sense as every participant is interested in the fastest ending of the meeting in order to deal with more urgent matters. The same thing can be also applied to the workshops that are very popular in Finland and other European practice. For Russian citizens there are so many urgent things to do that they would like to skip the workshops because many of employees don’t see the point of these workshops implementation and consider them as a waste of time.

In the labor section there was also a question concerning the working and spare time division. The main idea was to understand whether Russian citizens percept Finnish citizens during the working hours the same way as during the spare time and whether there are any differences in their perception.

The results have shown that the half of the respondents (50%) consider these differences present but insufficient. One deviant response sounded like “there aren’t many differences; except for they are not
singing karaoke during the working hours”. Plenty of respondents (37.5%) also noted that the differences are present not in the sphere of working or non-working hours but in the context of individual differences. It is true that in every nation different individualities of groups of people are presented. 25% of interviewees drew their arguments concerning the fact that Finnish citizens’ behavior and perception are different during the working and non-working hours. The outlined particularities were the following: in the everyday life the communication goes smoothly as with any other representatives of European culture and during the working hours the difficulties in communication and mutual perception are mainly concentrated on different views on business practices and non-understanding of the local particularities.

As the major reason for their work in Finnish companies all interviewed Russian employees named the stability. This factor was listed in 100% of interviews. To the thesis author’s opinion this is a major illustration of the perception of Finnish national values and culture. The Finnish company is always stable as it is developed according to a certain well-planned algorithm and even problems with a mutual perception that were outlined by the biggest part of respondents won’t change the interviewees’ opinion concerning the stability and certainty in Finnish company. In the following parts of interview analysis we may find also interesting facts concerning the Finland perception in Russian citizen’s mind but mostly these facts are correlating with the certainty in the Finnish stability achieved mainly because of the hardworking labor of Finnish citizens.

4.3.2. Perception of Finnish citizens, colleagues and co-workers in the eyes of Russian citizens involved in international business

The second major block of questions deals with the perception of Finnish citizens themselves. As it was already mentioned at the beginning of this chapter the perception of Finland and Finnish citizens is positive in the bigger part of cases. Finnish citizens are looking a bit slow, rational, reliable and calm in the eyes of Russians. They should definitely adopt Russian practices during the working period in Russia (100% of respondents pointed this fact out).

The author of the thesis was interested to figure out whether the age and historical legacy influence much the perception of Finnish citizens in the eyes of Russian citizens. In order to figure this out there were several corresponding questions posed to the interviewees. Let’s take a closer look on the responses to these questions.

Russian citizens were asked whether the age matters when we are speaking about differences in national culture and perception. 75% of respondents agreed that the age matters much. All of them stated that the elder generations are losing loyalty and perceive Finnish-Russian relations in a negative way as the historical legacy can’t be forgotten by the previous generations overnight. Mutual misunderstanding and
feeling of being harmed takes the loyalty away from the people of previous generations. Younger people perceive international relations easier and they are more flexible to the current realities.

Several respondents pointed out that the matter of the different perception between generations is not in the age of people but in the gained experience. Other factors that may influence mutual perception may be the level of education, relation to a distinct social group, psychological differences in perception.

The generations issue was continued to be studied by means of following questions. Before the interview the author of the thesis gained a point of view of a Nordic countries researcher that stated the fact that Finnish citizens, their culture and values and the relation toward life, are currently changed due to the processes of globalization and Finland’s integration into the world society. Modern Finnish generation is not as hardworking as previous generations that were working hard in order to create a welfare state. Modern generations are living in comfortable conditions due to previous generation’s hard work. This statement was to be accepted or declined by the Russians that are communicating with contemporary Finnish citizens on a daily basis. The interesting fact is that no respondents agreed with this statement. 37.5% had difficulties with answering this question as they didn’t have enough information concerning the historical background of Finnish development. 62.5% disagreed and argued that current generations of Finnish citizens are doing equal or even more complicated job in comparison to their predecessors.

On the opposite statement “The welfare state and Finnish citizens’ welfare is high in Finland due to the qualities and work of contemporary Finnish citizens” the answers were predictably opposite. 62.5% agreed with the statement and 37.5% abstained. Thus we can see on practice that people integrated in a daily communication with Finnish colleagues argue that we can’t explain modern Finnish welfare by the work of only previous generations. The Finnish national character features stated in the interviews, such as: hard work, responsibility etc. are still present in current generations and they are using it much nowadays as well.

However during the interviews it was also worth noting that the image of Finnish citizens is idealized in some aspects by certain respondents who stated that a-contreire to the Russian citizens Finnish colleagues are all over the county intelligent, don’t have any negative habits, well-organized etc. This point of view is an utopist one as every nation has its own negative examples that many people tend to ignore.

4.3.3 Perception of Finnish expansion to other countries and relation to it

Speaking about Finnish expansion to other countries and particularly to Russia we firstly think about Finnish business that has not got enough space in its own country and tends to explore and conquer new
markets that are still free for the expansion. During the recent years Russia gained a relative economical stability and became a more reliable partner in the eyes of international colleagues. This fact stimulated the input of the international capital to Russia for a variety of reasons such as: unexplored market, sufficient amount of areas that are still empty and need to be refilled with the goods and services, possibility to gain fast and sufficient profits, relatively cheap working force and big amount of unexplored territories left without goods and services. The respondents were asked several questions concerning their relation towards the Finnish expansion to Russia.

The fact that Finnish business chooses Russia was generally accepted like a right decision of Finnish colleagues by Russian citizens. 50% of respondents argued that this is a totally right decision, 25% named this choice as a risky one, and 25% were not sure concerning this choice. This choice was noted to be risky for the reason of instability that is still present on the Russian ground in comparison to other member-states of Finland.

This question was followed by a request to name the major reasons of this kind of choice towards Russia. Given responses were variable and three most popular answers were:

1. Undiscovered opportunities for development – outlined by 87.5% of respondents
2. Sufficient income of financial flows – outlined by 50% of respondents
3. Geographical proximity – outlined by 37.5% of respondents

Also in interviews one may find interesting and extraordinary responses. For example interviewee stated that Russia is historically unknown area where one can built anything regardless the laws. Another respondent notices that nowadays Finnish expansion is perhaps preconditioned by the historical legacy. Finnish citizens are feeling a national satisfaction and pride when they are succeeding in different segments in country that they suffered from in the past.

In general Russian citizens are satisfied with Finnish expansion as they gain higher quality of goods and working places in a prestigious and stable companies and Finnish state and business gains profits for exploration and successful business implementation on new grounds. Both sides are generally satisfied with each other regardless sufficient difficulties caused by cultural and perceptual differences.

4.3.4 General perception of Finland

To overview the answers given during the interview we need to outline the general relation towards Finland that has being built by the Russian citizens in their minds. Several general questions concerning Finland were also posed during the interviews.
Concerning all pervious answers given one may think that almost every respondent should accept an associational row Finnish=good=high quality. Surprisingly this assumption was true only for 25% of interviewees. 12.5% of respondents were not agreed with this statement at all and 12.5% argues that the Finnish quality decreased much in the recent time. To the interviewer’s point of view this statements may be caused by current availability of Russian market for different kinds of goods, not only Finnish ones. And in 1980-s and 1990-s when the USSR perceptions were common the Finnish goods were one of the best options that citizens of our country could afford. Thus, the elder generation may remember the Soviet times and say that Finnish definitely equals “good”. The biggest part of respondents however outlined that this formula is mostly workable, but not in every case. Sometimes it cannot be true. The spheres that the biggest part of respondents refers this formula to are: food, services and retail sales. Moreover the respondents note that in the nutrition products the accent is made on environmental friendliness and in the services the accent in mostly made on the high quality and the Finnish responsibility.

No respondents were sure that Finnish standards are able to be accepted in Russia without any changes. They noticed that there is a need to adopt Finnish standards for Russian culture and way of life. The work in Russian office of Finnish company requires more skills to adopt Finnish standards to Russian realities. Thus, 37,5% of interviewees argued that Finnish standards are unable to survive in Russia without a proper adaptation procedure. 25% of respondents were sure that Finnish standards are able to work in Russia only on 50% of cases. This is caused by the perception differences and presence of old-school views on business organization. Also it depends on concrete standards. Some respondents also argue that Finnish standards should be accepted in Russia in a common way and some particular details of everyday practice should still remain conducted in a Russian way.

It is interesting to outline that regardless several negative references towards Finland and Finnish values and standards almost all respondents (87.5%) expressed their desire to work in Finnish company in future. Thus, regardless the difficult process of adaptation and misunderstanding Finnish company and its values are perceived in mostly positive manner and are not causing a desire to exclude them from the interviewers’ lives but rather a desire to overcome these difficulties.

The interviewees were also asked whether they feel close to the Finnish culture, but the most popular answer here was predictable – they don’t. Respondents feel themselves Russian and accept Russian values. This is an obvious answer as the misunderstanding problems were not so complicated and noticeable in Finnish-Russian business in case cultural differences were small. For example one of the Finnish companies that has being studied has also an Estonian affiliated company and practice shows that the perceptional problems between Finnish and Estonians employees are much smaller than between Finnish and Russian employees.
Thus, the assumptions made in the beginning of the given chapter are partly proved by the interview results and some assumptions are denied. The denied ones were the assumption concerning the total acceptance of Finnish=very good formula. Russian citizens are aware of Finnish good’s satisfactory quality but do not think that it is exceeding their expectations. The second assumption concerning the desirability of Russia for Finnish expansion was also partly declined. Russian employees of Finnish companies were very positive about Finnish expansion and tend to think that Russia is a desirable partner for Finland not only in case of other expansion regions’ absence. Also the assumption concerning Finnish welfare achievement and maintenance was declined. It is impossible to say for sure was it the lack of information of life experience but the biggest part of Russian employees of Finnish companies tend to think that modern Finnish citizens are as hardworking as their predecessors and even more hardworking than previous generations were.

Of course some assumptions were approved. Thus, respondents named the major qualities of Finnish citizens that were put into our early assumption. Such features as accuracy and creation of plans and further careful fulfillment of these plans were outlined by the biggest part of the respondents. Moreover, the interviewer witnessed the fact of Finnish citizens’ idealization in several cases of responds that was also put into the assumptions. Also the assumption concerning the almost full absence of culture closeness between Finnish and Russian citizens was approved. The biggest part of respondents agreed that they are belonging to another culture and are having difficulties in understanding of Finnish colleagues. Finally, the interviews facilitate to approve an assumption concerning the need to adopt Finnish values to Russian reality. The necessity of such kind of adaptation was approved be the biggest part of the respondents.

4.4 Opportunities of foreign capital inflow to the Russian market

After studying the perceptional issues of the Russian employees it became clear that all of them accept the possibility of the Finnish capital inflow to the Russian market and are positive towards its invasion as it means higher quality of provided goods and services and plenty of working places in a stable company with social packages.

However, Finnish capital and business decision-makers are not as optimistic as Russian citizens, because expanding to Russia is still a risky business and one needs to spend a very large amount of money and witness a long period of these inflows rehabilitation before the Russian affiliate enterprise will genuinely give some profits to the Finnish company. Moreover to expand to Russia can be profitable on the later stages but it requires much more money and other resources on early stages. For example the general
manager in Russia should have reliable partners in order to conduct all operations in a proper way that corresponds to the Russian legislation.

4.5 Recommendations for perceptual stereotypes and cultural differences overcoming in the international business sphere

As we studied the perceptions of Russian employees of Finnish companies situated in Russia through interviews we may conclude that Finnish citizens are seen in a positive way although there are some negative features that are caused mostly by mutual misunderstanding and different cultural values.

The everyday communication doesn’t facilitate mutual perception regardless Castells’ and Webster’s points of view. However it makes common stereotypes disappear, but instead of total disappearance these common vulgar stereotypes are changing into another ones, more precise and professional.

Finnish colleagues are aware of the perceptual difficulties and they are trying to overcome them by means of different trainings, conversations with Finnish HR-managers and appraisal discussions. There are even several step-by-step methodologies made by the Finnish side. These actions are useful, but still they cannot help to overcome all difficulties that are appearing in Russian affiliated company’s work. The major problem here, to the author’s of the thesis point of view lies in the fact that for Finnish board of directors Russian perceptual problems are to be solved by Finnish colleagues. But the key point here is that Finnish citizens also have some distinct and original perception of Russian citizens that differs from the Russian reality. The solution here is seen in a creation of Finnish-Russian working group with a further brainstorming procedure that is implemented for the benefit of both sides. On this level it would be easier to overcome the differences and problems than on the level of whole Finnish and Russian offices. Afterwards there could be created a program of mutual actions towards the creation of working environment that could be suitable for both sides. Of course this method can also have some weaknesses. For example as it would be created by a small working group it may leave aside some important particular features. But on the other hand these features can be smoother in case the bigger problems are solved. The smaller problems may be solved on the daily working basis.

The other recommendation is to send the Russian employees in Finnish offices on the equal positions to create the proper understanding of the position’s duties and difference of these duties between Russian and Finnish practices. If the list of differences is created it is easier to make chiefs understand what problems are to be solved and how many people they need to solve it.

In general these recommendations are useful and of course are necessary to be implemented but total ignorance of cultural differences and absence of their influence on international business are impossible to create. This is caused mostly because of poststructuralist assumption that is proved on practice argues
that the individual’s perception differs from the time and perceptual features of a concrete moment we are asking individual about this of that identity or image, as we are studying the problem from poststructuralist point of view. This means that whilst we are trying to avoid perceptual differences they may become other perceptual differences. On the other hand these are details and perceptual problems should be solved not only in details but also in a common sense, where they are still present.

4.6. Perceptional distortion

Any perceptual research deals with the fact that in the respondent’s minds there is a sufficient amount of reality’s distortion. As it was mentioned in this chapter the respondents tend to think that the Finnish company is the stable one. The reason of such judgment is based, to the author’s mind, on an assumption that Finnish company is opening an affiliate company in Russia because it has occupied all local Finnish market area of such kind of activity. The algorithm of Russian employees’ thinking is frankly speaking the following:

Finnish company has occupied the Finnish market and it is thus extremely large and almighty in certain business area in Finland ➔ Finnish company needs more markets to explore in order to survive the competitiveness and it comes to Russia ➔ Russian employees tend to think that this situation means stability and the long-lasting contract with a stable vague and other social benefits.

In fact this thinking can be discussed and proved wrong for several reasons:

- Firstly, foreign companies are coming to Russia in order to gain fast and large profits from the idea or a field that is not yet being discovered and developed by other companies.
- Secondly, this process is often connected with a large amount of different risks related to the expansion to Russia.
- Thirdly, such seeking of the fast profits seriously contradicts with the “stability” perceptions of Russian citizens concerning Finnish company’s affiliate office in Russia.

According to the interviews respondents tend to think that the effect of Finnish company’s expansion would be insufficient and they won’t gain fast profits from the expansion. However, for several decades in the international business expansion to Russia means high risks and fast profits and the board of Finnish company’s directors tend to count with this fact when they were making a decision to expand as the technopark companies are working in a venture area and are counting on the high risks and fast profits. However, according to the interviews Russian employees of Finnish technopark company do not believe in that and prefer to believe in stability. This is a major distortion in the Russian perception of the case given.
We also need to mention here that we are witnessing the fact that was mentioned in the second chapter. In the process of perception there is a place for identity rearticulation and a discourse changes which can be clearly seen in the given situation. The perception of Finnish citizens by Russian employees differs from the same perceptions of the people who do not deal with the Finnish citizens on the regular basis. These perceptional differences occur when an employee comes to the Finnish company. To prove this fact one may use the answers to the question concerning the realizing of differences in cultures before the beginning of career in the Finnish company. The biggest part of the respondents answered that cultural differences before the career in Finnish company was seen by them as insufficient for their lives because they communicated Finnish citizens as tourists mostly and didn’t pay attention towards the cultural differences. Respondents loved Finnish culture but didn’t feel closeness towards it. These factors were changes and deepened after the job obtaining. This fact proves that identities may be changed in case the perceptual discourse and context is changing.
Chapter 5: Conclusion

On the basis of the given research we may drive the following conclusions:

- Firstly, poststructuralist theory proved to be right. The misperceptions and stereotypes emerge and being changed in the co-working process significantly. The biggest part of the respondents approved that they changed their mind concerning Finnish citizens after they started to work on Finnish company in Russia. This means the changes in their perceptions, the rearticulation of identities complex as Poststructuralism argues.

- Also the Poststructuralist assumptions proved to be right in case of the statement that identities and perceptions are being changed in different time period and circumstances. Individuals and groups of individuals may perceive the same thing in a various way depending on the multitude of actors and events of the environment.

- Secondly, international features are present in a perceptional concept as the perception has been conducted towards the representatives of another nation in the case given. Perception here has an antagonism “Us-Others” and demonstrates an international context.

- Thirdly, the interview method has shown its efficiency in the given matters as it gave the most precise possible picture of the situation. The direct communication with an object of the research is crucial in order to get the clear picture. The most objective data concerning perception can be delivered to the researcher as he collects it directly from the objects of the research. However we need to keep in mind that the full objectivity is impossible to reach even in this case as the author of the research also has own perceptions, images and stereotypes in his mind, the respondents may not tell truth while answering the question. However the author of the thesis tried to eliminate this problem by means choosing the equal proportions of group representatives and by means of analyzing the deviant answers separately.

- Fourthly, international cooperation between Finland and Russia will be developing as these two countries are having a certain interest in each other. Russia is an unexplored market for Finland as there is a possibility to gain fast and high profits and Finland will be a stable and sustainable partner for Russia as we may see the tendency of Russian citizens to think that Finnish business in Russia has a well-planned strategy and can be relied on. The correctness of such assumptions is discussable, but the belief of Russian citizens in this assumption is obvious and proved by the research given.

- Fifthly, the assumption concerning the influence of the close contact with other nationalities on the disappearance of prejudices proved to be not obvious as the perceptions and misperceptions do not disappear, they are being shifted instead but their amount is not reducing. This fact is proved by the results of the interview where one may find plenty of misperceptions and mass stereotypes creation.
Also the hypotheses posed in the beginning of the research were partly approved.

- Firstly, the hypothesis dealing with the close cooperation with other nation representatives changes the myth concerning the “Others” has been approved by the results of the study. In the process of close cooperation between the two nations there is an inevitable identities network shift. The identity network that is common for all ordinary citizens of a certain country changes in case the individuals are starting to communicate with other nation representatives on a daily basis.
- Secondly, the hypothesis concerning the close cooperation with other nation representatives improves the general perception of the “Other” proved to be wrong. The general perception of the “Other” is not improved, but replaced by the other perception.

The most important result of this research is in the fact that although we cannot overcome the stereotype creation or misperceptions, we may influence it by means of changing the environment around us. The total disappearance of the prejudices is impossible for international cooperation but the amount of conflict situation may be reduced if both parties are interested in the dialogue. The fact that all of the respondents gave their acceptance to make an interview and shared their consideration concerning the mutual cooperation proves that Russian citizens are opened for the constructive dialogue with other nations. Almost all of the respondents also outlined that they are willing to work for the Finnish company that means the will to overcome the misperceptions in order to accomplish the common activity. This fact gives a ground to argue that Russia is not only the growing market for the fast profits but also an internationally opened in multicultural and psychological spheres one.
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Appendix 1: List of the interview questions

1. What is your general opinion concerning Finland and its citizens?
2. Please name the common national qualities that are expressed by Finnish citizens
3. Do you think that Finnish citizens that are working in Russia should adopt Russian values?
4. Or vice versa you should adopt Finnish values and standards while you are working in a Finnish company?
5. Do you consider Finnish business standards effective in Russia? If no, than what needs to be changed?
6. You need to work harder for Finnish company in Russia than for Russian company in Russia. Do you agree with this statement? Why?
7. Are you planning to work for Finnish company in future?
8. Did you think about the difficulties caused by cultural misunderstanding before you begun the career in a Finnish company?
9. Was the degree of this difficulties approved/larger/smaller?
10. Do you think that the formal communication with Finnish citizens during the working hours on business matters differs from the informal communication during your free time?
11. Do you think that the age influences the other nationalities representatives’ perception?
12. What was the reason o choosing the Finnish company as the place for your permanent job?
13. Do you feel yourself closer to the Finnish culture while working in the Finnish company?
14. The level of welfare in Finland is nowadays high because of the hard work of previous generations. Do you agree with this statement?
15. The level of welfare in Finland is nowadays high because of the hard work of Finnish citizens during the last 20-30 years. Do you agree with this statement?
16. Why in your opinion does Finnish business chooses Russia as an expansion area?
17. Do you think that this is the right decision?
18. Do you think that there is a tendency to associate “Finnish” with the words “good”, “high-quality” in Russia?
19. In what areas cultural differences are the biggest?
20. Please name several differences listing them to an importance extent. Example: 1.legislation , 2. Meetings conduction, 3. CRM
21. Did you realize that cultural differences may influence your work before the beginning of career in the Finnish company?
Appendix 2: Perception category analysis levels

- Perception
  - Spheres
    - Social
    - Cultural
    - Economic
    - Political
  - Time
    - Past
    - Present
    - Future
  - Subjectivity
    - external (Other-perception)
    - internal (Us-perception)
  - Actors
    - person
    - community
    - state (Finland/Russia)
    - international organisations (EU)