

Chinese Consumers 1

Chinese Consumers:

World Systems and World Cultural Analysis of Cultural Hybridity

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The rise of China can be considered either the wrench in the gears of most scholars' interpretations of globalization, or viewed as the new big gear in furthering globalization. Either way, it provides a new and fruitful landscape for examining the effects of integrating into the world-system. China's entrance into the system was strategically planned and aided along through greater opening to outside and free market influences (Lechner 2009). As such, the changes within the nation have caused reciprocal effects on both China and the western institutions that are infiltrating the once closed society (Gerth 2010). Although the driving forces for most of the changes are based on economic reasons (acceptance of semi-free markets), changes in culture, ideology, and lifestyle are also occurring. This makes China a unique case study for understanding the impact of integration into the world system and the effects on attitudes and cultural values.

With China's entrance and acceptance of market ideology inherent in the capitalist world-system, the development of consumer culture occurs as a side effect. The thesis of this case study states that as China is integrated further into the world-system, there will be a development of consumer culture. Using this perspective, arguments of glocalization, hybridity, and isomorphism still hold sway. However, any hybridity that occurs is the means of reaching the end of developing consumer culture that is dictated and necessary in the capitalist world-system. However, this high consumption culture leads to issues that can exacerbate and create social problems, especially in nation-states with a population of 1.3 billion people (Gerth 2010; Robbins 1999).

Theoretical Perspective

Wallerstein's *World-Systems Theory* states that the history of the world can be understood within the scope of global capitalism, with a particular division of labor and markets, along with the rising and falling of hegemonic powers (Allan 2011; Wallerstein [2004] 2012). As such, when new nation-states enter the system, they do so as a capitalist system which encapsulates its own cultural norms, values, and beliefs. Meyer et al. ([1997] 2012) argues that world society is constructed of modeling systems that dictate certain cultural forms that force the (re)entering nation-state to conform. If the world-system is understood to be a capitalist system, the cultural model provided will be defined by capitalism (Robbins 1999). This model has been defined by Western neo-liberal capitalist globalization which has pushed excessive laissez-faire ideologies (Steger 2009). However, to counter neo-imperialist arguments of Westernization or Americanization, the process is actually driven by the current hegemon in the world-system as defined by its hierarchical standing within the world-system (Steger 2009; Sen [2002] 2012). Using these viewpoints together dictates that the economic structure of global capitalism, defined by Western hegemons, provides a culture that (re)integrating nation-states must follow to become a member of the world-system. If these nation-states do not conform, outside or internal forces will propel the nation-state to conform (Meyer et al. ([1997] 2012).

Robbins (1999) provides a beginning framework for combining these two theoretical perspectives coined as the "culture of capitalism." His argument states that the culture of capitalism is created through the development of three categories that are necessary for capitalism: capitalists, laborers, and consumers (Robbins 1999). Each of these classes have their own goals of accumulation and are socialized to "...[behave] according to a set of learned rules..."(Robbins 1999:12).

Therefore, the structures of global capitalism create a culture based on endless accumulation. This leads to the development of a consumer culture whose goal is the endless accumulation of commodities. This culture is inherent in the world-system, assumed to be dictated by the current hegemon or core nations, and the hybridity that occurs will only be a means for achieving the end of cultivating and socializing the society into consumerism. As nation-states are further integrated and possibly begin to rise in their position in the world-system, there should be evidence of changing values, beliefs, and ideologies that conform to the capitalist culture.

Literature Review

This case study of China is to show the effects of a society's integration and proximity to the world-system. The country's incremental integration into the capitalist world-system and gradual acceptance of market ideology provides a fertile ground for examining changes in cultural values, beliefs, and norms based on differing social contexts. Examining China also allows for showing how this cultural hybridization has occurred.

Prior research indicates a correlation between the opening of Chinese society and the adoption and changes in values and ideologies of the population. Hung, Gu, and Yim's (2007) research identified different generational cohorts in China and different values that each cohort possessed. Their research found three different cohorts that came of age in different socio-historical contexts correlating to the different levels of integration to world-system and that exhibit different ideologies toward consumerism. The first cohort identified was the Red Guards who came of age during the Mao era's Cultural Revolution (1966-1979), the second were the Modern Realists who came of age during Economic Reform period (1980-1991), and the third

cohort were the Global Materialists who came of age during the Globalizing Period (1990-present) (Hung et al 2007). Each of these periods coincide with different levels of integration within the world-system, and each cohort exhibits different values and beliefs in regard to consumerism. The Red Guards were the most conservative in their consumption habits, mainly concentrating on purchasing of utilitarian goods while the Modern Realists and Global Materialists were more likely to exhibit conspicuous consumption practices (Hung et al. 2007).

In comparing the different cohorts cross-nationally, Hung et al. (2007) found that age correspondence between cohorts had less effect on materialist values than the social context within which they were reared. They compared the Baby Boomer cohort in the United States to the age similar Red Guards and found that the Boomer's and the Modern Realists were more similar in the consumption habits (Hung et al. 2007). These findings indicate the impact of the socio-historical contexts on value and ideology formation. As such, the Chinese cohorts who have come of age in periods of greater integration to the world-system exhibit ideologies, beliefs, and values that are more congruent to the culture of capitalism.

Wang (2007) also identifies the changing values of the younger generation. Through examining Chinese college students' values, he identifies the emergence of economic determinants as possessing a new centrality in the younger generation's decision making (Wang 2007). This change in values is related to both internal and external factors impacting the youths (Wang 2007). The internal factors that he finds are related to China's transition to a market based economy, which has led to an altered landscape of the society that has changed the social order along with altering the youths' ways of thinking (Wang 2007). The external factors are related to the process of globalization and the increased influences of Western ideologies and cultures on China as it has been integrated into the world-system (Wang 2007).

The effects of this new centrality of economic determinants have created a national and cultural inferiority complex in the youth. The devaluation of liberal arts education programs and the development individualism and the “power of money” have led to the youth being concentrated in educational tracts that lead to the best economic outcomes (Wang 2007). As such, the youth exhibit beliefs of China as being inferior to the West and its accomplishments and the development of a magnified empty patriotism filled with emotion but lacking in true substance (Wang 2007). Therefore, the value changes of the youth that have been driven by ideologies held in a market economy have led to issues in reference to their own nationality and ethnicity, while placing the West on a pedestal. As these youth move into positions of power, the push for further isomorphism within the society may occur which will help to increase the centrality of consumerism and economic factors in the population.

However, Davis (2005) showed that not all value changes have been concentrated on the younger generation. Through an intersectional analysis of the cohort prior to the Red Guards, she shows the effects of socio-historical context on individuals’ values and attempts to refute the ideas of only a driving force of capitalism (Davis 2005). Since this cohort had to adapt to the circumstances of deprivation involved in the Cultural Revolution but came of age in an earlier period and context they were subject to feelings of deprivation (Davis 2005). As such, with the opening of China and the increased influence of Western nations, this cohort had a shift in consumption from utilitarian to hedonistic which was increasing due to the current wave of globalization (Davis 2005). She also found that there were contradictory meanings that were attached to this form of consumption (Davis 2005). On one side, the respondents felt that this spending was a celebration of choice and individualism, the other being regret when the product did not meet the expectations of the consumer (Davis 2005). Her research shows the influence

that hegemony has on defining the values and beliefs of the local culture that push for hybridization. It also indicates the impact of the changing contexts on all generations as China has been incorporated into the world-system.

Tse, Belk, and Zhou (1989) shows the impact of openness to Western influences on dictating values, and also the power that local cultures have on defining what they consume. Through a longitudinal content-analysis of advertising in three Chinese societies: Hong Kong, Taiwan, and the People's Republic of China (P.R.C.), they show differences in consumer values based on their openness to Western Influence (Tse et al. 1989). Their goal was to examine the way that advertising appeals were created based on different social contexts, and to examine effects of cultural hybridity on changing the local cultures through advertising (Tse et al. 1989). Their analysis ran from 1979-1985 which coincided with the beginning of the Economic Reform period, which marked China's reentrance into the world-system.

They first hypothesize that advertisements would vary in their hedonistic or utilitarian appeals based on the amount of Western influence in the society, with Hong Kong tending toward hedonistic appeals while the P.R.C. would tend toward utilitarian (Tse et al. 1989). Tse et al.'s (1989) second hypothesis stated that overtime the societies advertising would converge and become increasingly like Hong Kong's, and by association the West. They found full support for their first hypothesis and partial support for their second (Tse et al. 1989). These results may have occurred due to the limited range of the study, which may provide more conclusive evidence if performed at present, roughly 30 years later. Another factor that may have impacted their results, were the limited periodicals and advertisements in the P.R.C. during that time period, which would also be corrected by a current analysis. However, their results

indicate that integration into the world-system alters the values that the society will hold in regard to consumption and dictates how businesses and products are marketed.

Further expanding on the power that local cultures have over defining how advertising and consumption appeals are crafted, Li and Woetzel's (2012) report for the McKinsey and Company marketing firm provide future predictions for China's economy and routes that business and investors should follow to optimize their business. The basis of their study is identifying how businesses should appeal to the changing demands of the Chinese consumers. They indicate that by 2015 the Chinese economy will move to being a post-industrial consumer and service driven economy (Li and Woetzel's 2012). They also cite that the new social safety nets being created by the government will increase the amount of free spending money available to the population (Li and Woetzel's 2012). The implications of these changes lead them to suggest development outside of the megacities, examine what services that are growing in demand, track consumption patterns to socialize consumers into product loyalty, to automate industry due to low birthrate, and to develop products specifically for the Chinese market based on the declining significance of the west (Li and Woetzel's 2012). This research, although biased, shows the new influence that China is having on the world-market. It also indicates that China's rapid integration and acceptance of the market ideology has hastened the speed at which the country will develop a post-industrial society, giving the consumers more agency within the economy.

In further highlighting the agency that the local Chinese consumers have in defining business practices of international firms, Hooper (2000) shows the power that local cultures have over global brands. In doing so, she questions the validity of viewing globalization as a Western driven force. The Chinese have developed ethno-consumerist values that promote buying of local

companies' products as a reflection of nationalist sentiment and cultural particularity (Hooper 2000). This local pushback against the forces of transnational corporations (T.N.C.'s) has pushed the T.N.C.'s to hybridize their products to fit within the cultural context to appeal to the consumers (Hooper 2000). This development points to the cultivation of China as a legitimate market in the global economy and the ability of the Chinese consumers to dictate how corporations appeal to the market.

However, the Chinese consumers and their ethno-consumerist values have also prompted the development of local brands for consumption that have helped to foster a new market. These ethno-consumerist values pushed for government protection of local brands and for "Buy Chinese" movements (Gerth 2010). This has led the T.N.C.'s to partner or buy out existing Chinese brands, that allow for access to the market (Gerth 2010). Combined with China's reintegration into the world-system, these developments have allowed Chinese companies to have the upper hand in understanding the local contexts of the developing market (Gerth 2010). Yet problems still arise due to questionable quality of the products being produced based off of business management policies that have hung-over from the Mao era that are contrary to neoliberal business practices (Gerth 2010).

The development of the Chinese market did not solely occur by chance but as part of China's integration into the world-system. Watson (1997) examines the effects of the fast food chain McDonald's on Chinese consumers and the reciprocal effects emanating from the dual-hybridization of the local culture and the institutional culture. McDonald's initial development in China pushed the restaurant to conform to the norms and beliefs that Chinese had about the chain's food (Watson 1997). However, after a time, the restaurants rationalized model and Western standards had socialized and created expectations for the consumers in regard to

cleanliness, service, and food (Watson 1997). This change was most evident in the younger generation, similar to Hung et al. (2007) and Wang (2007) findings. This generation was reared with McDonalds as a normal feature in their cultural atmosphere (Watson 1997). Along with the youths' proclivity for the food and environment, they were also granted a new agency in micro-levels social relations. The children were able to dictate where the family ate over what the older generation wanted (Watson 1997). This shows how Western businesses and institutions alter and socialize consumers into creating what Ritzer (2004) and Weber (Allan 2010) called the bureaucratic personality where individuals exhibit characteristics of the institutions, which redefine their values to match the institutions. This research points to how China's integration and opening to outside influences have altered the values held within the society, and how traditional cultural norms have been pushed aside to conform to norms dictated in the world-system. It also shows how the population is being socialized toward consumerist lifestyles.

Gerth's (2010) book *As China Goes, So Goes the World* performs a semi-historical comparative analysis of changes within China as it has been integrated into the world-system. He identifies how the Chinese government has followed paths to create consumers that have been in direct opposition to past values of thriftiness and saving (Gerth 2010). The government instituted 40 hour work weeks, with weekends off, and advocated for vacations to increase consumer spending (Gerth 2010). Part of the reasoning behind this is to initiate a move to a consumer driven post-industrial society which has allowed for further commodification of activities and the development of new markets, such as travel agencies (Gerth 2010). He outlines how the movement to a consumer society alters how people identify themselves. He states that these movements have displaced traditional cultural identifications in favor of ownership of commodities (Gerth 2010). In regard to Watson's (1997) research, Gerth (2010)

points out how the movement to a consumer culture alters the values and lived experiences of individuals by socializing them to certain standards and behaviors, from which there can be no return, or the “Iron Cage of Consumerism” to echo Weber (Allan 2010).

However, not all influences on China have been solely Western driven. Gerth (2010) outlines how the close proximity and history of China and Taiwan have created avenues for developing of consumer culture. The trade between the two countries has allowed for China to become the largest importer of Taiwanese goods, which have allowed for cultural transmissions between the two countries (Gerth 2010). These cultural flows helped the Chinese affluent to build narratives and behaviors of what their new status meant off of the Taiwanese residing in the country (Gerth 2010). This highlights that the market has as much an influence on directing cultural ideologies as the hegemon in the world-system, placing more agency on the structure of capitalism. It may be argued though, that Taiwan’s integration into the world-system has socialized its society into the hegemon’s cultural ideology.

This development of a consumer culture in China, and to a greater extent the structure of global capitalism, holds strong implications for human rights and environmental concerns. Luo and Zhu’s (2008) report for the World Bank, “Rising Income Inequality in China: A Race to the Top,” indicates that China’s entrance to the world-system has been a force for lifting a large segment of the world population out of absolute poverty. However, the trend that was observed runs congruent to the ideal that the rich are getting richer, but the poor are getting a little less poor. According to Gerth (2010), prior to China’s reentrance the society was counted as one of the most egalitarian, although be it poor, societies in the world. The entrance to the capitalist world-system has driven for concentrations of wealth, and creating class structure with far more losers than winners (Gerth 2010). Urban and coastal regions have a decided advantage over the

rural and inland regions that do not provide as strong a base for labor needs or for developing markets, which only leads to increasing income inequality (Luo and Zhu 2008). The inherent contradiction being that this cycle will continue, furthering the level of income inequality. Aside from the implication for the public, this may also help to subvert the government's economic plan and hinder the length at which China is able to move to a post-industrial, consumer driven society.

This affluent class has had their consumption preferences and habits built off of Western consumer preferences, which are also socializing some in the lower classes into consumption patterns and desires that run congruent to the social status they wish to achieve (Gerth 2010). However, due to the socio-historical contexts of China, along with their cultural heritage, the affluent class is viewed by some with distrust (Gerth 2010). The assumption that the majority of the newly affluent achieved their wealth through corruption during China's privatization period is a common theme that affects the attitudes of the rest of the population (Gerth 2010). This may also present an issue to China's future plans of development. By creating a bifurcated society, with historical connections to Marxian and Maoist ideologies, China's income inequality may be creating a social justice powder-keg that could lead to a return to protectionist policies of the Mao era.

The development of consumer culture in and of itself holds a plethora of negative impacts for the environment (Robbins 1999). The overconsumption of fossil fuels, limited controls on pollutants, high amounts of waste, etc., all are possible side effects in any consumer society. According to the IPAT formula, the implication of 1.3 billion individuals trying to maintain a high consumption lifestyle, using outdated technologies will exponentially increase environmental degradation (Ehrlich and Holdren 1971). Gerth (2010) provides evidence that

China's new consumer lifestyle is already having negative environmental impacts. Due to over grazing, simplifying ecosystems for food production, and urban sprawl, China's overconsumption may be creating a food crisis that will have global impacts and hold the ability to derail their developmental path along with the world-system as a whole (Gerth 2010).

Discussion and Conclusion

China's entrance to the capitalist world-system has hybridized the culture of the society based off of the world-cultural model. Evidence shows that with China's opening to outside influences, values have changed across cohorts, adjusting to more consumption friendly attitudes as the country was further integrated into the world-society (Hung et al. 2007; Wang 2007). Even though the most marked differences have been in the Modern Realists and Global Materialists, cohorts that came of age prior to 1978 have also shown changes in attitudes and values toward consumption (Davis2005). Tse et al. (1989) provided a hypothesis that needs to be further tested to be applied more fully to the present research. However, Tse et al. (1989) research indicates that societies sharing a traditional past but being removed to some degree from the world-system will hold different values and beliefs toward consumption. Li and Woetzel (2012), Hooper (2000), and Gerth (2010) shows the new agency that China's consumers have in deciding the practices of global businesses. This implies China's new position in the world-system model, possibly indicating its eventual rise to hegemony. It also shows the acceptance of the cultural model contained in the capitalist world-system.

Watson (1997) showed the impact of the rationalized business model of fast food on the population. In line with Ritzer's (2004) and Weber's (Allan 2010) assertion, the society was socialized into the rational model resulting in the development of bureaucratic personality. Gerth

(2010) helps to underline the effects of this socialization, along with showing the government's promotion of the model, which makes returning from the rationalized model difficult if not impossible. This research also helps to show the way in which the world-cultural model defined by the culture of capitalism creates the internal mechanisms that will push for the society to conform further. Gerth (2010) also shows that not all of the capitalist influences have been solely Western driven and that the world-system dictates a cultural model exemplified in consumer culture.

To highlight all aspects of capitalism being contained in the world-system model, the traditional contradictions outlined by Marx (Allan 2010) are also present. The bifurcation of the society due to income inequality presents a situation in which China's particular cultural heritage may call for pushback against the world-systems model.

Along with traditional issues of capitalism, the acceptance of the world-systems cultural model has also helped to create and exacerbate environmental concerns (Robbins 1999; Gerth 2010). This development helps to highlight a newer contradiction contained within the post-industrial capitalist system that could derail the world-system due to the interconnectedness of the system.

Possible Critiques

The assertions made here are that the world-system, understood as a capitalist system defined by current hegemony, creates a world-culture model. The model is best understood as what Robbins (1999) calls the culture of capitalism. The culture is based upon endless accumulation of either: capital, wages, or commodities (Robbins 1999). As such countries entering the world-system will be forced to conform to this cultural model and there should be a

development of a consumer culture. This culture will be created through hybridization of the societies' particular culture and the world-system's cultural model.

One counter argument that may possibly arise is based upon cultural imperialism. From this perspective, these hybridized developments will have been dictated by the West and global North, and will be assumed to be forced upon the society. One issue with this argument is the limited scope of their perspective. What they see as Westernization, may be better understood as hegemonization. The core nations in the world-system, are in the positions to define the world-cultural model (Sen [2002] 2012). Sen ([2002]2012) helps to further highlight this in her presentation of cultural transmissions from past hegemons that have fallen, to rising hegemons. As such, what may be perceived as Westernization is built into the capitalist world-system which allows for development of future hegemons.

It must be stated that this argument being presented is not meant to legitimate neoliberal arguments of deregulated world-capitalism and its assumed benefits (Steger 2009). Instead, the cultural model that has been outlined is instead an indictment of the negative effects that may occur due unfettered capitalism. The goal is to understand how this model is created and transmitted throughout the world-system.

One part of Wallerstein's world-system analysis that has not been dealt with throughout this argument is in regard to the dialectic that will be created by rising affluence as nations move through the world-system hierarchy (Allan 2011). This is due to personal speculation with regard to his assertion. According to Wallerstein, the political upheaval of the 1960's marked the beginning of the end of the capitalist world-system (Allan 2011). This however has not been the case as neoliberal globalization has spread further. The purpose of this research is to show

how the capitalist world-system prolongs itself by fostering new hegemons through socializing them into the culture of capitalism. This will allow for continuation of the world-system as past core nations slip into either the semi-periphery or the periphery that will allow a cyclical process to develop. This background perspective informed the decision to examine China's reintegration into the world-system because of its assumed position as a historical core nation (Steger 2009).

Conclusion

Using the world-systems/world-culture framework to analyze cultural hybridity helps to understand the influence of structure on culture. This structure pushes for hybridizing of local cultures based on the amount of influence that the structure has in the society. This perspective also helps to show the ways in which the world-system helps to spread its model and assure the continuation of the capitalist world-system. One implication of this is that it can explain the changing power dynamics in the world-system as nations move through the hierarchy and hegemons rise and fall. This framework may prove more useful as the process of globalization continues to move onward. Due to the limited scope of this research's historical analysis, future developments may help to validate this perspective further and expand upon its possible implications.

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