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# Cultural Foundations of Economic Integration – Central Europe and Southeast Asian Countries Compared<sup>1</sup>

#### Abstract

**RESEARCH OBJECTIVE:** The Author of the article examines differences in the level of economic integration between the Visegrád Group countries, and the chosen Southeast Asian countries (Vietnam, Singapore, Malaysia, and the Philippines) as case studies. The main aim of the study is to understand why the Central European countries have achieved a higher level of economic integration compared to the selected Southeast Asian countries.

THE RESEARCH PROBLEM AND METHODS: The framework of Hofstede's cultural dimensions model was used to analyse impact of shared cultural values on the level of integration. The section on the economic integration is based on existing quantitative data. The data on GDP per capita, GDP growth, import and export of goods and services, and inflation rate was included to establish a statistical foundation.

THE PROCESS OF ARGUMENTATION: The article begins with a descriptive analysis of economic integration in Central Europe and selected Southeast Asian countries, based on existing quantitative data to provide a statistical underpinning. Next, Hofstede's cultural dimensions model is applied to assess cultural characteristics in the Visegrád Group countries and selected ASEAN nations.

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**RESEARCH RESULTS:** The comparative analysis highlights potential reasons for the Central Europe's stronger economic integration, suggesting that shared cultural values among Visegrád Group countries support policies promoting integration, whereas the diverse cultural dimensions of Southeast Asian countries contribute to a less cohesive structure.

**CONCLUSIONS, INNOVATIONS, AND RECOMMENDATIONS:** The article contributes to the understanding of the role of cultural factors in regional economic integration.

### Keywords:

economic integration, Hofstede's cultural dimensions model, values, Central Europe, Southeast Asia

### INTRODUCTION

The economic integration is a vital and widely discussed topic, but the process is both long and multifaceted by which different economies become more closely connected through the reduction or elimination of trade barriers, harmonisation of economic policies, and increased cooperation in financial and regulatory frameworks. It aims to enhance economic efficiency, promote trade, and foster economic growth (Bauerle Danzman & Meunier, 2024).

The progress, pace and dynamic of economic integration differs between Central Europe and Southeast Asia regions. The differences focus on diverse topics. Firstly, the model of economic integration in Europe is classified as codified and institutionalised which makes it a *hard approach*. On the other hand, the Southeast Asian integration model is described as pragmatic so open, *soft* and based on the (mainly economic) relationships.

The second main difference is the aim of the economic integration in both regions. In Europe, after the WWII the integration main goal was to prevent future conflicts and in Asia the economic integration was supposed to speed up by the labour markets and bring future benefits (Berkofsky, 2005). The EU aims for *hard integration* based on formal institutions, common regulations and policies. Southeast Asia, on the other hand, prefers *soft integration* (or *open regionalism*), which is based on informal relations, economic cooperation and trade

agreements, without the need to renounce sovereignty (Berkofsky, 2005).

This article aims to investigate the economic integration disparities between the European Union (EU), particularly focusing on the Visegrád Group, and the Association of Southeast Asian Nations (ASEAN), examining selected ASEAN countries (Vietnam, Singapore, Malaysia, and the Philippines). The research aims to understand why the EU has achieved a higher level of economic integration compared to ASEAN, using Hofstede's model of cultural dimensions as a framework to analyse cultural influences on integration levels.

The study begins with a descriptive analysis of economic integration within the EU and ASEAN, relying on secondary quantitative data to establish a statistical foundation. The data about GDP per capita, GDP growth, import, export and inflation from World Bank database (2013–2023) have been used to track the process of building the economic integration in both regions. The study then applies Hofstede's cultural dimensions to evaluate cultural traits across the Visegrád Group countries and selected Southeast Asian nations. By systematically comparing these groups, the analysis highlights cultural factors that may facilitate or hinder economic cohesion. The comparative approach uncovers potential reasons behind the EU's stronger economic unity, suggesting that shared cultural values within the Visegrád Group support policies promoting integration, while diverse cultural dimensions among ASEAN nations contribute to a less cohesive economic structure.

This article contributes to understanding the role of cultural factors in regional economic integration, offering insights for policy-makers aiming to enhance economic cooperation within culturally diverse regions like ASEAN.

# ECONOMIC INTEGRATION IN THE EUROPEAN UNION – INSTITUTIONAL APPROACH

In the EU, the integration process is strongly institutionalised, with extended bureaucracy and legal structures (Berkofsky, 2005). European integration, symbolised by the European Union (EU), is one of the most advanced examples of regional integration in the world,

although it has encountered new challenges and crises in recent years (Bauerle Danzman & Meunier, 2024). The EU is considered a supranational institution in which member states share sovereignty. It is characterised by an extensive legal and political framework in three main pillars: economic, political and social (Korwatanasakul, 2020).

European integration is a process with a long and complex history, which has evolved from a post-war attempt to prevent conflicts, to a threat to the European Union, which combines political and economic aspects. This process was not linear, it was created on the crisis, and its dynamics changed depending on the political and economic context. The basic beginnings, which are political in nature, were initiated by Jean Monnet. The main goal was to prevent German-French conflicts by coordinating economic activities in supplies, such as coal and steel.

There were multiple factors which facilitated the integration in the EU. According to Skulska, we can list political beginnings aiming to coordinate economic activities in the key sectors such as coal and steel to prevent future conflicts, pursuit of peace and stability, cooperation among strong states, development of a common market, strengthening institutions, a common currency, adaptation of regulations and standards, external pressure and the response to external threats (Skulska, 2010).

European integration was neither simple nor uniform. However, through shared political goals, a commitment to peace, economic development, and the gradual strengthening of institutions, Europe has become a leading example of advanced regional integration (Berkofsky, 2005).

To process of building the economic integration is shown on the charts below which contains data between 2013–2023 on GDP per capita, GDP growth, import of goods, export of goods, and inflation. The Author believes those indicators are essential for measuring economic integration. In this section the indicators are described and concern Poland, Czechia, Slovakia and Hungary.

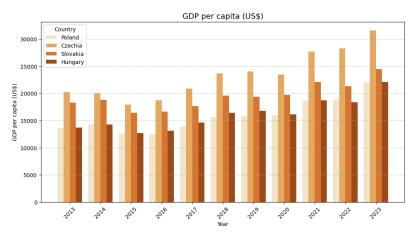


Figure 1. GDP per capita in Poland, Czechia, Slovakia and Hungary (2013–2023)

Source: World Bank Development Indicators (2024c).

The GDP per capita level was steadily rising in the selected time scope (2013–2023); however, it revealed the disparities across countries. During the analysed decade, the highest score was found in Czechia and the lowest both in Poland and Hungary. The disparities may suggest slow integration efforts, as wealthier countries might hesitate to share resources with lower-GDP peers. Interestingly, no significant changes occurred when it comes to the relations in the structure of GDP per capita in the region with Czechia as a lead.

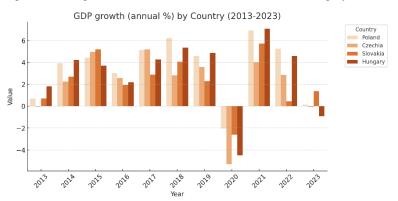


Figure 2. GDP growth in Poland, Czechia, Slovakia and Hungary (2013–2023)

Source: World Bank Development Indicators (2024b).

Figure 2 shows the annual GDP growth rates, indicating economic expansion or contraction trends. The so-called "pandemic effect" was strongly visible in 2020 among all four countries. Between 2013 and 2022 Poland generally experienced rather stable growth, with occasional fluctuations due to global economic trends. If Poland would maintain strong growth, it could influence integration policies. It is worth mentioning that uneven growth could create tensions, as faster-growing economies may push for different policies compared to slower-growing ones.

Imports of goods and services (% of GDP) by Country (2013-2023) Country 100 Czechia Slovakia 80 60 /alue 40 20 2018 2019 2020 2014 2015 2017 2021

Figure 3. Import of goods in Poland, Czechia, Slovakia and Hungary (2013–2023)

Source: World Bank Development Indicators (2024d).

The import dependency of each country is crucial for understanding trade interconnectivity. Figure 3 shows that the highest import level occurred in Slovakia and Hungary which suggests stronger trade linkages in both countries, but it may also reveal trade deficits. Poland exhibited the lowest score among the analysed countries which may indicate more self-sufficiency and strong internal market.

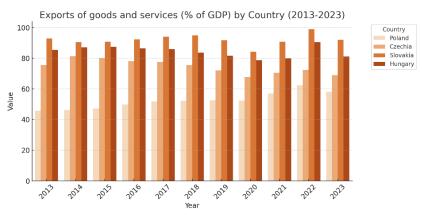


Figure 4. Export of goods in Poland, Czechia, Slovakia and Hungary (2013–2023)

Source: World Bank Development Indicators (2024a).

The export was the most intense in Slovakia and Hungary in the group of analysed countries but all four countries showed high export percentages, they benefited from regional and global markets. The country which exports rate increased between 2013–2023 was Poland which position was reinforced in regional trade networks. It is important to point out the imbalances between countries in the CE region as if one country dominates exports while others lag, it could create imbalances in regional trade benefits.

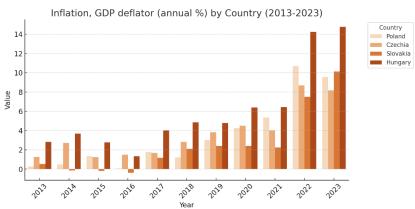


Figure 5. Inflation in Poland, Czechia, Slovakia and Hungary (2013–2023)

Source: World Bank Development Indicators (2024e).

The last indicator taken into account is inflation. Its rate changed dramatically over the years, especially in the case of Hungary (nearly over 6% in 2020 and 2021 and nearly over 14% in 2022 and 2023). Except for last two years analysed, the inflation rate was rather stable in Slovakia, Czechia and Poland even during the Covid-19 pandemic. Definitively, the Slovakian great score in 2014–2016 deserves to be highlighted. However, the question of the potential inflation rate in the region is crucial as significant inflation differences could hinder financial integration, making it harder to implement unified fiscal strategies. Also, inflation control is essential for maintaining competitiveness in regional trade.

# ECONOMIC INTEGRATION IN THE SOUTHEAST ASIA – PRAGMATIC APPROACH

Skulska argues that Southeast Asian (thereafter: SEA) integration, unlike European integration, is shaped by highly diverse conditions and follows a more flexible and gradual process. Asian regionalism must accommodate significant economic, political, and cultural diversity while evolving within the context of stronger globalisation. Some economic challenges in Asia resemble those in Europe, enabling Asia to draw on European experiences (Skulska, 2010). Korwatanasakul stated that unlike the EU, Asian integration is more market-driven and private-sector-driven, with governments acting as facilitators. Also, it is more adaptable than the EU model (allowing for quicker responses to market changes), and it does not seek shared sovereignty or common institutions as seen in the EU (Korwatanasakul, 2020).

Below is the analysis of five chosen indicators (GDP per capita, GDP growth, import of goods, export of goods, and inflation) in Singapore, Malaysia, Viet Nam and Philippines.

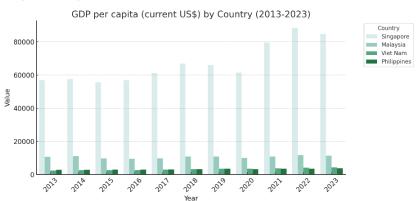


Figure 6. GDP per capita in Singapore, Malaysia, Viet Nam and Philippines (2013–2023)

Source: World Bank Development Indicators (2024c).

Figure 6 shows the huge discrepancy in GDP per capita in the SEA region. In Singapore, it was significantly higher than the other three countries, indicating a highly developed economy. It is worth mentioning that the increase was only slightly impeded by the Covid-19 pandemic. Malaysia, Viet Nam and the Philippines exhibited much lower score but at the same time were steadily increasing.

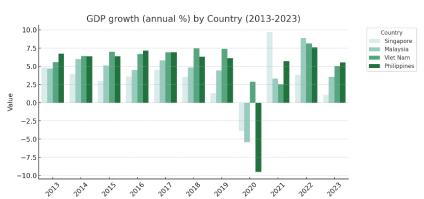


Figure 7. GDP growth in Singapore, Malaysia, Viet Nam and Philippines (2013–2023)

Source: World Bank Development Indicators (2024b). GDP growth (annual %).

There is no doubt that the GDP growth was impacted by the Covid-19 pandemic. Both in Malaysia and the Philippines, this indicator was stable, though affected by global slowdowns. It should be noted that in Viet Nam it was one of the highest in the region, showing strong economic expansion which made it a key player in regional economic integration.

Figure 8. Import of goods in Singapore, Malaysia, Viet Nam and Philippines (2013–2023)

Source: World Bank Development Indicators (2024d).

The country which imported the largest amount of goods was Singapore, followed by Viet Nam and Malaysia. The Philippines import was the smallest in this group of countries which suggests a more domestic-oriented and self-sufficient economy.

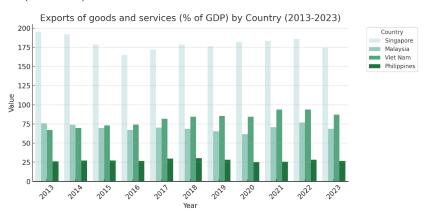


Figure 9. Export of goods in Singapore, Malaysia, Viet Nam and Philippines (2013–2023)

Source: World Bank Development Indicators (2024a).

Export rates, compared to import and the GDP (trade-to-GDP ratio) proves that Singapore was indeed a regional trade hub. The same trend (import-export ratio) was visible in Malaysia reflecting its role in global supply chains and Viet Nam, showing increasing integration into global markets.

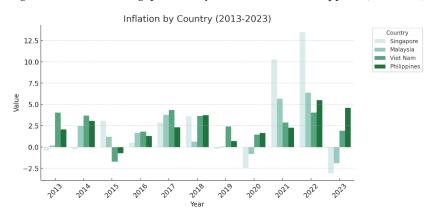


Figure 10. Inflation in Singapore, Malaysia, Viet Nam and Philippines (2013–2023)

Source: World Bank Development Indicators (2024e).

The inflation rate in the SEA region was diverse. In Singapore, except for 2021 and 2022, the inflation rate was low compared to other countries, demonstrating relative price stability. In Malaysia it seemed controlled as it spiked during the crises. In Viet Nam, the inflation was considered moderate and during the analysed time scope remained stable which facilitated the sustaining growth. Relatively high rate was found in the Philippines which may pose a challenge to the economic stability.

### THE HOFSTEDE MODEL

The Geert Hofstede's work is regarded as a canon in the intercultural communication academic literature. In his seminal book, "Culture's consequences: International differences in work-related values" (1980), Geert Hofstede presented the results of his extensive research, which aimed to determine whether human behaviour is more influenced by the corporate culture of one's workplace or the culture in which one was raised. Later the model was extended, focusing on the concept of national culture. It was an underpinning to create the model composed of six dimensions: Power Distance, Uncertainty Avoidance, Motivation Toward Achievement and Success (previously known as Masculinity and Femininity), Individualism and Collectivism, Long-Term and Short-Term Orientation, lastly Indulgence and Restraint. It's worth to mention that two last dimensions were added later as a result of consultations with Michael Bond and Michael Minkov (Hofstede et al., 2010; Żemojtel-Piotrowska & Piotrowski, 2023).

Before investigating the details of cultural dimensions, the notion of cultural values should be pointed out. Values, more than the practices, are the stable element of culture. From a cultural perspective, values are customs, knowledge, and products of human intellectual and creative processes. Values are a form of consciousness in both material and spiritual aspects of human life. Values emerge in a community due to historical processes therefore are durable even in a turbulent time (Nguyen, 2024). Citing Ngo Duc Thinh,

cultural value is the core factor of culture, created and crystallised through the historical process of each community [...]. Cultural values aim to satisfy the needs and aspirations of the community regarding what is true, right and beautiful, thereby nurturing and enhancing the

essence of humanity. Cultural values are always embedded within the cultural essence, cultural heritage, symbols, and cultural standards. Thus, culture, through its value system, contributes to regulating the development of society (Thinh, 2010, p. 24).

# CULTURAL DIMENSIONS AND THEIR IMPORTANCE

Hofstede introduced the term "software of the mind" to describe how individuals' communication and behaviours are influenced by growing up within a particular cultural group. This "software" is shaped through socialisation; however, Hofstede did not focus on the specifics of this process. Instead, his primary objective was to classify differences in cultural "software" as shared group traits rather than individual characteristics (Hofstede et al., 2010). Hofstede's foundational research facilitated the classification of nations based on various cultural values (Hofstede et al., 2010).

### POWER DISTANCE

The first cultural dimension, Power Distance, measures the extent to which individuals accept social inequalities and perceive power as an inherent attribute of authority. Societies with low Power Distance strive to minimise inequality through decentralisation and relatively small wage disparities. In professional settings, employees expect consultation from supervisors and value participatory decision-making. In such cultures, power is viewed as legitimate only when exercised justly. During the socialisation process, parents treat children as equals, and older individuals are neither particularly respected nor feared. Education is student-centered, and hierarchy is seen as a system of roles established for functional purposes rather than an indicator of societal inequalities. Political systems in these societies are typically pluralistic, based on majority votes, and transitions of power occur peacefully. Corruption is rare, and political scandals often lead to resignations. Income distribution is relatively equitable, and religious teachings emphasize the equality of all believers.

In contrast, high Power Distance societies accept and reinforce hierarchical structures and centralised authority. Power is considered

an inherent aspect of society, beyond moral judgment, and its legitimacy is rarely questioned. Parents emphasise obedience in child-rearing, and older individuals are both respected and feared. Education is teacher-centered, and hierarchical structures symbolise existential inequalities. In workplaces, subordinates expect to receive direct instructions rather than being consulted. Governments are often autocratic, based on co-optation, and political changes frequently occur through revolutionary means. Corruption is more prevalent, and political scandals are often concealed (Hofstede, 2011).

Power Distance Index scores indicate that East European, Latin American, Asian, and African countries generally exhibit higher levels of Power Distance, whereas Germanic and English-speaking Western countries tend to have lower scores (Hofstede et al., 2010).

### UNCERTAINTY AVOIDANCE

The second cultural dimension, Uncertainty Avoidance, assesses the degree to which individuals feel threatened by ambiguous or unknown situations. Low Uncertainty Avoidance societies tend to embrace uncertainty as a natural aspect of life, maintain a positive attitude toward diverse perspectives and innovation, and accept periods of inactivity without distress.

Conversely, societies with high Uncertainty Avoidance perceive uncertainty as a threat and seek to mitigate it through strict regulations and formalised structures. Individuals in such cultures often experience heightened stress levels, lower subjective well-being, and a strong preference for order and predictability (Hofstede, 2011).

Countries with high Uncertainty Avoidance scores include East and Central European nations, Latin American countries, Japan, and German-speaking nations. In contrast, lower Uncertainty Avoidance scores are observed in English-speaking, Nordic, and Chinese cultures.

# INDIVIDUALISM AND COLLECTIVISM

The Individualism-Collectivism dimension examines the extent to which individuals prioritise personal autonomy over group cohesion. Western societies are perceived as individualistic – they emphasize

personal achievement, self-reliance, and independent decision-making. Expressing one's opinions is encouraged, and decision-making processes often adhere to a "one person, one vote" principle. In professional and social contexts, tasks generally take precedence over interpersonal relationships.

Conversely, collectivist cultures (broadly speaking such as Asian, Arab, African and Latin American cultures), emphasize group loyalty and social interdependence. Individuals are often embedded within extended family networks or clans that provide security in exchange for loyalty. A strong "we"-consciousness dominates social interactions, and maintaining harmony is prioritized over individual expression. Social classification is based on in-group and out-group distinctions, and opinions or voting behaviours are often determined by collective consensus rather than personal preference. In workplaces, relationships are considered more significant than tasks (Hofstede, 2011).

# MOTIVATION TOWARD ACHIEVEMENT AND SUCCESS

Motivation Toward Achievement and Success (MTAS), previously known as Masculinity and Femininity, contrasts values associated with competition, material success, and justice (Achievement-Oriented) with those emphasising compassion, social harmony, and quality of life (Consensus-Oriented). Hofstede et al. (2010) provided MTAS scores for 76 countries, identifying Japan, German-speaking nations, and certain Latin American countries as predominantly Achievement-Oriented. In contrast, Nordic countries and the Netherlands exhibit Consensus-Oriented tendencies. Several European and Asian nations, including France, Spain, Portugal, English-speaking Western countries, Chile, Korea, and Thailand, occupy an intermediate position on this dimension (Hofstede et al., 2010).

### LONG-TERM AND SHORT-TERM ORIENTATION

The dimension of Long-Term and Short-Term Orientation was initially identified through a survey conducted among students in 23 countries using a questionnaire developed by Chinese scholars (Chinese Culture

Connection, 1987). Countries with a Confucian heritage consistently scored at one end of the spectrum, emphasising a strong work ethic. Consequently, the study's lead author, Michael Harris Bond, termed this dimension "Confucian Work Dynamism." Subsequent research established a strong correlation between this dimension and economic growth (Hofstede, 2011). While some academic literature now refers to this dimension as "Flexibility-Monumentalism," the original term remains widely used in Hofstede's framework.

In short-term oriented cultures, past and present experiences are regarded as the most significant, and traditions are perceived of great importance. Family life follows rigid guidelines, and patriotism is strongly emphasized. Societies prioritise social welfare and consumption, and success or failure is often attributed to luck. Developing nations within short-term oriented cultures tend to exhibit slow or stagnant economic growth.

Conversely, long-term oriented societies prioritize future outcomes and emphasise learning from other cultures, a perspective that carries economic advantages. Perseverance is highly valued, contributing to high savings rates and increased investment capital. Success is attributed to diligent effort, while failure is seen as a result of insufficient commitment. Countries with long-term orientations tend to experience sustained economic growth until reaching a threshold of prosperity.

This dimension is most pronounced in East Asian countries, followed by Eastern and Central European nations. Moderate scores are observed in South and North European as well as South Asian countries, while short-term orientation is characteristic of the United States, Australia, Latin American, African, and Muslim-majority nations (Hofstede, 2011).

# INDULGENCE AND RESTRAINT

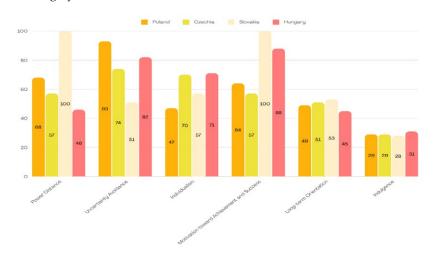
The Indulgence and Restraint dimension, introduced in 2010, captures aspects not addressed by the previous five dimensions. It assesses the extent to which societies allow for the free gratification of basic human desires. Indulgent societies prioritize individual freedom, happiness, and optimism, a trend observed in North and South America, Western

Europe, and parts of Sub-Saharan Africa. Conversely, restrained societies regulate personal gratification through strict social norms, emphasising discipline, thrift, and scepticism. These tendencies are prevalent in Central and Eastern Europe as well as parts of Asia (Hofstede, 2011). Although this dimension has received less academic attention compared to others, recent studies have explored its significance (Minkov & Kaasa, 2022; Żemojtel-Piotrowska & Piotrowski, 2023).

# CENTRAL EUROPEAN COUNTRIES IN THE HOFSTEDE MODEL

The data introduced in this section are presented on the Hofstede Insights webpage under the Country Comparison tool (Hofstede Insights, 2023). The Figure 11 shows the scores for the Central European (CE) countries included in the analysis – Poland, Czechia, Slovakia and Hungary.

Figure 11. The Hofstede's cultural dimensions in Poland, Czechia, Slovakia and Hungary



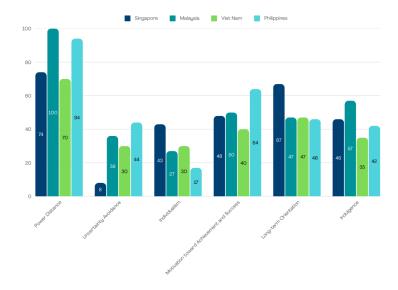
Source: Hofstede Insights (2023).

Undoubtedly the highest Power Distance score was found in Slovakia (100) and the lowest – in Hungary (46). Except for this disparity between two countries, the Central European region was classified as high Power Distance cultures. Also, the Uncertainty Avoidance was rather high – the highest score was showed in Poland (93), and the lowest in Slovakia (51). All four analysed countries are considered individualistic (Hungary and Czechia) or moderately individualistic (Slovakia, Poland). At the same time the results of MTAS dimension were in agreement – countries lean toward Achievement-Oriented culture types. Two last cultural dimensions are vastly similar in scores in the CE region with Short-term and Long-term Orientation oscillating between 45–53 and Indulgence and Restraint – 28–31.

# SOUTHEAST ASIAN COUNTRIES IN THE HOFSTEDE MODEL

Data for the Southeast Asian region (SEA) widely differ from the CE especially in Uncertainty Avoidance, Individualism and Collectivism and Indulgence and Restraint dimensions. In this section data for Singapore, Malaysia, Viet Nam and Philippines are presented in the Figure 12.

Figure 12. The Hofstede's cultural dimensions in Singapore, Malaysia, Viet Nam and Philippines



Source: Hofstede Insights (2023).

Regarding Power Distance, Malaysia performed the highest score of 100 and was followed by Philippines (94). Uncertainty Avoidance was especially low in Singapore which is not surprising when taking into account the economic development of this country and the ability to take risks. Generally speaking, four countries in the region showed low or relatively low score in this dimension (30 in Viet Nam, 36 in Malaysia and 44 in the Philippines). The most individualistic country in the SEA was Singapore (43) and the most collectivistic one is the Filipino culture.

The next three dimensions did not show high diversity in the results. The Philippines was the most Achievement-Oriented country (score of 64), Singapore was found to be at most Long-term Oriented and the most Indulgent was Malaysia. Viet Nam was Consensus-Oriented and more restraint that the other country included in the analysis.

# **DISCUSSION**

In the Central European region, aside from the impact of global crises, GDP growth has remained relatively stable. However, a significant decline in GDP growth was observed in 2020. The fluctuations in economic performance across the four analysed countries exhibit notable similarities, suggesting strong economic interconnections within the region. Additionally, GDP per capita has demonstrated a steady increase throughout the decade, while the levels of imports and exports have remained balanced. Nevertheless, Slovakia and Hungary reported higher import levels compared to Poland and Czechia, which could potentially contribute to trade imbalances within the region.

Cultural factors also play a crucial role in shaping economic dynamics. Both regions exhibited relatively high levels of Power Distance, which influences decision-making processes, typically centralised and hierarchical. Furthermore, Poland demonstrated the highest level of Uncertainty Avoidance (UA), which coincided with the lowest import and export rates. In contrast, Slovakia exhibited the lowest UA score while maintaining the highest import and export levels. These findings suggest that a higher tendency to avoid uncertainty may lead to more cautious economic behaviour, whereas a lower UA score may correlate with a greater willingness to engage in international trade and economic risk-taking.

In Southeast Asia, Singapore has emerged as the regional leader in economic performance, with exceptionally high GDP per capita and significant import and export levels. Recent economic data indicated that Viet Nam has also demonstrated strong economic performance, including effective management of inflation, which varied considerably across the region. Notably, Singapore experienced substantial fluctuations in inflation between 2022 and 2023, possibly reflecting the implementation of strict economic policies.

The cultural dimension of Uncertainty Avoidance appears to be especially relevant in this context. Singapore's notably low UA score may be linked to its capacity for rapid economic adaptation and inflation management, potentially indicating a greater openness to unconventional economic strategies. Additionally, Singapore's strong economic standing can be partially attributed to its high levels of Individualism and Long-Term Orientation, which may foster innovation, strategic planning, and sustained economic growth.

## CONCLUSIONS

This study set out to examine why the European Union – particularly the Visegrád Group – has achieved a higher level of economic integration than the selected ASEAN countries, using Hofstede's cultural dimensions model as an analytical framework. The findings suggest that shared cultural values among the Central European countries (such as relatively aligned levels of Uncertainty Avoidance) may have facilitated the development of common policies and stronger institutional ties. Conversely, the broader cultural diversity observed among ASEAN member states appears to be one of the factors impeding deeper integration, contributing to a looser, market-driven model based more on economic pragmatism than on institutional convergence.

By comparing cultural profiles and economic indicators from 2013 to 2023, the analysis reveals that integration is influenced not only by policy choices or economic reasons, but also by the degree of cultural compatibility between. Central Europe's codified and bureaucratically anchored model of integration reflects this compatibility, whereas Southeast Asia's flexible and informal approach corresponds with its cultural and structural heterogeneity. However, the precise

relationship between specific cultural dimensions and economic indicators, as well as the cultural values that most effectively facilitate economic integration, remains an open question.

Despite these insights, the study also identifies significant withinregion disparities (such as variations in GDP per capita or inflation rates) which may complicate future integration efforts. More importantly, the research underscores an important gap in the academic literature: the mechanisms through which specific cultural dimensions – like Power Distance or Long-Term Orientation – translate into economic behaviours that promote or hinder integration remain insufficiently understood.

Therefore, future research should focus on empirical tests of the causal links between cultural traits and integration outcomes. Identifying which cultural values most effectively support institutional cooperation or trade liberalisation would greatly enhance our theoretical and practical understanding of regional integration. Such findings could offer valuable policy guidance for regions like ASEAN, where diversity is both a strength and a structural challenge.

In conclusion, while economic integration is often viewed through legal or institutional lenses, this study confirms the importance of cultural foundations. The ability of countries to align not only their markets but also their mindsets may prove to be a decisive factor in the long-term success of regional integration initiatives.

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