USING THE GLOBE STUDY TO EXPLAIN HOW CULTURE AFFECTS LEADERSHIP IN CITIES WITH DISLOCATED CULTURES

The decline of the manufacturing sector in most cities and the suburbanization of blue-collar employment have been posited as likely explanations for the culture of poverty in American cities (Massey, 1994). Existing literature on inner-city marginality points to the spatial concentration of poor people as a predictor of dysfunctional norms, values, and behaviors that trigger a culture and cycle of social pathology (Mayer & Jencks, 1989; Wilson, 1990). Lower socioeconomic status (SES) is consistently associated with adverse societal outcomes (Danziger & Danziger, 1993; Jarrett, 1995). In most cities, cultural differentiation, social dislocation, and exclusion constitute a dislocated culture, also referred to as the culture of poverty (Brimmer, 1971), the ghetto subculture (Gans, 1997), or the underclass culture (Auletta, 1982; Myrdal, 1962; Wilson, 1990). However, the focus of extant literature is on poverty as a causal agent of a dislocated culture, with the discourse focused on how social context influences individual behavior.

Given the demographics of underclass neighborhoods, researchers look at the effect of race and the effect of exclusion on neighborhood relationships, defining subculture as synonymous with the sociopathic underclass culture of poor minority families, notably African Americans and Hispanics (Massey, 1994). In the majority of American cities, whites are still the predominant race, and other races are confined to a small number of minority neighborhoods. For example, African Americans constituted 36.8% of the metropolitan Chicago population in 2010, according to the census, and had a poverty rate of 26.4%. Similarly, African Americans constituted 26.6% of the metropolitan New York population in 2010 and had a 28.1% poverty rate. In these cities,
poverty and the related social dislocation are confined to a few racially segregated neighborhoods, and the associated culture is considered incongruous or limited in scope. In some cities, however, poor minorities are the majority, which fuels a widespread dislocated culture. For example, in Youngstown, Ohio, 37.3% of those under the age of 18 and 13.3% of those 65 and older live below the poverty line (US Census Bureau, 2010). The statistics are similar in the cities of Camden and Trenton, New Jersey, and in other postindustrial towns that are characterized by capital flight and the subsequent invasion of drugs and crime. According to the 2010 census, 35.9% of residents in Camden and 29.5% of the population in Trenton live below the poverty line. Dramatic concentrations of poverty have led to other socioeconomic changes, such as low educational attainment, an increase in the unemployed, and physically deteriorated areas with high crime. More importantly, industrial cities have also seen a dramatic increase in the representation of poor racial and ethnic minorities. With the tax base obliterated and a criminal culture institutionalized, most residents point to a lack of leadership as the cause of all the problems in their cities (Katz, 2009). In 2002, a perceived lack of leadership inspired the state of New Jersey, in spite of home rule, to enact the landmark Municipal Rehabilitation and Economic Recovery Act (Katz, 2009), which placed the troubled city of Camden under state control. (New Jersey municipalities are famous for their strong formal powers codified in the Home Rule Act of 1917 N.J.S.A. 40:42 et. seq. as giving the following protection: "The intention to give all municipalities to which this subtitle applies the fullest and most complete powers possible over the internal affairs of such municipalities for local self-government.") The Act allocated $175 million to help revitalize Camden. The state installed a chief operating officer whose primary focus was
to create jobs and improve public safety. The state also granted the chief operating officer veto power over the local government. Despite the huge allocation of money, the state’s first chief operating officer, Melvin R. Primas Jr., suggested that the cause of the city’s problems lay in lack of leadership, rather than lack of money. Primas Jr. said that no one could expect Camden to fully come back “until the state of New Jersey deals with the issues of race, class, and poverty. You can’t put all the poor in Newark, Camden, Trenton and Atlantic City and expect those places to survive” (Katz).

Mayer and Jencks (1989) argue convincingly that growing up in a poor neighborhood influences social mobility. However, few studies have measured and identified societal level processes or mechanisms of a dislocated culture, especially from a leadership perspective. Leadership in this instance refers to a process for changing the social context that influences individual behavior. This view of leadership is one that assumes that leadership and the role of a specific leader is affected by observers' general beliefs in the leader, disregarding all other factors that might influence performance. This romantic view of leadership, first introduced in 1985 by Meindl, Ehrlich, and Dukerich, refers to attributing all performance to leaders (Shamir, 1992). Meindl et al.’s “romance of leadership” approach is an example of a perspective in which inference-based processes are taken to be central to the conception of leadership (Meindl, 1990; Meindl et al.). is the romantic view of leadership implies that one person with the right individual capacity or ability can overcome all obstacles and provide a vision of success that will effectively change the fortunes of a post industrial city with a dislocated culture. Existing literature on culture and leadership examines the cross-cultural differences as well as the impact of various cultural dimensions on business decisions, practices, and
outcomes. While a variety of dimensions have been used to reflect culture, the cultural grouping or unit of analysis is usually limited to national or geopolitical boundaries. Although national culture is an important construct, cultures within nations are not the same (Erez & Earley, 1993; Hofstede, 1980), so it is important to consider the cultural variation within a country when examining the influence of culture on leadership.

Considerable focus has been directed toward understanding the numerous causes for the decline in the quality of life in most postindustrial cities and the effect of the culture of poverty. The need for strong leaders is often posited as necessary for reversing the decline in most cities (Kotter & Lawrence, 1974). According to Fairholm (1994), a society’s practices form its culture, while its values determine leadership style. Fairholm attributes the most pressing problems in society (such as crime, poverty, violence, low scholastic achievement, drug abuse, high HIV-infection rates, and other health problems) to changes in core family values (Fairholm, p. 24). Theories of mayoral leadership often explain performance using institutional factors such as power (Avellaneda, 2009; Wheeland, 2002). For example, James Svara's (1994) two models of mayoral leadership look at the executive mayor and the facilitative mayor. Similarly, March and Olsen’s (1989) theory suggests that the rules are the means by which an institution affects behavior. Hence, institutions define the framework within which governance takes place. According to these theories of mayoral leadership, two kinds of institutional factors explain mayoral success: (a) soft institutional factors, such as routines, customs, traditions, and social norms; and (b) hard institutional factors, such as rules, roles, conventions, organizational forms, and laws. Mayoral performance is usually correlated to the latter, that is, how the formal structure of municipal government influences
mayoral leadership style. Mayoral success is also measured by focusing on patterns of behavior such as powerbroker; public entrepreneur, public executive and policy expert, multiple responsibilities or ‘multi-hat’ role model, muddling through, and community power structure or personality (Kotter & Lawrence, 1974). Other characterizations focus on the actions of mayors, such as caretaker, executive personality, individualist, and program entrepreneur (Kotter & Lawrence).

This paper employs a different approach by focusing on the soft institutional factors and the value systems of the cultural dimensions derived from socio-economic statistics and the GLOBE Study to identify and predict leadership outcomes. The Global Leadership and Organizational Behavior Effectiveness (GLOBE) project, is the largest multiphase, worldwide study on culture and leadership. Interpreting the cultural dimensions from GLOBE and based on the socioeconomic characteristics for most cities in America, the conclusion can be drawn that the culture in American cities with high poverty rates is similar to the cultures of nations with low Human Development Index (HDI) rankings. This tests the theory that since economic and social performance indicators in those cities are similar to those in countries in the low HDI cluster, the attributes of its leaders would be similar. The GLOBE Study identifies how economic and social values are important variables in explaining behavioral differences, not only at national levels, but also within cultures at different geographic levels. Consequently, based on the socioeconomic statistics of cities with high poverty levels, the leadership style in those cities is likely to be that of a humane orientation. According to the GLOBE Study, a humane oriented leadership style is negatively correlated with economic performance.