



“Summary of articles by Leslie Sklair: The Culture-Ideology of Consumerism in the Third World *and* The Culture-Ideology of Consumerism in Urban China: Some Findings From a Survey in Shanghai” in Frontier Issues in Economic Thought, Volume 2: The Consumer Society. Island Press: Washington DC, 1997. pp. 320-324

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### **“Summary of articles by Leslie Sklair: The Culture-Ideology of Consumerism in the Third World *and* The Culture-Ideology of Consumerism in Urban China: Some Findings From a Survey in Shanghai”**

The dramatic growth of consumerism in countries where development has centered on the interests of affluent minorities raises legitimate concerns over the consequences for poorer majorities. These papers develop the thesis that consumerism is spread to the Third World by a global capitalist class that has followed the expansion of transnational corporations. Utilizing a novel Global System model, the author first illustrates that transnational corporations have spread consumerism world-wide by dominating Third World media and then examines the rise of consumerism in Shanghai, a relatively affluent city in China.

#### **GLOBAL SYSTEM MODEL**

The global system is comprised of institutions representing economic, political, and cultural-ideological spheres of operation. The primary institutional agent in the economic dimension is the transnational corporation. The primary agent in the political dimension is the transnational capitalist class which organizes "the conditions under which its interests and the interests of the system as a whole can be furthered within particular countries and regions." (260) This group includes: transnational corporate executives; globalizing state bureaucrats; capitalist-inspired politicians and professionals; and consumerist elites (merchants and media). The primary agents in the cultural-ideological dimension are transnational mass media institutions and transnational advertising agencies. These organizations collectively engage in practices that create a culture-ideology of consumerism, defined as "a coherent set of practices, attitudes and values, based on advertising and the mass media but permeating the whole social structure, that encourages ever-expanding consumption of consumer goods." (260)

#### **CONSUMERISM AND PRODUCERISM**

Development models in the 1950s and 1960s were based on the idea that developing countries ought to resemble the economic, political and value systems of First World countries. In contrast, Global System theory implies that contemporary development in Third World countries invokes the consumerist values of the global capitalist class, rather than the values of First World nation-states. Since the profit-oriented values of a capitalist class may diverge from the values of nation-states, this distinction is important to analyses of development.

The Global System model is consistent with Wells' (1977) analysis of modernization in terms of consumerism (consumption of goods from developed countries) and producerism (increased employment and productivity levels). According to Wells' schema, the most modern societies (e.g., the United States) are high producer-high consumer or overly hedonistic. The least modern, low producer-low consumer countries are ones in which production capacity and purchasing power are both underdeveloped. This model implies that increasing levels of consumerism in underdeveloped countries without effectively increasing production capacity and purchasing power leads to decline and stagnation. The interests of the transnational capitalist class may have just this effect, promoting consumerism in developing countries "with no regard for their ability to produce for themselves, and with only an indirect regard for their ability to pay for what they are consuming." (131)

### **CULTURAL IMPERIALISM AND MEDIA IMPERIALISM**

The Global System model provides an alternative to theories that analyze the relations between countries in terms of state power and exploitation. Typical of the latter view is the "Cultural Imperialism" thesis that powerful societies exploit weaker societies by imposing their values and beliefs on them through the media. This view inaccurately analyzes cultural influences within a state-centrist paradigm: for example, seeing Americanization, rather than consumerism, as the primary force driving cultural and ideological change in the Third World.

It would be an error to identify cultural imperialism exclusively with the United States or even U.S. capitalism, since this falsely implies that without American influence, the spread of capitalist values would cease. Americanization is merely part of a broader consumerist ideology that is disseminated by a global capitalist class, not the U.S. government. For example, Hollywood (a collection of movie production companies based in the U.S., but owned mostly by transnationals) produces a minute portion of films worldwide, but has monopolized distribution to the Third World, thus playing a key role in the globalization of consumerism. That this ethos is often conveyed through American images is peripheral to the main purposes of the global capitalist class; other cultures might have played the U.S. role just as well. "The global capitalist system works through the culture-ideology of consumerism, rather than through a glorification of the American way of life." (144)

### **A NEW WORLD INFORMATION ORDER**

The central idea behind the much-discussed "New World Information Order" is that there is a global imbalance in communication flows between the First and Third worlds. A number of researchers in the communications field have argued that transnational media institutions transform the global audience into consumers of transnational commodities through the propagation of a set of self-serving notions of development, communication, organization, daily life and change.

Transnationals from the United States and Europe have dominated global information flows and have established formidable barriers to entry in broadcasting and entertainment. Imbalances in global information flows are due primarily to the high costs of communications technology, limited Third World government interest in developing a strong public media sector, and the

rapidity of technical change. Since First World transnationals can afford technological innovation, adjust to advances in media technology and offer cost-effective alternatives to indigenous media development, it is not surprising that most Third World media have failed to thrive.

The ethics of some transnational practices evidence a different, perhaps more severe, kind of loss. The celebrated boycott of Nestle, over its marketing of infant formula to customers who lacked the basic resources to prepare the formula safely, highlighted one instance of how transnational practices can cause harm to Third World consumers. Similarly, Searle continues to market an anti-diarrhea drug, that is an expensive and sometimes dangerous alternative to a simple remedy of boiled water, sugar and salt. The latter can be prepared by people in substantial deprivation and is recognized by health professionals as usually providing the best treatment. These examples point out that, in its extremes, a consumerist ideology can have devastating or even fatal effects on the uninformed consumer.

### **CONSUMERISM IN SHANGHAI**

The Global System model provides a conceptual framework for analyzing the development of consumerist ideologies in developing countries. Shanghai represents a good test site for research on the subject of because transnational corporations, while not currently dominant in China, have grown in influence since economic reforms began in 1978. Shanghai ranks fourth in per capita income among Chinese cities, is exposed to foreign advertising, and has a high per capita ownership of consumer durables. Chinese researchers have concluded that a broad-based consumer mindset has followed exposure to the outside world despite government threats to control imports more strictly.

In contrast to many Third World countries that experienced negative growth rates in the 1980s, material consumption per capita more than doubled between 1978 and 1990 in China. According to conventional per capita GDP measures, China is one of the poorest countries in the world, but it has rates of ownership of consumer durables that compare favorably with countries that have three times China's per capita income. In urban areas, households are increasing their consumption of luxury goods; the most commonly aspired to basket of goods has changed from bicycles, sewing machines, watches and radios, to refrigerators, washing machines, black and white televisions and other luxury goods. The rapid influx of 'Western-style' fast foods, soft drinks and consumer durables have facilitated changes in the physical marketing system (decreasing the availability of traditional or non-conventional retail outlets) and transformed the symbolic marketing system (giving rise to new media and advertising expenditures as well as types of marketing strategies).

China's 1978 economic reforms engendered a number of radical changes in its rural and suburban distribution systems: extraordinary growth in the numbers of traders, a growing demand for higher quality goods, and increasing numbers of goods suppliers. Collective and private stores increased while state-run stores declined in number. Historically, strict government control over market entry led to an inadequate supply of high quality consumer goods relative to demand and the presence of very few transnational manufacturing facilities.

These restrictions have been relaxed in recent years and many global consumer products are now available in China.

In the late 1970s, government policies experimented with paying higher wages to small segments of the population (especially among coastal residents) to increase their standard of living. Correspondingly, the early 1980s witnessed an exponential growth in foreign advertising, which delivered foreign currency to the government, incentives for Chinese businesses to form alliances with transnationals, and desirable images of the good life to selected citizens.

Although transnational products are becoming increasingly important to growing numbers of Chinese, the state's attitude toward transnational advertising has not been entirely welcoming. A study of Chinese managers' perceptions suggest a positive attitude toward advertising although most felt that western style advertising was intrusive and should be limited. Younger managers are suspicious of the motives underlying the promotion of inessential goods. A sense of wariness affects government officials who sporadically condemn the polluting influence of Western capitalist values while encouraging the values of a socialist and spiritual civilization. The government often treads a fine line between openness to foreign imports and skepticism concerning its effects on Chinese culture.

### **MEASURING THE CULTURE-IDEOLOGY OF CONSUMERISM**

In order to analyze the spread of the culture -ideology of consumerism, a survey was administered to almost 600 people in Shanghai workplaces and universities. Consisting almost entirely of young and middle-aged adults, the sample was younger and better-educated than the adult population of Shanghai as a whole. Most of the survey questionnaire's 69 questions concerned knowledge, acceptance, and purchases of ten global brands of consumer goods. Other questions explored attitudes toward advertising and foreign companies, and possession of consumer durables.

The survey results largely confirmed the author's expectations: those who gave the "consumerist" answers to 52 or more questions, roughly one-sixth of the sample, were more likely to be male, single, under 35, above the sample average in income and education and were either self-employed, students or professionals. However, none of these correlations were perfect. For example, the richest one sixth and the most consumerist one sixth of the sample had only a one-third overlap. Significant numbers of lower and middle-income people were found in the most consumerist group, illustrating the rapid expansion of the culture-ideology of consumerism throughout the population.