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# Globalization and development revealed in Starbucks and Wal-Mart's business practices in Shanghai, China : issues in restructuring society for ethical practices

Andrea Colangelo

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The University of San Francisco

GLOBALIZATION AND DEVELOPMENT REVEALED IN STARBUCKS AND  
WAL-MART'S BUSINESS PRACTICES IN SHANGHAI, CHINA  
ISSUES IN RESTRUCTURING SOCIETY FOR ETHICAL PRACTICES

A Dissertation Presented  
to

The Faculty of the School of Education  
Department of Leadership Studies  
Organization and Leadership Program

In Partial Fulfillment  
of the Requirements for the Degree  
Doctor of Education

by  
Andrea Colangelo  
San Francisco  
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## **Abstract**

With the rise of globalization and development, Western companies like Starbucks and Wal-Mart are influencing the individual identities, culture and traditions of the urban youth in China. The subsequent rise of globalization and development influences traditions, culture, and individual identities among China's urban youth. China's urban youth represent the rising middle class and are major participants in Western consumerism. The significance of the research illuminates the serious concerns related to ethical issues associated with Starbucks' and Wal-Mart's emerging business practices as potential dilemmas for China's future social growth among the urban youth.

Critical hermeneutics theorists such as Ricoeur (1992), Gadamer (1999), Herda (1999) and Kearney (2002) illuminate the reader's understanding about the research categories for this project, which are ethics and identity. Therefore, Starbucks' and Wal-Mart's business practices, advertising, and marketing are viewed through the lens of critical hermeneutic theory and related sources in the literature. Critical hermeneutic research provides the necessary framework for understanding the research topic as the research categories of ethics and identity are explored.

The data elucidate that the Chinese urban youth desire to express individuality and status through participating in Western consumerism. Specifically the findings are that tension exists between respecting ancient Chinese culture and allowing Western influences into contemporary society. Some of the Chinese urban youth express the difficulty they have balancing participating in Western consumerism and holding onto aspects of their cultural identity. Chinese urban youth view the lifestyle of those in the United States as affluent, abundant in choice, and self-expressive through Western style.

Some of the participants convey that global companies must have an understanding of Chinese culture and act ethically in their business ventures. The significance of studying large corporations in urban China is that we are living in an increasingly global community where trade is growing and the far-reaching effects of corporations in the United States are becoming more prevalent around the world.

This dissertation, written under the direction of the candidate's dissertation committee and approved by the members of the committee, has been presented to and accepted by the Faculty of the School of Education in partial fulfillment of the requirements for the degree of Doctor of Education. The content and research methodologies presented in the work represent the work of the candidate alone.

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“The journey is the reward” –Ancient Chinese proverb

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## **CHAPTER ONE**

### **INTRODUCTION OF RESEARCH TOPIC**

#### **Introduction**

For centuries, China has been a land framed by tradition, where respect for one's ancestors provided the foundation for the structure of the community, with elders respected and traditions revered. Bennett (1979:213) delineates the late pre-modern Chinese values and states, “age should be respected over youth. Established authority is preferred over innovation and scholarship should emphasize the study of Chinese tradition. [Lastly,] ideas from abroad are unimportant.” In contemporary culture in the United States, the accumulation of material wealth has led to prosperity for many, yet does not lack criticisms of greed. Cheaply made products provide a revolving cycle of acquisition and disposal and the expression “cheaper than a cup of coffee” has been adopted to reflect a common understanding of how relative wealth is squandered on disposable luxuries (Klein 2000). Combining the contemporary Western lifestyle with the deeply held Chinese traditional values present a unique clash; yet, this is what is occurring among many young people throughout urban China.

China is in a constant state of flux as it internalizes its emerging capitalistic market. As the Chinese seek improved lifestyles, political, social, and economic changes are placing a strain on China's natural resources; causing concerns about pollution, labor relations, working conditions, health, and living conditions. China is controlled by a strong central communist government that is being highly influenced by capitalistic commerce. The social political landscape of China is changing and companies like

Starbucks and Wal-Mart are part of the demand for new Western products, which influences the individual identities, culture, and traditions of urban youth in China. According to the *Harvard Magazine* (2010:27), “in recent years, these forces of globalization are pushing China even more strongly to look for the Chinese identity.” The urban youth represent the rising middle class in China and their participation in Western consumerism is vital for companies like Starbucks and Wal-Mart but simultaneously a threat to identity and culture that has implications for future generations.

Starbucks represents unprecedented global influence. Clark (2007:262-263) discusses Starbucks’ global influence, noting that:

humankind has never seen a business capable of saturating a city—or country, or the world—with so many stores...the overarching idea is that Starbucks has gone too far...If there is indeed an ethical boundary on how much a chain should grow, globalization opponents say, Starbucks steeped over it long ago—it’s now just another contributor to the strip-malling of the planet.

Wal-Mart represents an even more powerful economic consumer conglomerate than Starbucks and according to Wang and Xie (2006:9) is likewise contributing to changing aspects of the Chinese urban youth’s individual identities and culture. Wilson (2007:34) affirms, “to a large degree, Wal-Mart (the world’s largest employer), together with China (the world’s most populous country), is shaping the global marketplace.” Examples of the practices that drive these changes include the hazardous work environment; increases in consumerism and labor demand are some of the issues elucidating how the change is negatively influencing urban China. For example, The International Labor Rights Fund (2006) explains Wal-Mart’s suppliers and manufacturing factories exploitation of Chinese workers, stating in part that:

in order to keep prices low for US consumers, Wal-Mart suppliers take advantage of the abusive environment toward workers in China. Factories

in China are characterized by harsh conditions and mistreatment of workers. Many factories are unsafe, do not pay a living wage, force workers to work overtime without extra pay, do not offer vacations or maternity leave and are run by managers who verbally abuse workers.

Thus, the story of China is constantly evolving. Through utilizing trade with Western markets, “China in 2007 stood as the second-largest economy in the world after the US, although in per capita terms the country is still lower middle-income” (CIA 2007) with the United States consumer market guiding China toward the demand for more productivity and consumerism. Some of China’s urban youth think that through their contributions to the economy by participating in Western consumerism, this economic change will improve the country socially and economically (Elegant 2007:3). But, at what cost?

In this investigation, I examine the rising middle class youth’s desire to participate in Western consumerism and investigate the ethical implications of the influences that these two multinational companies are having on China’s work, culture, and identity. I do this by addressing the cultural and social forces that Starbucks and Wal-Mart’s presence creates in urban China and in my selected site of Shanghai, China. Some of the questions I explore through my research are: How are the urban youth influenced by the Starbucks and Wal-Mart experience? How do we go about critiquing Starbucks and Wal-Mart’s practices in urban China? What are the advantages and disadvantages of Starbucks and Wal-Mart in China? How does Starbucks and Wal-Mart’s presence reflect the growing interdependent economy between China and the United States? How are transnational corporations like Starbucks and Wal-Mart influencing aspects of China’s identity? This study addresses these questions utilizing a critical hermeneutic framework. The research categories addressed within this study are ethics and identity.

## Background of Research Topic

Interpretive participatory research that is grounded in critical hermeneutic theory provides the framework for investigating the topic of globalization and development revealed in Starbucks and Wal-Mart's business practices in China. This method is chosen because of the effect of these practices on socio-cultural aspects of society. Herda (1990:49) notes, "during the last few years, a flow of Western values, attitudes, and obsessions has penetrated Chinese society." Furthermore, this research explores how these two multinational companies are influencing China's culture, identity, and the ethical implications in Starbucks and Wal-Mart's commerce in China. Ethical issues related to Starbucks and Wal-Mart's business practices are relevant to study since both corporations represent major global powers that are paving the way for larger industry leaders. Kline (2005:8) posits that, "legitimate businesses, including international enterprises, need a societal foundation of ethical values in order to operate efficiently and effectively." Both organizations have drastically influenced China's narrative identity and cultural history. Ricoeur (1988:246-247) illuminates the concept of narrative identity, which refers to the person being both:

a reader and the writer of [their] own life...the story of a life continues to be refigured by all the truthful or fictive stories a subject tells about himself or herself. This refiguration makes this life itself a cloth woven of stories told.

Therefore, the person's role is twofold acting as the interpreter and interpreted of his or her own story. Starbucks and Wal-Mart provide a "cultural dilution" through the "ethnocentric domination" of the culture of the United States of America (Hallmark 2007:2). However, the Chinese urban youth are not hapless victims of Western consumerism since they have the choice to shop elsewhere. Some of the Chinese urban

youth express the difficulty of balancing their participation in Western consumerism while holding onto aspects of their cultural identity. Thus, it is imperative that Starbucks and Wal-Mart examine the implications of their growth on society and how they intend to progress with their marketing and business practices. Furthermore, before other global corporations embrace Starbucks and Wal-Mart's type of organizational growth, they should take the time to examine both companies influence on the societies they enter.

Kline (2005:16) emphasizes that developing an ethical framework "is critical because it sets forth the rationale for distinguishing between the factually descriptive *is* and the normatively prescriptive *ought*. Ethics deals with the *ought* of society, the value definition and direction to the way things should be." Therefore, examining the ethical issues of Starbucks and Wal-Mart's business practices are pertinent to study since the rising middle class youth of China are in a constant state of flux with the rise of globalization. Kline (2005:3) states, "globalization fosters an array of complex ethical dilemmas where clear assessments and informed choice become difficult." Even though globalization appears to be ubiquitous, China remains an enigma since many rural areas resist the modern changes globalization encompasses. The world is closely monitoring China's social, political and economic growth as China strives to become part of the world economic community (The CIA World Fact Book 2008; Tilt & Young 2006). China is trying to form its identity in a globalized world.

Author Naomi Klein (2001) discusses the role of corporations as meaning makers in business, saying it is precarious for corporations to fill this void and provide meaning to a culture. Klein (2000:182) asserts this is precarious since "the more corporations...succeed in their goal of building self-enclosed branded worlds, the more

culturally asphyxiating that demand may become.” In addition, Klein (2000:182) pertinently discusses, “when we lack the ability to talk back to entities that are culturally and politically powerful, the very foundations of free speech and democratic society are called into question.” According to Klein (2001:13) “if we say that intellectuals, community leaders, and activists have lost a sense of meaning...then I think we need to ask ourselves who is filling that void, who is doing it instead...[why corporations] have come to sell meaning instead of products.”

Looking at China’s need for meaning and the rise of the global corporate presence in urban China raises concerns about whether Starbucks and Wal-Mart can fill that sense of loss or whether they merely capitalize upon the growing middle class’s naivety and need to belong. In this investigation, I reveal how Starbucks and Wal-Mart attack the naivety of the Chinese culture, showing that they cannot be trusted to fill the void of a culture searching for meaning. Klein (2001:15) pertinently discusses the repercussions for corporations that sell meaning to cultures stating that the:

process of becoming meaningful for a company like...Starbucks or [Wal-Mart] is an enormously predatory process, and a transformative process in our culture. It requires the constant absorption and co-optation of all that is meaningful in our culture: our political ideas, our notions of family and community...It feeds off meaning. [Once meaning is set] you become real by expressing that idea, by telling your story. To do this, the brand must project its story onto as many cultural surfaces as possible.

Already, Starbucks has changed the face of the land in China with its presence in China; most notably in the Forbidden City. Chinese news anchor Rui Chenggang described Starbucks presence there as undermining its “solemnity” and trampling] “over Chinese culture” (Wang 2007). Chenggang articulated, “the Forbidden City is a symbol of China’s cultural heritage” strongly posits that China needs to preserve its cultural identity (Wang 2007). Chenggang’s online blog campaign to oust Starbucks from the

Forbidden City received more than 500,000 signatures illuminating the notion that Starbucks was not welcomed at the historic site, despite its general popularity in Chinese urban areas. Starbucks quietly vacated the premises in July 2007 and a Chinese-owned café that sells traditional tea and the newly integrated commodity of coffee replaced the chain.

The Forbidden City is interpreted as being sacred to Chinese culture and society; that conclusion is demonstrated by the popularity of the campaign to oust a non-Chinese presence from the site. However, Herda (2007) notes that when discussing something a culture deems sacred, the very question “is an interpretive idea.” This question is relevant to this inquiry, for I investigate the Chinese interpretation of these events, understanding that their interpretation of meaning is essential. Starbucks pontificates that their organization understands and respects China’s culture; however, this inquiry reveals that Starbucks clearly lacks an understanding of their influence on Chinese narrative identity.

### **Significance of the Research Inquiry**

It is my intent that this inquiry creates a critical awareness of Starbucks and Wal-Mart’s business practices and the ethical implications of both companies’ actions in urban China. This document provides others with the opportunity to gauge their ethical practices with foreign markets. Ricoeur (1992:172) defines “‘ethical intention’ as aiming at the “good life” with and for others, in just institutions.” Corporations like Starbucks and Wal-Mart desire to communicate a concept of culture and improved lifestyle to the urban Chinese through the products they sell to consumers; their intention appears grounded in profit, not in an authentic desire for “the good life” as intended by Ricoeur. One of the significant attributes of Ricoeur’s (1992) work in *Oneself as Another* is

identifying and examining if indeed we are acting in an ethical manner. This measure of ethics is crucial for ethical living, yet powerful companies whose main concerns are growth and profitability may lack the desire or wisdom to act with concern toward the ethical, social and cultural ramifications of their actions.

How does one know whether corporations are acting with ethical intent? By examining the organization as if it were a story, much as described in Ricoeur's (1992:172) discussion about living "the good life." This study is significant because China is trying to improve their identity in the global marketplace and change the image of their culture from that of a repressive society to a more modern society (Tilt & Young 2006:2-3). Wal-Mart and Starbucks are influencing the individual identities, work culture, and traditions of the urban Chinese youth by offering a sense of community and creating the perception that they are connecting with others within the rising middle class community. The Chinese values have shifted from valuing the traditional identification with the group towards the modern urban youth valuing the self and individualism through being a consumer and increasing wealth (Bennett 1979:213-214). The significance of studying large corporations in urban China is that we are living in an increasingly global community where trade is growing and the far-reaching effects of corporations within the United States are becoming more prevalent around the world. Looking at the implications of this helps to figure out how organizations can move forward ethically without robbing people of their natural resources, identities, or economic security.



## Summary

Recent events have transformed China from a nation besieged by the implications of a turbulent past to one that is a major market-oriented economic power. Corporations from the United States such as Starbucks and Wal-Mart have capitalized on China's dramatic expansion and desire for popular capital goods. China's principle cities are comprised of a vast youthful population that are transforming themselves into a more refined leisure class that desires international goods and services. The liberalization of the once stringent laws governing Chinese youth are gradually being influenced by companies from the United States as they gain greater acceptance by the general population. The youth have more time and money to develop and pursue an interest in Western pop culture, which alters aspects of the urban Chinese youth's culture and identity. The remaining parts of this dissertation present the background of the country and the background of Starbucks and Wal-Mart, review of literature, research process and protocols, data presentation and preliminary analysis, secondary analysis, and summary, findings, implications for curriculum development, suggestions for future research and personal reflections.

## **CHAPTER TWO**

### **COUNTRY AND COMPANY BACKGROUNDS**

#### **Introduction**

This section provides a brief background on China from 1949 to the present. In addition, this section presents a brief overview and background on Starbucks and Wal-Mart, which are the two companies from the United States that represent the focus of this study.

#### **Background on China**

The People's Republic of China (PRC) is located in Eastern Asia, bordering the East China Sea, Korea Bay, Yellow Sea, and South China Sea, between North Korea and Vietnam. The nation's capital is Beijing. The CIA World Fact book (2008) reports that China is the "world's fourth largest country" [in land size] after Russia, Canada, and the United States and has a staggering population of "1.3 billion people." Composed of "56 nationalities within its borders," Yu, Chan and Ireland (2007:128) describe China as "a multicultural country" with the world's fastest growing market. According to the CIA World fact book (2008) some of China's natural resources include "coal, iron ore, petroleum, natural gas, mercury, tin, tungsten, antimony, manganese, molybdenum, vanadium, magnetite, aluminum, lead, zinc, uranium, [and the largest] hydropower potential." The People's Republic of China was officially established in 1949 (Library of Congress 2005). The Library of Congress (2005) expounds that the members of the People's Republic of China were comprised of an alliance "of four social classes: the workers, the peasants, the petite bourgeoisie, and the national-capitalists." The Chinese

Communist Party (CCP) led the four classes “as the vanguard of the working class” (Library of Congress 2005). It is significant to note that out of the 4.5 million CCP members at the time of the survey; nearly 90 percent were of peasant origin (Library of Congress 2005). Chairman Mao Zedong was Chairman of the People’s Republic of China and led the CCP from 1949-1954 but remained in power within the government until his death in 1976. The government was headed by Zhou Enlai acting as the premier of the State Administrative Council from 1954-1976 (Fairbank 1983).

According to Baocheng (2004:215) for “2000 years, China was a country dominated by a system known as centralized monarchy.” World War II devastated China due to Japanese war incursions and brought about Chiang Kai-shek’s exile from China and Mao Zedong’s introduction of communism to China (Fairbank 1983). Moreover, Baocheng (2004:215) stated, “for thirty years after 1949, [and] China was dominated by an economic system known as the mandatory planned economy.” Chairman Mao Zedong was a dictator and leader of the communist party; his goal and that of the party that he led was to impose extreme communism on the people of China. He expressed the belief that “communism could only be achieved through radical means, through revolution, a never ending process of struggle and change” (Williams 1997). Mao Zedong’s 1966 Cultural Revolution and the 1958 Great Leap Forward had a detrimental influence on China’s economy, society, culture and foreign relationships with other countries (Fairbank 1983). According to Williams (1997) in 1966, the Cultural Revolution, led by Mao Zedong, “called on students and peasants to speak out and rebel against party officials.” Students called the “Red Guards [wanted] to protect Mao Zedong and communism [by destroying] old ideals, old street signs, libraries, museums and ransacked people’s homes in hope to

start new [even rejecting] Western influence.” Mao Zedong mobilized the entire country to work feverishly toward the goal of modernization “by promising a better future” (Williams 1997). However, at the cost of tens of millions of people’s lives and a major famine during the Great Leap Forward, China had to reevaluate its planning and extend their timeline towards modernization (Fairbank 1983). During Mao Zedong’s Great Leap Forward, the People’s Republic of China (PRC), was responsible for “20 to 40 million deaths due mostly to famine” (Williams1997). Mao Zedong wanted to transform mainland China’s agrarian economy into an industrialized communist society. The memory of Mao’s harsh attempt during the 1958 Great Leap Forward to make China’s economy and industry superior to those of Western nations was a failed attempt to modernize China (Williams 1997, Fairbank 1983). Further complicating China’s transition into a modern society, in 1958, Deng Xiaoping led the Anti-Rightist movement. During this time, one million people were condemned as rightists and were either imprisoned or killed for speaking out against the inefficiency of the communist party (Williams 1997). Zhou Enlai, the premier of the People’s Republic of China, slowly introduced social, cultural and economic reforms and worked to rebuild the country and modernize China (Wenquin 2007). In 1978, Rodzinski (1989) affirmed that Deng Xiaoping’s Open Door Policy slowly opened up China’s economy to the West after the 1966 Cultural Revolution. Deng Xiaoping abandoned many orthodox communist doctrines and attempted to incorporate elements of the free-enterprise system into the Chinese economy (Rodzinski 1989).

Some of the ideas about Western society’s culture, trade, and business slowly transformed China’s views about the need to introduce Western technology and business.

The Chinese started to awaken their desire and enthusiasm for change during the 1989 Tiananmen Square massacre in Beijing (Williams 1997). The student protests depicted their desire for political reform and this was coupled with a movement throughout China to expand their markets further and compete for Western capitalist goods. China vigorously competed with the majority of the globalized world's economic systems, including those in Russia, India, and the emerging Middle Eastern and African nations. Competing with other nations for capital investments and trade from the West allowed China to bolster their relationships to achieve additional capital investments for China (Lardy 1992).

Currently the government leaders of China are President Hu Jintao, who has held office since March 15, 2003. Vice President Xi Jinping has been in place since March 15, 2008 and Premier Wen Jiabao since March 16, 2003 (Benewick & Donald 2009). China's President Hu Jintao's speech at the 2005 Fortune Global Forum provided a rich context about China's ancient civilization, for he noted that:

with a history dating back over 5,000 years, the Chinese people have made a major contribution to human progress by creating the splendid Chinese civilization with hard work and ingenuity. The city of Beijing, with its long history of over 3,000 years, stands testimony to that effort. It became the nation's capital over 800 years ago (Hu 2005).

Lardy (1992:1) states that since "the economic reform began in 1978 China emerged as a major trading nation and foreign trade [and] has begun to exert a greater influence on the domestic economy than at any other period in China's history." China's 1978 Open Door Policy was an important stepping-stone for China to enter the world economic market. Lardy (1992) affirmed that with the attractive low production costs and huge local market, foreign investments were dramatically increased in the last decades in China.

In President Hu Jintao's (2006) speech he discusses the benefits of cooperation between China and Africa, suggesting that building, "strong ties between China and Africa will not only promote development of each side, but [will] also help cement unity and cooperation among developing countries and contribute to establishing a just and equitable new international political and economic order." China is thus flexing its economic muscle to provide assistance to needy countries in Africa. The developing countries may then agree with China's decisions on future pertinent global issues.

President Hu Jintao's (2006) speech emphasizes China's desire towards multipolarity amongst nations, thus emphasizing the social, political, and economic implications for a stronger China-African future. Hu Jintao (2006) stated, that there "is a growing trend towards multipolarity and economic globalization. Science and technology are making daily advances; regional cooperation is deepening and there is increasing interdependence among nations." *Asia Times* Stroupe (2006:1) journalist states, "*multipolarity* insinuates that no single pole is inordinately dominant over the others. But contrary to that insinuation, the bipolar configuration that is even now arising will definitely facilitate a meaningful degree of control by one pole, the one now arising in the East." Stroupe (2006:1) defines "*multipolarity*... [as] multiple poles, or centers of power, distributed widely and more equitably across the globe, with no single pole inordinately dominating the others." Furthermore, Stroupe (2006:1) notes, "simple *multipolarity* allows for the fundamentally erroneous assumption that all the poles or centers of power are genuinely discrete, that each pole is virtually insulated from the gravitational effects of other poles. In the real world, such is certainly not the case." Hu Jintao's (2006) speech listed the eight steps needed to forge the China-Africa partnership and discussed

economic assistance, debt forgiveness, and building hospitals and schools in Africa. Thus, the relevance of the China-Africa partnership implies tremendous social, political and moral implications. China's desire to cooperate with Africa's economic needs depends on the building and development of their relationship with corporations like Starbucks and Wal-Mart. The Chinese surplus of dollars from the United States and China's improved understanding of corporate structures such as Starbucks and Wal-Mart offers China's communist government the opportunity to invest and explore social and economic developments in Africa.

In addition, *The Economist* (2008:3-22) reports on other nations' concerns about China's desire for resources. A number of nations and some Chinese in China are concerned with China's massive use of natural resources and the consumption of raw materials such as, "oil, gas, and coal" (*The Economist* 2008:3-22). In order to remain current in the literature, it is significant to highlight the recent political and business changes in China since 2008. According to *The Economist* (2010a:37), "the economy grew at a very robust-sounding 8.7% last year and is predicted by many to be on course for similar growth in 2010." In addition to discussing China's economic growth, *The Economist* (2010a:37) discusses the forthcoming leadership changes "in 2012 and 2013, including the replacement of President Hu Jintao and of the Prime Minister, Wen Jiabao." China's Prime Minister states, "2010 will see 'even greater complexity in the domestic and international situation'" (*The Economist* 2010a:37). However, *The Economist* (2010a:37) expounds, "some Chinese economists worry out loud that China's massive stimulus-spending might have bought the country only a temporary reprieve." The concern among Chinese economists is that "inflationary pressure is building up and

reforms needed to promote sustained growth (including measures to promote urbanisation) are not being carried out fast enough” (*The Economist* 2010a:37-38). A *Harvard Magazine* (2010:25) roundtable discussion consisting of “seven faculty and alumni experts” discuss the changes and some of the challenges that China faces, including the recent changes in the political and business sectors in China. The purpose of this meeting is “to discuss China’s history, culture and contemporary challenges” (*Harvard Magazine* 2010:25).

Furthering China’s challenges are the tensions and concerns that continue to brew between China and Taiwan, even though billions of dollars of trade flow across their borders (*The Economist* 2010b:39). According to *The Economist* (2010b:39), “the Economic Co-operation Framework Agreement (ECFA), signed on June 29<sup>th</sup>, 2010, [is] one of the most significant agreements between China and Taiwan since 1949.” The Democratic Progressive Party (DPP) fears the agreement and views it “as a threat to jobs on Taiwan” and a possible step toward “political integration” and reunification with China (*The Economist* 2010b:39). *Harvard Magazine* (2010:33) discusses the importance of a “moral presence” in China’s leadership and posits, “we are waiting for China’s moral presence to catch up with its physical presence.” The same article (2010:33) makes historic references to “the Tang, Song, Yuan, Ming and Qing empires” in order to elucidate the discussion about “China’s moral presence,” noting that “these empires were responsible for ‘civilization’ and the promotion of moral values.” Furthermore, *Harvard Magazine* (2010:33) illuminates this as a possibility explanation for “why you see a groping for some moral footing in international affairs, because you have a system that has lost its moral footing.” In discussing political change, the experts and faculty



converse about the “problem in terms of China’s political development” (*Harvard Magazine* 2010:27). According to *Harvard Magazine* (2010:27), “the main discourse in China is not about politics, but about governance. [Furthermore,] the key issue is the responsibility of the people sitting atop the state structure to ensure the country is governed justly.” *Harvard Magazine* (2010:27) emphasizes that the current issue China faces politically is the fact that “we’ve had tremendous economic development and the creation almost overnight of what on the surface seems a very modern society...China is going to have to figure out...what kind of political system it wants.” However, one significant difficulty China faces is “that most of the vocabulary for talking about political systems has been developed in the West, and that vocabulary is quite alien and arguably not relevant to most Chinese people’s experience” (*Harvard Magazine* 2010:27-28). China desires to build and maintain a large corporate infrastructure. Popular Western companies such as, Wal-Mart and Starbucks have become part of China’s new economic and social landscape.

### **Background on Starbucks**

The Starbucks international website (2006) states that the Starbucks company was originally founded in 1971 in Seattle’s Pike Place Market and then was purchased by Howard Schultz in 1987. According to the Starbucks international website (2006), the unique name Starbucks is taken from the first mate’s name in Herman Melville’s novel, *Moby Dick*. Starbucks founder Howard Schultz was inspired during a trip to Milan, Italy to create Americanized versions of European society sidewalk cafés; thus, Starbucks was born. Schultz developed an organization that sells the Starbucks culture and affirmed Herda’s (2006) notion by creating a culture that generates “meaning in public space.” The

Starbucks international website (2006) lists that more than 240 stores in mainland China and over 500 stores in Greater China; including Hong Kong and Taiwan. In addition, the Starbucks international website (2006) also states that the first Starbucks in Shanghai opened on May 4, 2000. The Starbucks Empire is constantly expanding, boasting over 57 cafes in Beijing and 18 cafes in Shanghai to name a few of the cities in China with Starbucks cafes (Starbucks 2006). Starbucks utilizes cluster marketing strategies or “clustering [similar to] big-boxing [as a] competitive retail strategy...in order to reap a larger, long-term branding goal” (Klein 2000:137). However, Klein (2000:137) adds that Starbucks retail strategies explain, “why critics usually claim that companies like Starbucks are preying on small businesses.” In Starbucks’ mission statement, founder Howard Schultz states the company’s goal is to “establish Starbucks as the premier purveyor of the finest coffee in the world while maintaining our uncompromising principles while we grow” (Starbucks 2006). Over the last several years, Schultz’s company has warily created a widely recognized brand image to help fuel Starbucks’ enormous financial growth.

In the company’s mission statement Schultz boasts that the company’s objective is “to become the most recognized and respected brand of coffee in the world” (Starbucks 2006). Klein (2000:139) discusses that when companies such as Starbucks “expand on the global stage [and] move outside their countries of origin, Starbucks-style clustering melds with Wal-Mart-style price wars to create a kind of bulk clustering strategy.” Thus, “it has become a favored expansion tactic to buy out an existing chain and simply move into its stores in one dramatic entrance” (Klein 2000:139).

The Starbucks international website (2006) emphasizes the company's renowned reputation as "the premier retailer, roaster and brand of specialty coffee in the world, with more than 13,000 retail locations in North America, Latin America, South America, Europe, the Middle East, Africa and the Pacific Rim." Schultz created an organization cognizant of the fact that people can relate to others' stories and the fact that identity is produced through the influence of communities (Gallo 2006). Starbucks developed a subculture that encompasses communities and drastically influences the members of the subculture on a local and global scale. Starbucks' corporate mission statement utilizes Howard Schultz's vision of community, supplying customers with a third space, which he defined as settings or spaces that create mass intimacy.

According to the Starbucks international website (2006), China represents a significant market for Starbucks outside of the United States. Foreign companies such as Starbucks alter the daily life of the rising modern middle class youth in China (Wang & Xie 2006). Starbucks appeals to the lifestyle of leisure and exploits the desire of the growing middle class to distinguish themselves in society. Starbucks influences the emergent Chinese modern middle class lifestyle by selling the concept of the Starbucks experience along with the novel appreciation for premium coffee and the lifestyle of a progressive and modern way of living. Plog (2005:284) emphasizes that Starbucks:

has created a strong service culture that fits well in China. However, brewing an excellent cup of coffee and good employee relations does not adequately explain the company's success. The answer lies in the fact that Starbucks has changed lifestyles of its customers, and it does that in every country that it enters.

Starbucks has effectively marketed the concept that a cup of coffee represents a broader lifestyle choice through storytelling. Kearney (2002:156) discusses the significance of telling stories, "Storytelling invites us to become not just agents of our

own lives, but narrators and readers as well. It shows us that the untold life is not worth living.” On the Starbucks international website (2006), Starbucks posts *partner stories*, the stories of the workers and managers of Starbucks in China. The company wants to make sure that the workers feel like an integral part of creating the third space that the Starbucks experience sells. In an interview with Gallo (2006:1), Starbucks founder and Chairperson Howard Schultz emphasized the powerful capability of using stories to market products to consumers, noting that people “can relate to stories. They can see themselves in other people's stories. The ability to use stories to get people to buy into one's vision with their hearts is a powerful leadership capability.” The growing middle class in China distinguish themselves as an essential part of the Starbucks story and buy into the atmosphere, prestige and the affluent lifestyle that Starbucks sells.

### **Background on Wal-Mart**

Lichtenstein (2006:1) discusses the social, political, and cultural changes generated by Wal-Mart, noting that it has “projected an ideology of family, faith, and small-town sentimentality that coexists in strange harmony with a world of transnational commerce, stagnant living standards, and a stressful work life.” Both the Chinese government and the Western corporate culture are willing to work together to form a corporate partnership that could work within the Chinese culture. According to Wal-Mart Watch (2008), Ed Chan is the president and CEO of Wal-Mart in China. Wal-Mart’s stores in China are clean and sell a wide array of products; their retail prices are viewed as wholesale prices for consumers. In this way, Chinese cultural values are in harmony with the images presented by Wal-Mart of concept of cleanliness, organization, and thriftiness (Baum & Baum 1979).

Through advertising, Wal-Mart adheres to the brand image of being family and community centered. According to Klein (2000:134), Wal-Mart “is simply the leader in an exploding category of big-box retailers who use their clout to wrangle special treatment.” Klein (2000:139) elucidates some of the ways Wal-Mart maintains their low prices. In order to keep “costs down [Wal-Mart] only opens outlets close to its distribution centers...[to save the company] money on transportation and shipping costs, and develops such a concentrated presence in an area that advertising its brand is barely necessary.” Furthermore, Klein (2000:139) illuminates, “to keep price low in a new market, chains like Wal-Mart...must carry with them their trump card of being big volume buyers.” However, Klein (2000:139) affirms, “in order to have the market clout to get lower prices than their competitor they can’t dribble into countries one store at a time.” Wal-Mart employs an expansion tactic of buying “out an existing chain [and moves] into its stores in one dramatic entrance” (Klein 2000:139). Therefore, high volume and expansion are key marketing tactics Wal-Mart employs as a “big box retailer” (Klein 2000:134).

According to Wal-Mart’s profile (2007), Sam Walton founded the company less than 50 years ago in Bentonville, Arkansas. The Wal-Mart enterprise boasts staggering sales approaching \$300 billion a year. Wal-Mart’s profile states that the mammoth conglomerate operates more than 5,000 huge stores worldwide, 80 percent in the United States. Numerous research reports depict that Wal-Mart has no true rival in selling general merchandise (Lichtenstein 2006, Fishman 2006). In addition, copious Wal-Mart fact sheets, and profiles of the company discuss that Wal-Mart does more business than Target, Home Depot, Sears, Kmart, Safeway, and Kroger combined (Lichtenstein 2006).

According to Fishman (2006), Backer (2007) and Lichtenstein (2006), Wal-Mart employs more than 1.5 million workers around the globe, and Wal-Mart imports more goods from China than both the United Kingdom and Russia. Wal-Mart's international website (2007) states the "company's sales will probably top a trillion dollars per year within the decade." Currently, Sam Walton's heirs are noted for being wealthier than the Bill Gates family (Lichtenstein 2006). Walton aspired to create a company that focused on providing low prices for families and contribute positively to the small town communities. Wal-Mart provides incentives to purchase more products through membership cards, a practice that reinforces the mantra of reduced cost to the consumer (Wal-Mart 2007). However, as this research study and related sources in the literature show, Wal-Mart's marketing is not reflective of their actual business practices.

### **Summary**

China's agrarian past, the upheaval of World War II, and the introduction of communism has forced China to make a major paradigm shift politically, economically, and culturally. China's desire for modernization lays the foundation for Western corporations such as Starbucks and Wal-Mart to gain entrance into urban Chinese markets and these corporations repay the invitation to engage by enticing China's urban population with views of themselves as participants in a modern society. Understanding Starbucks and Wal-Mart's corporate strategies for growth and profitability provides the context for examining both companies' influence on urban China's identity and the ethical implications of their business practices.

## **CHAPTER THREE**

### **REVIEW OF LITERATURE**

#### **Introduction**

This document addresses how Starbucks and Wal-Mart are influencing China's work culture, aspects of the urban Chinese youth's identity, and the ethical implications of both global companies' business practices in urban China. In addition, this literature review covers a brief foray on globalization to set a context. The categories described in this review of literature are ethics and identity. I hope that utilizing the research categories, ethics and identity, leads to a deeper understanding of the topic at hand. This review of literature follows the subsequent sub-topics: hermeneutic authors, globalization, trade and commerce and China's transitional identity. In this highly abbreviated background of China, this review of literature also highlights the leadership, social changes, and China's openness to the West from 1949 to the present.

#### **Hermeneutic Authors**

Some of the critical hermeneutic authors presented in this review of literature are Ricoeur (1999), (1992), (1988), (1984), Gadamer (2001), (1999), Geertz (1973), Kearney (2002), (2001), (1984), Barash (1999), Herda (1999), (1990), and Shahideh (2004). The theoretical constructs addressed within this study are ethics and identity. However, in order to look at ethics and identity an understanding of individual identity and collective identity must be ascertained.

A vast amount of literature discusses the need for Wal-Mart and Starbucks to conduct their business practices ethically. Thus, it is imperative that both companies

value ethical action. Ricoeur (1992) is primarily concerned with ethics and ethical action and discusses the significance of the self's relationship with the other. Ricoeur (1992:18) proposes, "the *autonomy* of the self will appear...to be tightly bound up with *solicitude* [a deep care or concern] for one's neighbor and with *justice* for each individual." Thus, it is essential that the self exist in relationship with others.

Furthermore, Ricoeur (1992:3) emphasizes, "the selfhood of oneself implies otherness to such an intimate degree that one cannot be thought of without the other, that instead one passes into the other." Individuals cannot exist in a solipsistic relationship with humanity; the other must be taken into consideration. Therefore, Ricoeur (1992) would affirm that the self is not autonomous and non-relational. In *Time and Narrative Volume I*, Ricoeur (1984:75) discusses the necessity of narrative and emphasizes that "we tell stories because in the last analysis human lives need and merit being narrated." In addition, Ricoeur (1984:3) explains, "the world unfolded by every narrative is always a temporal world."

Simms (2003) book, *Paul Ricoeur Routledge Critical Thinkers*, encapsulates some of Ricoeur's central ideas about narrative identity and ethics clarifying key ideas and allowing the reader to become further engaged in the beauty of Ricoeur's language and the brilliance of his ideas. Simms (2003:101) synthesizes the crux of Ricoeur's analyses "to demonstrate the narrative dimension of human life itself, which justifies hermeneutics not only as a process of reading texts, but of reading lives." Simms (2003:102) succinctly expounds Ricoeur's concept of narrative identity and Ricoeur's claims about narrative. Paraphrasing Ricoeur's (1988) claims regarding narrative, Simms (2003:102) explains, "we have a *pre-understanding* of narrative, and it was this pre-



understanding that we bring to narratives when we interpret them.” Simms (2003:103) employs Ricoeur’s (1992) language from *Oneself as Another* and further clarifies Ricoeur’s concept of narrative and states, “narrative mediates between... *description* and *prescription*.” In other words, as Simms (2003:103) elucidates, “in order to act, I must first describe the given situation in the world, then I must decide what I should do. ‘Describe, narrate, prescribe’ is Ricoeur’s (1992:114) formula for human action.” Ricoeur’s (1981:185) book, *Hermeneutics and the Human Sciences*, clarifies the term appropriation and states that appropriation “means ‘to make one’s own’ what was initially ‘alien’... Interpretation brings together, equalizes, renders contemporary and similar.” This term is significant in understanding the meaning behind the Chinese urban youth’s appropriation of Western ideas and Western model of shopping in urban China as the urban youth interpret foreign products and ideas into their own lives.

In *Time and Narrative Vol. III* Ricoeur (1988) labors to explain the idea of comprehending our lives by *refiguring* our identity and recognize the importance of understanding one’s past in order to reinterpret it. Ricoeur (1988) discusses the conflicts between the present time that an individual experiences and the sense of time that history describes. In Ricoeur’s (1991) *A Ricoeur Reader: Reflection and Imagination*, the reader discovers the significance of the power language. Ricoeur (1991) shares the importance of language and its ability to aid in improving an understanding of oneself. Dauenhauer (2005:6) paraphrases Ricoeur’s (1992) notion of personal narrative identity and expounds on Ricoeur’s (1992) idea about our interconnectedness to each other. Furthermore, Dauenhauer (2005:8) provides the reader with a clearer understanding of Ricoeur’s

(1992) concept of ethics. Dauenhauer (2005:8) provides the reader with a clearer understanding of Ricoeur's (1992) concept of ethics. Dauenhauer states:

though the terms 'ethics' and 'morality' are often used interchangeably, Ricoeur stipulates a distinction between them. In his usage, ethics deals with the domain of that which is taken to belong to a good human life. It is concerned with the overall aim of a life of action. Morality refers to the expression of this aim in terms of norms that are regarded as somehow obligatory (Dauenhauer 2005:8).

In addition, Ricoeur (1992) would argue that there are standards of ethics that are applied broadly throughout the world. In other words, there are universal expectations regarding ethics and ethical principals we should observe. In *Questioning Ethics: Contemporary Debates in Philosophy*, Peter Kemp (1999:283) expounds, "ethics is first of all a vision which shapes us as human beings, as persons able to take our responsibilities for our life with others and with the whole living world." Kemp (1999:285) discusses the important concept of dignity. This concept is applicable to the Wal-Mart workers. Kemp (1999:285) states, "the person's need of the other person is expressed through the consideration accorded to the dignity of the other." Kemp (1999:285) discusses the *irreplaceability* of every person. If Wal-Mart treated each of their workers with dignity and valued their workers this would be ideal and an immense stride towards positive change.

Ricoeur (1992:116) purports that the narrative dimension of personal identity must be considered or personal identity remains fragmented. Sameness, *idem*, helps others understand permanence in time (Ricoeur 1992:116). Ricoeur (1992:114) notes, personal identity "can be articulated only in the temporal dimension of human existence." Ricoeur (1992:116) introduces and discusses "identity as sameness (Latin *idem*, German *Gleichheit*, French *memete*); on the other, identity as *selfhood* (Latin *ipse*, German

*Selbstheit*, French *ipseite*). Selfhood...is not sameness.” Furthermore, Ricoeur (1992:140) emphasizes the relationship between sameness and selfhood and states, “the genuine nature of narrative identity discloses itself...only in the dialectic of selfhood and sameness.” China’s identity is being explained through a myriad of plans, projects and goals organized around economic ventures but more importantly, these economic ventures are influencing aspects of China’s identity as China may ask the question, “Who am I?” and “What am I?” (Ricoeur 1992:122). Herda’s (1990:61) article, *A Critical Hermeneutic Analysis of Foreign Language Teaching: Implications for Teachers in the People’s Republic of China*, notes that throughout the 1980s and 1990s China struggled with “geopolitical, social, and moral challenges in its attempt to become part of the international economic community.” Herda (1990:61) aptly discusses the necessity for teachers to understand the cultural and historical background of the Chinese students that they teach.

Ricoeur’s (1992) two models of permanence in time prove essential for understanding the Chinese urban youths’ past and present. Ricoeur (1999:26) discusses identity and memory states, “one cannot remain constant over the passage of historical time...unless one has some minimal remembrance of where one comes from, of how one came to be what one is.” Ricoeur (1992:118) identifies character and keeping one’s word as attributes that “we easily recognize a permanence which we say belong to us.” Ricoeur (1992:119) delineates that character is a “finite, unchosen perspective through which we accede to values and to the use of our powers.” In addition, Ricoeur (1992:119) posits that keeping one’s word “expresses a self-constancy which cannot be inscribed.” Intent is inextricably linked to keeping one’s word. Ethics are paramount for Ricoeur (1992) and

are linked with the intent in keeping one's word. For organizations like Starbucks and Wal-Mart ethical intent must be examined to ensure that, they are acting ethically with their business practices and keeping one's word, which have individual and global ramifications. Herda explains that:

actions in our communities, organizations, and schools have moral implications. We do not act in situations void of consequences. In all aspects of our lives, we are by implication obliged to use moral knowledge and apply it in particular situations (Herda 1999:5).

According to Herda (1999:5), it is significant to comprehend that "what we see, how we act, and how we reason all determine the extent and limit of our understanding." Herda (1999:5) discusses Gadamer's concept of horizons and notes that Gadamer employs the representation of "a horizon to express the limitations and potentials of our understanding." Moreover, Herda (1999:5) states that Gadamer maintains "that when our horizons change our understanding changes." Herda (1999:5) illuminates that "the burden for understanding is on each of us...to change our horizons." Gadamer's book (2001) *Gadamer in Conversation: Reflections and Commentary* provides conversations with Gadamer discussing influential issues in philosophy and debates with former critics. Gadamer (2001:37) shares an important notion that "understanding does not reach out and take hold of language; it is carried out within language." Gadamer (2001:37) follows "the lead of Heidegger... [and states] the hermeneutic process involves not only the moments of understanding and of interpretation but also the moment of application; that is to say, understanding oneself is a part of this process." Risser discusses Gadamer's explanation that philosophical hermeneutics is about understanding and states:

the way we experience one another, the way we experience historical traditions, the way we experience the natural givenness of our existence and of our world, constitutes a truly hermeneutic universe, in which we are

not imprisoned, as if behind insurmountable barriers, but to which we our opened (Risser 1997:95).

In *Hermeneutics, Religion and Ethics* Gadamer (1999), provides in depth insight into such issues as ethical and moral behavior and mediating ethos. Gadamer (2001:79) defines ethos as a “living network of common convictions, habits, and values.” In addition, Gadamer (1999:27) discusses the value of research in ethics and states, “research in ethics as value itself requires and refines ethical consciousness.” In *Oneself as Another*, Ricoeur (1992:140) makes the important assertion that narratives are “never ethically neutral.” The narrative allows the reader to see a specific view. Ricoeur (1992:143) discusses the significant act of emplotment, which helps the narrative become a coherent story. Therefore, the recounted event possesses unity. Without the “qualities of unity, internal structure, and completeness” the narrative would be extremely disjointed (Ricoeur 1992:143). Ricoeur (1992:92) also discusses human beings ability to make choices and exhibit freewill. However, with free will one must act responsibly and justly in the world. Shahideh (2004:4) emphasizes that “it is through our experiences that we shape our identities, and our future.” In addition, Shahideh (2004:48) explains the self in relationship with the other and states, “one’s understanding of *self* is related to one’s understanding of another. We can only transform the world if we imagine the importance of our interconnectedness with each other.”

Richard Kearney’s (2002) *On Stories* introduces the reader to the powerful capability of stories; both told and lived as connections to one’s history. Kearney (2002:31) provides a relatable depiction of “exploring the critical role narrative retelling plays in our actual lives.” Kearney (2002:69) concludes, “that narrative remembrance can help us represent the past as it really was *or* reinvent it as it might have been.” Thus,

understanding the significance of stories improves the reader's comprehension of the research participants as storytellers.

Ricoeur (1992) places a value on two types of narratives, historical and fictional. Ricoeur (1992:1-25) purports fictional narratives are more "true" than historical narratives since it has expression of the self in the fictional narrative. Narrative identity is the ability of a person to tell his or her own story, which is the essence of narrative identity. We do not have an idea of who we are until we communicate with other people and tell a story. Identity is the process of telling stories lived, told and re-imagined (Ricoeur 1992). For Ricoeur (1992) collective identity is twofold. Foremost, you belong to a group identity and the group identity is collective in that it is created in the grand narratives [or the history books] that are told or written; thus, shaping one's collective identity. Barash (1999:39) discusses collective identity and states, "a second aspect of collective memory comes to light in relation to the *singularity* of momentous events of public significance, events which are recounted by historians and become an object of commemoration." It is the act of sharing experiences with a group of people and that creates an event that sparks a kind of recognition.

Ricoeur (1999) would affirm that collective identity is the shared and differing narratives of events or series of events that come to shape a particular community. As Ricoeur (1992:194) discusses in *Oneself as Another*, human beings are constantly in relationship with the other and the conception of this existence with others starts with the realization that one cannot exist in a solipsistic relationship with others in our communities and our organizations. Our collective identity stems from a need to belong. For China, their collective memory about historical events like, the 1958 Great Leap

Forward led by Chairman Mao Zedong or China's entrance into the World Trade Organization (WTO) in 2001 were all experiences that helped shape their collective identity. Even if you did not directly participate in the event, you still share in the event through stories or media. Watching the event on television, reading about the event, or hearing about the event through a story are powerful ways one can participate and share in the event that can leave "a deep trace on public memory" (Barash 1999:39).

Ricoeur's (1999:8) theory of collective identity is imperative in order to reflect upon the violent events that shape a culture's collective identity. Ricoeur (1999:8) postulates, "that most events to do with the founding of any community are acts and events of violence... [and that] collective identity is rooted in founding events which are violent events." According to Ricoeur (1999:9), "the founding events...are the ground of a collective memory. It is very important to remember that what is considered a founding event in our collective memory may be a wound in the memory of the other." China's political and historical past is laden with turmoil and violent events that helped form China's collective identity. Elliot (2005:2) discusses the violent events that shaped China's cultural and political history. Elliot (2005:2) states, "that China suffered through the foreign interventions [which led to]...homegrown catastrophes: rebellions, revolutions, civil wars, famine and unspeakable cruelty." In addition, Elliot (2005:2) discusses that the Chinese word for chaos *luan*, "is perhaps the single most important concept that the outside world [should]...grasp about the new China, for the memory of the long years of chaos continues to have a profound impact on Chinese thinking today."

Ricoeur (1999) would argue that memory plays a crucial role in recounting China's history. Furthermore, Ricoeur (1999:8-9) would affirm in order to move forward

one must remember the founding events that shaped China's collective identity. Ricoeur (1999) asserts that memory helps people remember the past through the present. Ricoeur (1999:9) significantly states, "the duty to remember consists not only in having a deep concern for the past, but in transmitting the meaning of past events to the next generation."

Clifford Geertz (1973) reminds us that the study of past events from a society's culture is significant to understanding future generations. In *The Interpretation of Cultures: Selected Essays*, Geertz (1973) focuses on culture and provides descriptions of culture and an astute examination of ethnography research of past human societies. As Clifford Geertz's (1973:49) notes, "culture...is not just an ornament of human existence but...an essential condition for it....There is no such thing as a human nature independent of culture." Geertz (1973:14-15) offers an insightful contribution of ethnographies as interpretations. As Geertz (1973:15) reveals, "anthropological writings are themselves interpretations." Geertz (1973) would recognize that in order to interpret and reconstruct a culture's past, memory is essential. Moreover, Ricoeur (1999) discusses the fallibility of memory since memory can misrepresent the past as opposed to accurately representing it. Therefore, Ricoeur (1999:10) emphasizes that we possess "a duty to tell...as a means of fighting against the erosion of traces; we must keep traces, traces of events, because there is a general trend to destroy." In addition, Ricoeur (1999:11) conveys, "the duty to remember is a duty to teach." The influence of teaching is reinforced as one learns through discourse in both the public and private sectors.

Habermas (2008:12) eloquently discusses the notion of "public and private spheres." Herda (2006) expounds the significance of culture that generates "meaning in



public space.” Additionally, Habermas (2008:14) provides insight into the realm of learning from others and states, “this is only possible in the public space of a culturally stimulating milieu.” In discussing powerful capabilities of discourse, Habermas (2008:16) explicates, “it is supposed to ensure that the unforced force of the better argument prevails.” Noteworthy thinkers, though divided into two philosophical worlds, may significantly contribute to the interaction of religion, theology and philosophy.

Kearney’s (1984) book, *Dialogues with Contemporary Continental Thinkers: The Phenomenological Heritage* is a compilation of remarkable conversations with noteworthy philosophical thinkers. Through these conversations, Kearney (1984) provides an in depth view into two divided philosophical worlds, the Anglo-American and the Continental world of thought. Kearney (1984:1) provides a significant contribution “to the formation of a more comprehensive dialogue between these two intellectual cultures.” Kearney (1984) clarifies the philosophical language of Continental thinkers that can be challenging to comprehend. Kearney (2001) *The God Who May Be: A Hermeneutics of Religion* discusses the eschatological adventure and interaction of religion, theology and philosophy. Gadamer’s (1976) *Philosophical Hermeneutics* discusses the importance of language as the basic mode of operation which allows one to understand philosophy. Gadamer (1976:3) pertinently discusses “the topic of language” as being necessary to the core of “philosophical concern.” Gadamer (1976:3) tells us, “language is the fundamental mode of operation of our being-in-the-world and the all embracing form of the constitution of the world.” In *Truth and Method*, Gadamer (2004:386) vividly states that human beings live in language and thus, “understand a language by living in it.” Gadamer (2004:387) discussing conversation and understanding

expounds, “conversation is a process of coming to an understanding. Thus it belongs to every true conversation that each person opens himself to the other.” The recognition of language as a form of action is essential in all realms of our existence in the world; this includes global companies understanding the powerful influence language holds when dealing with communities in foreign countries.

### **Globalization, Trade and Commerce**

Both Friedman (2006) and Apel (1999) discuss the influence of globalization on other countries. Apel (1999) refers to globalization as “planetary intertwinement of human relations on the levels of technology, economics and politics.” However, Apel (1999) is more concerned with the “challenge of globalization on the levels of culture, morality and a morally inspired reorganization of law.” In addition, Wang and Xie briefly state the various meanings of globalization and discuss that:

some critics maintain that globalization essentially means the unification or Americanization of the world's culture; some insist that globalization is not necessarily the story of cultural homogenization or Americanization but instead encourages and creates cultural diversity and protean difference. There is a general anxiety behind the debate: the fear that the ongoing processes of globalization are threatening to level or erase various historically formed local cultures (Wang & Xie 2006:1).

Klein (2001:15-16) discusses the integral concept of brand image that both Wal-Mart and Starbucks capitalize upon. Klein elucidates the corporate power behind branding and discusses the powerful ramifications of branding. According to Klein, branding:

changes our culture and, most importantly, it changes our relationship with meaning itself...part of the reason these companies have become so successful at becoming meaning brokers is because we have left many of these powerful ideas unattended. Who else was speaking to young people in a language of ideas and inspiration? (Klein 2001:15-16)

Starbucks and Wal-Mart recognize the role both corporations play as change agents for consumers in the globalized marketplace. Starbucks founder, Howard Schultz, recognizes the powerful capability and influence that the Starbucks corporation holds on consumers worldwide (Gallo 2006). Klein's (2000:xix) book *No Logo: Taking Aim at the Brand Bullies*, presents an engaging journalistic expose approach to report on the complaints against "brand-name corporations [and] the effects of aggressive corporate sponsorships and retailing on public space and cultural life, both globally and locally." In addition, Klein (2000) presents a cultural analysis of corporations such as Wal-Mart and Starbucks and their advertising and business practices.

Klein (2000:20) reports that "Scott Bedbury, Starbucks' vice president of marketing, [emphasizes the significance of brands establishing] 'emotional ties' with their customers." Therefore, the image that companies sell can hold greater significance than the products themselves since the image corporations create holds meaning. As Klein (2000:21) notes, the "new breed of companies [see themselves] as meaning brokers instead of product producers. What was changing was the idea of what—in both advertising and branding—was being sold." Furthermore, Klein (2000:21) elucidates that what is being sold is "the brand as experience, as lifestyle." Through participating in the meaning making business as opposed to the product-centered business, corporations can colonize public or social spaces, cultural spaces, individual identities and possess the power to reach the communities through their stories (Klein 2000, Klein 2001). In an interview with Howard Schultz, Gallo (2006) highlights a conversation with Schultz about the powerful leadership capability of "stories [that allow] people to buy into one's vision" and create meaning around the product the company sells. Thus, Starbucks and

Wal-Mart are the meaning brokers in the globalized marketplace that sell shares of modernization to the rising Chinese middle class consumers.

Robert Greenwald's (2005) film, *Wal-Mart: The High Cost of Low Price*, presents a thoroughly researched guide through the many dimensions of Wal-Mart's past and present global influence. Specifically Greenwald's (2005) film portrays the horrendous working conditions of the Chinese factory workers, most of whom are women. In addition, Greenwald's (2005) film depicts heart-wrenching accounts of the factory workers daily lives working in some of the factories Wal-Mart owns and stories from previous Wal-Mart managers and workers. Greenwald's (2005) film elucidates the illusive business practices of Wal-Mart in America and China. Greenwald's (2005) film helped contextualize the reasoning behind the positive image Wal-Mart's advertising and television commercials project globally. Wal-Mart's advertisements project a family image while advocating that the corporation care about the members of its community and its employees.

Greenwald (2005) poses numerous questions in the film *Wal-Mart: The High Cost of Low Price*, and investigated what Wal-Mart was hiding by spending exorbitant amounts of money convincing the consumer that they care for the workers and members of the community. The data from research conversations and the compilation of articles, books, and poignant accounts from the employees, managers, and factory workers from Greenwald's (2005) film shows, Wal-Mart's advertised persona does not accurately reflect their intentions. Delving deeper into Wal-Mart's business practices in China it is evident that Wal-Mart is operating under the guise of the corporation's smiley faced advertising campaigns. Unfortunately, Wal-Mart is the only one apparently smiling. In a

conversation in September 2007 with Kerry Candaele, co-producer of the movie *Wal-Mart: The High Cost of Low Price*, Candaele discusses the appeal of Wal-Mart to the consumers and to business people. In our conversation in September 2007 Candaele emphasizes, “Wal-Mart appeals to consumer’s pocketbooks and for business people Wal-Mart is a model of efficiency, non-union, profit maximization, streamlined production and distribution process.” Lichtenstein (2006) exceptionally probes into Wal-Mart’s social influences, the company’s culture, business operations, and the role Wal-Mart plays in the world economy and in the United States.

Starbucks epitomizes another transnational corporation that may be acting as a cultural demolisher in urban China. According to the Starbucks (2006) website, the company constantly desires global expansion; thus, the potential for expansion can generate more cultural issues in the communities they occupy. Hallmark’s article (2007:1) *Americanization of Global Culture*, poses a question about corporations such as Starbucks and Wal-Mart’s influence on the cultural differences worldwide that warrants reflection, “As corporate giants like Wal-Mart...and Starbucks dot the globe, fueled by entrepreneurship ideologies, are they diluting the distinct cultural differences of our world?” In addition, Hallmark (2007:1) defines “global culturization as a diffusion of cultural values and ideas across national borders.” Wal-Mart’s (2007) website boasts operations “in 16 markets worldwide” and represents another international corporation that desires global expansion and possesses the capability to influence global communities socially and culturally.

Stroupe (2006) *Asia times* journalist discusses the concept of, “*multipolarity*...that no single pole is inordinately dominant over the others [however, conversely states that

China is one pole that possesses a] “meaningful degree of control.” Hallmark (2007:1) succinctly discusses the meaning of culture as “a society’s conglomeration of its language, spiritual practices, social mores and values, transmitted from one generation to another; it is tacit and esoteric and [further emphasizes] it is precious and fragile.” Hallmark (2007:1) pertinently discusses Starbucks previous presence in China’s Forbidden City as surprising and that the company creates an “atmosphere of appearing chic and hip...and dare I say, American.” Starbucks does not have a history in the same way that China’s Forbidden City has a history. Ricoeur’s (1984:175) book *Time and Narrative*, examines the “indirect connection that must be maintained...between history and our narrative competence.” Consequently, Starbucks has no acknowledgement of time. In an in class lecture Herda (2007) asserted the powerful capabilities of narrative stating, “narrative can bridge time and space; [thus,] there is nothing as powerful as a story re-told.” Given that, the quality of the narrative is up for question with Starbucks, it is essential that China be allowed to re-tell its own story. Otherwise, by giving up their stories the Chinese youth may risk Starbucks or other Western companies exploiting them. However, how do we retell the story of the Forbidden City? Furthermore, who has the power to retell it? These vital questions should be established in order for China to begin the process of reconstructing and re-telling its own story.

Friedman (2008) addresses the ravenous pace of global resource consumption in *Hot, Flat and Crowded* and elucidates that attaining the American middle-class lifestyle comes at a high price for Americans and other nations. Specifically, Friedman (2008:55) posits:

in a world that is both flat and crowded, if we, as Americans, do not redefine what an American middle-class lifestyle is—and invent the tools

and spread the know-how that enable another two or three billion people to enjoy it in a more sustainable fashion—we will need to colonize three more planets.

Furthermore, discussing Zou Hanru's October 2005 *China Daily* column, Friedman (2008:7) states the message "from Zou's column [is] that China will not be able to be China if it continues to just copy American-style consumption." According to Friedman (2008:76), America has to lead the way "in redesigning and reinventing what living like us means—what constitutes the 'American way' in energy and resource consumption terms." Both Starbucks and Wal-Mart claim to be socially conscious projecting this image in their advertising campaigns, on their companies' websites and to the world. However, some research suggests that they are not as socially conscious as they advertise (Brave new films 2009a, Lichtenstein 2006, Greenwald 2005, & Klein 2001).

The Brave new films (2009a) campaign elucidates the commonalities between Starbucks and Wal-Mart and states, "both corporate giants have long track records of harassing their workers when it comes to joining unions." In addition, Brave new films website reveals:

both companies have a sordid union-busting past. Both intimidate and terminate workers who seek to organize and negotiate fairer wages and health benefits. And both have repeatedly violated federal labor laws and spent millions in legal fees to quash unionization efforts and punish workers (Brave new films 2009b).

Wen (2005:10) provides a closer look behind the image of social responsibility that some corporations advertise and states, "Western corporations proudly point out their contributions toward creating happy workplaces—introduction of clean technology, worker safety measures, etc. While some factories have incorporated higher environmental and labor standards, they are the exception." Moreover, Hallmark (2007:1) mentions that some strongly "caution that corporate social responsibility is simply a PR

tactic designed to circumvent debate over the negativity associated with U.S. corporations stepping into developing countries unabated.” Wen (2005:10) contributes a significant discussion that “many corporations eagerly display such ‘flagship’ factories; however, they do not reveal that the majority of manufacturing is done by contract factories where worker and environmental abuse continues far from the view of Western consumers, shareholders, and media.” Furthermore Wen (2005:11) reports, “global trade policies, such as agreements in the WTO, [hampers governments’ from establishing rights to set labor, environmental] and public safety standards by restricting rules that may be ‘trade barriers.’” Thus, Wen (2005:11) concludes, since there are no effective minimum standards to thwart corporations from substandard business practices, corporations seek out cheap labor and the lowest environmental requirements.

As Wen (2005:11) states, “China is now a corporate haven of low worker and environmental requirements and its benefactors are mainly foreign firms and Western consumers.” Additionally, Wen shares a strong statement about the plight of some of China’s working class and affirms:

China has become a ‘factory owned by the world’ instead of a ‘factory of the world.’ Its vast working class has essentially become the slave labor for the world churning out more and more cheap consumer goods, while the majority of Chinese people gain little or no benefits (Wen 2005:19).

Wen (2005:17) discusses the urban reform in China and the opportunities that foreign corporations obtain, “central features of the urban reform included privatizing state-owned enterprises (SOEs) to be more market oriented; opening up to foreign capital and investment; and the creation of Special Export Zones (SEZs).” In an effort to attract direct foreign investments, the “special or ‘free’ economic zones [in China function uniquely as they provide] tax incentives to foreign- and joint-owned corporations” (Wen



2005:17). These tax incentives include “exemption from paying taxes in their first two profit-making years; tax write-offs of employee wages; and other such privileges” (Wen 2005:17). Consequently, Wen (2005:18) elucidates, “as more SOEs [state-owned enterprises] gave way to foreign- and joint-owned businesses, sweatshops became the norm” (Wen 2005:18). In “*Moral Reticence*”: *Corporate Management’s Tendency to Avoid Addressing Ethical Issues*, Li (2006) discusses corporation’s tendency to avoid addressing ethical issues.

Li (2006) poses an imperative question that international corporations practicing or beginning their business need to address. “How should the corporation behave and which types of actions should be adopted?” (Li 2006:197). It is significant to include that Li (2006:197) emphasizes “corporate morality [as] the structural linch pin [that links] together business performance and ethical relations.” However, some organizations according to Li (2006:198-199), “hold an attitude of ‘moral evasion,’ in which it is believed that the behavior of enterprises is neutral and hence can only be judged by factual evaluations and non-value judgments.”

Kline (2005:190) discusses the appeal of Starbucks to the rising middle class in China and states, “Starbucks’ appeal aims at the growing Chinese middle class rather than the entire population, most of whom cannot afford the product’s high cost relative to local standards.” Furthermore, Kline (2005:190) affirms, “the attraction is not the taste of the Starbucks’ coffee but rather the image associated with its very public consumption.” In addition Kline (2005:190) discusses that a customer in Shanghai reportedly “preferred the taste of tea” over coffee, “but buys coffee from Starbucks because ‘it’s an attitude’—one of ‘relaxed affluence.’” Starbucks created a subculture of its own and wants to

change the Chinese tea culture, predominantly the youth's taste for coffee (Kline 2005:190). It is significant to note that the coffee culture represents a faster paced culture and the tea culture represents a slower paced culture. Starbucks envisions China as the premier place to expand its market as well as its profit. In addition, Starbucks wants to make its mark on China's culture; thus proving precarious since Starbucks is not guided with *solicitude*, Ricoeur's (1992) concept of possessing deep care for the other. Starbucks founder Howard Schultz's lack of altering Starbucks marketing strategies from coffee focused to more tea focused displays the organizations lack of accommodation and respect for the Chinese culture (Wang 2007).

Thompson and Arsel (2004:631) appropriately quote Falk and Ritzer's notion that, "global brands are the Trojan horses through which transnational corporations colonize local cultures." Transnational corporations gain power from trade laws. Therefore, it is significant to ascertain how trade laws undermine culture. In 2001, legislation was passed that according to Wilson (2007:40), "normalized trade with China." Consequently, Wilson (2007:40) reports "this legislation was supposed to do two things: 1) open China...to American goods and 2) smooth the path for China to become a member of the World Trade Organization (WTO)." Wal-Mart benefits tremendously from China becoming a member of the WTO. Furthermore, Wilson (2007:40) notes China's membership with the WTO provides Wal-Mart with "lower tariffs on foreign-made goods" that their company imports.

Jensen and Weston's *China's Transformations*, (2007:1-4) discusses the amalgamation of goods and services of centuries old China with the modern

technological powerhouse, the United States. Many in the United States view China's rapid, "aggressive" growth with concern. Jensen and Weston further exclaim:

the economic entanglement of the United States and China is commonly portrayed as a product of globalization. Although trade driven by the United States escalating demand for cheap manufactured goods and China's overabundant and cheap labor supply creates conditions of mutual independence...this economic relationship is now distorted by a dramatic global financial phenomenon: U.S. fiscal insolvency (Jenson & Weston 2007:5-6).

The United States has transitioned from one of the world's foremost manufacturers to a major consumer based country, which has complicated the relationship between the United States and China. Jensen and Weston elucidate the United States dependence upon China:

today the U.S. foreign trade deficit with China is but one aspect of the United States' economic dependence on the world's largest manufacturer. The more important aspect of this strained relationship is the Chinese ownership of huge amounts of U.S. national debt...in part to ensure the economic viability of the world's largest economy and as well to purchase a means of future foreign policy persuasion (Jenson & Weston 2007:6).

Benewick and Donald (2009) discuss the interdependence between United States and China as a tug of war for power. Furthermore, Benewick and Donald posit:

economic power grants China considerable leverage in international relations...The big if-and-when question within the region and the wider international system is whether there will be a struggle for dominance between the USA and China—and whether that will play out through economics and trade or some more deadly means (Benewick & Donald 2009:10).

According to Saich (2009:8) in the foreword of *The State of China Atlas*, "China is now the largest recipient of foreign direct investment in the world, most multinational corporations have a China strategy and many countries are trying to align their own production strategies to meet China's development." Authors Saich (2009), Benewick

and Donald (2009:9) discuss China's immense economic growth and state, "China is among the top trading nations; that its economy is one of the world's largest; and that it is one of the nations attracting the most direct foreign investment." It is significant to note the highest minimum wage levels that the Chinese government offers in "Shanghai 570 Yuan per month," is only for a small portion of the working population (Croll 2006:301). Davies (2007:7) suggests that Wal-Mart helps China by providing jobs teaching managerial skills, communication skills, and "foundational beliefs" of the company to generate a "motivational atmosphere among store employees."

Wilson (2007) illuminates Wal-Mart's lack of ethics and *solicitude* in the way they conduct business with other cultures. Wilson (2007:39) emphasizes that Wal-Mart is not concerned "with the loss of quality, or the collapse of American-made goods, or the demise of the small retailer. Wal-Mart has only two interrelated concerns: growth and profit." Some research suggests that it is atrocious that an organization such as Wal-Mart has become such a dominant force of influence in the global market (Lichtenstein 2006; The International Labor Right Fund 2006; Fishman 2006). Fishman's (2006) book, *The Wal-Mart Effect* provides a detailed company background on Wal-Mart and discusses the company's powerful global presence. Backer (2007:37) discusses the harsh demands Wal-Mart exerts upon its suppliers in order to considerably lower prices; thus, pressuring "suppliers to reduce their price, or risk losing its relationship with Wal-Mart." Wilson discusses Wal-Mart's ruthless demand for the lowest prices from manufacturers stating:

Wal-Mart's large number of low-income consumers gave it the leverage to demand unprecedented cuts in prices from manufacturers and even changes in the products themselves. If a high-quality product couldn't be made cheaply enough, Wal-Mart would demand a similar product made with cheaper (and less durable) materials (Wilson 2007:36)

Evidently, Wal-Mart is not concerned with the quality of its products, only the ability to increase their profit even if it means cheating or exploiting workers in the process.

Backer's article *Economic Globalization and the Rise of Efficient Systems of Global Private Lawmaking: Wal-Mart as Global Legislator* discusses the financial incentives that attract Wal-Mart towards cheating and exploiting workers:

downward price pressure creates incentives for suppliers to “cheat” by finding extra legal or illegal methods for preserving margins while meeting Wal-Mart's demands for lower prices. These methods of cost cutting can include the hiring of undocumented labor from abroad, charging foreign labor for the privilege of working abroad, and engaging in forced labor practices from passport confiscation, to mandatory excessive hours for minimal to no pay, to the deployment of the local police power to intimidate complaining workers (Backer 2007:38).

Sam Walton's “Buy American” campaign during the 1980's and 1990's additionally illustrates Wal-Mart's reprehensible business strategies to attain growth and profit at any cost. Sam Walton's “Buy American” campaign hinged upon Wal-Mart getting the cheapest price from suppliers manufacturing their products in the United States. According to Wilson (2007:39), Walton executed the “Buy American” campaign surreptitiously veiling from the public that he would “Buy American only when it [was] cheapest.” When foreign goods became more cost effective, American products were phased out even if their quality was superior. In addition, Wilson (2007) reported that Wal-Mart blatantly lied to the American public about most of their products being made in the other countries while promoting Walton's “Buy American” campaign. Furthermore, Wilson (2007) notes that Wal-Mart cunningly obscured from the public that they were setting up factories overseas during the “Buy American” campaign.

Wilson (2004) reports the horrible working conditions the young women must face each day working in the Chinese factories in order to meet Wal-Mart's order

deadlines. The women work in the factories for six cents an hour enduring 18-21 hour days, seven days a week, depending upon the size of the order Wal-Mart demands (Wilson 2004). The combination of lengthy hours, hazardous working conditions, sleep deprivation, and the constant reminder that each worker is expendable proves increasingly detrimental to the women's physical and emotional wellbeing. In Wilson's (2004) article, *Everyday Low Prices...and Wages*, Wilson quotes some of the factory workers that discussed the horrendous working conditions. One woman admitted knowing several woman workers who had fainted and even died from exhaustion due to being overworked. Wilson (2004:41) reported that according to a woman interviewed by the China labour bulletin, "the ones who faint are lucky." Additionally, Goodman and Pan's (2004:A01) article *Chinese Workers Pay for Wal-Mart's Low Prices*, depicts the crisis most of the woman workers face. Goodman and Pan (2004:A01) declare, "even if a woman decides to give up, to go back to her family and rural poverty, she often can't: several months' wages are often held in arrears to prevent women from leaving."

In addition, Goodman and Pan (2004:A01) report that workers are constantly reminded of their expendability "in a nation with hundreds of millions of surplus workers [a sign on the wall reads]: "If you don't work hard today, tomorrow you'll have to try hard to look for a job." According to Goodman and Pan (2004:A01), although, "Wal-Mart employs 100 auditors who annually inspect every supplier's factory, [Wal-Mart does not] conduct regular inspections of smaller factories that sell goods to the company through middlemen." Li Qiang, a labor organizer states in the *Washington Post*, "if Wal-Mart really wanted to monitor conditions among its suppliers...it could do so with surprise visits, longer inspections and independent auditors. But if they did that, prices would

definitely go up” (Goodman & Pan 2004:A01). Moreover, it is noteworthy to discuss Wal-Mart’s response regarding why they continue doing business with factories that subject workers to substandard working conditions. Backer (2007:25) references a letter from one of Wal-Mart’s public relations executives that responds to the imperative question, “Why doesn’t Wal-Mart immediately stop doing business with any factory where working conditions are substandard?” Backer emphasizes that Wal-Mart’s reply is significant to quote in full:

Our answer is that once we discontinue business with a particular factory, we lose our ability to influence improvement, which then leads to meaningful and positive change for the workers involved. In addition, there is always a risk that if we discontinue production in a particular supplier factory, then the factory conditions may deteriorate. It is for that reason that Wal-Mart works with its suppliers and their factories to bring about positive change (Backer 2007:25).

Backer (2007:17) states, although the National Labor Committee (NLC) provides an immense assistance by investigating and “exposing human and labor rights abuses committed by U.S. companies [that] produce goods in the developing world,” it seems arduous for the (NLC) to expose the poor working conditions in all of the factories it investigates. Backer (2007:17) reports that the National Labor Committee’s current “focus is on Nicaragua, Honduras, El Salvador, Costa Rica, Guatemala, China, Jordan, and Bangladesh.”

As Backer (2007:39) notes, “Wal-Mart provides us with a focus for understanding the way in which the social space is coming to be organized under the forms of action that drive modern economic globalization.” In addition, Backer emphasizes that Wal-Mart’s actions:

suggest the power of functional differentiation—Wal-Mart is interested in the production of wealth, not regulation, and thus, regulatory systems are incidental. Political communities, on the other hand, in a world dominated

by ideologies of legal positivism, at their functional limits, are interested in the production of regulation and incidentally in the object of that regulation (Backer 2007:33-34).

Herda (2007) states in an in class lecture, “law is procedural and based in community and it holds people responsible.” If this is true then it is imperative that Wal-Mart be held accountable for its actions. In an in class lecture, Herda (2007) paraphrases Habermas’s assertion that the law needs to be a guide and move people freer in an equitable situation. Therefore, as Herda (2007) notes, “we need laws that guide us toward equity.” According to Wal-Mart Watch (2008), an organization that reports the numerous issues and abuses of this organization locally and globally, documented that on September 16, 2008, “all 108 Wal-Mart China stores agreed to and signed collective contracts... This historic breakthrough was the result of the legal push by China’s labor union to organize Wal-Mart.” Wal-Mart Watch expounds that all Wal-Mart store contracts include: provisions on yearly wage and hour increase consultations in addition to including many, if not all, of the following provisions on: break time, holiday time, contract supervision, insurance, worker safety, women workers’ special rights and benefit protections, worker discipline, worker training [and] work quotas (Wal-Mart Watch 2008).

It is significant to note that the collective contracts represent the laws mandated and fought for by China’s labor union in hopes of guiding the workers toward an equitable future. Although Wal-Mart Watch (2008) expounds, “the success of Wal-Mart has been tempered by a series of setbacks as reports have revealed that Wal-Mart procures goods, such as toys and apparel, from sweatshops that use toxic materials and unpaid labor.” Wal-Mart Watch (2008) reveals the reports about the companies’ issues in spite of Wal-Mart’s success in China.



Thompson and Arsel (2004:638-639) discuss Starbucks communal influence and assert, “the Starbucks revolution has crystallized and propagated a particular kind of third-place experience (coffee shop patronage); it has shaped cultural expectations and ideals about what coffee shops should be.” In addition, Thompson and Arsel (2004:631) discuss “the hegemonic influence [that] Starbucks exerts.” Thompson and Arsel (2004:632) define a *hegemonic brandscape* as something that “not only structures an experience economy market...but also shapes consumer lifestyles and identities by functioning as a cultural model that consumers act, think, and feel through.” Starbucks consciously and strategically thinks about how to get others to buy into their culture.

According to Clark:

Starbucks is a far subtler threat, its methods more insidious. For one, the company has buffed its public image to such a high sheen that unless you’ve spent time investigating its effects on the world, you would think Starbucks was a branch of the United Nations (Clark 2007:143).

Unfortunately, Starbucks lacks the ability to attempt to understand or “think with the other” outside of the Starbucks culture (Herda 1999:107). Therefore, Ricoeur’s term *alterity* or the other would be applicable. Those who do not integrate into the Starbucks culture by not using the language, or buying into the organizations story, become the other. We must be in relationship with the other to have any type of identity. Thompson and Arsel (2004:631) assert an important notion about Starbucks role in the global market place, “Starbucks has become a cultural icon for all the rapacious excesses, predatory intentions, and cultural homogenization that social critics attribute to globalizing corporate capitalism.” Plog (2005) provides the history of Starbucks and the companies’ expansion overseas and specifically discusses Starbucks development in China.

According to *The Economist* article, *Starbucks Just Add Water*:

on February 17<sup>th</sup> in New York [Howard Schultz] unveiled Via, an instant coffee which, he claims, tastes just as good as Java brewed in the shop by one of the firm's baristas. Mr. Schultz hopes to win a share of the \$17 billion or so the world spends on instant coffee (2009c:65).

With Starbucks new interest in investing in instant coffee the company hopes to gain a strong hold in that lucrative global market. Kline (2005:190) discusses Starbucks' emerging influence that may pose a challenge to cultural traditions and the local culture in China. Kline states:

for China, the opening to global forces comes through explicit government decisions with active attempts to exercise regulatory control over the operations of foreign multinational companies....even this centrally planned and controlled economy faces monumental challenges to manage foreign influences through multiple layers of regional and local governments across business sectors being transformed under the dynamic of growing market forces (Kline 2005:190).

These market forces are influenced by an aging population, which is transforming the Chinese family. According the Liu's (2008:41) article, *China's New Empty Nest*, the Education Ministry of China is reintroducing Confucian studies to educate the young Chinese about the need to respect their elders and care for their parents. Many Chinese youth, according to Liu (2006:41) are moving away from their parents and even leaving the country in search of new lives, which is altering China's family and individual identities.

Although quality research exists on the influence of globalization in China, the research predominately emphasizes the positive economic influence and historical background to elucidate China's immense progress. Some research discusses the environmental influence of globalization and insightfully discusses some of the human rights issues workers face in the midst of globalization in urban China; however, additional research needs exploration from the workers in a free and just arena. A vast

amount of quality literature also exists about international business ethics; however, further research is necessary to help improve social injustices, human rights issues, worker safety issues in relation to foreign companies' business conduct in China.

### **China's Transitional Identity**

China's history is laden with political, social and economic struggles as the country attempts to become part of the modernized world. The Library of Congress (2005) provides efficient and valuable information about the historical background on China. Specifically, the Library of Congress (2005) offers knowledge about the social classes in the People's Republic of China and the Chinese communist party (CCP). Fei (1992), a social scientist from China, skillfully presents an in depth view of the nature of Chinese society. Both Fei (1992) and Baocheng (2004) state that China has been moving from a centrally planned socialist economy to a market-oriented consumer society. China's President, Hu Jintao presents a speech at the 2005 Fortune Global Forum that emphasizes China's profound 5,000-year-old history as China takes a strong foothold in the capitalist marketplace.

Williams (1997) documentary *China: A Century of Revolution*, discusses how China desired to become industrialized and enter into the global marketplace. In addition, noteworthy historian and researcher, John Fairbank's (1983) authoritative account of China's history and analysis of Chinese society, discusses China's desire to enter the international marketplace. Wenquin (2007) authoritatively explores the life of the revered communist political leader of China, Zhou Enlai. As the first Premier of the People's Republic of China (1949-1976), Zhou Enlai was an instrumental diplomat that promoted peace with Western nations and greatly supported cultivating China's communist

economy (Wenquin 2007). Mao Zedong's Great Leap Forward in 1958 attempted to have China participate in refining steel in order to catch up with Europe and America (Tilt & Young 2006, Fairbank 1983). The goal of the Great Leap Forward was to advance China from an agrarian society to an industrial powerhouse in fifteen years (Williams 1997, Fairbank 1983).

China's strained relations with their former ally, the Soviet Union, and China's desire to encourage Europe and the United States of America to invest in bolstering their industrial capacity, led to a reevaluation of its foreign policy (Williams 1997; Tilt & Young 2006). Tilt and Young (2006:2-3) report that for China, "development entails overcoming what is collectively perceived as the nation's backward, 'feudal' past by leveraging science and technology in a march toward an imagined, if uncertain, future of prosperity." China's impressive move towards modernization has altered the social infrastructure and family structure of a once agrarian culture.

Baocheng (2004:215) discusses "in the traditional society of China, the family was the basic unit of social production. Out of this fact...[a] series of ethical principles [were developed] that bound the Chinese tightly in their homes." Furthermore, Baocheng (2004:215) emphasizes the "heavy dependence on [one's] family" and that this dependence on family "produced inertia and conservativeness." The youth that grew up under the stringent conditions of the one-child policy, make up the rising middle class in China. The one-child policy greatly influences the family's identity (Baocheng 2004). The one-child policy allows families to have improved wealth in some respects since the families can afford to spend or invest in the education of their child (Tilt & Young 2006). Agrarian families needed large families to support working in the field crops; however,

urban families living in more congested environments are able to organize their earnings utilizing smaller families. Baum and Baum (1979:102) discussing Chinese culture note that in the early stages of childhood the child is considered part of a group that belongs to “the entire extended family.” Therefore, Baum and Baum (1979:102) state that Chinese society encourages loyalty to one’s family and to the state.

Higgins (2001) book, *World Philosophy* provides an in-depth discussion about world philosophy and specifically elaborates on Chinese Confucian philosophy. Higgins (2001) explores the Confucian tenet of filial piety or *Xiao*, one of the prime virtues of Confucian philosophy. *Xiao* is a deep respect for one’s parents and grandparents (Higgins 2001). The author discusses the notion of reciprocity between children and parents and respect for one’s ancestors. Bennett’s (1979:213) essay *Traditional, Modern, and Revolutionary Values of New Social Groups in China* states, “[t]he public Welfare (*gong*) should be placed ahead of individual welfare, but the meaning of *gong* is very abstract.” According to Bennett (1979:213), placing the needs of the family unit or the needs of the group “ahead of individual welfare” was prevalent traditionally in China. Bennett (1979:214) illustrates the shift from late premodern Chinese values to the acceptance of modern Chinese values stating, “individual identity and dignity should be respected without reference to the group to which a person belongs.” Furthermore, Bennett (1979) discusses the emphasis of valuing one’s individual identity, which would never have been considered in China prior to modernization. Thus, the notion of self and individualism are recent additions to Chinese culture.

Herda (1990:53) discusses the Chinese perspective and elucidates, “they bring, for example, the idea of a state-dominated country rather than an individual-dominated

society.” Although Chinese society values loyalty to one’s family, Baum and Baum (1979:102) emphasize, “Chinese society does not emphasize the nurturance of the ego-centered “I” as the core element of the budding personality.” Thus, Baum and Baum (1979:102) report, “the traditional Chinese [emphasis] on group norms and group membership...continues to be paramount in contemporary China.” However, Elegant (2007:1) reports that the rising middle class are increasingly becoming more “I” focused and moving away from the traditional Chinese emphasis on group membership.

Furthermore, Tilt and Young (2006:3) emphasize, “to examine economic development in contemporary China is to witness one-fifth of humanity (more than 1.3 billion people) undergoing some of the most dramatic changes to livelihood and lifestyle in history.” This tremendous paradigm shift from China’s agrarian past toward its technologically centered future has placed a significant strain on the traditional Chinese family structure (Liu 2008:41).

Currently, China is making immense strides to ease its central control of its people and allow the capitalist genius system to work. China’s President Hu Jintao gave a speech on November 4, 2006 at the China-Africa summit and discussed the necessity for forging a China-Africa partnership to “promote global peace and development.” Cities throughout China are flourishing with jobs and goods from and for Western society such as, Europe and the Unites States (Jensen & Weston 2007). In Jensen and Weston’s book *China’s Transformations*, Noble (2007:xxxii) discusses cultural matters and emphasizes that “culture can play a more important role in fostering a mutually beneficial relationship between the United States and China, which will be critical to the future of our planet.” In addition, Noble (2007: xxxii) discusses culture in terms of the role culture

plays in U.S.-China relations and states, “cultural matters, whether implicit or explicit, play an active role in managing U.S.-China relations.” Noble (2007: xxxii) poignantly states, “culture, in this context, is not a painting that is hung on the wall as a passive object of appreciation. Rather culture actively negotiates the terms upon which an observed reality is interpreted.” The value of a nation’s culture related to manufactured goods readily explains the concern regarding the lack of reliability and quality products from a nation with cheap labor and a poor history of building quality products.

According to *The Economist* (2009a:69) article, *Time to change the act*, “in the past year thousands of [Chinese] factories, perhaps one-third to one-half of the total, have closed.” *The Economist* (2009a:69) discusses some of the ramifications for Chinese businesses due to the economic slowdown “the slowing economy...has brought the prices of materials and energy down sharply and slackened the labour market.” In addition, *The Economist* (2009a:70) notes the association of cheap labor and Chinese manufactured goods stating that “many Chinese businesses have been built on using cheap labour to produce cheap, commoditised goods such as clothes and shoes for export.” Furthermore, *The Economist* (2009a:70) elucidates the poor reputation of Chinese companies manufactured goods and the need for quality improvement in their products. According to *The Economist*:

Chinese companies have been plagued by an actual or perceived lack of quality. Only a few have built respected brands. The underlying causes of this are a weak system of property rights (including intellectual property rights) and a financial system skewed in favour of big, state-controlled companies (*The Economist* 2009a:70).

It is significant to note that the problem of quality improvement in Chinese goods harms both Chinese companies and Western companies such as Wal-Mart, a Western company known for selling products made in China.

*The Economist* (2009a:70) briefing on Chinese business concurs with this notion stating, “the poor external reputation of China’s products hurts not only Chinese companies but also Western firms known to be selling Chinese-made goods.” In Xu’s (2006:144) essay, *Business Corruption in China’s Economic Reform and Its Institutional Roots*, the author introduces an important point regarding business wrong doing and proceeds to provide examples of business wrong doing “characterized by fake and shoddy products...deceitful advertisement and promotion...falsified certificates, accounts and profits.” Xu (2006:144) emphasizes that “these immoral business activities will inevitably generate grave results [such as, influencing] the operation of the national economy seriously [and severely harm] the nation and individuals.” In *The State of China Atlas* introduction authors Benewick and Donald (2009) discuss the existing corruption in the Chinese government and the government’s attempt to bring about reform. According to Benewick and Donald (2009:10), “[m]ost threatening to the very fabric of the Party-State is the rampant corruption. The attempt to bring corruption under control is one of a number of reforms to the political system.” Benewick and Donald elucidate the various contradictions China faces and state:

although there have been impressive inroads into poverty alleviation many millions remain desperately poor; a new entrepreneurial middle class, and along with that an aspirational working class, is emerging, but the income gap between each socio-economic segment is widening. A welfare system is being developed, yet healthcare remains beyond the reach of most citizens (Benewick & Donald 2009:9).

The CIA World Fact Book (2007) reports Shanghai principally has become one of the most prosperous Chinese cities abound with modern technology and modern architecture as well as a rising crowded population that is contributing to pollution. Lu’s (2004:1) book, *Beyond the Neon Lights Everyday Shanghai in the Early Twentieth*



*Century*, portrays a well researched and in depth discussion on “the lives of the people of Shanghai in the first half of the twentieth century, with particular attention to everyday life in the city’s residential quarters.” Lu (2004:1) generates a detailed sense of place and enriches one’s understanding of Shanghai in the twentieth century. The Shanghainese residents have the advantage of enjoying Western style consumerism with such companies as Wal-Mart and Starbucks. Wal-Mart and Starbucks have profited from China’s enthusiasm for Western products and ideals.

Wang and Xie (2006:4) aptly discuss the “reproduction of Western cultural spaces in contemporary China.” Wal-Mart and Starbucks are among some of the Western companies that employ advertising and marketing strategies that according to Wang and Xie (2006:9) “create desires and seduce individuals to buy commodities that they do not really need, creating a commodity self which sees buying and consumption as a solution to problems of life and consumerism as a way of life.” Prior to Western companies entering into China, Wang and Xie (2006:9) state, traditional Chinese valued “Confucian ritual ethics”, found it unnecessary to adopt Western influence, and consequently, were quite skeptical of foreign culture.

Hu and Huang (2006:72) provide a brief historical background on the role of Confucianism and ethics in China. Hu and Huang (2006:72) state, “China’s self-sufficient economy and patriarchal clan system have led to ignoring the role of public ethics.” In addition, Hu and Huang (2006:72) posit, “Confucianism has played an important role in ethical life.” However, both authors state, “due to the acceleration of economic change, people have been painfully realizing the loss of their ethical ideals” (Hu & Huang 2006:72). Currently, Wang and Xie (2006:5) state:

never before have the Chinese been so awe-stricken by the West's perceived superiority in technology, economy and ideology, and never before have they been so anxious to give up their centuries-old cultural, ethical, and political legacy for the eternal now of consumerist *jouissance* and fulfillment. Global capitalism, unlike erstwhile forms of capitalism, is conquering China through multinational capital and through the complicity of its people's uncritical acceptance of Western culture.

Consequently, many show no apprehension for accepting Western culture into China since most believe that Western influence would have little effect on the identity of China's massive population (Wang & Xie 2006). However, Wang and Xie (2006:5) articulate, "culturally, the Chinese find themselves radically shocked out of and displaced from their previous horizon of imagination and expectation, their previous modes of feeling and representation, their conventional literary and artistic repertoire and topography." However, many remain skeptical of abandoning their political and cultural roots, thus China's future identity remains in flux (Wang & Xie 2006).

Tilt & Young (2006:3) report, "a central development goal for China's current leadership is to provide *xiaokang* (literally "small comfort") for the citizenry. *Xiaokang*, which translates roughly as "being well off," is a historical concept with roots in the Warring States Period (475-221 BC)." Herda (1990:56) notes that "along with the modernization efforts of the Chinese government came a rise in the standard of living, a belief in the possibility of succeeding on one's own, and a radical increase in corruption and moral laxity." In addition, Rodzinski (1989) discusses China's struggle during the 1980s and 1990s to enter into the international economic community. Herda notes:

as the Chinese continue to reflect upon, interpret, and act upon the events of [the] 1989, [Tiananmen Square massacre], they move from living in one world to living in a new world, still connected, however, to their past. At the same time, they are rethinking their future (Herda 1990:59).

Lardy's (1992:1) book *Foreign Trade and Economic Reform in China 1978-1990*, discusses several critiques on China's historical, political and economical factors and explores the foreign trade reforms during 1978-1990. The CIA (2007) confirms recent documented research that China moved from a struggling agrarian culture toward being a "major player in the global economy."

Currently, China has made economic progress since entering into the World Trade Organization (WTO) in 2001. *The Economist* (2010b:39) article, *China and Taiwan the Ties and Bind?* reports on the worries in Taiwan about "opposition [of Taiwan's possible] unification with China." *The Economist* (2010b:39) elucidates that the reason behind such protest and opposition of Taiwan with China is "the Economic Co-operation Framework Agreement (ECFA) [which the] Democratic Progressive Party [views] as a threat to jobs on Taiwan." *The Economist* (2010a:37) article, *China's Politics of Repression. What Are They Afraid of?* discusses China's economic growth of "a very robust-sounding 8.7% last year" and that economists predict "similar growth in 2010." Moreover, *The Economist* (2010a:37) reports about the changes to occur in China's "leadership in 2012 and 2013, including the replacement of President Hu Jintao and of the prime minister, Wen Jiabao." *The Economist* (2010a:37) notes that although China is experiencing "political stability and economic growth, the most credible interpretation of the government's recent hard line is that the forces pushing its leaders towards greater liberalisation at home and sympathetic engagement with the West are weaker than had been hoped." The present Chinese leaders express concern and "appear jittery" over the "liberalisation" of their present policies, which may affect their political and economic stability (*The Economist* 2010a:37-38). *The Economist* (2008:3-22) reports that China is using an enormous

amount of natural resources and raw materials; thus causing numerous concerns.

According to *The Economist* (2008:4), “China has gone from miser to glutton in its use of energy, and is now struggling to diet.” However, China is still trying to find itself in a globalized world (Wang & Xie 2006).

Wang and Xie (2006) discuss that currently, China is trying to bridge the gap between its terrible labor conditions and improve its labor conditions in order to modernize their society in anticipation of a brighter future. Herda (1990:53) discusses that the economic changes that have occurred in China “have put the ordinary Chinese through many changes, especially the emphasis on entrepreneurship.” Additionally, Herda (1990:55) notes that the rising middle class youth of China “perhaps are the most vulnerable to the changes in their country.” Yu, Chan and Ireland (2007:8) discuss China’s “move from status through politics, to status through products.” In Yu, Chan and Ireland’s (2007) book *China’s New Culture of Cool*, the authors provide a thoroughly researched book about the young urban Chinese that are contributing to the economic and cultural growth of China. Yu, Chan and Ireland’s (2007) book *China’s New Culture of Cool: Understanding the world’s fastest-growing market*, is an insightful portrayal of the urban youth of China’s lifestyles and their influence on China’s rising economy. In addition, the authors’ insights are the result of ten years of frequent visits to China. The author’s discussions with the youth and the older generation provided immensely helpful insights into the nature of the changes occurring in China. Yu, Chan and Ireland (2007) highlighted four major areas of the changes occurring within the youth (15-29 years). The four key areas that the author’s emphasize, “undergoing the most change [are] food, style, living and mobility” (Yu, Chan & Ireland 2007:ix).

Yu, Chan, and Ireland (2007) remind us that historically life in China was primarily focused on the community's needs and the individual's needs last. Yu, Chan and Ireland (2007:21) elucidate that in China, "life there was dictated by the community, the family and tradition. The desires of an individual were irrelevant and potentially disruptive. But capitalism thrives on individualism, so Chinese society is adjusting to accommodate it." Highlighting the immense growth of China's economy and "societal transformation," Yu, Chan and Ireland (2007:7) discuss that "from 1997 to 2004, China's average household income rose 30 percent to approximately 14,000 Yuan (\$1,800 U.S., as tracked by China's National Bureau of Statistics)." However, Yu, Chan and Ireland (2007:7) expound primarily the urban Chinese population benefit from China's economic prosperity and state, "roughly 660 million people still living in rural areas do not share this modern lifestyle, and some percentage do not aspire to it." Discussing the powerful capabilities of advertising in big cities such as Shanghai, China, Yu, Chan and Ireland (2007:11) note, "some of the world's most sophisticated agencies are producing their best work, creating beautiful and compelling images designed to inspire young Chinese with both their content and their careful appreciation of Chinese sensibilities." The advertisers market primarily to the middle class group, which is mainly comprised of the urban Chinese youth.

Yu, Chan and Ireland (2007:18) illustrate that the "the notion of middle class in China did not really emerge until the mid-1990s." In addition, Yu, Chan and Ireland (2007:18) delineate that "for our purposes, 'middle class' would apply to a family with an annual income ranging between 30,000 to 75,000 Yuan (\$3,750 to \$9,375 U.S.)." Authors Yu, Chan and Ireland (2007:19) discuss that the young emerging middle class

“especially its youngest members—represents the new Chinese consumer class, whose promise of size and spending power intoxicates marketers.” Western companies such as Starbucks and Wal-Mart desire to capitalize on this young middle class group of consumers. Of this middle class group, Yu, Chan, and Ireland (2007:20) provide “four central tenets [that] seem to be persistent influences on the youth culture: 1. Be an individual 2. Have new experiences 3. Connect with others 4. Help China succeed.” Furthermore, Yu, Chan, and Ireland (2007:23) discuss a shared aspiration of the urban Chinese youth and convey, “although they express themselves in different ways, the members of China’s newest generation share a common goal: finding the right path in life and then expressing that path in the things they wear, eat, buy, and do.” It is significant to note, Yu, Chan, and Ireland (2007:20) delineate that China’s middle class is “China’s under-30 population.”

Yu, Chan and Ireland (2007:8) explain the former movement from acquiring status through displaying pictures or buttons of Mao Zedong or symbols of “correct [political] thinking”, to the youth’s movement to acquire “status through products.” It seems the youth’s lifestyle tends to demand designer clothing and upscale luxury goods. Yu, Chan, and Ireland (2007:8) posit, “China calls this generation of status-seekers the ‘xin xin renlei,’ meaning the “new new generation.” The youth’s desire to buy “knock-off goods” such as Chanel sunglasses, Rolex watches, or being seen in American stores such as Wal-Mart or Starbucks is becoming a potent factor in the Chinese youth culture living in cities inundated with advertising like Shanghai (Yu, Chan & Ireland 2007:8-11). Western styles and attitudes attract the urban Chinese youth and the youth feel “brand choice” reflects personality or individual identity (Yu, Chan & Ireland 2007:48). According to Yu, Chan

and Ireland (2007:50), “brand becomes important, both for what it says about the product and what it implies about the purchaser.” Croll’s (2006:xiii) remarkable book, *China’s New Consumers, Social Development and Domestic Demand* is written from an anthropological perspective and adds to the evolving China story. Croll’s (2006:xiii) study “takes a holistic approach which defines consumption as an everyday material and social practice in which the acquisition of goods fulfills a wide range of personal and social functions.” Moreover, Croll (2006:xiii) expounds on the consumer revolution in recent decades in China and specifically discusses the three phases of this revolution.

Consumption provides “newly offered possibilities for self-definition, social aspiration and political legitimation” (Croll 2006:xiii). Croll (2006:45) discusses the interesting concept of “selling identities.” It is interesting to note that the purchase of goods is “significant in acquiring new individual and collective identities and that shopping is an opportunity for definition and redefinition of the self, signifying new affiliations” (Croll 2006:45). Furthermore, Croll (2006:45) discusses that for some Chinese the accumulation of new possessions is “a source of immediate status.”

With vast efficiency, Croll (2006:29) discusses the “consumer revolution” that took place in China during the 1990s. The author expounds about the shift from the Chinese value of frugality towards being more consumer oriented and the pursuit of “new lifestyles and [the adoption of] new identities and thus [becoming] consumers both in attitude and practice” (Croll 2006:29). The transformation of retailing in China during the early 1990s is a remarkable achievement for China in comparison to the shopping conditions during the socialist revolution. Croll (2006:39) explains, “during the socialist revolution, general trading and department stores were few and specialized shops rare.” The essential

concept of goods being connection of an individual's identity is a fascinating concept. Croll (2006:21) clarifies, "as persons become consumers the meanings and messages attached to goods play a large part in defining who they are or wish to be and signal affiliation to a single or range of social categories and cultural values." Companies such as Starbucks and Wal-Mart influence aspects of the Chinese urban youth's identities in the meanings attached to the goods they purchase, which play a role in how the youth define themselves.

Gamble's (2003:144) work, *Shanghai in Transition: Changing Perspectives and Social Contours of a Chinese Metropolis* discusses the shifting Chinese identity with the increased consumerism and introduction of leisure products and other products Western stores offer. The author specifically focuses on Shanghai, China and the new appearance of the middle class due to reforms in China. Gamble (2003:144) emphasizes that among the younger generation "the commercialisation of everyday life, increased levels of consumption and availability of consumer products has brought an 'economic pressure'. Media and advertising images spur new wants and there is increased social pressure to keep up with one's peers." Additionally, Gamble (2003:139) discusses the powerful influx of advertising in Shanghai and states:

on the television, glamorous and alluring images designed to entice the 'audience' seep into almost every living room, deliberately, or unwittingly, creating new desires and new 'needs'. The consumer 'tide', the 'flood' of consuming, as local newspapers describe it, is there for all to see.

*The Economist* (2009b:44) article, *China's Rural Consumers Pretend you're a Westerner*, expresses the Chinese government's hope that the power of advertising consumer products and lifestyles will attract rural spenders. According to *The Economist*:



the government has expressed great hopes for rural spenders as a new engine of economic growth. Hence, the subsidy scheme: get peasants to spend, goes the official thinking, and the country's ailing export industries will find a vast new market...[t]he scheme has many skeptics (*The Economist* 2009b:44).

The Chinese governments encouragement for an increase in economic growth, the influx of appealing Western goods and middle class lifestyles contribute to the Chinese youth's desire for "improved livelihood opportunities, new life-spaces, goods and the comfortable lifestyles that match those of the middle classes elsewhere in China or abroad" (Croll 2006:xiii). According to *Harvard Magazine* (2010:25) the "Harvard Business School and the Harvard China Fund [are going to] inaugurate a substantial center in Shanghai...to support faculty research, visiting students, and teaching programs." *Harvard Magazine* (2010:25) conducted a meeting consisting of "seven faculty and alumni experts to discuss China's history, culture, and contemporary challenges." Among some of the key topics the faculty discuss are, "Nationalism and Internationalism, Growth and Legitimacy, The Heavy-Industry Economy, Adaptation and Managing Modernization and Learning around the World" (*Harvard Magazine* 2010:29).

Although China is making immense strides towards modernization, consequently some environmental issues are currently facing China. According to *The Economist*, (2008:13) environmental issues such as air pollution from reliance on coal that produces acid rain, insufficient water sources, particularly in the northern part of China and water pollution from untreated wastes. In addition, the CIA World fact book (2008) reports that deforestation is a current environmental issue in China with an "estimated loss of one-fifth of agricultural land since 1949 to soil erosion and economic development; desertification [and] trade in endangered species." In efforts to assist with

some of the severe environmental issues facing China the Beijing 2008 Olympic Games aims to incorporate the theme of sustainable development into the organization of the Olympics (Economy & Segal 2008:47-56).

Economy and Segal (2008:48) discuss that the 2008 Beijing Olympics highlight China's impressive achievements and "the grave shortcomings of the current regime." Both authors elucidate the international concerns regarding food safety, human rights issues and air pollution as some of the issues facing China. Economy and Segal (2008:48) posit such issues "threaten to put a damper on the country's coming-out party." In addition, both authors postulate that if the political challenges and current international concerns facing China are not successfully addressed, "China's credibility as a global leader, its potential as a model for the developing world, and its position as an emerging center of global business and culture are all at risk"(Economy & Segal 2008:49). One of the themes for the 2008 Olympic Games is having a Green Olympics to model the conservation of resources and generate an awareness of sustainability. The slogan for the Beijing 2008 Olympics is "One World One Dream." According to the official website of the Beijing 2008 Olympic Games, the slogan reflects:

the essence and the universal values of the Olympic spirit -- Unity, Friendship, Progress, Harmony, Participation and Dream. It expresses the common wishes of people all over the world, inspired by the Olympic ideals, to strive for a bright future of Mankind (Beijing 2008 Olympic Games).

In addition, according to the official website of the Beijing 2008 Olympic Games, the 2008 Olympic Games may add a great deal of pressure in preparation for hosting the Olympics as the world views this media spectacle. Saich in the foreword of *The State of*

*China Atlas* elucidates how the Chinese government presented itself during the 2008

Beijing Olympics and states:

the Chinese government presented an image of a nation deeply liked to its past and increasingly confident and engaged in the world. The picture was one of power, orderly growth and development. Yet the same year also saw a major protest in Tibet, devastating natural disasters, and consistent protests as the Olympic torch made its way around the world (Saich 2009:7).

China has made an immense effort to portray its culture in a positive light; thus, allowing the world to view China as a nation ready to fulfill its role as a prime economic force.

The 2008 Beijing Olympics provides China with the opportunity to share an idealized vision of both traditional and modern Chinese culture with the world.

Consequently, sufficient creditable research exists about the background of Starbucks and Wal-Mart and their economic influence on China (Goodman & Pan 2004, Thompson & Arsel 2004, Klein 2001, and Lichtenstein 2006). Additional research is necessary about the companies' social and cultural influence on the Chinese youth. It is significant to note that Yu, Chan, and Ireland (2007) and Wang and Xie (2006) provide thorough research about the urban Chinese youth's attitudes about participating in Western consumerism and the influence of Western marketing on aspects of the youth's culture. These authors' endeavors offer future researchers a noteworthy starting point for exploring how Western companies are influencing aspects of the youth's identities and the social ramifications of Western companies' presence in urban China.

### **Summary**

The literature review covered the following categories: hermeneutic authors, globalization, trade and commerce and China's transitional identity. Ricoeur (1999),

(1992), (1988), (1984), Gadamer (2001), (1999), Geertz (1973), Kearney (2002), (2001), (1984), Barash (1999), Herda (1999), (1990), and Shahideh (2004) were the main critical hermeneutic theorists illuminating the research categories addressed within this study, ethics and identity. The globalization, trade and commerce section addresses Starbucks and Wal-Mart's advertising, marketing and business practices in China. Furthermore, this section addresses how both companies are shaping the global marketplace and influencing China's individual and collective identity through globalization, trade and commerce. The subsequent section, China's transitional identity, discusses the Chinese family structure, the move from traditional to modern values, and the younger generation desiring to participate in Western culture and ideas through consumerism. The younger generation is becoming more self-focused with the rise of consumerism and less interested the folkways and mores of the past.

## **CHAPTER FOUR**

### **RESEARCH PROCESS AND PROTOCOLS**

#### **Introduction**

Herda (1999:82) states, “the purpose of participatory research is to create conditions whereby people can engage in discourse so that truth can be recognized and a new reality can be brought into being.” Anthropologists and critical hermeneutic researchers address the notion of understanding in the critical hermeneutic framework. According to Herda (1999:1), we learn that “participatory research in a critical hermeneutic tradition invokes language, understanding, and action.” Therefore, the goal of this exploration is to reach some new understandings about business practices in urban China.

#### **Research Topic Focus**

The paradigm shift in China is evident among the rising middle class youth that frequent Starbucks compared to the older generation. For many years, China remained an agrarian culture with no opportunity to shop at Western corporate markets. Corporations such as Wal-Mart and Starbucks offer the growing Chinese middle class opportunities to participate in Western style consumerism. However, with such opportunities created corporations have a responsibility to conduct their business practices in an ethical manner. According to Starbucks (2006) and Wal-Mart’s (2007) advertising on their websites both corporations believe that they are conducting their business practices in a responsible and ethical manner, yet others contend that these corporations tear at the

fabric of communities and take apart a community's culture (Klein 2001; Lichtenstein 2006).

Both organizations have influenced aspects of the Chinese urban youth's identity and cultural history. Currently the rising middle class youth face consumerism and the desire to be seen as an integral part of the global economic community. Shahideh (2004:44) emphasizes, "every action implies meaning. If we fail to consider, understand, and interpret the meaning of actions and events, we may be failing to understand the entire nature of the event." Shahideh's (2004) quote is applicable to explain the importance of understanding the economic, social, and cultural meaning behind Wal-Mart and Starbucks actions in China. The meaning of Shahideh's (2004) quote illuminates a necessity for a clearer understanding of the need for reflection and interpreting the actions of corporations that normally do not take the time to reflect or interpret the meaning of their actions in the countries and communities they enter. This task rests on the individuals within society to possess a critical awareness and attempt to improve an understanding of corporation's actions globally as well as locally.

### **Theoretical Framework: Research Orientation**

Herda (1999:4) discusses the process of interpretive participatory research and that the result is a narrative. For clarification purposes, Herda (1999:3) provides a brief explanation of the term hermeneutics and critical hermeneutics. Herda states, "hermeneutic means interpretation; thus, critical hermeneutics, in a general sense, means passing judgment on that interpretation—speaking out on its legitimacy." In addition, Herda (1999:4) states, "participatory research can chronicle the events, [and] goals... of our lives. It can develop a story as a whole that opens up new ways of thinking and

acting.” The categories addressed within this study should help open up some “new ways of thinking and acting” (Herda 1999:4). The research categories this study addresses are ethics and identity. These categories have helped shape my research inquiry and further shape “the ontology of participatory research in the critical hermeneutic tradition [which according to Herda (1999:7) could invoke] the potential of humans to reflect on their history and to imagine worlds we could inhabit.” Through a form of ethnography, the re-created story will develop through genuine research conversations and interpretation of the story told.

Herda (1999:75) discusses the important aspect of text in critical hermeneutic research and states, “the referential dimension of a text unfolded in the process of interpretation is an important aspect of Ricoeur’s philosophy for field-based critical hermeneutic research.” Herda (1999:75) further notes, “in hermeneutic participatory research, discussion about future possibilities is made possible by what the text points to.” According to Herda (1999:127), “the text does not belong to the researcher or the participants. However, it is the text that connects us and gives us a way to communicate.” Gadamer (2004:398) discusses the significance of the text and interpretation and states, “the text is made to speak through interpretation.” Gadamer (2004:398) defines interpretation as the ability “to bring one’s own preconceptions into play so that the text’s meaning can really be made to speak for us.” Furthermore, the researcher must develop a rapport with the selected participants and be open to engage in genuine conversations, and not structured interviews.

Gadamer (2001:79) emphasizes the significance of conversation within critical hermeneutic research and asserts, “reaching an understanding happens in conversation, in

a dialogue.” As Gadamer (2004:385) notes “genuine conversation is never the one that we wanted to conduct.” Furthermore, Gadamer (2004:385) illuminates that in genuine conversation “we fall into conversation, or even that we become involved in it.” I experienced Gadamer’s (2004:385) notion of genuine conversation first hand within some of my research conversations. It is remarkably evident that “this shows that a conversation has a spirit of its own, and that the language in which it is conducted bears its own truth within it” as Gadamer (2004:385) clarifies. This type of genuine dialogue allows “something to *emerge*” for the researcher and the participants “which henceforth exists” (Gadamer 2004:385). As I reflect on my research conversations, I kept in mind, Gadamer’s (2004:393) notion of “what the text shares with us.”

Furthermore, Gadamer (2004:392) discusses the significance of language in critical hermeneutics and states, “written texts present the real hermeneutical task. Writing is self-alienation. Overcoming it, reading the text, is thus the highest task of understanding.” In addition, Gadamer (2004:392) continues to state, “even the pure signs of an inscription can be seen properly and articulated correctly only if the text can be transformed back into language.” Furthermore, Gadamer (2004:392) emphasizes, “this transformation always establishes a relationship to what is meant, to the subject matter being discussed.” Through my own writing or analysis of the data, I am able to create “a relationship to...the subject matter being discussed” as Gadamer (2004:392) suggests. In addition, maintaining a research journal for collecting ideas, reflecting on the literature and conversations “provides a proposed world that the reader or researcher could inhabit and in which they could project possibilities” (Herda 1999:75).



Starbucks and Wal-Mart are influencing aspects of Chinese urban youth's culture and identity. The ethical implications of Starbucks' and Wal-Mart's business practices in urban China was explored utilizing the research categories, ethics and identity. Utilizing critical hermeneutics assisted in the exploration of this topic, and provided the necessary framework for understanding and taking action in the "redescription or refiguration of our existing world in our organizations and communities" (Herda 1999:1).

### **Research Site**

Shanghai is acknowledged as China's leading industrial and modern city (Lu 2004). Once nicknamed the "Paris of the East," currently the city is a major financial hub (Lu 2004). Gamble (2003) reveals that the name Shanghai dates from the Sung dynasty (11th cent.). According to Gamble (2003:1), "Shanghai was an important coastal port in the Song and Yuan dynasties. By the thirteenth-century the city was a regional trade centre, and it was given its present name in AD 1280." The city is located on the coast of the East China Sea between the mouth of the Yangtze River to the north and the bays of Hangchow and Yü-p'an to the south.

Shanghai is recognized as being one of the world's largest seaports and a major center for industry in China (Gamble 2003 & Lu 2004). It is significant to note that Shanghai is a port city that has influence from various parts of China as well as other countries; thus, creating its cosmopolitan background and history (Lu 2004). According to Lu (2004:37), Shanghai was characterized by a "tradition of openness...during the treaty-port era." The openness and cosmopolitan nature of the city helped people envision Shanghai as a "classic adventure for Westerners...[and] a city of dreams and a city of escape" Lu (2004:38).

Lu's (2004:322) book *Beyond the Neon Lights Everyday Shanghai in the Early Twentieth Century*, describes Shanghai "as China's leading treaty-port city [and states that] Shanghai has been a window through which the world could watch the actions of...the Western intrusion and the communist revolution." Lu (2004:322) states that both "the Western intrusion and the communist revolution [were two forces that helped in] shaping modern Chinese history." According to the official website of the Beijing 2008 Olympic Games, Shanghai hosted the football matches for the Games of the XXIX Olympiad at the Shanghai Stadium. Since the 2008 Olympic Games, the cities of Beijing and Shanghai were recognized as potential global leaders.

### **Research Categories**

Ethics and identity were the two categories explored within this research. The following categories assisted in organizing the review of literature and narrowed the research focus. The research questions and categories were intended to channel the research conversation.

### **Ethics**

The first category proposed for this investigation was ethics. This provided a credible method for understanding global corporations like Starbucks and Wal-Mart's business practices in urban China. Kline (2005:170) emphasizes how ethical analysis can provide an ethical framework for corporations to exercise social responsibility globally. Kline (2005:170) states, "ethical analysis can assist in examining how globalization affects existing cultures and clarify potential choices regarding whether an evolving world community could or should develop a common global culture." I utilized the

critical hermeneutic theorists Ricoeur (1992) and Gadamer's (1999) notion of ethics to guide the data analysis process.

The interchangeability of ethics and morality may occur, however, Ricoeur (1992:172) and Dauenhauer (2005:8) stress situations where the difference is clearly distinguished and provides clarity to the Ricoeurian concept of "the good life." If the young Chinese are "aiming at the good life" in the Ricoeurian (1992:172) sense then the society they live in needs to have companies and institutions that meet their sense of justice. Ricoeur's (1992:172) concept of "the good life" is exemplified by Dauenhauer's (2005:8) emphasis that in pursuit of the "good life, we aim to have institutions that meet our sense of justice in the obligations they impose and the privileges and opportunities they grant." Some of the Chinese youth question whether Wal-Mart and Starbucks are institutions that will afford ethical justice in the work environment.

According to Gadamer (2001), ethics means a combination of *praxis* and *ethos*. Gadamer (2001:78) defines *praxis* as "all our human action and behavior, the self-adaptation of the human being as a whole in this world." *Ethos* is defined as a "living network of common convictions, habits, and values" (Gadamer 2001:79). As the number of Starbucks and Wal-Mart's continue to grow, both corporations reconfigure the habits and values of the communities they reside in. This is illustrated by viewing the Chinese urban youth who may adapt to the companies values and habits instead of their own unique individual and cultural identity.

### **Identity**

The second category proposed for this investigation is identity. Starbucks and Wal-Mart are influencing the collective and individual identities of the Chinese urban

youth. According to Ricoeur (1992:2-3) our narrative is always in form as we go from who we are “idem (sameness)” to who we want to become “ipse (self).” Ricoeur (1992:147-148) summarizes a narrative about human persons as he writes, “the narrative constructs the identity of the character, what can be called his or her narrative identity, in constructing that of the story told. It is the identity of the story that makes the identity of the character.” For Ricoeur narrative identity is:

constitutive of self-constancy, can include change, mutability, within the cohesion of one lifetime... The self of self-knowledge is the fruit of an examined life, to recall Socrates’ phrase in the *Apology*. And an examined life is, in large part, one purged, one clarified by the cathartic effects of the narratives, be they historical or fictional, conveyed by our culture. So self-constancy refers to a self instructed by the works of a culture that it has applied to itself (Ricoeur 1988:246-247).

In addition, Ricoeur (1992) tells us about the significance of recognizing ourselves in the other person. The participants may identify themselves in the other participants through similar “values, norms, ideals...in which the person or the community recognizes itself” (Ricoeur 1992:121). For, as Ricoeur (1992:121) reminds us, “the identity of a person or a community is made up of these identifications.” Collective identities look at meta-narratives that contextualize or place a particular group of people in time in terms of their identity (Ricoeur 1992). When you have entities as immense as Starbucks and Wal-Mart they have the capacity to influence collective identity and create discourse around particular topics by influencing behaviors, such as actions, monetary or emotional behaviors. The collective identity is constantly changing based on the discourse of that society. Starbucks and Wal-Mart are two major players in influencing the collective identity of the Chinese culture.

This research addressed how collective identity influences the individual since individual identity is connected to collective identity. The individual's group belonging is part of the historicity or historical position. Starbucks and Wal-Mart are making a powerful influence on the collective and individual identities of the urban youth in China to create a strong competitive marketplace in urban China.

### **Research Conversation Guidelines and Questions**

I followed the anthropological guidelines for conducting research. Conversation is significant in interpretive participatory research since it will allow for an open exchange of ideas and experiences. Prior to recording the research conversations, I informed my participants that they needed to provide consent in order to participate in the research study. Consent forms were delivered to participants prior to the scheduled conversation (See Appendix G). The participants received a letter of invitation and guided questions for participation in the research (See Appendix A). The participants were sent letters of confirmation to participate in the research study (See Appendix B). In addition, I informed my participants that providing consent grants me permission to record and transcribe our conversation. Participants were informed that they could withdraw at any time. After obtaining my participant's permission to record our conversations, the research conversations were recorded and transcribed into a written text. In addition, emerging themes from the research conversations were noted in light of the research categories, ethics and identity. The participants reviewed the transcriptions and were allowed to add or correct any comments or ideas necessary. This allowed the participants to correct any statements and provided the participants with the opportunity to reflect on our conversation further. After the participants reviewed and made any changes to the

transcription of our conversation, I reviewed and discussed any comments added or deleted by the participants and made any necessary changes noted. Most participants were comfortable with the transcriptions and did not request any changes be made to the transcriptions.

Lastly, I reassured my participants that the research conversations are a learning process for both the researcher and participants to enter into the realm of understanding. This learning process allowed me the opportunity to listen to my research conversation partner's experiences and gain a better understanding of their story. The participants that were a part of this research emerged through conversations with University of San Francisco students, academic colleagues, and volunteers outside of the university. All research participants spoke English and Mandarin and were between the ages of twenty and thirty years old. The research conversations were conducted in English. The timeframe for the research conversations was flexible. The duration of the research conversations was approximately forty-five minutes to one and a half hours.

The proposed guiding questions for this research study were not designed for specific answers. The research questions served as guides that facilitated genuine conversations. The proposed guiding questions for this research study are listed below:

- What are the advantages and disadvantages of Starbucks and Wal-Mart in China?
- What are your opinions about Starbucks and Wal-Mart in China?
- What are your opinions about Starbucks being evicted from Beijing's Forbidden City on July 13, 2007?
- How are the middle class youth of urban China responding to globalization? Could you provide me with some examples?

- How are corporations like Starbucks and Wal-Mart influencing aspects of China's identity?
- What can be done to change Starbucks and Wal-Mart's practices in China?

### **Research Conversation Participants**

The research conversations were carried out in Shanghai, China and the remaining recorded conversations were conducted at the University of San Francisco, California library, University of California Berkeley and the University of Arizona library. The research conversations were conducted in English. Professional colleagues in Shanghai, China agreed to solicit potential participants from worksites and universities for formal conversations. It was arranged to meet the participants at the Hilton hotel in Shanghai, China to conduct recorded research conversations. The Hilton hotel was a safe, quiet, well-known establishment that was easy for my conversation partners to find and meet with me. The formal recorded research conversations were conducted with thirteen participants. Additional conversations were conducted and written in my research journal while in Shanghai, China. Other conversations transpired through e-mail correspondence with friends or colleagues of my research participants that were informed of my research by the research participants and were interested in sharing their opinions, experiences and ideas regarding my research topic. Individuals who agreed to participate in this research were provided with a letter of invitation and guiding questions for my research conversation partners (See Appendix A). Participants also received a follow-up letter (See Appendix B). Additionally, thank you letters were sent to participants for taking the time to participate in the research (See Appendix C).

The following table provides a list of the conversation partners for this study. The Chinese surname is listed first and the given name is listed second. Some of the participants requested that only their English name be identified in the document in order to protect their anonymity. The participant's wishes were respected and all individuals voluntarily agreed to participate in the research. When a participant did not have an English name, a fictitious English name was assigned.

**Formal Research Participants**

<u>Chinese Name</u>	<u>English Name</u>	<u>Age</u>	<u>Occupation</u>
Lu Ran	Ryan	27	Student
Anonymous (Female)	Zoe	25	Fashion design
Anonymous (Female)	Olivia	25	Fashion design
Anonymous (Male)	Pete	24	Food service
Anonymous (Male)	Mr. A	24	Business
Lu Wang	Lulu	24	Student
Liu Rui	Vivian	23	Student
Yi Lu	None given	27	Engineering student
Zhengbao Zha	None given	23	Engineering student
Kun Chen	None given	30	Anthropology student
Sophia Un	Sophia	21	Student
Yongliang Yang	None given	28	Student
Mingxin Li	Ming	21	Student

Figure 1. Formal Research Participants



My research conversation partner Lu Ran (Ryan) comes from a small city called Ma'anshan, located in the southeastern Anhui province, which is about a thirty-minute drive to Nanjing and is approximately three hours from Shanghai. Ma'anshan is an industrialized city located on the south shore of the Yangtze River. Ryan also shared with me that he was born in 1980 under the one-child policy. Prior to traveling to the University of San Francisco, Ryan used to teach English to students in China. Our research conversation was recorded at the University of San Francisco Gleeson Library on October 25, 2007 (See Appendix E).

Zoe lives in Shanghai, China and studied fashion design. Currently, Zoe works with her friend Olivia (another participant in this study) in the fashion design industry in Shanghai, China. Zoe interests include singing, practicing, traditional Chinese calligraphy, reading Chinese poetry and listening to Chinese and American pop music. She is interested in how fashion is influencing the youth in Shanghai, China. Our research conversation was recorded at the Hilton hotel in Shanghai, China on May 19, 2008. Zoe requested that she feels more comfortable with the use of her English name for this research. In addition, a follow up conversation was recorded with Zoe at the Hilton hotel in Shanghai, China on June 1, 2008.

Olivia resides in Shanghai, China and studied fashion design with her friend and co-worker Zoe. Olivia obtained her degree in fashion design and currently works with Zoe in the fashion design industry in Shanghai, China. Some of Olivia's interests include dancing and listening to Chinese pop music and American rock music. In addition, she also enjoys reading Chinese poetry and practicing traditional Chinese calligraphy. Olivia requested that she feels more comfortable with the use of her English name for this

research. Our research conversation was recorded at the Hilton hotel in Shanghai, China on May 19, 2008.

Pete lives in Shanghai, China and works in the food service and catering industry in Shanghai, China. Pete enjoys traveling to various rural and urban areas within China as well as Europe. In addition, Pete enjoys listening to Chinese and American pop music, reading Chinese poetry and cooking traditional Chinese cuisine. Our research conversation was recorded at the Hilton hotel in Shanghai, China on May 31, 2008.

Mr. A's hometown is located in Guangdong, China. Guangdong faces the South China Sea to the south and borders Fujian province to the northeast. Currently, Mr. A resides in Shanghai, China. Mr. A's interests include collecting Chinese artifacts and reading Chinese poetry. Mr. A requested that his identity remain anonymous. Our research conversation was recorded at the Hilton hotel in Shanghai, China on June 1, 2008.

Lu Wang comes from Wuhan, China and currently is an international student at University of San Francisco, California. Lu Wang is a graduate student majoring in organization and leadership. Some of her interests include traditional Chinese music or musical instruments, and photography. Our research conversation was recorded on July 27, 2008.

Vivian Liu's hometown is located in Lanzhou city, China. Vivian informed me that she moved to Beijing in 2003 to go to college and lived there for about four years. Vivian is a graduate student at University of San Francisco, California. Our research conversation was recorded in a research journal on November 8, 2007 (See Appendix F). In addition, Vivian and I had a recorded research conversation on September 26, 2008 at

University of San Francisco, California library. Vivian stated that she gained a great deal from our conversations, because before meeting she seldom thought about the questions of ethics and identity in relation to Starbucks and Wal-Mart's business practices in China.

Yi Lu's hometown is located Beijing, China. Yi Lu is a graduate student at the University of Arizona, in Tucson, Arizona majoring in engineering. Some of his interests include attending Beijing Opera, reading Chinese poetry and history. Our research conversation was recorded at the University of Arizona on June 16<sup>th</sup> 2010.

Zhengbao Zha comes from the Anhui Province in rural China. Zhengbao Zha is a graduate student at the University of Arizona, in Tucson, Arizona majoring in engineering. Some of his interests include traditional Chinese tea drinking, practicing English and reading about Chinese history. Our research conversation was recorded at the University of Arizona on June 16<sup>th</sup> 2010.

Kun Chen's hometown is located in Guiyang, China. Currently, Kun Chen is a graduate student studying anthropology at the University of California Berkeley, in Berkeley, California. Some of her interests include learning more about Chinese history and studying cultural anthropology. Our research conversation was recorded at the University of California Berkeley on May 28<sup>th</sup> 2010.

Sophia Un comes from Macau, China and currently is attending the University of Arizona. She enjoys her undergraduate studies in nutrition science the University of Arizona, in Tucson, Arizona. Some of her interests include listening to Western music and cooking Chinese traditional food. Our research conversation was recorded at the University of Arizona on June 9<sup>th</sup> 2010.

Yongliang Yang's hometown is located in the Hebei province of Baoding city, China. Currently, he is a graduate student at the University of Arizona, in Tucson, Arizona majoring in mechanical engineering. His interests include watching World Cup soccer, reading Chinese history and has a passion for life long learning. Our research conversation was recorded at the University of Arizona on June 14<sup>th</sup> 2010.

Mingxin Li comes from Foshan located in Guangdong China. She enjoys her undergraduate studies in business management and computer information systems. Mingxin Li is passionate about art in many forms and appreciates creativity. She hopes to merge her love of Chinese artwork and this creativity into her future business endeavors. Our research conversation was recorded on July 5<sup>th</sup> 2010.

### **Data Collection and Presentation**

Herda (1999:132) ascribes the role of the researcher and states, "the goal is to collect data and put them in a form that represents and controls the world under investigation." Data was collected in several ways, recorded research conversations, transcriptions of the conversations, observational data, maintaining a research journal and additional sources that contributed to my research library. Furthermore, I traveled to Shanghai, China from May 15, 2008 to June 5, 2008 and conducted the majority of the formal research conversations, collected observational data and reflected upon the conversations, themes and ideas in my research journal. Additional data was collected from May 28, 2010 to July 5, 2010 at University of California Berkeley and the University of Arizona. While in Shanghai, China, I visited five Starbucks and one Wal-Mart for approximately thirty minutes to one and a half hours at each location. While at Starbucks and Wal-Mart observational data and conversations were collected in my

research journal. Journaling provided an outlet for the observational data collected at Starbucks and Wal-Mart in Shanghai, China. Furthermore, keeping a journal allowed me to reflect upon the atmosphere, people, cultural subtleties and interactions between individuals in the research site of Shanghai, China. In addition, keeping a journal allowed me to write down reflections, observational data and quotes from conversations with fashion design students, Hilton hotel staff, Starbucks workers, a Wal-Mart manager and other urban Chinese youth that were willing to have conversations about my research.

This research has abided by the Human Subjects regulations of the University of San Francisco. Approval from The Institutional Review Board for the Protection of Human Subjects (IRBPHS) at the University of San Francisco (USF) was obtained on April 22, 2008. The boundaries of this research were created by the people who have agreed to participate within the selected categories for data collection and analysis. How the data are understood and interpreted by each reader depends on what each reader brings to this text. Transcriptions were sent to each conversation partner, thereby each participant had the opportunity to read his/her own transcript, and reflect upon the transcript. Upon reflection, each partner had the opportunity to delete, add, or change the transcript of what he/she said in the recorded conversation.

Herda (1999:97) discusses the process of data collection and text creation and states, “data are collected through conversations that are recorded and transcribed. The transcription is a text—the fixation of our conversation in writing. This is an act of distanciation, a distancing ourselves from our conversations.” This distance away from the conversation allowed for further reflection upon the conversation and the grouping of themes and subthemes within the text.

Interpreting, transcribing, and analyzing the data through an ethnographic process “provides a proposed world that the reader or researcher [can] inhabit and in which they [can] project possibilities.” Herda (1999:6) discusses the powerful capabilities of interpretive participatory research and emphasizes, “participatory research can change the understanding of both outside researchers and local participants as well as catalyze shifts in activity by all parties. Potentially, interpretive participatory research can produce mutual education, new knowledge, and solutions for specific problems.” Throughout the data collection process, it was significant to remain cognizant of Clifford Geertz’s (1973) primary aim of the importance of interpretation in ethnographic research. Geertz’s (1973) methods for data collection and analyzing or reading culture are similar to how a literary critic reads and explores a text. Geertz’s (1973:6) work is significant in grasping “what anthropological analysis amounts to as a form of knowledge.” In addition, Geertz (1973:6) discusses that the enterprise of ethnographic research is not solely defined by the techniques and procedures of “establishing a rapport, selecting informants, [and] transcribing texts.” Rather Geertz (1973:6-7) states, that the type of “intellectual effort” in ethnographic research is essential in understanding the intended meaning between the interactions of the participants with one another or with the researcher.

The essence of the critical hermeneutic framework is engaging in genuine conversations between the researcher and the participant that promotes an understanding of the other. Richard Kearney (2002) discussing the power of narratives states that some stories are never told; therefore, the research conversations may give others an opportunity to hear otherwise untold stories. Establishing the element of trust and developing a meaningful relationship with the other is vital in anthropological research. It

is through trust and understanding that the researcher may transgress the boundary of interviewer and move into the realm of friendship.

### **Data Analysis**

The data analysis followed Herda's (1999) protocol for critical hermeneutic research. Herda (1999:98) emphasizes, "analysis is a creative and imaginative act. In data analysis, the researcher appropriates a proposed world from the text. When we expose ourselves to a text, we come away from it different than we were before." The data for this research was analyzed using the research categories, ethics and identity, the research questions and conversations. The research questions served as guidelines for the participants during the recorded research conversations. The transcriptions of the research conversations were the primary form of data analyzed. "New understandings can emerge" when the researcher returns the transcript of the conversations back to the participants (Herda 1999:120). This allows the participant to see the discussion, make any necessary changes, reflect upon the conversation and provide additional insights (Herda 1999:120).

Herda (1999:6) affirms that inherent in this relationship between researcher and participant "in applied critical hermeneutic research there needs to be an orientation to reach [an] understanding." Understanding promotes the ability to generate social change in organizations and communities and establish a common world the researcher and participant can inhabit. Herda (1999:55) appropriately states, "this common world can be the basis for possible communities, grounded in common understandings." This common world does not come into being through interviews and positivistic procedures:

rather, it comes into being out of an orientation toward understanding on the part of the researcher and participants; out of the relationships

established with conversation partners; and out of a fusion of horizons for each individual (Herda 1999:55).

Herda (1999:269) quotes Gadamer's concept of fusion of horizons and states, "[t]he horizon is the range of vision that includes everything that can be seen from a particular vantage point." Herda (1999:63) pertinently discusses the integral aspect of understanding in relation to fusion of horizons and states "understanding consists of a fusion of horizons in language...Our language constitutes our world, allowing us to live in a finite but open and changing horizon."

China is being influenced partly by the English language, culture and traditions of the United States with companies like Wal-Mart and Starbucks that are influencing China's cultural identity and traditions. Herda (1990:51) emphasizes the importance of tradition and states, "tradition helps shape who we are and who we can become." Furthermore, Herda (1990:51) credits Gadamer's notion "that [since] we are grounded in our own tradition...we have our own horizon of understanding." One of the ways that data analysis occurred is through recorded research conversations with participants. The conversations were transcribed allowing the researcher the ability be distanced from the text and reflect upon the ideas, experiences and stories brought forth from the research conversations. Herda (1990:61) discusses the fundamental role of language from a critical hermeneutic perspective and states that by looking "at language from a hermeneutic perspective, we can more easily understand the relationship between language and our existence." Moreover, Herda (1990:51) states that in the Gadamerian tradition, "language is the reservoir of tradition and the medium in and through which we exist and perceive our world." Therefore, as Herda (1999:52) suggests the recorded research conversations have "the potential to provide...a foundation for understanding and critiquing our world."



As Herda (1999:5) elucidates, “research is a reflective and communal act.” That is why it is vital to reflect upon the recorded conversations as text. The researcher must interpret the research conversations, transcripts, journal, and choose appropriate research categories as opportunities to have a shared learning process with the participants. In developing the text, it was significant to develop themes, examine the themes, and substantiate important ideas with quotes from the researcher’s journal, observations and the conversation transcripts. Additionally, Herda (1999:99) notes that the researcher must “examine the themes [in order] to determine what they might mean in light of the theoretical framework of critical hermeneutics.” Herda (1999:5-6) affirms that research is a shared process of understanding...[and] it is an ongoing act, like culture, that is always in the making.” Reflection is essential in field-based critical hermeneutic research since the act of reflection allows the researcher to learn from the participants and the study as a whole. Keeping a journal can facilitate reflection for the researcher. Herda (1999:100) discusses the significance of keeping a journal “derived from observation [of] data and personal reflection [as] an important source of data and can enhance the text derived from conversations and the analysis.” Additional data was collected from other pertinent materials such as articles, books, correspondence or any other sources related to the topic at hand.

Herda (1999:127) describes the creation and analysis of text in interpretive participatory research and states, “there is more than one text created in field-based hermeneutic research.” When the researcher presents a story from the transcription, an additional text is created; thus, allowing the researcher to draw quotes from the transcription and ground the narrative (Herda 1999:127). The goal of field-based critical

hermeneutic research is to tell a story through the data. Herda (1999:127) states, “the data that make up the second text include the reading and reaction of the participants to the transcribed text.” The researcher must structure meaning by doing a content analysis of the data collected. Herda (1999:127) emphasizes the necessity of discovering a plot “in telling a story about the transcriptions and the experiences of data collection.” The researcher functions as a narrator that retells and recounts the conversation.

The researcher understands the power the text holds in opening “a world of possibilities [that] captures that past and projects a future (Herda 1999:128). The discovery of plots as Herda (1999:128) clarifies is not only “grounded in quotes from conversation [but also] theory.” Herda (1999:128) emphasizes that through “interpretation of the analyzed text, we can find new relationships with strangers as well as with friends.” The interpretation, reflection on genuine conversations, and utilizing imagination in the data analysis process are all necessary elements that facilitate the learning process between the researcher and the participants. Herda (1999:128) affirms that when the text is read “the interpretation of the text is complete.” Therefore, as Herda (1999:128) asserts the reading of the text “releases an event in our lives” allowing us to understand one another differently.

### **Introduction to Pilot Study**

The pilot study was significant in understanding the critical hermeneutic research process. The pilot study was conducted in order to offer this researcher a practice-oriented experience with the data. The pilot study experience offered profuse insights and I was fortunate to meet participants who inspired my inquiry.

### **Pilot Study Participant**

Ryan Lu comes from the city of Ma'anshan, located in the southeastern Anhui province, which is about a thirty-minute drive to Nanjing and is approximately three hours from Shanghai. Prior to traveling to the University of San Francisco, Ryan used to teach English to students in China. Our research conversation was recorded at the University of San Francisco Gleeson Library on October 25, 2007 (See Appendix E). for A table listing conversation partners from my pilot study is provided (See Appendix D).

### **Pilot Study Experience**

Through the pilot study process, I learned that my research categories, ethics and identity were appropriate. Furthermore, I learned that the research questions allowed for genuine and engaging conversation. The pilot study process affirmed my passion for my research topic and its significance to me. During the research conversation with my conversation partner, I had to keep in mind how I would respond to the “standard hermeneutic question, where do you speak from?” (Kearney 2001:5).

Amongst the clattering and clamoring of dishes and talkative University of San Francisco students, my research conversation partner and I decided to enjoy some lunch at the University of San Francisco’s cafeteria prior to recording our conversation on October 26, 2007. The research conversation facilitated an open genuine conversation that enriched my understanding of the participant’s story and the topic at hand. My conversation partner discussed how the Chinese youth under 30 are struggling to understand their identity in a globalized constantly changing world. I asked Ryan, do you

think the generation now knows who they are? Ryan informed me that this question bothers some of the rising Chinese middle class youth since they are lost.

Ryan proceeded to share a story about a friend from Shanghai that exemplified the current lost state of the Chinese youth. My conversation partner's story exemplified that with the rise of globalization companies such as Starbucks and Wal-Mart are helping shape the growing middle class youth of China's identity. The story is worth sharing in full to gain the essence of the important topic of identity among the young Chinese modern middle class. The tone of the conversation became more serious and Ryan's demeanor tensed when discussing the recent argument. Ryan disclosed:

I had an argument with a girl, you know, well, she's one of my friends here. From China, from Shanghai to San Francisco...But she kind of changed too much, you know. I always said okay, you don't know who you are, you know? You're so lost, you know that? I mean, it's so sad. The sad thing, it's not that you're lost, the sad thing is you didn't realize you're lost, you know. You became someone you cannot recognize. And she's trying to tell me like I'm just myself, you know? I'm just doing something that I like and you don't like. And I said no, I think you're doing something you cannot change, you won't understand, probably understand, like a few years later, but right now you don't understand, but some years later I bet you'll regret what you have done.

Reflecting upon Ryan's story I realized the argument illuminated the important topic of one of my research categories, identity. My conversation partner's story was reminiscent of Ricoeur's (1992) notion concerning the fragile nature of identity, specifically maintaining one's identity over time. Ryan's frustration stemmed from his friends imitation of American style and culture and viewed this behavior as precarious since it replaced the Chinese cultural identity with a modern American pop culture identity. During this juncture in the conversation, I realized I was so excited to participate in such a rich conversation with a receptive and engaging conversation partner. Our

discussion is worth quoting in full to gain an appreciation and understanding of the topic of identity for the rising Chinese middle class:

RL: Is kind of stupid, you know. To me it's kind of stupid, because well, you don't know what you're doing right now, you know? You think you're having fun, you know. You think you're doing the cool thing. But actually, you're not doing the cool thing, you know. You're just forgetting, you know, your own identity. You're trying to step into someone else's shoes, as they say.

RL: Yeah. She tries to be American.

AC: And that can be dangerous?

RL: Yeah, very dangerous.

My participant portrayed a strong sense of pride and clearly identifies with the Chinese culture. Ryan stated, "I see China in a very clear way right now, and I feel like, I feel so strong that I'm a Chinese person, and I love my culture and I love the country, but I'm probably, I don't like the government too much, you know, but that's a different story." The magnitude of excitement I felt from engaging with the participant in an open and genuine conversation was an indescribable feeling of closeness to the participant. I felt the genuine nature of our conversation encouraged the essential aspect of trust and developed a relationship that an interview could never achieve.

### **Research Timeline**

I conducted my research in Shanghai, China from May 15, 2008 to June 5, 2008. I set up research conversations with possible participants in Shanghai, China and in San Francisco, CA through networking with professional colleagues and students. The data collection and analysis was done from May 2008 to September 2008. Furthermore, additional data was collected and analyzed from May 2010 to July 2010. I arranged

research conversations with participants at University of California Berkeley, in Berkeley, California and at the University of Arizona, in Tucson, Arizona through networking with undergraduate and graduate students. During this time I conducted, transcribed, and reflected upon formal recorded research conversations and additional conversations written in my research journal that contributed to data analysis.

### **Background of Researcher**

The formative years of my life were spent in Southern California, specifically in my birthplace San Bernardino, California. I spent my undergraduate years at the University of Redlands, in Redlands, California and in 2004 obtained a Bachelor of Arts degree in English Literature. In 2005, I earned a Master of Arts degree in English Literature from Notre Dame de Namur University, in Belmont, California. I am presently pursuing an Educational Doctorate Degree in Organization and Leadership at the University of San Francisco, in San Francisco, California. I have had the pleasure to work as a peer leadership counselor at Kaiser High School, in Fontana, California, and a senior writing center tutor for Notre Dame de Namur University. In addition, I have also had the privilege of working as a reading teacher with student's ages six to seventeen at the Reading Clinic, in Burlingame, California and co-taught a children's literature course at Notre Dame de Namur University. My professional publications include publishing works of poetry in the 2007, 2008, 2009 and 2010 editions of the Bohemian literary journal.

## **Summary**

The research process and protocols section introduced interpretive participatory research in a critical hermeneutic tradition. The research topic focus about Starbucks and Wal-Mart's influence on China's work culture, identity and the ethical implications of both companies' business practices in urban China was addressed and stressed the paradigm shift of the rising middle class. The subsequent sections to follow addressed the theoretical framework and discussed the research orientation. Additional sections included the entrée to the research participant and research site. Furthermore, the research categories ethics and identity were justified and the anthropological guidelines for conducting research were provided along with guiding research questions. In addition, the description of the research conversation participants, data collection, presentation, and data analysis were provided in this section. The learning process of the pilot field study, research timeline and the background of the researcher were also presented in this document.

## CHAPTER FIVE

### DATA PRESENTATION AND PRELIMINARY ANALYSIS

#### Introduction

Chapter Five presents the voices of my research conversation partners and provides a preliminary analysis of these conversations. These voices include formal research conversations and additional conversations that consisted of face-to-face conversations that I included with my field based observations in my research journal. Formal conversations consisted of recorded conversations that I later transcribed.

A narrative is presented that represents the play that occurs between my conversation partners and myself as we considered the issues of Chinese urban youth and interpret these within the categories of Identity and Ethics. This narrative provided a possibility for new understandings about how Chinese urban youth see themselves in a rapidly changing Westernized society. Their reflections provided a sense of their individual and collective identities and their interpretation of the influence and business practices of Starbucks and Wal-Mart, including how the actions of each corporation influence aspects of the Identity and culture of Chinese urban youth. Kearney (2002:4) elucidates, “narrative provides us with one of our most viable forms of *identity*—individual and communal.” According to Kearney (2002:4) when you tell your story:

you recount your present condition in light of your past memories and future anticipations. You interpret where you are now in terms of where you have come from and where you are going to. And so doing you give a sense of yourself as *narrative identity* that perdures and coheres over a lifetime.

Kearney’s insight provides meaning to the data because the sense of narrative Identity endures and unites the whole of the participants’ stories.



Some of the themes that emerged from the conversations were the Chinese urban youth's desire to express individuality and status through consuming Western products, the juxtaposition of old and new in China and the Chinese urban youth's idealization of American culture. An additional theme that emerged was the need for Western companies to understand Chinese culture in order to practice truly ethical business ventures. In some of the conversations, the participants reflected upon the importance of preserving Chinese history and culture in the midst of the cultural and environmental changes brought about by the influence of Western companies in urban China. The participants expressed desire that global companies come to an understanding of Chinese culture and subsequently act in ways that ethically align with their cultural understanding. The data presented were organized into themes that were drawn from the research categories, Identity and Ethics. The conversations elucidated the difficulty that some Chinese urban youth have in balancing their participation in Western consumerism with a desire to hold onto aspects of their cultural identity.

### **Expression of Individuality and Status through Consuming Western Products**

**“Every life is in search of a narrative” (Kearney 2002:4).**

The vibrant backdrop of Shanghai, bustling with people of all ages and inundated with colorful advertisements, beautiful chic Western fashions, and mammoth buildings provided the setting for some of my research conversations. The notion of Identity was extremely significant to most of my participants and yet some of the urban Chinese youth found it difficult to articulate the way in which their identities are influenced by the influx of Western companies like Starbucks and Wal-Mart. To facilitate our conversations, I encouraged my conversation partners to share their ideas about Chinese

collective Identity and individual Identity. I emphasized that I wanted to hear their understanding about what Identity means and the unique way in which they have each reconfigured their selves in a rapidly changing environment. Several of my conversation partners explained the idea that consuming Western products manifested their desire to express their individuality and elevated their status among their friends.

Participants, Zoe and Olivia are both fashion industry graduate students in Shanghai; we discussed their experience at a Starbucks cafe in that city. Zoe and Olivia knew of the Starbucks cafe located on *Nanjing Xi Lu* by the Ritz Carlton Hotel and agreed that it was very nice since the hotel plaza also sold other premium products like, Haagen-Dazs. Zoe stated, “oh, I know I saw the Olsen sister. Saw their many photos.” I realized she was talking about the posters of the movie stars from the United States, the Olsen sisters. Olivia smiled, laughed slightly and nodded her approval of Zoe’s comment. Zoe continued to tell Olivia and I, that carrying a cup of Starbucks coffee provided her the opportunity to emulate drinking coffee like a Western movie star as shown in the poster. Olivia agreed and added that some Chinese youth like to carry a big bottle of Starbucks, dress like people from the United States, and emulate success by carrying a symbol of wealth. She continued, “it’s expensive. So many people like to take their friends to Starbucks to be seen as elegant.” Zoe agreed with the comments about the expensive cost of drinking coffee in an elegant place such as Starbucks saying, “I don’t think Chinese people will dress in Reeboks to Starbucks.” Zoe revealed that Starbucks is a place of importance and most people dress accordingly. Her comment reaffirmed the value that Chinese youth place on Western products as representatives of a trendy attitude.

I acknowledged Zoe's remarks saying I noticed that people are well dressed in Starbucks in China; and I shared with her that in the United States many people dress more casually. Olivia laughed and then shared, "and when we have meeting in our company, if we don't have time for meal, so our boss will order the Starbucks to our office." She added that she and her co-workers prefer to enjoy Chinese food as opposed to the food Starbucks offers and Zoe added in a whisper, "it's too expensive." Zoe clearly considered Starbucks coffee to be an expensive Western treat. I shared with the young women about my experience eating a ham and egg Panini sandwich at Starbucks in Shanghai and mentioned that although it was pleasant; I also thought it was too expensive. I added that Starbucks is considered expensive in the United States as well. They seemed extremely surprised by the notion that some people in the United States also view Starbucks as being expensive. Olivia said, "wow. I am surprised that Americans think Starbucks is expensive. We think you can afford it." Zoe responded, "oh, yes." I added that is not always the case, as I find Starbucks is expensive in both China and the United States.

In a follow up conversation, Zoe and I talked again about her thoughts on Starbucks and its influence on the urban youth of China. She seemed happy to talk to me about the foreign companies in Shanghai. She expressed a great love of her Chinese heritage and within that context offered her opinion about how Starbucks is transforming Shanghai. Zoe said, "Of course, some of them think Starbucks is a good place to meeting friends and talk to people. In the opinion of the youth of China, drinking coffee in Starbucks means they are really care about the quality of life." Yongliang, an engineering graduate student at the University of Arizona, is another conversation partner who echoed

Zoe's remarks in his comments about the advantages and disadvantages of Starbucks' presence in urban China. Yongliang shared his observation that one disadvantage is the high cost of Starbucks products in urban China. Zoe echoed this saying, "Starbucks is too expensive to me. Most of my friends are agree with me." It is apparent that both Zoe and Yongliang felt that the cost of coffee at Starbucks is too expensive, yet many youth are willing to pay that expense since Starbucks represents an "international symbol" of modern Western culture.

Yongliang further shared his thoughts about the reasons for the high price of Starbucks coffee in urban China, "but maybe I guess the reason for this is they have targeted groups for the white collar." Zoe and Yongliang both indicate that Starbucks' market strategy targets Chinese urban youth who have good jobs and seek status via purchasing foreign products. Zoe added, "now Chinese youth don't like their parents, they pay more attention on their life style. Starbucks for them is an international symbol. They want to become more international." Additionally Zoe emphasized, "the key lays in people's feeling about Starbucks, not the taste of the coffee. I don't like coffee, but I think Starbucks is a good place to go when people don't want to stay at home." Zoe's comments are significant to highlight that the urban youth's desire for Starbucks coffee is more about participating in a Western lifestyle and less about the coffee itself.

Vivian, a former graduate student of the University of San Francisco, is another participant that I had an engaging conversation with for my research. At the University of San Francisco we discussed her opinions about Starbucks and Wal-Mart in China. Vivian opened the conversation on the topic of how the urban youth of China look to Starbucks as a Western symbol. She explained that she "read some articles online and they talked

about the youth, they're saying, Starbucks stands for their identities, because it feels like when you're holding a cup from Starbucks it means not only you're rich, but also you have a higher social status than other people.” Vivian shared, “Starbucks coffee in China is not as strong to the taste as the Starbucks coffee in the United States” and then added, “what surprised me is the coffee is not that good either.” She suggested that holding a cup of coffee while on the street in China illustrates that you are different from other people, especially since no name coffee is very inexpensive. Mingxin Li is an undergraduate student majoring in business management and computer information systems. She exemplified the social status idea that Vivian shared, when she spoke about her cousin going to a Starbucks store. Mingxin stated, “I said ,do you go to Starbucks really only for enjoying a cup of coffee? He said no, I don’t like coffee, but I just think sitting inside is so cool.” Vivian and Mingxin’s reflections demonstrate the enormous status symbol Western consumer goods and companies represent for many youth in China.

Vivian talked about the difference between Starbucks and Wal-Mart saying that Starbucks represented more of a status symbol. She says that some people save up money to purchase coffee and to be seen in Starbucks or carrying a Starbucks cup of coffee, while Wal-Mart was not as visible since there are only a couple of Wal-Mart stores in Shanghai. Vivian said, “we just know that oh, there must be some Wal-Marts in Beijing but you never know where is it. But Carrefour, [a French owned supermarket] you always see the commercials, you always get the free brochures of what's special for them. And there are so many of them in Beijing, like five to ten.” She discussed that Wal-Mart competes against the more numerous French Carrefour super market stores and of course the dominant local Chinese stores and markets. As Vivian and I talked, I mentioned that I

have noticed more middle class businesspeople in Starbucks than in Wal-Mart for obvious reasons. Starbucks appeals to individuals with laptops and a desire to obtain coffee or other coffee flavored drinks, while Wal-Mart is an immense shopping market with a wide variety of choices. She acknowledged this but added, “so whenever you go to Starbucks, you don't see cops. You don't see homeless. You don't see any of those people. All you see are businesspeople who are suited up with their laptop.” Again, I stated that this must be the middle class. However, she shared, “yeah, and to us, the middle class is a very Western term.” Starbucks caters to the urban youth and the affluent business clientele for its unique symbol of luxury and Western lifestyle.

Ordering drinks at Starbucks provides Chinese urban youth with the opportunity to express individuality through their unique individual coffee preference; they may feel this reflects aspects of their personality. Wilson is a hard working Starbucks barista in Shanghai, China who enjoys his job and loves interacting with people. However, due to what was stated as a Starbucks store policy, Wilson's manager did not allow our conversation to be recorded. Wilson told me that his “my favorite drink at Starbucks is iced vanilla latte...it's refreshing. This shows I am relaxed and easy going.” He specified that his choice of drinks provided an idea about his personality.

An individual's choice when ordering drinks at Starbucks may represent that the consumer's choice also reflects mood and personality. Wilson told me that it makes him smile to see people enjoy a cup of Starbucks coffee. During our conversation in Shanghai, he shared his opinions about some of the reasons for the popularity of Starbucks in Shanghai, saying that, “it seems strange to me that coffee can be so big. But here it is popular I think because it is a symbol you know of Western culture or well

maybe for me and my friends to show off like hey I can buy this...People look and say oh green color, oh he has Starbucks.” Wilson’s comments illuminate that some Chinese urban youth view drinking or being seen with Starbucks coffee as a trendy status symbol for some of the Chinese urban youth. I asked another of my research participants, Pete, a food service worker, if he thought some people might be showing off wealth or trying to show that they are entering into a higher wealth status as Wilson suggests. He said that that the opportunity to shop in stores like Starbucks and Wal-Mart allow some to think of themselves as a little more important on the visible social ladder of success. He affirmed, “of course, yeah, yeah, yeah. It’s only a behavior, because I’m able to show for everyone I am rich. I am able to buy.” He suggests that the idea of being seen in stores such as Starbucks and Wal-Mart gave the image of importance since it implied that an individual could afford to shop at such stores.

Mr. A, a young businessman, discussed Starbucks’ business involvement in Beijing. He seemed to be very concerned about the cost of the coffee at Starbucks, which is the concern that Vivian, Mingxin and Yongliang expressed. I explained that the cost in United States currency for a tall latte is about \$4.10 and question why some Chinese urban youth are willing to pay so much for a product that is not a part of their cultural traditions. Mr. A became a bit more serious, folded his hands and stated, “the reason why Chinese people that likes Starbucks because they like anything that has a cliquey thing, like Western ideas.” He expressed a concern about the Chinese youth buying coffee and feeling more privileged than other youth who were unable to afford the cost. Mr. A suggested that going to Starbucks or Wal-Mart was analogous to belonging to an exclusive golf or tennis club. His comments reinforced those that Pete, Yongliang,

Vivian, Mingxin, Zoe and Olivia made, that some urban youth express individuality or status through purchasing Western products.

### **Juxtaposition of Old and New in China**

Traditions are extremely important to many Chinese who may fear the cultural and aesthetic loss of aspects of their ancient past. Mingxin, illustrated that some people express concern for the loss of some aspects of Chinese culture, noting “I think some people upset because they just worry about fading out of our tradition or culture or something.” Kun Chen, a graduate student at UC Berkeley discussed her opinions about Wal-Mart and Starbucks in urban China or *Xingbake* as Starbucks is called in Chinese. Kun Chen said that, “To me Starbucks and Wal-Mart represent the Western companies that have very advanced management and service. I think it gives Chinese people opportunities to learn about Western cultures and to actually create new lifestyles.” Kun Chen reminded me that the older traditional Chinese culture is now mixing with the new Western culture and the youth appear to be open to new Western ideas.

Still, what some see as an openness to new ideas is interpreted with more concern by others. Ryan, a former graduate student of the University of San Francisco, expressed concern that some Chinese urban youth are breaking away from their “traditional culture” by participating in Western consumerism without possessing a critical awareness of what traditions they may overlook. Ryan also expressed concern that urban youth are “switching from tea to coffee” and indicated apprehensively that breaking away from a past cultural milieu to participate in Western consumerism can be a precarious activity because some may not be aware of what they are trading. Ryan stated, “To me it’s kind of stupid, you’re just forgetting, you know, your own identity.” He felt that some urban



youth may be making a mistake by not appreciating the traditional Chinese culture such as “Confucius philosophy, reading some old traditional Chinese literature or learning about tea drinking.” Ryan also stated that he “hates Christmas in China...because it is not a Chinese holiday” and he dislikes other Western holidays such as Valentine’s Day. He desires more celebrations around traditional Chinese holidays, such as the “Dragon War Tea” celebration or the “Dragon Boat Festival.” On another note, he also explains the wage difference in China and said, “if Wal-Mart hires a person in the United States, you know let’s say \$10 an hour, okay, and when Wal-Mart hires, a person in China, Wal-Mart can only pay him like \$5 a day. That’s a huge difference.” Ryan explained in the factories, conditions could be even worse. China is changing and taking steps to improve many conditions.

Ryan informed me about a Peking University program and courses that were set up several years ago to help young Chinese college students learn about their traditions. Chinese calligraphy and tea drinking appreciation were some of the courses mentioned. He told me about this program as part of his description of the problem that young Chinese are experiencing with regard to a potential loss of traditions. He emphasized the importance of taking steps to re-discover Chinese traditions and gain a better sense of their cultural identity.

Kun Chen also elucidated the idea of Identity with the juxtaposition of old and new in China as the Western values merge with the traditional Chinese culture and Chinese business standards. She stated, “before these foreign companies entered the Chinese market, basically we had very traditional views about how we do business, how we view the market.” The youth seem to be searching for an alternative direction in

which to express their sense of individuality and accomplishment. It is reminiscent of Gadamer's (1999:90) writing about Christian mysticism as he remembers "the phrase of Meister Eckhart: 'Why are you going out?' 'To find my way home'." Chinese urban youth may find benefits in both the old and new in China, eventually deciding what their home will look like in their endeavor to build a modern China. Kun Chen in discussing the juxtaposition of old and new in China stated that Starbucks and Wal-Mart give "Chinese people opportunities to learn about Western cultures, and to actually create new lifestyles. So that will add into something very traditional, conservative way of how Chinese people are doing, how Chinese people buy products. So I think it's very nice to have multiple ways of consuming goods and live lifestyles." China's massive population, with its rich traditional history and newfound global economic power, marches on to a new horizon and a new tomorrow.

In discussing how urban youth in China are responding to globalization, Ryan made a remark that summarized the concern many expressed. He said, most people "don't realize the globalization will eventually kill the nationalism or the tradition of their country. You may at a certain point, you may feel oh, what's wrong with our country? It's not the country that I love. It's filled with Starbucks and KFC and McDonalds...where's our traditional stuff?" The implication of this statement is powerful, for it suggests that there may come a time when urban youth look back on their country and realize the China that once was, as represented by tangible symbols and customs such as, Chinese calligraphy and traditional tea drinking, is filled instead with Western companies that lack a connection to the history or culture of their nation. This

concern directly relates to Chinese cultural Identity, a reality that my research participants expressed eagerness to explore.

Ryan strongly suggested that many of the Chinese youth are making a transition toward a Western style of thinking and are unwittingly “abandoning their own culture’s thousands of years of traditions.” His concern showed the rapid change of thinking from the former authoritarian perspective of Mao Zedong, the founder and former leader of the People’s Republic of China to the youth’s current acceptance of the changes in China as part of a new world order. Ryan displayed a concern about the dramatic shift from China as an agrarian culture to an industrial powerhouse. He explained that this paradigm shift was thrust upon the Chinese culture in an extremely short period and though many welcome the change, it has led to the loss of understanding of Chinese culture and a substitution of Western ideas and values. As he reflected he became quiet, paused and sighed, for reflecting on this issue seemed to bother him. In discussing how Ryan viewed his own Identity he continued, saying, “I see China in a very clear way right now...I feel so strong that I’m a Chinese person, and I love my culture and I love the country...I love the Mandarin, I mean the Chinese words. They’re so beautiful.” Ryan elaborated, noting that the beauty of many Chinese poems were lost when translated into the English language. He continued to discuss the beautiful sound of the Mandarin language as he articulates his love of his culture. He also felt many more Chinese youth need to study China’s history and its wonderful literature and beautiful poetry because reading is how he gained a greater understanding of his culture.

Ryan intentionally embraced his cultural roots through language, literature, and an appreciation of the tea drinking ceremony; he differs from most of the youth who are

more interested in drinking coffee. While symbolic, Ryan's appropriation of traditional Chinese tea tasting and appreciation as a hobby is an apt way of understanding his perspective. During our conversation, Ryan depicted traditional tea drinking as a slow, subtle process that exists in direct opposition to the fast-paced process of drinking coffee. Ryan described it saying, "the way you serve it...it has certain rules...the enjoyment of tea, it probably takes two hours or so." Ryan emphasized the cultural significance of tea in the Chinese culture, explaining the process of preparing tea, enjoying the different types of tea, and the overall tea drinking experience. Ryan and I conversed about the subtle gestures within the tea drinking culture and Ryan's belief that these gestures are not present if coffee is served instead of tea. He said, "when you're enjoying the cup of it, they call it Kung Fu tea...because it's so subtle. It requires certain skills...You drink it, you taste it, you feel like, wow." In addition, Ryan shared his understanding that tea "is not just some beverage. It's like kind of joy...tea is enjoyment...you feel so peaceful and calm." In the conversation Ryan explained that offering tea to friends is a gesture engrained within Chinese cultural tradition, "if you go to my house, or my family, I serve you tea. It doesn't just mean like I give you a cup of tea to drink. It means I respect you. It means I treat you as my friend." Ryan clearly respects, values, and loves his cultural traditions and understands that they contain meaning that relate to how people interact with one another.

Zoe and Olivia, also enjoyed participating in the Chinese tea drinking culture. Their appreciation for cultural traditions is juxtaposed with their understanding that their country needs foreign investment and foreign companies. They spoke of their appreciation and love of their country. Zoe and Olivia discussed wanting to be good

workers, and they identified with the need to improve their country. However, they both expressed concern over the potential loss of cultural understanding amongst some of their compatriots. Zoe stated, “you need to know your culture and not let others-- I would not say take away, but start to build over it maybe is better way of putting it. If you are strong in who you are and your traditions, then this helps.” Olivia remarked, “you know, we love Chinese poem. We love Chinese calligraphy and Chinese painting.” In a conversation on May 19, 2008, Olivia shared with me that she observes and tries to learn more about the Chinese Confucian tenets such as *Xiao* or filial piety, the profound respect and devotion to one’s elders within the family. Specifically, Olivia stated, *Xiao* or filial piety relates to the younger generations duty or “moral code” of conduct to put their parents or “elders needs first” and should help take care of one’s elders within the family as “a sign of respect.” This comment applied to both the specifics of Olivia’s family and the broader need to have youth show respect for their elders, reflecting cultural tradition and values.

Kun Chen echoed Olivia’s comments about *Xiao* or filial piety when she said, “Chinese people in general are very family oriented...they respect the senior, they respect the old people, and they take consideration of how older people or like people who are more...wisdom.” I mentioned to her “they respect the wisdom that they’ve learned” and she agreed stating, “Yeah. They are wiser, so they respect that very much. I think it creates a very...harmonious social relationships in China. So younger people know how to take care of the parents when they get old.” Kun Chen’s comments indicated that the Confucian tenet of *Xiao*, or filial piety, is strong in modern culture, although it dates back to the Confucian era around 6<sup>th</sup> century B.C.E. Ming and I discussed Chinese culture and

some Confucian virtues emerged from our conversation. A value that is important to her and a virtue she learned from her dad is to “be polite to everyone.” This duty and respect of family exhibits *Xiao* or filial piety. Furthermore, our conversation revealed some other Confucian tenets such as *Yi*, appropriateness and *Ren*, benevolence towards fellow human beings. Mingxin elucidated that Confucian virtues are “wrapped up in our traditional culture.” It is evident in our conversation that Mingxin holds her family in great esteem and that she demonstrated this by following the morals her family instilled in her at a young age. My discussion with Zoe, Olivia, Kun Chen and Mingxin improved my understanding of the richness of Chinese culture and the significance of their deep-rooted traditions.

Zoe and Olivia clearly identified with their Chinese culture that they love and indicated that they have even studied Chinese cultural traditions at the college level. They informed me that both of their parents worked during difficult times and I interpreted their comments as meaning that their parents feel it is important to remember the past and work toward the future. In discussing Chinese art, calligraphy, poetry and music, Zoe and Olivia emphasized that many youth have forgotten or are not practicing their cultural traditions. When Zoe shared, “so many forget that.” Olivia added, “we forgot that before, but now we get it back. We want to learn and so we practice. Like with art or reading history have to be active with this. Cannot just say I like this and appreciate it but do not read about it or do it you know?” Olivia felt that some of the youth could soon forget about China’s great past and not know about its musical instruments, history, calligraphy, art or other vital cultural traditions if they do not incorporate these practices into their regular lives. Olivia expressed understanding of the importance of practicing cultural

traditions as a means of maintaining Identity, saying, “I think it’s important to maintain who you are and know your culture.” As I asked Zoe about her feelings about traditional Chinese culture, she indicated that it was “hard to talk about traditional Chinese culture. Even as a Chinese people, we hard to say we fully understand our culture, our custom. China have vast land, have over 5,000 years history, we have countless cultural traditions.” She mentioned the importance of keeping some traditions; however, she also acknowledged that some are lost or forgotten.

Traditional Chinese culture is particularly important to Zoe since her mother is a calligraphy teacher and her father paints Chinese paintings with watercolors. She expressed pride in her family’s participation in such traditional Chinese cultural activities. In discussing companies from the United States, I asked if she felt that either Starbucks or Wal-Mart was changing the traditional Chinese culture and customs of the youth. Zoe’s response was thoughtful as she remarked:

I think the word changing is inaccurate. In my opinion, the word influence is more accurate. Yes, fast food culture is deeply influence now Chinese youth life. But I think some things can be changed, some things never be changed. Traditional culture may not be as popular as fast food culture now, but I think some traditional Chinese culture is eternal.

Still, she added, “yes, traditional culture becoming less and less popular. I try always appreciate traditional culture is important to know who you are.” Within this context, Zoe shared with me that Western companies in China influence the attitudes, behaviors and even the diets of youth. She mentioned that Western companies such as KFC, McDonalds, Starbucks and Wal-Mart have food that some become fond of even if it is not good for their diet. I mentioned that this is also true in the United States. Zoe emphasized the importance of remembering Chinese traditional culture and stated, “it is

important not forget my traditional culture and who I am.” Zoe clearly was pleased to discuss her cultural traditions and felt it is essential to remember and practice these as a way of remaining true to her Chinese Identity.

My conversation with Pete led to a discussion about the Starbucks café that vacated its location at the Forbidden City. As soon as I mentioned the franchise he quickly responded, “I don’t like the stores or this franchise or system.” Pete explained further, “in the traditional place. For example, in Beijing. There’s an old, old, old country part or old cities with much history of our culture. But then Starbucks come there and enters in the city and can ruin it.” In acknowledging the Forbidden City’s historical and cultural importance Pete conveyed concern about how foreign influence would adversely influence the historical significance of the site’s thousand years of tradition. Olivia and Zoe also discussed a report I read concerning the Forbidden City petition that Chinese reporter Rui Chenggang’s put on his blog to get signatures to show disapproval of Starbucks in China’s Forbidden City. The young women expressed interest and concern Olivia added, “oh. That is big. Glad Starbucks left the Forbidden City. I don’t understand why they would be in a sacred place. You know that place has thousands years of Chinese history. Starbucks is not part of that history.” Zoe also expressed approval with the outcome of the story.

Olivia informed Zoe and I, that her hometown of Shanghai is different than other Chinese cities, especially Beijing. Both young women seem very proud of Shanghai Zoe stated, “yes. Shanghai is more – I don’t know, mixed –cultural mix.” Olivia quickly added, “but Beijing, I think the cultural thing is more strong, more nationalistic. Shanghai’s more modern, more fashionable.” I agreed and added, “yeah, that’s what I



have read and now I'm seeing for myself." Zoe further stated, "but in Beijing there is a lot of interesting places to go." "Like the Summer Palace," said Olivia. "Great Wall," Zoe quickly affirmed. I mentioned that I appreciate the Chinese history and rich culture and the young women seemed glad about that.

Mr. A, who is a business person, informed me about some of the economic changes he became aware of in his college Asian studies class. He cites examples of China's trade with other nations, such as the United States, Japan and Peru. He remarked about how many rural people in China are selling their land and moving to the city for factory jobs, though very few Chinese people are getting rich producing goods for Western companies. He explained, "there's a very small pocket of Chinese people that are billionaires, but there are some. So more and more of these materialistic -- a lot of parts of China's going to get a lot of pollution, but government saying they're trying to clean it up."

Lulu is a college student at the University of San Francisco and is from Wuhan, China. Lulu acknowledged that she enjoys many of the foreign stores; however, she also reflected on the influence of such patronage, saying, "another part is about the Chinese people's attitudes, their minds. We gradually lose our own culture. This thing, those already out of date, they're pursuing the Western culture. That's a big problem." As Lulu and I, continued to talk, I mentioned previous conversations about how some youth are losing interest in learning traditional instruments, practicing calligraphy, and reading traditional poetry. I mentioned that it seems to be a big problem for some urban youth to keep aspects of their traditional cultural identity while pursuing Western culture. Lulu explained that "the government -- in some parts, the government wants to try to remind of

traditions and keep the traditions, and the people also -- they don't want to lose it, because it's our own -- it's our spirit.” She appeared to be very proud of her country’s spirit and especially as represented in the 2008 Beijing Olympic games, which were about to occur at the time of our conversation. Lulu said that the Chinese welcome Western foods, music and culture; however, she expressed a desire to protect China’s history and proud traditions.

Vivian provided other reflections about the differences between the two stores, which reflected their relative influence on urban youth in China. In addition to the fact that Starbucks is a status symbol with little competition while Wal-Mart is a supermarket that must contend with an immense Chinese market opposition, Wal-Mart has a wide selection of inexpensive goods, yet the stores are few in number and cater to the older generation as well as youth. She said that Wal-Mart seemed to have lower prices than most other stores, which has caused some of the large Chinese stores to move away from Wal-Mart or go out of business due to rigorous competition. She added that Wal-Mart and Carrefour also “stand for better living conditions.” She contended that the modern Wal-Mart stores and the French stores appear to be cleaner and carry a wider array of goods compared to some of the large Chinese stores. The success of this style of store reflects a desire amongst many to improve their lifestyle and enjoy both foreign products and elements of the lifestyle they represent. She stated, “yeah, it seems that because they are foreign, big companies and they have good reputations, so we suppose that they offer better food. I mean, like the meat, vegetables, they're fresher. They import vegetables, fruits.” She also noted that many people also like these foreign stores, because they have comfortable chairs and a pleasing environment with music playing in the background.

Vivian told me about the different hierarchies in China based on positions, such as farmers, workers, executives, or teachers; these are grouped into blue collar, white collar and gold collar jobs, the last of which is represented by positions such as a leader of a big company. She stated, “in China the situation is, we know there are extremely rich people and extremely poor people and there must be a big portion of the middle class, but we don't see them. We only see the two extreme peaks.” I said, “that’s interesting.” With a big grin she said, “the girls in Shanghai, they're dressed up and they wear high heels to go shopping.” She also laughed and mentioned they do so sometimes while riding a bike. Her bright, cheerful smile filled our conversation with genuine delight and it reminded me of Kearney’s (2002:130) discussion of stories as an integral part of human beings interactions as he says, “life is pregnant with stories...For inside every human being there are lots of little narratives trying to get out.” The importance of sharing a narrative resonated with me throughout my research conversations.

Pete indicated that he also desired change, yet was concerned about the potential loss of his Chinese traditions. He shared, “I think the youngest generation forgot their culture, to follow in the Western style or something like that and therefore they forgot all traditions, their traditions and other things.” His insinuation was that some of the younger Chinese might allow themselves to be greatly impressed with Western ideas and think less of the rich past cultural traditions. I thought it was helpful for Pete and I to discuss both the advantages and disadvantages of Western companies in urban China.

Both Zoe and Olivia expressed an understanding of some of the benefits of foreign companies, such as, the creation of “new jobs” and “better wages”. Foreign companies do more than bring materialism or activities blind to culture. They also offer

opportunities to change exploitive elements of the culture. I changed the subject to the concept of the middle class in China and without hesitation; both Zoe and Olivia gave me their thoughts on the subject. Olivia said, “middle class word really more of an American term. I think we are struggling to or working hard to become middle class finishing school and working in fashion design job to help me and my family by giving them money I make.” Zoe agreed, mentioning, “I don’t think we are middle class yet. We try to get there, but not there yet.” Olivia, looking more serious than before, said, “we are poor. We’re still very poor.” Vivian also discussed the term middle class and clarified, “But for most of common people, they don’t think they are as rich as what they think of mid-class people in the U.S. I think it might be because in China...people have to save money to pay off their house, daily life spending, kids’ spending and education, etc. Everything comes from their income.” Vivian added, “This is why Chinese people never think themselves as mid-class. They have different definition of the American one. Also, their living conditions are not as good as American mid-class either.” Zoe, Olivia and Vivian clarified that the term middle class is more of a Western term.

Cultural elements that are crucial to Identity could potentially be lost or traded for Western influences, such as the Wal-Mart and Starbucks experience. Both Zoe and Olivia said that the question about how corporations like Starbucks and Wal-Mart are influencing China's Identity was an extremely difficult question to answer. However, Olivia said:

I don’t know how to express it in English right. It’s on a lot of people's minds. I think in China. You know our cultural identity is being shaken up a bit by these foreign companies. Especially the youth. They want to belong to something modern, Western, and new. Traditional no longer excite them like it does us. I don’t get it. I mean we like the traditional and still experience the new.

Olivia's statement elucidated her concern about China's cultural Identity as it is influenced by the presence of foreign companies. Urban China is experiencing a cultural shift as Western companies offer a different model of service, work and shopping environment. I stated, "in China, everyone's just so friendly, 'How can I help you?' always in the uniform, very neat, well-dressed, and you could see the different uniforms for the different sales positions, too." Sophia Un, an undergraduate student at the University of Arizona enthusiastically expressed:

I actually think that that is part of what Wal-Mart wants to represent as an American company because I really don't see that much in like a regular Chinese like grocery store or like Super Center or whatever. Like people are just doing their own thing. And you really don't see that many sales like on the floor. It's more like you pick whatever you want and you go to a cashier, that's it.

Sophia's statement elucidated the difference between how the corporate identity of companies from the United States is expressed through their customer service versus the Chinese eclectic identity with the local stores embodying a more casual mode of dress and conducting business. As she spoke, I visualized my experience in China, witnessing the influence of the culture of companies from the United States on the local stores in China. Sophia said that Wal-Mart seemed to be saying, "Hey, look at us. We're from American and we're trying to bring out the good, friendly customer service." I agreed with Sophia that the Wal-Mart in China seemed "more service-oriented." When I told Sophia that I, "actually enjoyed being in Starbucks in China more than [in the United States because I] felt that people were friendlier," Sophia responded, "I think in Starbucks in China, they hire like younger populations." Both Starbucks and Wal-Mart introduce the concept of friendly customer service in their business models in urban

China and predominantly hire a younger population of energetic, friendly workers to represent them.

In discussing Starbucks, Sophia stated, “I think it’s because people look at it as like a luxury.” This desire for luxury status is a significant shift from the values that existed during the reign of Mao Zedong when Western ideas or products were not held in high regard and China was closed off from the West. The change began with Deng Xiaoping’s Open Door Policy in 1979, which opened up China to the West, to economic development and education abroad (Fairbank 1983). Currently, the urban Chinese youth embrace the luxury foreign items in high esteem, which is a complete shift from the anti-foreign sentiment that was so prevalent during Maoism.

Yi Lu and Zhengbao Zha are two remarkable engineering graduate students at the University of Arizona that I had the pleasure of meeting and hearing their stories. One of the noteworthy moments in our conversation occurred in relation to the discussion about the rapid changes and growth within urban China due to Western consumerism and the possible schism in Chinese Identity for the urban youth. Yi Lu shared, “everything change a lot. If you focus on the last 20 years, China have extreme change.” Both Yi Lu and Zhengbao Zha spoke about how China is becoming stronger economically, the new Western companies they witnessed coming into urban China, and other changes since the Open Door policy was implemented in 1978. Furthermore, Yi Lu and I also discussed the Olympics as an immense change for China over the last few years, noting that it is symbolic of the fact that China holds greater power in the political and economic world arena. We also discussed the growing gap between the rich and poor in China. Yi Lu emphasized, “even for the government now, I think it’s a big challenge, like how to

handle one billion people, even more people, to balance the people. Because you know now China, the rich people and the poor people.” In addition, we discussed that the notion of the emerging middle class in China represented a small portion of Chinese society in comparison to the immense population. Yi Lu felt that the government wanted to generate “more middle class people” in order to reduce the growing gap between the rich and poor in China.

Our discussion transitioned into the traditional way of eating and interacting when Yi Lu stated, “for traditional Chinese, like the eating things we have to wait a long time because people think that the cooking need time, and you need time to taste, to talk with each other.” The implication of Yi Lu’s statement intertwined with his own Identity and showed that he values Chinese tradition. Another change Yi Lu witnessed in urban China is the preference of the fast-paced lifestyle by some over the slower paced way of dining and interacting in daily life. As we talked about the slower appreciation of eating, drinking and interacting as part of traditional Chinese culture, Yi Lu expressed his connection to the traditional slower appreciation of dining or drinking even though the popularity of the faster pace is rising among the younger generation. He said, “the fast paced as you say, more popular. But I appreciate the slower pace.” Starbucks represents one Western company that provides the fast-paced lifestyle that influences the traditional Chinese value of the slower paced lifestyle.

Yi Lu and Zhengbao Zha agreed that Starbucks is very expensive for most Chinese. Yi Lu elaborated about Starbucks being a status symbol and emphasized, “Starbucks, I think it’s kind of a showing something like student, normal people, we still can’t afford the Starbucks prices. It’s kind of like a lifestyle, like some white collars.”

Zhengbao Zha concurred, “very, very expensive.” Talking about the elder generation, he added, “They don’t want to drink coffee, that’s one reason. Another reason is I think the price is too high.” Yi Lu affirmed, “yeah, for parents, it doesn’t make any sense.” Both men agreed that Starbucks appeared to be supported by younger shoppers and Starbucks cafes were more appealing to the younger generation.

We discussed Wal-Mart shopping centers and agreed that some of the older generation preferred the traditional ways of shopping by seeking out the goods sold from the local street vendors. Yi Lu stated, “the funny thing is I think my grandpa, grandma, they choose the street to buy the stuff because they like bargains, I think, they want to bargain. Yeah, they can do that. But for the supermarkets, no way.” Yi Lu made it clear that there was a growing difference between the youth and their parents as he declared, “the younger generation more accepting of the Western than our parents.” The implication of this statement was the data supported the idea that mainly the Chinese urban youth appropriate Western ways, styles and practices.

As we discussed ways to protect Chinese culture and balance preserving the traditional Chinese customs while welcoming Western culture, Zhengbao Zha reiterated, “is important to have balance with traditional and modern.” In addition, Yi Lu shared, “the beauty for traditional need to be appreciated and respected.” Both my participants’ statements elucidated that they both identified with their own Chinese culture and value their rich traditions. They both continued to present evidence of Western influence changing aspects of the traditional Chinese Identity. Zhengbao Zha mentioned that change is noticeable, “we drink Coca-Cola, yeah.” Yi Lu also spoke of changes as he stated, “and people started to use forks and knife. Chopsticks not as popular now.” Yi Lu



mentioned that he felt Western companies, “changed the traditional eating.” Thus, the choices to eat and purchase Western products are influencing the traditional Chinese eating habits as well.

Yi Lu and Zhengbao Zha were aware that the urban Chinese youth’s considerable engagement in Western consumerism may contribute to a future loss of aspects of Chinese Identity. Yi Lu conveyed, “most of people they want to get rid of the traditional things to take in the modern I think for the younger generation.” Additionally, Yi Lu poignantly shared his striking thoughts about the possible loss of Chinese identity, “maybe next couple of years, people start to forget and everything, like the younger generation, when they – grew up with McDonalds and things, and American movie, they will forget more and more their traditions and part of themselves.” Kearney (2002:81) states, “whenever a nation forgets its own narrative origins it becomes dangerous. Self-oblivion is the disease of a community that takes itself for granted...entitled to assert itself to the detriment of others.” Kearney’s (2002:81) quote relates to the participants’ discussion about the importance of the urban Chinese youth adhering to and remembering their traditional culture or past.

Furthermore, Yi Lu remarked, “for the young generation...they face the internet and all the things that could make them not as interested in the traditional things...like what we talk about with Starbucks and Wal-Mart too.” In addition, Yi Lu and I discussed the importance of traditional Chinese culture and the difficulties in attracting the urban Chinese youth to “focus on the Chinese traditional culture. That’s the hard part, like how to let people still remember the important traditional things with all this new modern stuff coming in.” Additionally Yi Lu continued to speak about the possibility of accepting new

Western ways while conceivably forgetting aspects of the traditional Chinese ways, “maybe they kind of forget about the traditional things. It makes sense...some people saying its out of date [traditional ways]...Say it’s out of date and forgetting.” Yi Lu’s comments reinforced the previous discussion about the possibility that some of the Chinese urban youth may disregard aspects of traditional Chinese culture in order to enjoy the new Western culture.

### **Chinese Urban Youth’s Idealization of American Culture**

Currently, Chinese urban youth see a changing China inundated with Western companies. How do the youth then reconfigure their individual Identity? In discussing the topic of Chinese identity, Ryan, expressed his opinion that China’s 5,000 year-old history would keep the Chinese from letting “globalizations kill its own identity.” Ryan felt that collectively China’s Identity is strong but the individual identities of the youth are being influenced by the presence of Starbucks and Wal-Mart in urban China. Our enriching and engaging conversation held profound meaning to me. Ryan explicitly illuminated the research categories, addressing issues of Identity and Ethics in the interplay of our conversation. The topic of Identity, although difficult to articulate at times, emerged throughout our conversation. This is exemplified through Ryan’s observation that some of the younger generation in urban China, those under the age of 30, are confused about who they are and identify with those who enjoy Western products and culture. Ryan’s story clarifies his statement. Because this topic so deeply concerns him, I became extremely interested in hearing his story, which is both personal and emotionally charged.

Ryan, spoke of a friend from China who currently lives in San Francisco. He said that his friend changed rapidly with her exposure to and participation in Western culture

and specifically by imitating “American style.” Ryan shared their conversation with me, saying that he told her, “you’re so lost, you know that? I mean, it’s so sad. The sad thing, it’s not that you’re lost, the sad thing is you didn’t realize you’re lost. You became someone you cannot recognize.” He then added, “and she’s trying to tell me like I’m just myself...And I said no, I think you’re doing something you cannot change...but right now you don’t understand, but some years later I bet you’ll regret what you have done.”

Ryan shared with me his concerns about his friends’ unconscious appropriation of Western consumerism and how it influences aspects his friends’ Identity. “You think you’re doing the cool thing. But actually, you’re not doing the cool thing... You’re just forgetting, you know, your own identity. You’re trying to step into someone else’s shoes.” Ryan’s friend fits into the young urban Chinese consumer group that enjoys frequently visiting Starbucks. The desire for some of the youth to participate in Western culture through style of dress, consumption of non-traditional food or beverages like coffee is novel and fashionable to the majority of the youth. However, as intriguing Western culture may appear, Ryan emphasized that it is “very dangerous [to] try to be American.” Ryan talked about how clearly he identified with his Chinese culture and compared himself to a friend who he described as lost because she desires to become more Americanized. Ryan’s observations of his friend are important in gaining an understanding of how Ryan views the collective Identity of the Chinese urban youth.

Zoe, Olivia commented similarly on the way that Chinese urban youth idealized the elements of Western culture that they have appropriated from Starbucks. Zoe said, “I think in China, Starbucks is a symbol, a lifestyle. Some people very like it. We like Starbucks style.” She continued to talk about the décor of the green color of the umbrella

and the walls in the store. She added when she sees green she thinks of Starbucks even though neither of the young women likes to drink coffee, preferring instead to drink Chinese green tea. They both shared their preference for maintaining the traditional practice of making Chinese tea at home and Zoe reminded us that the formal tea drinking is a very beautiful ceremony. Olivia then added that it is, “very important for our culture. Tea a part of us. The experience of the tea important to appreciate.” The young women’s faces seemed to beam with pride when they spoke of the importance of Chinese culture.

I then asked both Zoe and Olivia about their opinions on Wal-Mart. Olivia quickly stated, “uh-huh. It’s a supermarket” She laughed and added, “and very happy, I think. Has a smiley face.” She enjoyed the smiley face logo and mentioned that the other crowded French supermarket, Carrefour, did not have as many friendly people in the store as did Wal-Mart. Zoe chimed in, “the Carrefour market is so crowded and noisy.” The young women seemed to derive pleasure from the color scheme and modern logo of Wal-Mart. In Wal-Mart’s supercenter in Shanghai, the crowds and noise that they spoke about were also noticeable. Wal-Mart appeared to offer a sense of friendliness, as the both Zoe and Olivia explained, and I mentioned that I read that Wal-Mart prides itself on trying to have their workers behave in a very welcoming and friendly manner.

I also spoke with Pete about his opinion of Starbucks and Wal-Mart in urban China. He mentioned that he was excited to talk with me especially since these stores are popular among the younger generation. He inferred that many people like the coffee but some might not like the food. Pete then stated, “it is trendy. Trendy, so trendy. Because everybody wants to trendy, especially here in China.” I said that it seemed they wanted to be a part of something. He replied, “something, yeah, and everything in the Western

country, the Western culture is trendy in Asia.” I asked what might be positive about Starbucks. He laughed and replied, “it’s good for some of my friends I should say to meet Western style, or USA.” This statement suggested that Pete and his friends would be able to learn more about the West, especially the English language and culture, through exposure to such corporate manifestations. I then asked what might be some of the negatives related to Starbucks. He pondered a bit then acknowledged that some negatives did exist.

Pete expressed his positive love of his country through genuine concern for the many Chinese who are not able to share in China’s financial boom. He talked about the improved working conditions in China, acknowledging the role that companies like Wal-Mart have in such positive economic change. I pointed out the Chinese seem to be hard working and competitive in the work place. Pete acknowledged this and said, “very competitive. My friends and I compare ourselves with others a lot.” In addition to the implications of this competition in the workplace, it also affects the pursuit of foreign material items. Pete agreed with me that many Chinese are trying to keep up with one another and we discussed the affects of foreign influences on youth’s identity. Pete pondered the question and said, “I think everything is affected for Chinese people right now. I suppose even for me I can be affected here in China. I never thought about it until we talked.” He acknowledged that young people “love to go to Starbucks and be seen by other people there. I don’t go as much since I don’t want to be more Western. I like tea and Starbucks has bad tea.” Pete expressed a genuine realization about some of the ways Western companies are influencing aspects of Chinese urban youth’s Identity that he shares he did not think about prior to our conversation.

Mr. A, much like Pete, also shared his thoughts on how the urban youth are influenced by Western culture, saying, “I mean, for me it's would probably want to get some identity of Western, Americans feel hanging out in Starbucks drinking coffee, you know, talking on my cell phone, checking my emails from my laptop, checking the Web, and so forth.” He expressed concern that the Identity of Chinese youth would be more affected by Western influence, and used the example of Chinese names as something that epitomizes this problem, noting that many “Chinese people...[are] giving their children Western names.” Mr. A made it clear that he prefers his Chinese name, although he preferred to remain anonymous in my research. Mr. A’s preference for the use of his Chinese name is symbolic of his overall preference for the traditional customs of China. As I asked Lulu about her opinion of the American companies, Starbucks and Wal-Mart, she quickly said, “I think -- I would say they're very, very good and popular in China right now and I think everybody in the urban cities knows them because they're very convenient and can offers good products and services.” She mentioned that she thought the cost of Starbucks products were expensive while Wal-Mart seemed to have inexpensive products. Lulu shared:

especially compared to another chain store and the supermarket in China, and the products in Wal-Mart always attract a lot of people. I really like it. I really like Wal-Mart. Before I came to your city in the United States I needed to prepare a lot of things. I could almost find everything I needed and the most important thing is the price there is better than other famous China chain stores.

Lulu’s statement referenced the fact that some of the urban Chinese youth’s expensive coffee indulgences vary greatly from China’s traditional tea drinking culture. She stated, “I like coffee, although, according to Chinese consumption level, the youth are spending more than they have instead of saving. It's very expensive.” Lulu added, “That's the big

reason that it can attract a lot of people to shop there. And about Starbucks, you know, the Chinese prefer herbal tea than coffee right? You know that right?” When I asked why the urban youth of China are attracted to Starbucks, she explained the Chinese attitude toward “Western things,” which popularizes even items that are expensive, such as the “iced Mocha drink.” She stated, “they are interested in pursuing the foreign culture, the fashions and other Western things and they like, like the fast foods, the McDonalds, Kentucky Fried Chicken...especially Starbucks. They're really enjoying the atmosphere in this café.” These foreign Western companies attract a large number of urban Chinese youth because they provide a trendy diversion from the traditional stores.

On May 26, 2008, I had a conversation with Wilson, a Starbucks barista living in Shanghai, China. Wilson preferred that his Chinese name not be disclosed in my research. I was excited at the prospect of talking with Wilson, a barista at Starbucks in hopes of learning about his experiences working for Starbucks. The assistant manager at that particular Starbucks store explained that I could not record my conversation with Wilson due to store policy. I respected the assistant manager’s wishes and put my recording device away. Wilson sat down, pulled off his green apron and invited me to partake in a bottle of Evian water. He informed me that he was happy to talk to me about Starbucks and that he was eager to share some of his opinions to help with my research. He told me his favorite drink is a vanilla latte. He told me about some of the difficulties of the job, including learning English and learning about all of the different coffee beans. He said, “not easy since we have so many types of coffee beans. It is tough to learn them all. When a customer orders I have trouble with all the names or ways for ordering

drinks.” I felt that Wilson’s comments illuminated that the research category Identity is prevalent in the customer’s participation in ordering their drinks.

One significant theme within the data was the Chinese urban youth’s idealization of American culture, which connects to the research category Identity. Yongliang, another conversation participant, responding to my question about the advantages of Starbucks and Wal-Mart’s presence in China stated, “well, the good things is that you can experience some foreign type of style from in your country.” Yongliang added:

When I go back to China, I talk with my friends, they believe the United States is a perfect country...The United States have its own problems, and is not a perfect, but they don’t believe it. They believe, Oh, everything from the United States is good. They go to there [Starbucks], even it’s expensive and it is like a status.

Chinese urban youth appear to idealize the West and view the lifestyle as affluent, higher in status, and perhaps offering more choice. In addition, the Chinese urban youth’s attraction toward Western style is evident in Yongliang’s remark when he said, “the reason I go there [Wal-Mart is that] I think the quality is guaranteed and then because it’s from Wal-Mart as the big company, and the prices is okay.” The Chinese urban youth’s fascination with Western culture is visible by the active participation they demonstrate in supporting Western stores such as, Starbucks and Wal-Mart. For most Chinese, the clean and quiet ambiance foreign stores provide is a new experience and these stores provide them with the ability to purchase a wide variety of products available in both Starbucks and Wal-Mart stores.

Discussing Starbucks, Mingxin Li acknowledged, “The decoration and everything including the music in Starbucks was so cool. Because it’s like the first time we see the different Western culture, like American style in Starbucks. It’s comfortable to talk to



somebody inside a Starbucks and this is so different for the Chinese.” She mentioned that her mother thought that Starbucks was very expensive as she attended a high tea function. However, she did share with me, “so I don’t like Wal-Mart so much, but my mother like it.” She alluded that Starbucks is more of a meeting place, while Wal-Mart is for shopping. My participants seemed to be fascinated with Starbucks more than their parents are since the Chinese urban youth can more readily relate to an aspect of chic Western culture.

Mingxin enjoyed tea more than coffee, however, like many other Chinese, she found Starbucks to be a place of status and high quality, offering cake and “some delightful lattes.” She remarked, “for Chinese, they have to walk in a very nice place, very high class.” She further remarked that most of the Starbucks are in big shopping malls or somewhere near the business centers and “it’s interesting that there are more young generation inside a Starbucks.” She felt the youth were more influenced by Starbucks compared to “more than our parents’ generation.” She suggested that parents enjoy tea more than coffee.

She affirmed, “My mother loves Wal-Mart so much because she thinks the price there is a little bit cheaper than other supermarkets.” She also felt that the American safety standards were higher than most Chinese food stores. Mingxin explained, “My mother always told me, ‘Don’t worry to eat anything in American because they examined it already, they are safer than the products in China. So don’t worry.’” Some of the elders as well as many youth felt Western food products are safer than a number of traditional Chinese markets. The Chinese urban youth’s idealization of American culture becomes

evident as they experience the wide array of Western goods and services from companies such as Wal-Mart and Starbucks.

The large stores from corporations based in the United States may force many neighboring Chinese businesses into a competitive mode thus affecting the merchants' overall sustainable business. Sophia, shared her thoughts about Starbucks in urban China and stated, "the coffee thing is because the Chinese culture, they like American culture. So to have a Starbucks there is kind of a better way of life...I'm Americanized, too." Sophia's statement illuminated the important notion of Identity and the cultural influence that occurs when the urban Chinese youth emulate the West.

### **Western Companies Need to Understand Chinese Culture and Practice Ethical Business Ventures**

Ryan discussed the influence Wal-Mart had on some of the small family businesses in Shanghai. Ryan said that:

Chinese enterprises, you know, state-owned enterprises, they don't realize, you shop in a Chinese market and you shop in a Wal-Mart will make a difference. You're increasing the need, economically, you're increasing the need, you increase the flow of the capital, of the money, and financially, for the whole country-by shopping in the local Chinese, you know supermarket.

Ryan explained that the large stores had an advantage in advertising the "big fancy stuff." He claimed that the Chinese stores might not be as fancy and that the big stores like Wal-Mart pride themselves on a warm welcoming. He said that consumers assume that, "because the advertisement is nice, the product must be very nice." As we talked, he inferred that this is not the case; worse, he told me several stories about how local merchants lost their customer base to large stores and subsequently then lost their

livelihoods. I mentioned that this has happened in the United States also. Ryan acknowledged that he would rather have the people of China shop in local Chinese stores, which he thought would help keep the small shops and people working. The implication of Ryan's statement suggested that Western companies at times might not be ethical in their business actions since they replace and eliminate many local small Chinese shops. Olivia also voiced her concern about Western companies' ethical treatment of workers "if they do not treat workers fairly or try to build more and more they can also push out our things....our local stores and people who want to participate in local part of culture." In addition, Olivia conveyed that foreign companies "need to be respectful of our culture. I think they are still learning to do this." Thus, Olivia felt that some Western companies are trying to learn to be respectful of the Chinese culture.

Talking about the quality of food at Wal-Mart being questionable, Vivian commented, "last year I heard on the news Wal-Mart bought some very bad quality chicken or some kind of meat from the middle of nowhere." Vivian expressed her concern about foreign companies also having problems with the quality of food in their stores as well. She discussed the growing distrust of the quality and cost at Wal-Mart and suggested, "after this crisis of trust for those big companies, maybe it's a time for China to set up some -- you know, bring the old Chinese supermarket back to the cities." I asked Ryan about his thoughts about Starbucks and Wal-Mart in China. Ryan paused, and then mentioned that he did not think much of Starbucks. He said, "I mean, you get a high quality cup of coffee, that's so expensive, you know, isn't worth it at all and all the Starbucks and McDonald's, this kind of stuff, they just want the money...they just want to suck you up, just get the money out of your country. They don't care about you too

much.” This statement confirmed Ryan’s concern for his country’s cultural traditions, which he holds in greater esteem than individual company’s profitability or growth. Ryan stated, “of course they will not care about your country’s, you know, culture or whatever, no. They won’t care about it at all.” Ryan’s genuine concern for the preservation of China’s cultural traditions was evident in our discussion.

Both Ryan and Yongliang felt that Wal-Mart and similar companies are interested more in profit than preserving China’s cultural past. Yongliang emphasized this point when he said, “In China now, I think the main ethics is money.” Western companies must make a concerted effort to understand and preserve Chinese culture not merely create an interest in profits. In our discussion about the ethical business practices of foreign companies, I asked how these companies could change to practice business in China in an ethical manner, with values Zoe and Olivia thought were significant. Olivia suggested that companies:

try to think of others first. Workers, customers before profit. Although money is important to companies, money will not come if workers and customers treated badly. Or if money come in to the company it will be because they did not practice as you say their business ethically. Value of person or respect of other people is important.

Our conversation about the research category Ethics eventually drew us back to discussing the research category Identity. Zoe said, “so just like Chinese people, if they just always go to KFC, go to McDonald's, and go to Starbucks -- make them feel they are American, not Chinese.” By shopping or frequenting Western stores like Starbucks or Wal-Mart, Chinese youth felt that they could identify more with aspects of Western or American culture.

The subject of Wal-Mart became our new focal point in the conversation. Pete mentioned that the store gave people a chance to buy many items in bulk and that it had a great variety of products. Pete exclaimed, “yeah we have lots of choices now” and mentioned that currently there is an abundance of choices in urban China. He noted however, that “in the past little choice” existed in China, which had been modeled after Russia’s Socialist-Communist regime. Thus, the lack of a free market led to a lack of choices.

Pete thought that the subject of Wal-Mart was most interesting to him, noting that that he found one of the disadvantages of Wal-Mart was the quality of the products, “Wal-Mart is the fake product factory I think. So it's so interesting for me, the Wal-Mart is live, have to live or are able to live in Asia.” He stated the products at the store were “not cheap” and actually expensive by Chinese standards. However, he felt that the quality is not at a high standard, which represented an economic discrepancy to him because there are many street vendors who also sell “low quality” material, making Wal-Mart’s appeal less understandable. Pete expressed his concern for a lack of overpriced, quality products, among Western stores, which harm his of sense of traditional Chinese fair play in the market place.

With his face filled with emotion and both hands clenched Pete quietly stated, “yeah it ruins the beauty and can hurt part of our history if we letting them keep coming in...and Starbucks has no history like China.” He clearly felt that Starbuck’s location at the Forbidden City implied irreverence for its history and traditions because selling coffee to one of the world’s major tea drinking nations showed a lack of respect for and understanding of that rich historical past, especially compared to the minor historical past

represented by Starbucks. He said that someday he would like to go to the United States and try Starbucks but it seems odd to him to find a coffee company in China. He added, “everywhere in the so big cities and everywhere, why not? Business is business. But in the Forbidden City and the Great Wall and everything, it's not fair. It should not have been there. I notice many changes now in China.” His concern deepened as he expanded on these thoughts, noting that “globalization is cutting and destroyed the traditional families, because the Chinese have to travel a lot and move to the other cities and other countries, and Chinese culture is protect the family -- big, traditional families -- and nowadays it's destroyed in a lot of places. I understand this personally.” Pete shared his apprehension that Western companies may force small Chinese merchants out of their traditional employment, potentially catapulting families into poverty.

Pete explained that Starbucks’ presence in China is growing and appears to be “everywhere.” He said that he was surprised to see so many Starbucks stores in the city of Shanghai. I followed up with a question about Ethics in the work place. He informed me “the U.S. ethics is more different than I think what the Western companies use in China. But the Chinese use a mixture. Some traditional Chinese, some Europe ethics, some U.S. ethics. And it's not neat, not easy to perform them and see that.” He expressed both favor toward the better working conditions and concern about the questionable business practices of various companies in China. He stated, “I think business men and some companies cut corners. They want cheap cost high profit, forget about people they affect with not doing business ethically.” He questioned the business ethics of people and companies who may not think of the consequences of their poor business decisions and their influence on the customers and the workers. As but one example of his point, on

departure Pete noted, “I could never say these things in my workplace in China.” This lack of freedom in the traditional Chinese workplace was but one example that my conversation partners used to illustrate both their concerns about the potential loss of tradition and the opportunities that they see, both of which manifest in the presence of foreign institutions.

As soon as I mentioned Starbucks and Wal-Mart, Mr. A seemed eager to talk about my research topic. Mr. A told me he did not frequent those businesses because, “Starbucks and Wal-Mart knocking out the small mom and pop shops. Like the local places.” He noted that in certain neighborhoods many people dislike Starbucks’ expansion, preferring local shops or local neighborhood stores. Our lively conversation continued as Mr. A, talked about several stories that he had read that criticize Starbucks’ treatment of workers. He told me how people in various parts of the world who picked coffee beans for Starbucks complained of past abuses. He also discussed how the use of soymilk was “supposedly bioengineered,” and reported his understanding that managers were not treated well and expected to be janitors at the store. He excitedly added, “lately I also heard that the Starbucks workers have their tills taken out of the tips to the supervisors somewhere.” He referred to friends and other acquaintances that had either experienced or read about these issues as his sources of information.

Mr. A. asked me if I had heard of such stories about Starbucks and I told him that the workers at Starbucks did not say much to me on the subject, especially not while they were at work. He expressed concern over Wal-Mart’s treatment of employees and controlling the market place as he stated, “Wal-Mart knocked off these small stores, hardware stores and so forth.” However, he acknowledged that some people would tell

him he was “reading too much liberal media and what I listen to and watch or whatever.” It was obvious that not all of the Chinese shoppers agreed with Mr. A.’s concerns, for observation showed that others enjoyed the competition, variety of goods and lower prices that these foreign stores bring to the Chinese market place.

He continued to discuss one of the reasons for China’s phenomenal growth, saying, “what the Americans are doing allows their fancy sale stuff being out sources into Indonesia and China because they don't have to pay as much as the Japanese people and they want to expand, because they can't make everything in Japan.” Mr. A suggested that the United States utilized outsourcing with China and Indonesia as a means of increasing their market share and decreasing the overall cost while competing with other nations. Mr. A noticed many changes in China since trade with many other countries is now commonplace in Shanghai. He then asked if I felt it was good for China to deal with the Western companies. I stated it is good if the business practices are ethical and take into account respect for people’s identities and cultural histories. He agreed and talked briefly about other companies and their interest in conducting business in foreign lands and treatment of workers. He felt strongly about Starbucks and Wal-Mart merely making money from “the Chinese people’s sweat” and said that he would rather they not even be in China, though he noted that many Chinese really like Wal-Mart and Starbucks and some like other foreign companies in urban China.

I offered Mr. A my opinion that “American corporations have a responsibility to treat people ethically and if there's underhanded business practices, that has to stop.” I asked about the working conditions of the Chinese companies. He talked of how his friends like much of the goods, such as food, clothing and coffee, which make some of



his friends “feel more Western” and less similar to “traditional Chinese.” He said, “they think the goods are good and they don't really want to think about what the conditions are like, you know?” He further stated, “less restrictions in China. I think in China if there is a problem you can make it disappear by giving someone more money to make the problem go away.” Mr. A did not desire to expand his comments on the recorder and asked to move on to a different question. I asked if he knew about complaints lodged against Wal-Mart, concerning unethical business practices such as human rights and working conditions. He mentioned that he did hear about these concerns and stated most of the “workers in factories were women.” It seems that Mr. A feels the working conditions in Chinese factories are deplorable and that the working conditions in Western countries seem better.

Lulu told me she felt sad about the working conditions of the workers in the sweatshops factories. “I think that the authorities should protect the rights of these workers in the Western enterprises, because especially in Wal-Mart, the workers work longer than they work for other companies, but the payment is lower.” She strongly expressed her desire to see the people of China develop an improved standard of living. Her comments and pleasant laugh along with her wit made me think of China as a country with a grand determination to remain an equal partner in the world’s political arena.

Hua is a college student working at the Hilton Hotel gift shop in Shanghai, China, who engaged me in a pleasant conversation. She was very intrigued about what I was doing in Shanghai and asked what I was studying. I told her I was very pleased to gain an informed opinion of American corporations, such as Starbucks and Wal-Mart in

Shanghai. She is bright, cheerful and interested in having me understand some of her Chinese customs and interested in giving her comments about Starbucks and Wal-Mart. She quickly told me of some of her friend's likes and dislikes of the stores. Vivian and Hua expressed that the cost of Starbucks coffee is very expensive in China. Vivian said, "Last year it was for like a medium cup of coffee mocha was about \$4. In China, it's like 50-something RMB, or 40-something RMB, which is \$6 to \$7." Hua said, "Starbucks should lower the price. It is too high. Some people have to save up to buy coffee from Starbucks." Their concerns rest with the high cost of Starbucks coffee and whether it is ethical to maintain such a high price for coffee in a country with lower wages than the United States. Vivian confirmed that the income of an average person in China is usually much lower compared to the average income of a person from the United States. She then added, "so compared to their income, what they spent on the coffee is very ridiculous." Additionally, Kun Chen explained Starbucks coffee products are expensive especially since the difference between the annual Chinese wages are lower than in the United States even in bigger cities like Shanghai. I thought to myself, if the Chinese feel it is so expensive, then why do they pay for the coffee? When I mentioned that Starbucks seems expensive to many people from the United States, both Vivian and Hua like many other Chinese youth seemed very surprised. Hua pointed out many Chinese assume that people from the United States can afford Starbucks coffee.

Kun shared with me that depending upon your education level, the annual living wage in urban China in US dollars ranges between \$3,000 for an average worker to \$6,000 for a higher-level position. She elucidated that she finds Starbucks in urban China is more expensive than in the United States and feels the high cost of Starbucks products

is “just ridiculous.” She stated, “in terms of Starbucks, I do think the products there are overpriced. [Approximately 27 *Yuan* or \$4.06 US dollars for a tall latte] So, I don’t know why they set these price – or maybe they just want to produce a prestige image. I don’t think that’s a good way for companies to create such a like a gap, and they don’t really consider a lot of people who cannot really afford it.” The question arose, whether it is ethical for Starbucks to sell its product at such high prices. This questions remains unaddressed through conversation; however Kun’s points are clear, the cost of coffee is too high for Chinese urban youth, yet it remains popular due to the prestige of buying foreign products. Both Starbucks and Wal-Mart bring unique items to urban China and many Chinese urban youth value the products while some desire Western companies to understand Chinese culture and practice ethical business ventures.

Amber, a Wal-Mart manager in Shanghai, is an individual I spoke with while shopping at the store. Amber preferred only to give me her English name during our time together. On June 2, 2008, Amber explained how happy she was as an employee of Wal-Mart. Amber was pleased that I took an interest in shopping in the store and that I inquired about some of the reasons for Wal-Mart’s popularity in China. My conversation with Amber related to my research category Ethics. Although we discussed her opinions about Wal-Mart’s popularity in China, the core of our conversation was about Wal-Mart’s adoption of the persuasive “get the customer to buy more items than they need” marketing approach. Advertising family friendly, low prices, customer first mentality assists in Wal-Mart’s promotion of selling and maintaining a caring family oriented image. However, Yongliang discussed a disadvantage of Wal-Mart in China and stated, “the disadvantage of the Wal-Mart is they’re not so familiar with the Chinese culture as a

society.” Yongliang added a comment about Ethics, stating, “in China now, I think the main ethics is money.” I affirmed my understanding of his statements, saying, “So it’s driven by money more than being people-centered?” The implication of Yongliang’s statement was that Ethics is replaced by the pursuit of money; possibly the belief that money will bring you to “the good life” in the Ricoeurian (1992:172) sense. Yongliang stated, “they are driven by money from the big company...Most people, they think about nothing, just want to get a better life, they want to earn a lot of money...Even to break the rules. We have a lot of laws.” He passionately shared his notions about the difference between the rules in the United States compared to China and elucidated, “even in the United States all the rules are written down...I will obey this; it will be okay. But in China, you should try to guess what is the rule.” Yongliang’s statement suggested that the law is somewhat subjective or interpretive in China. Western companies may have a difficult time interpreting Chinese laws yet they still need to understand Chinese culture and practice ethical business ventures.

Yongliang continued to assert that the powerful wealthy people do not obey many of the laws. He affirmed, “the law for them is not a law, it is just to control to manipulate the poor people. How do you say? Most of the people – to control most of the people, population.” He emphasized, “the business is done. They don’t care about what happen later...People are money-driven. It is an extensive problem.” Ricoeur (1992:225-226) writes, “we have always known the difference between persons and things: we can obtain things, exchange them, use them; the manner of existing of persons consists precisely in the fact that they cannot be obtained, utilized, or exchanged.” This quote ties in with the research category Ethics, in the sense that we must always value people over the

acquisition of possessions, which is to say that people are more important than productivity. In terms of the Ethics of business practices in urban China and the way people are treated, Ricoeur's (1992:225-226) quote highlights that people should always be valued above things. In addition, this quote also ties in with the research category of Identity in that people have a distinct identity, whereas things are inanimate objects. The valuing of human life above all else is Ricoeur's (1992) stance and what he puts forth in this quote.

### **Summary**

This Chapter presented some of the data and provided a preliminary analysis of the research participants' conversations. The research categories Identity and Ethics guided the conversations. The narratives of each conversation partner illuminated their interpretation of these research categories. During the preliminary analysis of the data, several significant themes emerged from the research conversations. The themes that emerged were the Chinese urban youth's desire to express individuality and status through consuming Western products, the juxtaposition of old and new in China and the Chinese urban youth's idealization of American culture. An additional theme that emerged was the need for Western companies to understand Chinese culture in order to practice truly ethical business ventures. Starbucks and Wal-Mart offer distinctive items to the urban Chinese youth allowing them to express their individuality and status through consuming or purchasing the companies' products. Although many Chinese urban youth value the products, some desire Western companies to possess a better understanding of Chinese culture and practice ethical business ventures.

## CHAPTER SIX

### SECONDARY ANALYSIS

#### Introduction

The formal research conversations and field-based journal entries from Chapter Five provided a rich tapestry of research data for the analysis in this Chapter. In this Chapter, using a critical hermeneutic lens to analyze the data enriched the secondary analysis. In addition, within this chapter the research conversations illuminated implications for this research. Herda (1999:82) affirms the rationale of participatory research and states, “the purpose of participatory research is to create conditions whereby people can engage in discourse so that truth can be recognized and new realities can be brought into being.” It is significant to reflect upon the meaning of Chapter Five as a way of better understanding Chapter Six. In Chapter Five, I presented the voices of my participants and provided a preliminary analysis of the research conversations. This allowed the reader to have a better understanding of some of the themes that emerge from the conversations.

The analysis of the research requires reflection upon the conversations in order for interpretation to occur. In addition, as Gadamer (1976:65) eloquently states, the conversation should never be one sided, but always reflected upon as a shared process between the researcher and participant for “speaking does not belong in the sphere of the ‘I’ but the sphere of the ‘We.’” Therefore, I offer this analysis in the spirit of *we*. According to Herda (1999:93), in critical hermeneutic research, “we acquire a familiarity and acquaintance with the world itself...and how such a world confronts us.” This involves learning how to listen and truly hearing others in hopes of reaching a deeper

understanding of the other person and hopefully each other. I saw myself “during and after the research project living within a different horizon than before the research, now understanding what was previously alien” (Herda 1999:137-138). I was able to reach new understandings with my participants through genuine conversation. In discussing how one knows when they engage in a genuine conversation, Herda (1999:121) affirms “when we fall into a conversation, rather than conduct a conversation, [we] leave the conversation with different understandings than when we entered it.” Throughout this research, I realized my role as both the narrator and in Kearney’s (2002:151) words, the “narrative interpreter” with the data of my participants as I was able to receive “the story and [relate] it back to a life-world of action.” In addition, Kearney (2002:151) emphasizes, “without this interplay of agency I believe that we would no longer possess that sense of narrative identity which provides us with a particular experience of *selfhood* indispensable to any kind of moral responsibility.” I feel as though I engaged in genuine conversations with my participants and left the conversations feeling invigorated with new understandings.

As previously stated in Chapter Five, I identified the following themes; expression of individuality and status through consuming Western products, juxtaposition of old and new in China, Chinese urban youth’s idealization of American culture and Western companies need to understand Chinese culture and practice ethical business ventures. In addition, I also explored the importance of preserving Chinese history and culture in the midst of the cultural and environmental changes brought about by Western companies in Shanghai, China. Moreover, some of the participants conveyed that it is important for global companies to have an understanding of Chinese culture and act

ethically in their business ventures. The research conversations elucidated the difficulty that some Chinese urban youth have balancing their participation in Western consumerism while holding onto aspects of their cultural identity. In the secondary analysis, several themes emerged from my research conversations; the narrative of identity, cultural issues of identity, idealization of “the good life” (Ricoeur 1992:172) and ethical intention.

The research conversations naturally generated more data pertaining to the research category Identity than Ethics. Thus, the preponderance of data relates to Identity rather than Ethics. However, I addressed both Identity and Ethics in my critical hermeneutic analysis of the data. The threads of China’s past along with Western influence and capitalism are weaving the fabric of China’s future.

### **The Narrative of Identity**

Modern Western companies, such as Wal-Mart and Starbucks seem to attract many urban Chinese youth and upscale clientele to their stores. One prominent theme in my research conversations is the expression of individuality and status through consuming Western products. This suggests one implication for this research could be tension of group Identity is shifting toward increased focus on individual Identity, especially for the urban youth. Kun Chen discussed this notion and said, “culture is always dynamic...family is still very important place for these values and the culture to maintain for years. And even though these days, especially in cities, people become even more individualistic.” The urban Chinese youth’s desire to express individuality and status through consuming Western products was noticeable as seen by their participation in Western stores. As I visited a number of Starbucks cafes and a Wal-Mart in Shanghai,



I became aware that both stores offer a variety of goods, clean environments and an opportunity to participate in drinking, eating or purchasing select products not found in traditional Chinese markets and stores.

Many of my participants shared that both Starbucks and Wal-Mart offered different new experiences that heightens their curiosity to buy their products. As Kun Chen shared, the urban Chinese youth “are very curious about how different these places [are]...and they just want to have the experience to go shop there.” Starbucks tends to offer expensive coffee products, while Wal-Mart stores are unique by offering a wide variety of clothing, household products, tools, electronic devices and foodstuffs. In China, Wal-Mart and Starbucks’ trademarks are becoming, more recognized as the number of stores in the country continues to grow at a significant pace. Many Chinese find the companies from the United States refreshing compared to former traditional companies, which were not able to provide modern Western services. This suggests one implication for this research could be the Chinese urban youth are seeking out products that reflect an image of a Western lifestyle and associate affluence and expression of individuality with this image.

Ryan, Vivian, Zoe, Olivia and Kun Chen conveyed amazement in Starbucks’ growth and seemed to view the Western stores as a status symbol. Kun Chen shared, “Starbucks...is a very obvious image of the American culture.” The notion of Starbucks representing an icon of “American culture” connects with the research category Identity. The Chinese urban youth “see drinking coffee as culture. So they buy very expensive coffee cups,” Kun Chen stated. Staying fashionable among the Chinese urban youth is important; this is indicated by buying and wearing the latest fashions or accessories and

keeping up with the latest trends. Zoe said, “The coffee is expensive... its stylish” but Starbucks is a place to be seen. Yongliang agreed and added, “Its expensive but many are willing to pay.” Sophia also felt Starbucks is a unique place to be and Wal-Mart is as well because both stores offer products not usually found in traditional Chinese shops. For instance, it is trendy to purchase coffee at Starbucks and be seen holding their cup of coffee. Several of my participants discussed the ramifications of keeping up with the latest Western trends. Kun Chen agreed and added, “drinking at Starbucks can kind of have a label that you are actually very stylish.” Vivian, Pete and Zoe conveyed that displaying a Starbucks coffee cup or being seen inside Starbucks shows you are “stylish” or “trendy.” The data elucidate that the Starbucks logo is a more obvious manner of being able to view one’s status while Wal-Mart’s logo although highly recognizable to many of the urban Chinese youth, is not as portable as a Starbucks cup of coffee.

Kun Chen spoke about the urban youth and Western trends adding, “they like these kind of Western lifestyles compared to other very local Chinese people. But maybe there are some even younger people who just want to experience Starbucks culture.” My participant’s identities are linked to their collective Identity. Their Chinese collective Identity is part of their historical past, which is interwoven with the stories of others. Dauenhauer (2005:6) paraphrasing Ricoeur’s (1992) notion of personal narrative identity, states, “because my personal identity is a narrative identity, I can make sense of myself only in and through my involvement with others.” Therefore, Ricoeur (1992) would assert that our lives are connected to others. There is hope for the Chinese urban youth since their Identity is not fixed and “remains open to revision” (Dauenhauer 2005:6). In order for progress to happen in organizations as well as globally, it must be rooted in

where we came from in order to inform us about where we are going. Since individuals are always on the way towards the person they are going to become, progress is necessary, but the progress that occurs must possess a history.

Ricoeur (1992:27) reminds us of the importance of language in providing an understanding as we apply this understanding to the immense economic progress of China and its influence on the cultural history of Chinese urban youth. The collective Identity of China's urban youth and the understanding of China's present economic development provide a backdrop for an appreciation of China's rich cultural history. Ricoeur (1988:246) stresses the importance and value of our interconnectedness with each other and affirms that participating in an open dialogue enriched with sharing stories allows individuals the possibility to *refigure* their Identity. Ricoeur (1988:246) illuminates, "the story of a life continues to be refigured by all the truthful or fictive stories a subject tells about himself or herself." Ricoeur (1992:138) reflects upon identity further and states, "Would the question of what matters arise if there were no one to whom the question of identity mattered? Let us now add: if my identity were to lose all importance in every respect, would not the question of others also cease to matter?" The Chinese urban youth's Identity is significant and matters since much like China's Identity, is in a state of flux.

In China, it is customary that the surname is listed first and the given name is listed second. This manner of identification reflects the Chinese cultural value on the emphasis of belonging to the family, above and beyond an individual Identity. The expression of individuality is in a state of flux as some Chinese youth are even changing their surname to be second to their first name. Several people that I met introduced

themselves by their first name. Some even used English names rather than Chinese birth names. Vivian and Olivia are examples of some of the Chinese urban youth who used English names rather than their Chinese birth names. As Ricoeur (1992:164) suggests, our lives are stories that are worthy of being recounted. According to Ricoeur (1988:246), we make sense of our lives or ourselves by *refiguring* our identity. Ricoeur (1988) asserts that we must understand the past in order to reinterpret it. Similarly, Chinese urban youth will need to have an understanding of their past in order to interpret it and create a different future. For, as Herda (1999) reminds us, understanding, interpretation and imagination are essential. China possesses a rich cultural history; however, with the immense economic progress, China has made and the people and government's desire for more progress, the question of whether China's progress possesses a history warrants reflection. Many of my research participants enjoy the opportunity to express their individuality by consuming Western products and being different from their parent's generation.

### **Identity: Cultural Issues**

Although the research category Identity is prevalent in my research conversations, additional interesting sub-themes relating to the research category Identity emerged. A consistent theme in the research conversations is the juxtaposition of the old and new in China. The conversations with my participants allow us to discuss issues of cultural changes amidst the growing wealth of the Chinese urban youth. Our conversations remind me of Herda's (1999:87) statement that "it is in the narrative text of these conversations that one may see new possible worlds in which to live." My intent is to continue the active process of conversation, discussing ideas and issues since they are

important to both the researcher and the participant. In a conversation, on May 30, 2008, Olivia shared with me her thoughts on Identity as I asked about her thoughts on all the foreign companies currently popular in Shanghai. She told me, “I think it is only a good thing for those who know who they are.” I thought of the urban youth of China and said, “like the youth who may not know who they are?” Olivia shared a reflective statement about her own opinion about how Western companies may influence your Identity if you are not strong enough in who you are and how the companies may influence aspects of your Identity. Amidst the backdrop of the night sky in Shanghai’s stunning historic fashion hub, Nanjing Road, Olivia shared her thoughts with me on Western companies influence on the youth’s Identity further:

Yes, I think a company can only change you if you are unsure of your identity or of your own self, so you won’t be changed if you are strong in who you are, if you truly know yourself. But if you do not then you are lost and companies can change you, which is bad.

This suggests that one implication for this research could be if the Chinese urban youth possess a critical consciousness of who they are and how Western companies such as Starbucks and Wal-Mart are influencing aspects of the youth’s Identity; they may not lose important aspects of their traditions. Olivia like several other participants, Zoe, and Ryan, voiced concerns about the Chinese cultural shift, which might occur for many of the urban youth if they are not aware of the cultural issues. As previously stated in Chapter Five, Ryan discussed the influence of globalization in China, saying “most of the people don’t realize the globalization will kill the nationalism or the tradition of their country.” I could detect a sense of urgency in his voice and mannerism as he continued to discuss several noticeable changes occurring in China. His concern centered on the rapid

growth of Western companies such as Starbucks and Wal-Mart and the foreign influence they expose to the Chinese urban youth.

Starbucks cafes and fast food businesses blend into the stunning office structures, hotels, museums and other architecturally pleasing buildings. Noticeable food purveyors of fine French, Italian and California wines, high quality Danish and Swedish pastries, American style hamburgers, and a wide variety of European restaurants are common sights in the French quarter of the city of Shanghai. For the most part, Shanghai, China is a clean cosmopolitan city bustling with world-class foods and events such as the 2008 Olympics. Of all the participants I spoke with, Ryan and Mingxin appear to be the most out-spoken and self-assured in their ability to maintain aspects of their traditional Chinese culture and feel that they will not get lost in Western consumerism. Several participants share their appreciation of their culture by reading Chinese poetry, literature, practicing Chinese calligraphy and studying the rich Chinese history. Herda (1999:10) states, “We become connected to others in historical and current communities that have a future.” In addition, Herda (1999:10) elucidates, “Further our being in the world is revealed historically in and through language as discourse—a concept in the hermeneutic tradition that implies a relationship with an other.” Ryan and Pete elucidated that some of the youth in their early twenties tend to be unaware that they lack a balance of maintaining Chinese’s traditions while being lured into Western consumerism. They fear that the important aspects of the Chinese culture may soon lose its significance with some of the Chinese urban youth’s fixation with Western culture. This suggests one implication for this research could be the Chinese urban youth’s interest in foreign culture competes with

adherence to traditional ways; thus, there exists a tension of the old and new in urban China.

My conversation on June 2, 2008, with Hua, a 20-year-old vibrant bookstore clerk, highlighted her apprehension to make way for the new Western companies in light of the changes to China's local traditional architecture. Hua's voice resonated with passion as she emphasized, "we need to protect our culture and foreign companies and the government do not seem to want to protect our traditions, our buildings, the old city is fading away to make way for the new." Hua and Ryan viewed the many changes taking place in China as a potentially precarious lack of interest in traditional Chinese culture. Ryan and Vivian enjoy the slow process involved in drinking tea or *cha* and stressed the importance and beauty of the formal tea drinking ceremony, which is much different than the fast pace of the coffee culture. Zoe reinforced Olivia's opinion that the tea drinking ceremony is very beautiful and greatly enjoyed. As Kun Chen shared, "to me, I think drinking tea is culture, is a very unique thing." This suggests one implication for this research could be that for some Chinese urban youth like Kun Chen an adherence to tradition in the midst of Western influence exists. Although, Kun Chen added, "tea is not very popular among young people...because usually they think old people drink tea." This suggests one implication for this research could be that foreign presence influences local culture. Yet it is subjective as to whether change is good or not. Some youth seek out new experience and enjoy the new options foreign companies offer whereas the older generation may not welcome Western influence as readily as the urban youth.

Herda (1999:82) asserts, "it is possible to learn a deeper understanding of one's own interests and purposes as another's interpretation is revealed." The participants'

interests concerning the many cultural changes taking place in urban China may aid in their awareness of the implications of the changes occurring. Thus, they have valid reasons for their thinking and discussing the fear of losing some aspects of the valued Chinese culture; however, as they converse on the subject they may obtain a better understanding of their fears. Ricoeur (1984:65) emphasizes an important aspect about stories and says that a “story, too, must be more than just an enumeration of events in serial order; it must organize them into an intelligible whole.” Ricoeur (1984:54) posits, “the composition of the plot is grounded in a pre-understanding of the world of action.” Ricoeur (1984:65) summarizes the meaning of emplotment as “the operation that draws a configuration out of a simple succession.” In addition, Ricoeur (1984:65) discusses that emplotment connects the scattered events, “agents, goals, means, interactions” into a meaningful whole. It is my hope that the plot of the data is able to connect the events into a comprehensible whole.

The growth of Western companies appears to feed concern about the suspected loss of the urban Chinese youth’s interest in some aspects of cultural traditions; for instance, Chinese instruments, foods, ethnicity of customs, and cultural mores are spreading among many of the more affluent youth. As I ventured into the crowded streets of the city, I noticed that traditional dress is changing among many Shanghainese residents. The women especially made me aware of the growing cultural changes in the fashion industry in Shanghai, China. Designer clothing from France, Italy, Germany, Britain and the United States were common sights among many affluent urban youth. As the rich traditions of China blend with Western cultural influences, ties with the old or traditional culture continue. This is evident in Kun Chen’s remark when she said, “the



most valuable thing about Chinese culture is first of all, the history. I really value history, I am proud of that.” The majority of my participants expressed pride in their Chinese heritage. In particular, Kun Chen expressed that she feels “lucky to born in this country that has so rich, powerful, historical, influence in the world [and feels] lucky that we maintain history very well in the past 2,000, 3,000 years.” Urban Chinese culture is a mix of traditional Chinese ways and foreign influences that were and are being appropriated.

The data indicate that there is a shift in the generation in their early twenties who seem to have departed from the Confucian tenet of filial piety or *Xiao* (Higgins 2001). The burden for providing for the parents and grandparents rests on the one child. Shanghai has returned to its historical past, which is cosmopolitan and entrepreneurial by nature. The way a couple of my participants, Olivia and Zoe were dressed in high fashion elucidates this notion. Individuals seek greater expression in the mode of dress, and seek improved lifestyles through purchasing foreign goods and commerce. Shanghai is returning to its pre-Mao identity. In the conversations, tension exists between the filial piety obligation to grandparents and parents and the desire to express individuality through purchasing Western goods. As previously stated in Chapter Five, Zoe added, “Now Chinese youth don't like their parents, they pay more attention on their life style...They want to become more international.” Ricoeur (1992:225) reminds us of the significance of understanding the Golden Rule and the importance of mutual exchange or reciprocity, “The Golden Rule and the imperative of the respect owed to persons...have the same aim: to establish reciprocity wherever there is a lack of reciprocity.” The future implication of a fast-paced Western culture mixing with a traditional conservative China represents a potential dilemma for the urban youth of China. This suggests the demand to

improve desired living standards places additional stress on the urban youth. The one-child policy and the strong Confucian concept of filial piety or *Xiao* respect for parents and grandparents, appears to be changing as young workers are moving from their traditional home sites and at times abandoning the tradition of living with the parents as the youth seek higher skilled positions (Higgins 2001).

In the past, grandparents and parents were inclined to remain agrarian or labored in individual small shops for the most part and depended on their children as a major labor source and comfort. As some of the children move away from their parents, they take financial security with them and at times may abandon their duty to help care for their parents and grandparent's altogether. Ricoeur's (1992:227) notion about *solicitude* or deep care and concern for the other is appropriate. Ricoeur (1992:227) shares that "the voice of solicitude [is] to be heard behind the Golden Rule, the voice which asked that the plurality of persons and their otherness not be obliterated by the globalizing idea of humanity." As China's, population grows and more youth leave the small towns, or cities for jobs in other cities or jobs abroad, the family unit may suffer. Zoe, Olivia, Yi Lu and Zhengbao Zha are a few examples of friends that bond to each other to make up for a lack of siblings in their family. Yongliang's voice resonated concern that in China, "money is ethics" and caring about additional matters at times feels to be less important.

Mingxin poignantly conveyed a personal story, her father taught her, about bamboo, which connects to her Chinese heritage. She states, "It means something very strong and very straight, and we should live very strong life bamboo because bamboo very straight and they never bend and very strong." The concrete image of bamboo depicts an image of strength. Her motto is to live strong and Mingxin, much like the

bamboo, remains rooted with in her connection to Chinese culture. China faces a period of stress and strain as it attempts to balance its rich cultural past and its new found position as a global economic dynamo.

### **Idealization of the Good Life**

As China expands its role in manufacturing substantial goods for many countries, many enjoy productive higher paying jobs amidst a backdrop of unskilled sweatshops. The economic state of affairs in China appear bright, as some Chinese are becoming very rich even though millions of other Chinese are unfortunately deprived and receive low earnings and poor basic safety conditions. Another consistent theme in the research conversations is the Chinese urban youth's idealization of American culture. It is most interesting for me to be in Shanghai and hear Western music playing in many shops such as Wal-Mart or Starbucks and see advertisements featuring Western movie stars. I decide to ask Vivian, about the idealization of American culture.

Vivian and several other participants clarified an important distinction concerning the difference between how Americans view the notion of the middle class and how the Chinese view middle class. Vivian stated that the average Beijing wage earner earns about 2,000 RMB (\$300) per month, which is much less per month than in the United States. Given the lower wages they receive, many Chinese do not consider themselves a part of the middle class. She added that, banks may not have borrowers make a down payment for some apartments and many can apply for an apartment unit. However, the cost of a two-bedroom apartment is one million RMB, which is extremely expensive. The down payment for many apartments can range from 20% to 30%, if borrowing money from the bank. She said, "Can you imagine that, how can a couple pay for their house as

well as raising up a child?" In addition, Vivian emphasized that given the high cost of housing, health care, raising a child, paying for education and buying other necessary provisions to live, many Chinese people are struggling on an average wage to cover these costs. Since these costs come from a person's income, individuals cannot rely on the government to assist with these expenses. Therefore, as Vivian mentioned, most Chinese may not view themselves as middle class and feel that "their living conditions are not good." My conversations indicated that many feel the difficulty of providing for their families, grandparents and themselves daily.

Zoe, Olivia, Hua and Pete, are several of my participants who felt that the cost of coffee at Starbucks is extremely expensive. Zoe explained that many take others to Starbucks to be seen in a place regarded as elegant. She added that some people even carry the Starbucks cup around with them to prove that they are important or wealthy. Both Zoe and Olivia asked about in the United States regarding the cost of Starbucks. It surprised them that the cost of Starbucks coffee is expensive for Americans as well. Olivia, more than Zoe, believed that Wal-Mart and Starbucks are only interested in profit. Lulu said that she considers the store's items to be useful but not expensive in comparison to many local stores in China. However, Pete viewed the merchandise at Wal-Mart as expensive when compared against traditional Chinese goods. He explained that the opportunity to shop in stores like Wal-Mart gives individuals the mystique of being important since it indicates an ability to afford to shop at the store. The implication of this suggests that all of the participants share a common theme of the costly economic price tag of American goods. The story was starting to evolve as the participant's voices became clearer. Ricoeur (1984:65) discusses plot and states, "it is a mediation between

the individual events or incidents and a story taken as a whole.” It is my hope that the individual stories of the participants develop into a unified whole. In addition, Kearney (2002:156) elucidates, “Every story is a play of at least three persons (author/actor/addressee) whose outcome is never final. That is why narrative is an open-ended invitation to ethical and poetic responsiveness.” The story of the Chinese urban youth is an on going narrative, one, which is filled with opportunities and challenges.

Many Chinese urban youth struggle to not only survive in the cosmopolitan city of Shanghai, but also yearn to acquire the modern opportunities of purchasing new lifestyle choices. The idealization of American culture by the Chinese urban youth was visible as they entertain Western stores and products such as Wal-Mart and Starbucks. Western products, ideas, and values that the urban youth may associate with those products allow the youth to strive for such lifestyle choices. Some of the participants felt that the effort to obtain a contemporary, trendy lifestyle is worth the effort. The lens of critical hermeneutic theory enriched my observations of daily life in Chinese society as I share conversations with my conversation partners. Pete, Zoe, and Olivia are some of the participants who recognized the growing trend of urban youth who enjoy the Western goods and services offered by Starbucks and Wal-Mart. They, like many of the urban youth, realize this inclination to appreciate and desire additional European and American merchandise. One prominent theme within the data was the appropriation of new ways and new ideas with foreign influence. Ricoeur (1981:185) illuminates that appropriation is:

my translation of the German term *Aneignung*. *Aneignen* means ‘to make one’s own’ what was initially ‘alien.’ According to the intention of the word, the aim of all hermeneutics is to struggle against cultural distance

and historical alienation. Interpretation brings together, equalizes, renders contemporary and similar.

The appropriation of Western culture exists via shopping at Wal-Mart and buying Starbucks coffee. This suggests one implication of this research could be that an Identity shift is occurring in urban China. For example, traditional society revolved around drinking *cha* or tea and socializing.

The urban youth's search for "the good life" in the Ricoeurian sense (1992:172) is clearly visible in their display of Western fashions. In addition, this is visible among the urban Chinese youth's appeal to Starbucks coffee and technology as well as other goods they purchase at stores such as Wal-Mart. Shanghai is a fashion conscious city with a wide array of expensive automobiles, stylish restaurants and trendy grand hotels juxtaposed with thousands of bicycles, economical automobiles, family owned restaurants and inexpensive motels. The fashionable urban youth's quest for improved employment and quality educational opportunities, as voiced by Pete, Zoe and Olivia, tend to embrace the economic, and social changes that are occurring in China currently.

The majority of people in Shanghai were friendly and many are eager to assist foreign travelers if the need arises. The number of beautiful parks, museums and vibrant wide thoroughfares and highways created a backdrop of a stunningly modern architecturally attractive city. Ecological problems of smog and crowded streets filled with dashing bicycles also are a part of Shanghai's dichotomy. All of the participants shared the common Ricoeurian (1992:172) theme of "the good life" and Shanghai seems to be an impressive city for the journey. Wilson, a Starbucks barista, and Hua, a bookstore clerk, appreciated working in order to help their families as well as themselves strive for "the good life." Although both Wilson and Hua make meager earnings by Western

standards, and realize that they are unable to save much money, they are pleased to give back to their families in hopes that they can provide their parents and grandparents with a better life.

Historically, the massive infusion of social change brought about by Mao Zedong and the Marxist communists of the People's Republic of China (PRC) forced many people to encourage positive change in China as the nation struggled in chaos to enter the modern world. Amidst all of the turmoil, China enjoys a unique position in the world as a nation of approximately 1.3 billion people, vying for power and recognition as a modern country after years of perplexity. Future implications, however, appear mammoth when attempting to bring about Ricoeur's (1992:172) concept "the good life" for the poorest half of the approximately 1.3 billion people who are not enjoying the prosperity China presently enjoys. Ricoeur (1984:64) discusses that mimesis<sub>2</sub> "opens the kingdom of the as if." This concept is significant because it has to do with imagining a possible world that one could inhabit. Ricoeur's (1984:64) concept of mimesis<sub>2</sub> may elucidate possible future worlds the Chinese urban youth could envision as they strive for a better way of life.

### **Ethical Intention**

An ethical standard must be set for international companies such as Starbucks and Wal-Mart. However, the dilemma is to determine who sets this ethical standard for how companies conduct their business practices. Critical hermeneutic theorists Ricoeur (1992) and Gadamer (2001) may offer a solution through their definition and understanding of Ethics. Ricoeur (1992:172) defines "ethical intention as aiming at the 'good life' with, in, and for others, in just institutions." Ricoeur (1992:172) also refers to Aristotle's discussion of Ethics. In addition, Ricoeur (1992:172) states, "the first component of the

ethical aim is what Aristotle called ‘living well’ or the ‘good life’...whatever the image that each of us has of a full life.” It is significant to elucidate the “lesson we receive from Aristotle is to seek the fundamental basis for the aim of the ‘good life’ in praxis [practical action, acting rightly or justly with respect to others] (Ricoeur 1992:172).” Ricoeur (1992:194) clarifies the meaning of the term institution in his definition of ethical intention and states, “by ‘institution,’ we are to understand here the structure of living together as this belongs to a historical community—people, nation, region, and so forth.” In the Gadamerian (2001) sense, the term Ethics combines *praxis* and *ethos*. To reiterate, Gadamer (2001:78) defines *praxis* as “all our human action and behavior, the self-adaptation of the human being as a whole in this world.” Furthermore, *ethos* is a “living network of common convictions, habits, and values” (Gadamer 2001:79).

One consistent theme in the research conversations was that Western companies needed to understand Chinese culture and practice ethical business ventures. Kun Chen shared that Western companies and the Chinese government need to have a “better mutual understanding of each other.” Additionally, Kun Chen remarked that Western companies and the Chinese government do not possess a mutual understanding of each other. Therefore, problems will occur due to the lack of mutual understanding between both parties. As Kun Chen poignantly noted, “They don’t consider the history, the culture of China, so they can use their value system to judge how Chinese people are thinking and doing.” This suggests the implication of this research could be that foreign companies must endeavor to understand and respect Chinese ways and beliefs.

Many of the Chinese urban youth find Western companies refreshing compared to former traditional Chinese companies, which were not able to provide neat, modern



Western services. However, apprehensions about their future services and potential loss of Chinese traditions have been called into question as reports of thorny labor conditions and practices continue. I mention to Kun Chen about Ethics and the need for the responsibility of manufacturing safe products in urban China. I told her about the mercury or lead found in milk products and toys in Chinese Wal-Mart's. She knew of these issues and discussed the issues facing Chinese consumers shopping at Western companies in China, "I think to maybe they tend to trust more foreign supermarkets." As previously stated in Chapter Five, many Chinese trust foreign companies and think that Western companies like Wal-Mart offer good, safe products. Kun Chen stated, "So when they go to Wal-Mart, they have the trust, and so when they buy the milk and everything, they believe these products must be safe." I mentioned that I found Wal-Mart in Shanghai clean, crowded, and very busy. Kun Chen, affirmed "Yes because these companies represent better management and products." I asked if this is communicated well in the media. Kun Chen replied, "It really depends on the public media...the public media is actually basically controlled by this government." She told me that besides "the newspaper and T.V." another important source of obtaining information about their own experiences with Western companies in China is among the social circles.

Habermas (2008:17) discusses the significance of morality and communication and states, "for morality is a device woven with the threads of communication to shield the particular vulnerability of individuals socialized through communication." Habermas (2008:16-17) poses that "globalization, mass tourism, worldwide migration, in fact the growing pluralism of worldviews and cultural life forms, have familiarized us all with such experiences of exclusion and marginalization of outsiders and minorities." Our

actions when doing business in foreign countries needs to be grounded in an existing moral framework where open dialogue and an understanding of the others' suffering or experiences are a priority and not neglected. It is essential that Starbucks and Wal-Mart value, as Habermas explains, (2008:16-17) "the morality of equal respect for everyone."

Habermas (2008:17) affirms that:

moral discourses allow all those concerned an equal say. They enjoin each participant to adopt the perspectives of the others when deliberating on what is in the equal interest of all. In this way, the parties to the discourse learn to incorporate each other's interpretations of themselves and of the world into their own.

For as Herda (1999) tells us, language is essential for individuals to learn about one another's needs and by allowing open dialogue to take place individuals can become responsible members of society that envision a possible improved world. Habermas (2008) discusses that the understanding of language is vital in our interactions with others in organizations, and the policies and laws that organizations undertake. Discussing language as a fundamental medium for accessing the world Habermas (2008:16) remarks, "[I]anguage is not the mirror of the world, but makes the world accessible to us. In doing so, it shapes our view of the world in a particular way." It is of interest to note that some of the participants acknowledged that they would rather the small shops keep working and not lose the traditional Chinese smaller stores to the large foreign enterprises. They fear ethical problems may arise as more small local shops lose their business to the larger Western stores. Some of the Chinese youth question whether Wal-Mart and Starbucks are institutions that will provide ethical justice in the work environment. Kun Chen illuminated an important point that the responsibility does not rest solely on the shoulders of the "Western countries to understand human rights issues in China....I think it's an

even more important task for the Chinese government to help resolve.” Therefore, another theme that emerges from my conversation with Kun Chen is that the responsibility for addressing human rights issues resides primarily with China.

Mingxin elucidated that due to competitiveness within the workplace in urban China, not many workers complain about “how bad conditions are, they need that job, and they need that money to support their families.” Likewise, if manufacturing or supply factories like some Western companies such as Wal-Mart employ in China are aware of this notion, then those companies may not take the necessary actions to improve the working conditions if they feel workers will not complain and deem workers as replaceable.

This suggests that one implication for this research could be, Western companies must make a concerted effort to acknowledge the influence they have on China’s social structure and be willing to provide ethical provisions to promote a sense of fair play in the market place with the help of the Chinese government. China’s social structure appears to be changing along with its economic situation. It is probable that China will continue to grow economically and expand its status in the financial markets of the world. Shanghai will probably be one of the major contributors to increasing Western influence in urban China. The critical awareness of how Western companies are influencing aspects of the Chinese urban youth’s Identity and the Ethical implications of Western companies’ business practices in urban China opens the door for further study. Companies both foreign and domestic may influence youth’s beliefs by not guiding their own companies with Ricoeur’s (1992:18) notion of *solicitude*. In addition, some employers may subject employees to accept poor working conditions, agree to careless

environmental safety situations, or engage in a host of unhealthy working conditions and business practices. Critical hermeneutic theory may be the most resourceful lens to elucidate the real story of the Chinese urban youth because it allows people to share the meaning that they appropriate from individual stories and through, language and understanding, creates an opportunity to promote future actions grounded in an ethical, moral framework.

### **Summary**

This Chapter presented a secondary analysis of the research conversations with the research participants that were introduced in Chapter Five. A critical hermeneutic lens was utilized to analyze the data and enriched an understanding of the data presented. The research categories Identity and Ethics guided the conversations and helped in organizing the themes within the chapter. The secondary analysis also presented several themes that emerged from the research conversations: the narrative of identity, cultural issues of identity, idealization of “the good life” and ethical intention (Ricoeur 1992:172).

Furthermore, the research conversations also illuminated implications for this research. Some of the implications for this research were that tensions of group Identity exist causing a shift toward increased focus on individual Identity for the Chinese urban youth. In addition, the Chinese urban youth’s interest in foreign culture is competing with the observance and interest in traditional ways for some of the youth. For a number of Chinese urban youth this is causing tension between the old and new in urban China. Another implication for this research was that the Chinese urban youth are seeking out products that reflect an image of a Western lifestyle, associating prosperity and the ability to express individuality with this image.

**CHAPTER SEVEN**  
**SUMMARY, FINDINGS, IMPLICATIONS, AND RECOMMENDATIONS FOR**  
**FUTURE RESEARCH**

**Introduction**

This concluding Chapter provides a summary of the previous Chapters as well as presenting the research findings. In addition, I highlight implications for curriculum development, suggestions for future research, and include my personal reflection.

**Summary**

The purpose of the research is to gain an enlightened and improved understanding of the social landscape of China as Western companies such as Wal-Mart and Starbucks influence the urban youth of China. The individual youth of China, especially the ones observed in the study are developing an appreciation of Western culture's dress and food and this in turn is developing into a desire for additional goods. This affects Shanghai's economic strength as western companies expand their entry into the Chinese market place.

China, which is the world's most populated country, has allowed Western countries to secure a capitalist foothold in their communist nation. The subsequent rise of globalization and development influences traditions, culture, and individual identities among China's urban youth. China's urban youth represent the rising middle class and are major participants in western consumerism. This research takes place within the backdrop of China's tremendous economic development. The significance of the research

illuminates some of the concerns related to ethical issues associated with Starbucks' and Wal-Mart's emerging business practices in urban China.

The People's Republic of China (PRC), located in Eastern Asia, is the fourth largest country by land size in the world. Its approximately 1.3 billion people represent the largest populated country worldwide. Understanding the immense geographically and population density creates an appreciation for its struggle to modernize. This modernization effort opens the door for the unique marketing skills of capital rich companies such as Wal-Mart, Starbucks, and other powerful companies to fuel the demands of China's massive effort to become a capital rich powerhouse. China's political officials desire to build and maintain a large quasi-corporate infrastructure that encourages companies like Starbucks and Wal-Mart to be part of the new economic and social landscape. Starbucks is the premier retailer of specialty coffee worldwide, while Wal-Mart is a major provider of retailing general merchandise. Both companies possess unique marketing strategies, which China recognizes as being important in building a strong social-economic foundation.

The ethical implications of Starbucks' and Wal-Mart's business practices in urban China influence China's work culture and identity, as both global companies continue to expand their commerce in the People's Republic of China. Critical hermeneutic theorists such as Ricoeur (1992), Gadamer (2001), Herda (1999), Kearney (2002), Barash (1999) and Shahideh (2004) illuminate the reader's understanding about the research categories for this project, which are ethics and identity. Therefore, this research looks at Starbucks' and Wal-Mart's business practices, advertising, and marketing through the lens of critical hermeneutic theory and related sources in the literature.

Western influence on China's traditional culture has brought about skeptical concerns from some observers as global capitalism continues to grow in China. The one child policy, the increasing middle class wealth structure, and the influence of Starbucks and Wal-Mart on aspects of urban youth's identity are some of the rising concerns continuing to alter various traditions. The enormous amount of natural resources being used as well as additional pollution and labor quality concerns has likewise added to China's potential need to reform. Some of these changes have brought about increased consumerism and the desire for a higher standard of living, which in some cases may encourage a deterioration of traditional folk ways.

The research process and protocols section describe interpretive participatory research in a critical hermeneutic tradition. Corporations like Wal-Mart and Starbucks offer the Chinese middle class opportunities to participate in Western style consumerism. The companies believe they are conducting their business practices in an ethical manner. Critical hermeneutic research provides the necessary framework for exploring the research categories of ethics and identity in order to understand the research. Conversation is significant in interpretive participatory research since it allows for an open exchange of ideas and experiences. This genuine exchange of dialogue was indisputably vital during the research conversations.

The voices of the emerging Chinese urban youth, represented by many of my conversation partners, can be heard as they present some of their ideas and aspirations. These face-to-face narratives provide the data and preliminary analysis for this text. They provide a sense of their individual and collective identities and their interpretation about how Starbucks and Wal-Mart influence aspects of the Chinese urban youth's culture and

identity. These conversations reveal the difficulty that some of the urban youth have balancing aspects of their culture and Western consumerism. Some participants feared that Western stores were inundating traditional China and threatening nationalism. Other participants voiced apprehension about a lack of interest among many Chinese youth in learning time-honored Chinese traditions. Several participants expressed concern about the ethical treatment of the working class people in China. Most of the participants agreed that Western companies are well received and enjoyed by most people, yet there exists a cloud of apprehension about future developments. After reviewing my research conversations I found that some of the Chinese urban youth have difficulty balancing participating in Western consumerism and holding onto aspects of their cultural identity. The following section offers my findings and elucidates my observations and the narratives of the participants.

## **Findings**

### **1. Expression of individuality and status through consuming Western products**

The data elucidate that the Chinese urban youth desire to express individuality and status through participating in Western consumerism. Chinese urban youth live with daily challenges that did not exist in China during their parent's generation. With this new prospect to participate in Western consumerism comes an opportunity to express their individuality. Starbucks and Wal-Mart offer a wide array of choices for Chinese urban youth to make purchasing choices that appear to express their unique individuality. Such choices reflect Western companies' influence on aspects of their cultural identity. Chinese urban youth view Western products as status symbols. In particular, the public display of Starbucks coffee cups represents a status symbol for some Chinese urban



youth. In addition to purchasing coffee at Starbucks, it is likewise trendy for some to shop at Wal-Mart. Chinese urban youth value staying trendy and so purchase and wear the latest fashions or accessories to stay fashionable. Several of my participants pointed this out and discussed the ramifications of keeping up with the latest Western trends.

## **2. Juxtaposition of old and new in China**

Adherence to traditional Chinese values and ways of life in urban China are present among some of the Chinese urban youth, despite their concurrent appropriation of Western culture via the influence of Starbucks and Wal-Mart. The shift between the old and new in urban China creates a growing gap between the elders and the youth. Some of the urban Chinese youth seek out new experiences, whereas the older generation may not welcome Western influence as readily. The presence of Starbucks and Wal-Mart influences the Chinese urban youth who seek new experiences. Tension exists between respecting ancient Chinese culture and allowing Western influences into contemporary society.

Some Chinese urban youth express difficulty with balancing participation in Western consumerism and holding onto their cultural identity. The wide variety of Western goods inundates the cultural fabric of the traditional Chinese community. For some Chinese urban youth, the growth of Western companies is a concern. The suspected loss of some aspects of cultural traditions is concerning; this includes, for instance, playing Chinese instruments, reading Chinese history, and rejecting traditional Chinese cuisine. The shift for some from participating in the tea drinking culture amidst the growing Starbucks coffee drinking trend causes concern for some of the Chinese urban

youth, while others are not as conscious of cultural changes spreading among many Chinese urban youth.

### **3. Chinese urban youth's idealization of American culture**

Chinese urban youth view the lifestyle of those in the United States as affluent, abundant in choice, and self-expressive through Western style. This may be reinforced by having conversations with Chinese friends who traveled to the United States. In addition, the allure of Western society, such as, Western foods, music, fashion, multi-media including television and movies, are some of the ways the Chinese urban youth have to generate images of the West. Furthermore, the concept of the United States is perceived as being more desirable than traditional values or culture for some youth. Although some of the urban youth do maintain strong ties to their traditions and cultural values while participating in Western style consumerism. Some of the participants see China as being troubled economically, due to low pay and poor working conditions, as well as having limitations of freedom. It is understandable that the Chinese urban youth desire the concepts that their images of the West promise, especially the various elements of choice.

### **4. Western companies need to understand Chinese culture and practice ethical business ventures**

Some of the participants convey their desire to see global companies exercise an understanding of Chinese culture and act ethically in their business ventures. Ethical behavior may be defined in distinct ways. While Western companies appear to offer opportunities to earn good quality incomes, concerns about human rights issues also arise. These include the existence of questionable safety standards and perceived corruption in the workplace. Many urban youth work with immense pressure associated

with a fear of losing their jobs and at times tolerate poor working conditions, yet the search for “the good life” in the Ricoeurian (1992:172) sense, remains desirable as China enjoys strong economic growth. Reflecting on what represents “the good life” Ricoeur (1992:160) affirms, “life must be gathered together if it is to be placed within the intention of genuine life. If my life cannot be grasped as a singular totality, I could never hope it to be successful, complete.” With the immense pressure to earn money, some Chinese urban youth remain hopeful that working hard may allow them to imagine a possible world that they can strive towards and hope to inhabit. Setting an ethical standard for international companies such as Starbucks and Wal-Mart is essential. However, a question arises as to how companies and individuals can define or enforce this ethical standard.

### **Implications for Curriculum Development**

#### **Curriculum activities incorporating traditional Chinese culture**

Concerning implications for college level curriculum, the development of activities that incorporate the Chinese urban youth’s past may help improve their future horizons. Such as, activities that allow participants to discuss and envision future horizons could help them to appropriate a proposed world while reflecting upon their own individual and collective identities in the midst of the rapid societal and cultural changes occurring in urban China. Representing the Chinese urban youth’s past, present and future in the activities is essential. Furthermore, it is significant to allow the urban youth to reflect on their family traditions and how they may have changed within their lifetime. One opportunity for learning is to have the youth participate in group conversations discussing the importance of their traditional Chinese culture.

Subsequently, the Chinese urban youth could list five aspects important to them about their traditional culture. From the list generated, the participants could pick one aspect to either learn about or try. For example, participants could choose to learn about China's history, Chinese poetry, or could choose to practice playing a traditional Chinese musical instrument like the guzheng. Critical hermeneutic theorists Herda (1999), Shahideh (2004), and Ricoeur's (1992) notions provide a basis for the selection of activities.

### **Group conversations about China's past, present and emerging future**

Herda (1999:72) elucidates the importance of conversation and states, "conversation is an event during which several things may take place: we evaluate ourselves and others, we tell and retell our story, we see the past, and we pose possibilities for the future." China possesses a rich cultural history, however, with the immense economic progress, China has made and the people and government's desire for more progress, the question remains as to whether China's progress possesses a history. In order for progress to happen in organizations as well as globally, it must be rooted in where we came from in order to inform us about where we are going. Since individuals are always on the way towards the person they are going to become, progress is necessary, but the progress that occurs must possess a history. Herda (1999:72) affirms the importance of reflecting upon and remembering our past and states, "our past grounds us and gives us perspective." It is essential that Chinese urban youth remember, reflect upon, and discuss their traditional cultural past in order to understand where they are going. Ricoeur in Kearney (1984:21) asserts, "we must have a sense of the meaningfulness of the past if our projections into the future are to be more than empty utopias."

An additional activity that incorporates the significant aspect of conversation is encouraging Chinese urban youth to participate in group conversations about China's changing and emerging future specifically with regard to the Western companies' presence in China. Ricoeur (in Kearney 1984:22) affirms the power of conversations and says that through conversations stories emerge that preserve "the meaning that is behind us so that we can have meaning before us." Dialogue can help foster Chinese youth's imagination about possible worlds that they could inhabit. In addition, having multiple group conversations could help facilitate trust amongst the group members and create meaningful and genuine dialogue. Consequently, open discourse that generates trust and imagination could greatly assist in sharing information and implementing future research.

### **Implications for Training**

Companies that desire to expand their business in China and conduct business with the urban Chinese might learn valuable information about potential ways corporations could improve their business practices in urban China. Western companies must make an effort to acknowledge the influence they have on China's social structure and be willing to provide ethical provisions to promote a sense of fair play in the market place with the help of the Chinese government. Fostering a necessary dialogue with the urban Chinese consumers about how Western corporations can practice their business ethically while appreciating Chinese culture and traditions is significant. Corporations could learn the significant ability they have to influence aspects of the Chinese urban youth's culture and identity. Furthermore, utilizing these conversations with Chinese consumers could help companies gain an understanding of how to structure their business model to display an appreciation of China's rich cultural history and traditions as a sign

of respect. Prior to entering into China's marketplace, it is essential for companies to listen to China's citizens about the cultural, social and political differences that exist in China since an understanding of these elements is vital.

It is significant to recognize that China and the United States have different ideas about human rights issues. Discrepancies exist between the United States and China on human rights issues, which relate to the diverse values of both countries. China is still learning about human rights ideas that could be incorporated into their system and firmly resists the attempts by Western nations to impose their standards on China. Instead of imposing Western standards about human rights ideas in China, perhaps working with the Chinese government to understand their core values would prove cooperative. In addition, several conversations could occur between the United States and China about potentially beneficial Western values that Chinese companies could incorporate into their own ideas about improving the treatment of workers and other human rights issues that exist.

### **Suggestions for Future Research**

#### **Rural Chinese attitudes about Western companies influence on rural China**

An area of interest to pursue as an additional research inquiry could include conducting conversations in the critical hermeneutic vein about the rural Chinese residents' attitudes regarding how Western companies are influencing rural China culturally, socially, and environmentally. According to Croll (2006:133), current inequalities exist in China between the countryside and the city. Seeking what Ricoeur (1992:172) calls the "good life" is highly sought after among the youth; however, in order for China to achieve "the good life," the livelihoods of the rural residents must also

be secured. Croll (2006:133) elucidates the significance of China achieving status as “a well-off society,” writing that doing so, “requires not only securing the livelihoods and improving the lifestyles of urban residents, but also those of China’s 800 million or so who reside in the countryside who make up around 65 percent of China’s population.” Western companies must guide their business practices with *solicitude* towards both urban and rural people; how that is done requires additional research, including conversations with rural youth about the future they would like to appropriate for themselves.

### **Western companies’ international influence on other countries**

An additional recommendation for future research includes investigating how Western companies are influencing other countries similar to China in population, such as India. This review could assess how other cultures appropriate their population’s growing desire to participate in Western style consumerism and determine how they manage the way that Western companies market and advertise in an ethical manner.

### **Personal Reflection**

Initially, my interest in this research topic centered on how Starbucks conducts their business practices in urban China’s rich cultural setting and the company’s influence on the urban youth. As my research continued, I became interested in Wal-Mart’s powerful growth in urban China and the company’s influence on the urban Chinese youth. Throughout the research conversations, I was surprised to find that many young people in China struggle to find their identity as they encounter their past. Prior to starting this research endeavor, I was unaware of the influence of Western style consumerism on aspects of the Chinese urban youth’s identity and culture. Though this

may be true for other cultures as well, few cultures have a past that compares to China's richly documented history, which extends over several thousand years. Mindful of this, educational services in China have allowed some youth to explore their past and expand their understanding of China's former culture. However, this was always not the case, as was most remarkably demonstrated during the great cultural upheaval that occurred during the period of political turmoil between the 1940's and the 1960's. The leaders of China have changed their attitude toward Western societies and now allow trading of goods and services as well as the celebration of cultural events. Western, Asian and African nations have a renewed interest in China's past and present. The United States as well as other Western countries are major trading partners with China. This has resulted in a flood of goods and services in and out of China and has improved communication between the countries, especially while global leaders experienced the fears associated with a massive world economic recession. This allowed China to show another side of itself by expressing a desire to encourage the world to appreciate China's remarkable past and bold new present. The 2008 Beijing Olympics allowed China to display its ability to compete and exhibit its credibility as a global leader.

Western style consumerism is playing a major role in the lives of the urban Chinese youth. This group of new consumers is seeking the additional choices that come with a Western lifestyle, especially choices for new products or services from companies like Starbucks and Wal-Mart that represent higher status and a more affluent lifestyle. In addition, some urban Chinese youth also seek improved safety standards, better housing due to the high cost of living in urban China, and a host of other advanced living conditions. I was surprised to learn that my participants appear to be struggling between



maintaining their individuality and keeping aspects of their traditional culture. Some of the concerns I heard when visiting Shanghai addressed job security, human rights concerns, environmental issues, and allegiance to China while also idealizing fashion and ideas from the United States. I was able to witness Shanghai, China in a transformative state and my participants desire to obtain more freedoms and greater access to all types of goods.

This research journey provided me the opportunity to see the world differently, through the eyes of my participants. My participant's stories are a living memory connected to my own story and my understanding of how aspects of my own identity are being influenced by Western consumerism as well. I am indebted for the warmth and generosity bestowed upon me by the people I met throughout my experiences in Shanghai and in the United States. The beauty of experiencing the formal tea drinking ceremony, the art and history museums, the observations of bustling city life and walking along the historically famous area of Nanjing Road allowed me to gain a richer understanding of the profound cultural and historical aspects the city offers. The traditional architecture juxtaposed with the contemporary skyscrapers, picturesque temples and Yu Yuan gardens also allowed me to admire the delicate balance of the old and new. The critical hermeneutic theory provided an insightful appreciation for the intricacies of the critical hermeneutic language and in the analysis of the participant's stories.

In order for the possibility of interpretation and understanding to occur, the researcher's reflection upon the conversations with the participants is essential. Ricoeur (1991:490-491) purports the significance of understanding and states, "it is by an

understanding of the worlds, actual and possible, opened up by language that we may arrive at a better understanding of ourselves.” Thus, this research is presented in the spirit of learning about how to listen to others stories and possibly obtain a deeper understanding of the other person and myself.

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## **APPENDICES**

## **Appendix A: Letter of Invitation and Guiding Questions**

Date:

Participant's Name and Title:

Company or Organization (if applicable):

Address:

Dear Mr./Ms.:

Thank you for your interest in my doctoral research. I am interested in hearing your experiences with Starbucks and Wal-Mart in China. I am hopeful that the data of this research will be analyzed to better understand how these two multinational companies are influencing China's work culture, identity, and the ethical implications of Starbucks' and Wal-mart's business practices in urban China.

I would appreciate your permission to record and transcribe our research conversation. Our conversation acts as data for the analysis of my research. In order to participate in the research you need to provide verbal consent or sign a consent form (which I will provide for you). You may keep a copy for your records. Signing this consent form will grant me permission to record and transcribe our conversation. I will record our conversation, transcribe the tapes into a written text, and submit the text for your review with your permission. Once you review our conversation, I would like to discuss our conversation and make any necessary changes that you recommend. As a reminder, data from this research are not confidential. I am interested in hearing your thoughts, ideas and most importantly your story. I hope that our conversation will provide a genuine understanding of my research and of one another.

Please reflect on the questions listed below in reference to your experiences:

- What are the advantages and disadvantages of Starbucks and Wal-mart in China?
- What are your opinions about Starbucks and Wal-Mart in China?
- What are your opinions about Starbucks being evicted from Beijing's Forbidden City on July 13, 2007?
- How are the middle class youth of urban China responding to globalization? Could you provide me with some examples?
- How are corporations like Starbucks and Wal-Mart influencing aspects of China's identity?
- What can be done to change Starbucks and Wal-Mart's practices in China?

These questions are merely guidelines to help direct our research conversation. Thank you for your time and energy. I truly appreciate your interest in my research and look forward to hearing from you at your convenience. I appreciate your willingness to contribute in this research project.

Sincerely,

Andrea Colangelo

Researcher, Doctoral Student

University of San Francisco Organization and Leadership Department

## **Appendix B: Letter of Confirmation to Participate in Research**

Date:

Participant's Name and Title:

Company or Organization (if applicable):

Address:

Dear Mr./Ms.:

Thank you for agreeing to participate in my doctoral research and share your experiences with me. I am interested in hearing your experiences with Starbucks and Wal-Mart in China. I am hopeful that the data of this research will be analyzed to better understand how these two multinational companies are influencing China's work culture, identity, and the ethical implications of Starbucks' and Wal-mart's business practices in urban China.

I am confirming our meeting on\_\_\_\_. Please do not hesitate to contact me if you need to make any changes to our meeting date, location or time.

I will record our conversation, transcribe the tapes into a written text, and submit the text for your review with your permission. Once you review our conversation, I would like to discuss our conversation and make any necessary changes you noted. Conversation is significant in participatory research since it will allow us to have an open exchange of ideas and experiences. You may add comments, or delete any text from the transcript. This will allow you to correct anything stated in our conversation and will provide you with the opportunity to reflect on our conversation. Pending your approval, I will review the text of our conversation and reflect, and collect additional ideas. I look forward to learning more about you when we meet and having a conversation with you.

Sincerely,

Andrea Colangelo

Researcher, Doctoral Student

University of San Francisco Organization and Leadership Department

## Appendix C: Sample Thank You Letter

Date:

Participant's Name and Title:

Company or Organization (if applicable):

Address:

Dear Mr./Ms.:

Thank you for your participation in my doctoral research. Thank you for sharing your ideas, experiences and allowing me the privilege to get to know you better. Please take a moment to clarify any comments (if necessary) on the attached transcript provided. If you have any changes or comments please contact me by \_\_\_\_\_. I will contact you to discuss any changes you might have added to the transcript by \_\_\_\_\_. As a reminder, data from this research are not confidential. I truly enjoyed getting the opportunity to engage in meaningful and genuine conversations with you. Thank you for your time.

Sincerely,

Andrea Colangelo

Researcher, Doctoral Student

University of San Francisco Organization and Leadership Department

## **Appendix D: List of Pilot Study Participants**

Table I: Conversation Partners

<b>Name</b>	<b>Occupation/Title</b>	<b>Organization/Affiliation</b>
Lu Ran (Ryan)	Full-Time graduate student	University of San Francisco, CA
Vivian Liu	Full-Time graduate student	University of San Francisco, CA



## Appendix E: Transcript of Pilot Conversation

Date: October 25, 2007

Conversation with Ryan Lu

Location: University of San Francisco Gleeson Library

Prior to recording, my research conversation with Ryan we talked briefly about our love of Chinese poetry and literature. We entered into conversation gradually and enjoyed talking for about an hour over lunch in the University of San Francisco's cafeteria. Our conversation moved from speaking about Ryan's experiences with classes in America and adjusting to the University of San Francisco, to his opinion about Starbucks. In addition, prior to recording, I asked Ryan, do you like Starbucks?

Ryan Lu: Okay. You know, you asked me a question, because to be honest, I like the Starbucks in China. Because why? Because it is a nice environment, you know. If you meet someone and doesn't want to be bothered, and the no smoking area, buy a cup of tea or a cup of coffee, I mean, nice coffee, mostly Starbucks probably is the coffee shop where you need to go. Because in China, it's different, what I can say, it's a different situation because coffee in China, I mean Chinese people doesn't know how to do coffee.

Andrea Colangelo: Sure.

RL: You know?

AC: Yeah.

RL: And so regular coffee shop, we have like UBS coffee shop, you know, in chain, but the coffee tastes horrible, to be honest, yeah. And you look at the menu and different kind of coffee, you know. They even have like Blue Mountain or mocha, you know, it doesn't really make any difference.

AC: It's just horrible.

RL: Yeah, the same thing. You can't believe they're the same things. I actually did the test with my friend, you know. We went to the coffee shop. Actually, it was a nice Chinese coffee shop. So we went there, we ordered different kinds of coffee. He order a Colombia whatever, I order a Brazilian, see, so they came exactly the same, you know. Same cup, and same taste. So we kind of laughed. So Starbucks is, and, I have to say, in a Chinese coffee shop people talk really loud, even in a nice place, you know, people talk. Mostly it's just business people. You know, they come and

they want to find a place to sit down and talk, you know. The coffee shop, it's not very good. And people smoking everywhere. You know, you're allowed to smoke within the coffee shop. So, Starbucks in China is pretty good. You can meet people and there are not a lot of people. The people who go, the Starbucks in China, you know, has, what can I say. Let's put it this way. Not all people in China can afford Starbucks.

AC: It's pretty expensive.

RL: Yeah. It is very expensive. It is so expensive for a cup of coffee, you know.

AC: How much is it for a cup of coffee?

RL: It is, for a cup of coffee, regular, it's going to be like 25, 25 yuan. Let's say for people in China, average annual salary would be 25,000 to 30,000 just for a regular guy, and for 20 yuan for a cup of coffee, that's kind of expensive.

AC: Is that like four, about four dollars?

RL: Yeah.

AC: Okay.

RL: Yeah, it's about four dollars. But you cannot really exchange the money because you have to, based on their living standards.

AC: Oh, sure.

RL: Yeah. So that's very expensive actually, so not all people can afford that. And that's just a non-smoking area, and it's, the Starbucks are pretty much the same everywhere. You know, they keep the style.

AC: Yeah, that's true.

RL: Yeah. So, and it has actually the slogan. So I was living, I lived in Nanjing, we have like all over the city five to six Starbucks, and it has a specific style of each one, you know. For the one around ... you know, it has like Starbucks in Nanjing and it has a map on the wall and the, there are shops around the wharf, it show you, okay, you are right here.

AC: Okay.

RL: Yeah. So, yeah, and it gives you the idea of ... globalization or international. You know, young people like to hang out there because, you know, that's a nice place, mostly it's a nice place. You know.

- AC: That absolutely trails into the next question, so it's perfect. When you're speaking of why it is people want to hang out there, what does it embody? So it's like, what would you think Starbucks represents to them? To the young people?
- RL: Yeah, that's a very good question. To the young people, Starbucks means, okay, Starbucks means fashion. It means something international. It means you're a person who is really in.
- AC: Absolutely. The in crowd, yeah.
- RL: Yeah. And, you know, it just means the pop culture. Okay? It means you are someone who, you know, keep up the pace with the society, you know. So comprehensively it just makes you feel, for young people, they feel like a cool person. They feel like, oh, we just hang out in a Starbucks, you know. It's a cool thing to say. They realize that. You know. If you treat a girl, or if you set up your first date with someone at Starbucks, that is a good thing. Or basically after dinner, they say what do you say let's go and grab a cup of coffee? Okay, let's go to Starbucks. So, they go to Starbucks. Yeah.
- AC: So it's like this subcultural meeting place.
- RL: Yeah, yeah, exactly.
- AC: And it's a, embody this culture, you like show off the coffee culture so to speak, with this really in crowd, hip, new.
- RL: Yeah. Actually Starbucks is popular or it's successful in China mostly because I think two things. First, they keep it at a very always nice way, environment. I mean nice, because it's, you check out the Chinese restaurants, they're crowded and loud and, you know, the air smells terrible. But Starbucks always keeps it that way, you know. Is it because they keep the principle. It's not only Starbucks is like Pizza Hut, you know, or sometimes even McDonald's, you know. They keep it clean all the time. People just like to be there because it's clean. And they have their rules. You cannot really smoke there. If you smoke, you get kicked out. So people like it that way.
- AC: Sounds like it's really nice. I mean, compared to the atmosphere in restaurants, you know, the smoking—
- RL: Yeah, so I can picture you in China, so, or not you maybe, ordinary American in China, they actually cannot find a nice place, so Starbucks might be the way to go. Because you get there and you feel like okay, this is something normal. You feel like that. But here for me, always in the United States, I won't recommend Starbucks. I mean, a lot of coffee houses is a lot better. I mean, Starbucks is so expensive.
- AC: Absolutely.

RL: I mean, it's ridiculous.

AC: It's a different culture, too.

RL: Yeah.

AC: I'm sure you realize here in the Bay Area that the local coffee culture is not having this homogeny—

RL: Yeah.

AC: And everything's not the same.

RL: Yeah, compared to Peet's, I probably would go to Peet's Coffee more, not to Starbucks, you know. And like there are a lot of –

AC: Like in Haight-Ashbury, like the local –

RL: Yeah.

AC: That's why I meet here at the local –

RL: The local one.

AC: Playing bands and stuff.

RL: I like that kind of stuff. Starbucks is too much, all the same, you know. Yeah, but in China you really don't have that place to go.

AC: There's no option.

RL: Yeah.

AC: So that brings up a good point. So obviously it's going to shine if the option is a crowded place with businessmen and smoking.

RL: Yeah, exactly. That's why all this kind of international stuff, I mean, international chain stores are very popular and successful in Asian countries, that's the point, because in a level living standards most of the countries in Asia, they didn't reach the quality of life in the United States or European countries, so all the international stores are right there, they keep that kind of level, they actually lift it up, so people just like to hang out there, because that means a high level of life.

AC: I see.

RL: You know, that's the point. Yeah, I didn't realize I get a point, but –

AC: It comes across when you say it.

RL: Yeah, it becomes yeah, that's why people like to hang out there. Yeah, that's right. People actually feel comfortable inside. So see, there's another example. I actually hate KFC. I mean, in China. I hate KFC. I mean, KFC is such a joke to me. I mean, I just hate it. I don't know. I mean, the food is horrible, the fast food, I mean, it is so annoying because all the young people that like to go there, even the kids that like, hold their birthday parties in the KFC.

AC: Really?

RL: Yeah, plus it's so expensive. And they like it there, they have like, you know, the stupid hat, you know, the KFC girl came over, like sing a song.

AC: They do that?

RL: Oh yeah.

AC: They don't even do that here. There's no –

RL: They don't do that here but they do it in China.

AC: Wow.

RL: You know, they put probably the ... slogan right there, okay, it's ... Jenny's 8<sup>th</sup> year birthday. And everybody was like oh, happy birthday, happy birthday. And the quality and special area, you know, probably between 2-3 or 2-4, around like 10 people right there, and they actually hold up a, they throw a party for you. Not a big party because it's within the restaurant, just a 10 people area, zone. So you get in there, you have a special waitress, you know, for you. The waitress will help you to get on the hat, to light out the candles and bring out the cake, and a special deal, and actually the lady's going to sing. (LAUGHTER) The birthday song.

AC: That's the treatment, huh?

RL: Yeah, that's the treatment. So to me, that's kind of stupid. I'm sorry to say.

AC: No, that's, that's fine.

RL: You know, that's, I just don't like it. I mean, the food is horrible.

AC: I don't like the food either.

RL: They change the food. You know, they change the food to the Chinese flavor. That makes it horrible. It's not Chinese, not American. The hamburg, ugh. Just terrible.

AC: It's a mix between?

RL: Yeah. So I hate that. But, if someone like, you know, we need to talk about something, we need to meet, or someplace, you know, we'll never get bothered by people, and he might say okay, what do you think, KFC has a corner. You know, you're like okay, let's meet at KFC. You know. You don't really eat stuff, but you order probably a cup of coffee. And it's horrible coffee, but you order. Instant coffee. Or Coke.

AC: Oh, okay.

RL: Coke is something everywhere. You just order Coke to sit down and talk and finish the thing, and then you leave.

AC: --

RL: So basically they provide the spot, you can be there and feel comfortable.

AC: It's the same thing with Starbucks, like you said--

RL: Yeah.

AC: That spot, right, that cultural mecca.

RL: But Starbucks is not the same level as KFC.

AC: I think it's so interesting that coffee took off in China, because this booming country with a tea culture, and it's almost like they're trying to change --

RL: They make tea too, Starbucks.

AC: I'm sure it's horrible.

RL: Starbucks.

AC: Is it good tea?

RL: No, no.

AC: I didn't think it would be.

RL: It's not Chinese tea.

AC: No, that's what I mean.

RL: It's Earl Grey, you know, they make Earl Grey, you know, British breakfast, different kind of tea. Basically it's just with tea bags.

AC: Yeah, they don't wish to conform. I mean, it's been discussed in different articles, it's just like—

RL: And the other point I'd even say is that Starbucks is keeping in the western style. And most people like to keep that because it's different. Just like American people, they like a ... That's like most of Chinese young people they—

AC: --

RL: They don't care about the Beijing opera.

AC: I see.

RL: Yeah. It's just an attraction out there. It's a different kind of culture. So when you get into Starbucks, everything, okay, this is the Starbucks people have been talking about. You know, it's not too different from the Starbucks in the United States. It's the same decoration, you know? Same, they keep it that way. So you get in there and you feel like, okay, this is in the western culture.

AC: Seems like you're getting a dose of western culture even if you can't go to America, you can go there.

RL: Right. You have the boards and you have the menu. It's so different. You feel like wow, you know, this is so western, this is so foreign.

AC: So some people want that difference. I mean –

RL: Exactly.

AC: I hear mixed things. And then other people are like, where's our—

RL: Yeah.

AC: Tea, where's our culture?

RL: Not just a specific reason, a comprehensive one, as I said, a nicer restaurant, you know, the slogan, they put it in a nice restaurant, in a nice environment, and you know, you meet people. Just high quality stuff, high level of living standard.

AC: I'm glad you explained that to me. Because see, that's never been talked about in the articles. I mean, that's what you see from China. So that's really good. The next

question would be, and this would be combining both Starbucks and Wal-Mart. Tell me about what changed when Starbucks and Wal-Mart first opened up in China.

RL: What changed?

AC: Uh-huh.

RL: The first thing that changed is that, I have to say, I mean, Wal-Mart and Starbucks is a different thing.

AC: Yeah, very different.

RL: You know. Wal-Mart is, it's a market. It's like a different type of supermarket. People love Wal-Mart in China, you know, I have to say, because it's big. We don't have such a big supermarket, you know, before. And second, it's, it's a membership store.

AC: That's right, that's right.

RL: Yeah. We love the membership, because we all have the promotions, you buy more, you get more things. That's a different kind of business way in China, you know. And it has a lot of stuff, you know? Sometimes the stuff is really cheap, and people like to buy that. And people have a lot of options in Wal-Mart. It's like, all the big variety of, you know, goods. People love Wal-Mart. So one change from the invasion of Wal-Mart is the local supermarket, they change their style.

AC: Oh.

RL: Yeah. They change their style to be Wal-Mart like, you know.

AC: Tried to expand?

RL: Yeah, try to expand, try to give more options, try to, you know, be a different kind of style. Change their business type, yeah. That's a change. And the small or, you know, medium range supermarket, they probably just go bankrupt, you know.

AC: Which Wal-Mart loves. They do, here in America, so.

RL: Oh yeah. Wal-Mart actually probably bought some of the, and now there's, Wal-Mart, something Wal-Mart likes to do is they, okay, there's a supermarket here, but Wal-Mart would like to negotiate that with you. Okay, what do you say we buy you.

AC: Yeah.



- RL: We offer you some money. And then you, from now on, belong to me. The whole store belongs to me. So we decorate the whole thing for you. You don't have to worry, you're still the manager.
- AC: But they're running it their way.
- RL: Yeah. They're running it their way. But the Chinese owner is like oh, I love it, because I don't have to worry about anything. You know, I got the money and I, you know, otherwise this, this supermarket's going to go bankrupt anyway, but right now it's still the market, I'm still the manager, I have money. So he would not care. He, I think he loves it.
- AC: Interesting. That's one way of looking at it. Do you see any, is there any positive, negative changes with Wal-Mart ... ?
- RL: Okay. Well, the positive change. Hmm. The positive change, as I say, is, is all the young people, they get the idea, the, the, you know, China probably is a different situation because you can't compare that to the United States, because they still are kind of like a developing country, you know? For the young people, or for most of the people, they have never, maybe, you know, in China, the public, only 1%, or even less than that, have been out of the country. So they spend their whole life there. So within this kind of like foreign companies, shops and restaurants, and they, they get idea of the slowing style or the definition. It's like my friend told me, there's one friend told me, my friend, he mentioned, and we talked on the phone, and he told me like do you know there's this new restaurant here, there's a Burger King. You know, there's a new Burger King here. I'm said oh really, there's a Burger King? He said they're going to set up the Subway too. I said what? So they get the idea of like, of this Burger King comes from the United States. So we have the idea now. I think this is, might be the positive part, because for the young people that really need to know the outside world--
- AC: Without physically going there.
- RL: Yeah.
- AC: Okay.
- RL: The outside world, um, as I want to say, so about identity stuff or, it's a different level thing. If all the Chinese people, they're keeping them that way, we won't develop at all. And for, you know, a typical example would be North Korea, the country. You look at their country, you feel that country always keep that way, but you see that country is hell. But of course they keep their identity, but which is not good, you know.
- AC: Yeah. There's something to be said for holding onto something, even if it's negative.

RL: Yeah, it's totally negative.

AC: That's true.

RL: Yeah.

AC: Do you see any negative?

RL: **The negative side of it is after, you know, globalization of these foreign companies, is the young people lost their interest in traditional stuff. Like I really hate Christmas in China. I hate Christmas in China. Because it is not a Chinese holiday, you know? But why people care so much for Christmas rather than the Dragon Boat Festival.**

AC: Because of the spending, you could spend it at Wal-Mart or Starbucks.

RL: Exactly. And Valentine's Day, you know. This is the kind of stuff. Things like Christmas, we will talk about, but mostly Christmas, I just take a normal day. It is oh, Christmas. But this is the negative. People, I mean, with the developing of this, the young people, or the kids, they forget about their traditional holidays, which I think are more important. Like the Dragon Boat Festival, the Mid-Autumn Festival, it has interesting and traditional cultural significant stuff there. And I love, you know, Dragon Boat and Mid-Autumn. And it is ... you get along with your relatives and your family. It's like a Thanksgiving in the United States too. So I love that.

AC: And you don't have to spend anything.

RL: Yeah, you don't have to spend anything, and you basically just cook home dishes, you know, at home. Enjoy them with your family. And it's really, really nice.

AC: Sounds nice.

RL: It's very nice. You have to get along with your family sometimes, you need to talk to them, you need to talk to your parents about your, you know, life, you know what's going on lately, what you've been doing with your life. You talk to your parents, and that will create the intimacy. That's the negative part. People go, people go crazy at Christmas. Oh, it's Christmas Eve, let's go out, let's hang out. I say why? Why? Why? Why?

AC: Do you think it creates the intimacy now, the celebration of these holidays and buying stuff from these corporations?

RL: No, it won't create any intimacy for the family. But it will create intimacy within the young people, the friends, within the friends. And they get the idea, you know, to go out. But one of, the Chinese parliament, they passed a law, you know, to set out, their traditional festivals are, you official holidays, you know, they've been talking

about that right now and it's the law, so right now it's good, they did a good thing for the Mid-Autumn Festival or, you know, the Dragon Boat. We get a day off or two days off.

AC: Did they set it as an official—

RL: Yeah, it's an official holiday. It never had been so it's a big step.

AC: Okay.

RL: For the government to do that. It's a big step.

AC: But that's good that they did.

RL: Oh yeah, it's very good. I mean, it's a huge step. It shows the government's attitude. This is something you need to care.

AC: Yeah. Well, I'm glad that they did do that.

RL: It's about the tradition. Yeah. It's about the tradition. That's what we call identity.

AC: You keep trailing into all the good questions.

(LAUGHTER)

I mean, speaking of identity, I know we spoke before, not formally but informally, about Starbucks' presence at the time in the Forbidden City and now since it's been evicted, I was wondering what are your opinions about Starbucks getting evicted from the Forbidden City?

RL: Well, I would say it's just one case. It won't change anything. Because Forbidden City is the icon of Beijing and sometimes is an icon of maybe China too, one of the icons, and Starbucks wanted to set up there mostly because, well, Starbucks claims they have a special, you know, they have a special, what am I going to say, they would like to combine their culture to the local locality stuff. They like to do that, you know.

AC: Well, they say that. That's interesting. The research I've come across, they're very hard-pressed to want to mold into the culture, you know? Like--

RL: Really? But in China they did it pretty well. I don't know why.

AC: They say, that's what's interesting, they say that they want to, but they always want to keep first and foremost, you know, the coffee has to be the same. And they fought with people on this. You know, and that's what their trademark is. But they want to

keep this Americanized version and way. And I found it very interesting, you know, from other, like you mentioned KFC that will conform more—

RL: Uh-huh.

AC: They said they don't want to conform as much. But it sounds like lately you're saying they're doing a little bit more ...

RL: Yeah, they're doing, you know, you go the restaurant—

AC: But not with the tea.

RL: No, no, no. They're not changing their flavor. I'm not saying they're changing their flavor. But they're changing their, I don't know, they're changing their attitude. Because you can say, you know, right now, every specific Starbucks store, they start with the cup, the cup actually has a local slogan or local sign right there, you know, like in Nanjing they say Starbucks in Nanjing since 1992, or whatever. For the Starbucks in Forbidden City, it has Starbucks in Forbidden City, or something like look, think what you see, or something like that. And it, well, you know, I mean, Forbidden City is a national place, notorious ... and the Starbucks right there, I believe, there are a lot of people, that's the hub place where people will, of course, for the business' sake, they would like set it up right there. And the Chinese people, they've been doing this, okay, you can't stay here because, you know, the Western, you know, but Starbucks say all, that's the big or wonderful combination of the western orientalism, you know, they claim it that way, the Chinese people won't buy it, they say you cannot just stay here, what are they going to do with this. But, I would say it won't change a thing, you know, that Starbucks gets kicked out by Forbidden City will not change the fact that Starbucks is still very popular in China, you know? It won't change at all.

AC: They're very popular and very powerful.

RL: Yeah. Very powerful. It won't change at all. And the Starbucks on this point Starbucks cannot, I don't know, they are smart. They say okay.

AC: Oh yeah.

RL: I agree, okay, we go.

AC: ...

RL: They compromised, they left, but they realized that it won't change anything to their business, and on the contrary, it will give a very, you know, good gesture to the Chinese, you know, people, by saying okay, you want me to go, I go.

AC: What was his name, Rui--

RL: Yeah, ...

AC: Yeah, he started that whole, you know, blog about it, and I was so proud of him for getting 500,000 signatures or hits on his blog.

RL: Yeah, yeah, yeah.

AC: But then he goes there. And I always wondered, I thought, he's so dead pressed against it, but he's like I like it, I just don't like it here. So I find it interesting, there's like three types of people it seems in China, three different views, right?

RL: Uh-huh.

AC: And tell me if you've seen this. There's him, ..., is that how you say it?

RL: Yeah, yeah, yeah.

AC: And he was just hard pressed for saying I like Starbucks, just not in a cultural land.

RL: Uh-huh.

AC: And other people say we don't like it at all, it tramples over our culture, the solemnity of everything, I just feel like it's diluting our culture. And then there's mostly the younger crowd that says I love it, like you said, it's the place to be seen, and absorb it. So, which one do you fall under of those categories?

RL: Well, I, I don't know. I can't find always any one of them.

AC: You can make up your own category.

RL: Yeah, I can make up my own category. Because I would like just to say Starbucks, you know, it exists there because, it's all the globalizing stuff, and it's inevitable. Sooner or later. The bad stuff of keeping it away is it serves people. It serves people. It's neat, okay? And it won't go any further. It's just right there, it's just a spot, maybe like one of those Chinese restaurants as well. It's just a place right there, you go and you have a cup of coffee. That's it. And I wouldn't put it in a high level, like oh, this is a culture or this is, it won't affect our culture, it won't dilute our culture. I mean, this guy, you know, the guy you've been talking about, he, he's a public figure. He set up the argument probably you know more than he expected. Because blog in China right now is so popular. I have my blog too. But he is a public figure. People look at his blog and his point of view, and unfortunately that one article, you know, causes the whole argument for like, it lasted two months. And he becomes the guy. And I believe the manager of Starbucks had a conversation with him. Definitely. There's no doubt about it.

AC: Yeah, they talked for a while.

RL: And Rui, this guy, you know, probably compromised a little bit. You know, that's why he said okay, I love Starbucks, I go to Starbucks, I just don't like it. It just doesn't make any sense. I mean, to my point, if I'm totally against Starbucks—

AC: You're totally against it all the way.

RL: Yeah, all the way.

AC: I agree. That's why I don't get him.

RL: I don't get it. Why Forbidden City? What, say Terra Cota, why aren't you against the Starbucks around Terra Cota?

AC: Or even by the Great Wall of China.

RL: Yeah.

AC: He never talked about that.

RL: Yeah, that's the same thing. Why only, like, Forbidden City. It's not your relatives' or your parents' property, you know. It doesn't make any sense to me at all.

AC: No.

RL: So I think he is just saying that, you know. He's just saying it because—

AC: I'd like his standpoint if it was, if he had said from the total argument, I think as a whole, this is what I think and I'll support it.

RL: Right.

AC: But he's saying oh, I support it, just not—

RL: Yeah, if you can give like substantial reasons why you are against it, and how you are against it, if you give other reasons and people will listen, people will talk about it, or people probably will agree with you, right, if you're just against it or can't give another reason or give some stupid reason, people will not buy it, you know. And obviously he's, I don't know, he's, it's pretty confusing.

AC: Yeah. It tramples over the culture.

RL: Yes it does.

AC: And I want to believe him, because ultimately a part of me can think that, but then I'm not from there, but it's like I thought that I wouldn't support it. Like right now, I don't support Starbucks at all. You will never see me in there, or a Wal-Mart. If you did, I think it would discredit my standpoint.

RL: Yeah, yeah, yeah, I know.

AC: And I think that's what you mean too, it can discredit a person.

RL: Yeah, yeah, I understand, I totally understand. It's like Chinese people, if you sell them something, we don't buy Japanese products. The same thing, you know. But well, you know, um, I don't know. To me, I think that's not a good, it's not a smart thing to do. Because you can't, you know, finally, you cannot do that. Because generally people there are smart. Right now they're doing a different kind of strategy. They buy local companies but they keep the same way. They keep—

AC: Buy a local company and keep it the same?

RL: Yeah, they keep the local way. They keep the name. You just don't know the man who's behind the company, you know, is a Japanese. So like we go to a Chinese restaurant, okay, we have a dinner there. The manager, the waitress, the waiter, they're all Chinese. The food is totally Chinese. But the people who owns it is a Japanese guy.

AC: Hmm.

RL: You never know. That's how smart the Japanese people are. They know you don't like them, okay, but I will not let you know the thing you bought is from us. The money you give out was given to me.

AC: Is really going to them. Yeah, absolutely.

RL: So there are some –

AC: I didn't even know there is a dislike between—

RL: Oh yeah, it is so strong.

AC: I mean, for me ...

RL: So that's why we changed to United States products or we go to, you know, it's all because, it's a funny thing. It's all because the anti-Japanese style, the war, and basically the slaughter happened in Nanjing in 1937, like, 300,000 people killed by Japanese soldiers, you know, within a week.

AC: Wow.

RL: Yeah, it's a big thing.

AC: What war were they fighting?

RL: It's anti-Japanese war. They just kill people. I mean, the Japanese soldiers. They just kill normal Chinese people. So from then on, we always have a kind of very sensitive topic, so we always, the Chinese always go against Japanese ... They changed their textbook on history. They tried to, you know, like, let it go. Go easy on their part. But the Chinese government won't let it. They won't just, it's just like okay, you are, you are, you are lying, you know, you're lying about the history. You should tell your kids the truth.

AC: That's interesting that certain things are told, like we were discussing earlier in the cafeteria—

RL: Exactly.

AC: That they're adamant, like you need to tell this.

RL: Yeah.

AC: Regarding what happened with the Japanese, but certain mistakes—

RL: Exactly.

AC: Or failure of the Chinese, we won't include.

RL: Yeah.

AC: But I mean, and that is common with other textbooks too. So this is along the lines of, just the general, tea drinking and coffee drinking culture—

RL: Uh-huh.

AC: And I wondered in your opinion, what do you think is the difference between the tea drinking and the coffee drinking culture?

RL: Well, I have to say, I have to say, I am, at my age, I'm kind of different from other people. I drink tea more and I know tea more definitely and I actually know more than that. I mean, for the people my age, they probably won't reach my level because I love tea.

AC: You were saying that.



RL: Yeah, I did some research on that and I like to check out different places who, you know, which are famous for that particular type of tea.

AC: Oh, okay.

RL: Like I like Dragon War tea, I go to Hangzhou. And probably every April, you know, that's the season, you go there and taste the tea, and you go to ... village, or whatever. Very, very few young people, I mean, my age, can do that, or they like to do that. No, they won't.

AC: Hmmm.

RL: They just drink tea, oh, that's tea, you know. They order tea. Oh, that's tea. They don't care—

AC: Seek out.

RL: What type of tea or whether it's a green tea or is it oolong or is it a black tea, you know? They don't care. But I care. I love, that's one of my hobbies.

AC: That's wonderful.

RL: Yeah. I drink coffee too, but I'm not that into coffee. But I would say sometimes as a switch, as a change—

AC: Uh-huh.

RL: I will drink a cup of coffee. But, you know, it won't change the fact that I'm a tea fan.

AC: Yeah—

RL: But I can tell you, most young people, their attitude, right now they are more switching from tea to coffee.

AC: Oh yeah, absolutely.

RL: Yeah.

AC: And do you think it has to do with the cultural aspect between the slower type tea-drinking culture versus the fast-paced coffee drinking—

RL: Yeah, exactly. For the traditional tea-drinking style, you've got to have the time, you know, and you have to have the whole set. You know, if you really care about that, you have the whole set. You care about the water, the temperature of the water—

AC: So it's very meticulous.

RL: Oh yeah, so subtle. And the way you even, the way you serve it, you know, it has certain rules right there. And so the whole, the enjoyment of tea, it probably takes two hours or so. I mean, and remember there is one I will drink, Hangzhou, the west lake is so beautiful, there is a tea house right beside the lake.

AC: Oh—

RL: Yeah, I had the tea right there. It had very traditional Chinese guy with a long ..., you know, serve the tea. All the Chinese style. It was a whole set, and they care about the first pour, the second pour. It tells you how to serve that particular type of tea, and you pay a certain amount of money and you can taste like five different kinds of tea. So nice, yeah. It's amazing.

AC: It sounds very, like you said, very intricate, subtle—

RL: Oh yeah, it has a whole culture within there.

AC: It sound very beautiful too.

RL: **Every movement, yeah. Every movement. It has the whole culture of the tradition. But to me it's a wonderful, wonderful thing. But to most of the young people, other young people, it's like why, why would you spend two hours there, just to enjoy a cup of tea?**

AC: Is it because it's more of an impatient thing?

RL: No, it's more like they're not into it. They don't fall into it too much.

AC: They're on to the next, like you said, the pop culture, right?

RL: Yeah. They don't like it.

AC: It's not their culture.

RL: **They're like drinking coffee is cool, drinking tea is silly. It doesn't sound cool. I mean, to me, you know, that sounds stupid to me too. I mean, you know, like why, drinking coffee is coffee, it's so shallow, you know.**

AC: Well, I'm with you. I don't even drink coffee, so—

RL: Okay.

AC: I'm a different breed.

RL: (LAUGHTER)

AC: But do you find that, you know, I'm trying to compare thinking in my mind of the American Starbucks, a big coffee drinking culture, to China. Do you find that people sit more and relax? You said it's a meeting place. Is it a, is it a faster pace? More people are going to go to coffee, or they're coming there and actually sipping the coffee and meeting, instead of—

RL: Both, actually.

AC: It's a bit of both?

RL: Yeah, it's a bit of both. You have some businesspeople, how do you say, right now there are like a lot of foreign companies in China, and they maintain the western style. Like, we have the coffee machine at the corner, people just go and pour the coffee by themselves. There's a foreign company like, you know, like PG&E and all the different, you know, like Microsoft, big companies like that, they have their western style. And the western people that are, the American people, they're doing business with the Chinese people, of course they're going to meet in the coffee house for a cup of coffee, and a lot of like people with a foreign education background, you know. Probably, I'm probably going to be one of those people, you know, when I go back to China some day and have a job, you know, it won't be a surprise for me to meet people in the coffee house.

AC: Uh-huh.

RL: You know, it's, you're doing business. I mean, for me, coffee is okay to me too. Sometimes I like to have a cup of coffee there too. That's, yeah.

AC: But it sounds like it symbolizes something completely different to you than—

RL: Yeah. Right.

AC: Which is nice. I, I understand now a little better what it symbolizes there.

RL: Umm—

AC: You know ... it would be interesting when I go there to ask that question, you know, to a younger generation versus older generation. Like, what's their difference between the tea—

RL: Oh yeah, there's a huge difference.

AC: And the coffee drinking culture.

RL: Yeah, I was about to bring that up. Um, the older people, they would never taste coffee at all. You know, well, that's learned now, because the first time I tasted coffee, it was horrible to me.

AC: That's understandable.

RL: I probably was like 5 or 6, whatever. I tasted the coffee, it was black, and it tasted so bitter, and it tasted like a nightmare. I mean, immediately, I just, you know. You know, dump it. I can't drink that. And so the old people, yeah, they've been drinking tea for a long time. Like my parents. Or, I have to say that way. For like 90% of the families in China, when we have guests we like to serve them tea, not coffee. Just tea.

AC: What do you think it is about that tea culture—

RL: Yeah.

AC: That they hold onto as opposed to wanting to change to the coffee culture?

RL: I won't say the tea world getting to most of the families, no, no, no, the coffee, I'm sorry. I won't say the coffee world getting to the family, you know, in the short while, because tea is still the main thing. **And tea doesn't, for example, if you go to my house, or my family, I serve you tea. It doesn't just mean like I give you a cup of tea to drink. It means I respect you. It means I treat you as my friend.**

AC: Okay.

RL: **It means I'm being very polite and nice to you. It has all the gesture within there.**

AC: That's just so wonderful.

RL: Yeah, that's very wonderful.

AC: I see what you're saying.

RL: Then people just come inside, I have to boil the water, I have to pick up the tea leaves into a cup, and I pour the tea, and I will serve it for you.

AC: Because you put all this care into it.

RL: Yeah.

AC: So then there's no gesture behind it for the coffee.

RL: Exactly!

AC: There's no culture ...

RL: If I treat you, like my parents, if they treated family, they'd feel guilty, because they'd feel like oh, why would I treat coffee to you.

AC: ... disrespectful ...

RL: Yeah, exactly.

AC: Oh, I see.

RL: Yeah, so tea is another thing.

AC: I'm glad you explained that to me. I really wanted to understand the difference between the cultures.

RL: That's why I said that the tea, the coffee won't get into the families in a short while, no. I will say, well, probably never.

AC: Which I'm happy about.

RL: You know, probably never. Here, even the different way they drink coffee here, they use the coffee maker. In China, very, very few families have the coffee maker. They don't have the, they don't know what a coffee maker is, you know.

AC: And there is no instant tea there either, right? I mean, it's supposed to be like a process.

RL: Yes, exactly.

AC: That's really good.

RL: Yeah.

AC: Makes me think of what I offer my friends when they come to my house.

RL: Yeah, it's like, for example, it's pretty funny. I had, it reminds me of this. For me, I go to work, sometimes I keep this bag of tea leaves, you know, I keep it right there, and I drink it by myself. You know, I put it in a cup. And the American people, you know, in the office, they're like oh, what in this? They feel like, because in their mind tea's in the bag.

AC: ... Lipton tea.

RL: Tea bags, I have to say, is really bad, because it always the powder of the leaf, you know. It won't have the flavor, and it, mostly tea bags are made of like tea leftovers.

AC: Really?

RL: Yeah.

AC: I'm drinking tea leftovers.

RL: Yeah, so even in China, if you serve people like tea bags, that's really bad. You know, people get offended by that.

AC: Sure.

RL: So we don't have tea bags at all. Not at all. Maybe in some very, very cheap and dirty hotel they have the tea bag under the thing, but nobody will touch that.

AC: It's like the fresh making of the actual tea—

RL: Yeah, exactly, the tea leaf, you watch it like, you soak the water and you—

AC: Well, there is a big difference, I've even noticed, when tasting, and it's funny because you become accustomed to the crap, you know, crap tea?

RL: Yeah, yeah, yeah.

AC: So I missed that, like when I asked if you put honey in your tea?

RL: Yeah, yeah.

AC: And you looked at me like huh?

RL: That's, I understand that.

AC: That sounds British though, honey and a little bit of milk.

RL: Yes, that's British. But British is more like a strong black tea.

AC: Yeah.

RL: They actually have to boil the tea, or they have to cook their tea.

AC: There's a difference too in how that's prepared.

RL: Yeah.

AC: I went to a tea house in, here, it was a Chinese tea house, but I knew it was British. I just, I don't know why. Everything they were serving. And I asked, I said, I hope this isn't me—

RL: I recommend ... tea in Chinatown, it's called Red Blossom, and it's very, very nice—

AC: It's authentic?

RL: Very authentic teas. Because they actually, it tells more things that I don't know, you know. The guy told me. So I love tea, I know a lot of stuff, I know when I talk, and the boss know I know a lot of stuff about tea, and I'm not just ordinary guy that come in and buys stuff and go or just enjoying the free tea. I'm not that kind of guy and he realize it. Every time I go we have a good conversation. I'll say hey, what do you have, something new? And we have a nice conversation. He talks to me about the tea, you know? And actually, they have the teapot with the, it's not a teapot, it's a water boiler, but it's a different kind of water boiler. It's a temperature right there, for different kind of tea you have to serve in different kind of water with a different amount of temperature. It's so amazing. But at home, you can hardly do that.

AC: Sure.

RL: You know, you always use the boiling water. But for the green tea, I know that, for the green tea you can't really use the boiling water, because that will kill the freshness and the smell.

AC: ... I've had horrible green tea, hot, hot green tea, and I thought it was just my taste for tea, but it turns out they just made it poorly.

RL: (LAUGHTER)

AC: So there you go. Because I love green tea. But I get the packed green tea, unfortunately, from the bags.

RL: Oh, okay.

AC: The only traditional green tea I had was untraditionally bitter.

RL: You know, in China the green tea is always the fresh tea leaves.

AC: Plus it's a wonderful source of antioxidants.

RL: Ages just one year, or not even one year, just half a year.

AC: Oh.

RL: Probably that would be very expensive within a year, but after several months it's nothing, it's worth nothing.

AC: ...

RL: It's just very seasonal.

AC: See, I didn't even know that it went bad.

RL: Oh, totally. You know, the thing, but tea bag can keep several years, you know, so that's why—

AC: Okay, that's probably why, it's the bottom of the barrel—

RL: The tea bag always tastes, you know, like crap.

AC: Well, I'm sure it's like comparing champagne to beer. I'm drinking the beer, the crap Bud Lite, and you're having the finer—

RL: Yeah.

AC: See, I'll have to go with you to some tea places.

RL: Yeah, yeah, exactly.

AC: Because I have not had good tea.

RL: **Tea is always, not only the flavor you're tasting, not only the tasting, the flavor is always, the wholeness, you know. The whole Oriental stuff, when you watch people soak the tea, when you're enjoying the cup of it, they call it Kung Fu tea. I said why is it called Kung Fu? Because it's so subtle. It requires certain skills. Not everybody can do that. You know, it's served in little cups like this, you know, like this. You drink it, you taste it, you feel like, wow.**

AC: And it's very much a sip.

RL: Yes.

AC: I always feel like I'm rushing it.

RL: (LAUGHTER)

AC: And you know, I don't want to rush the experience.

RL: Oh, okay.



AC: But you just want to go like this, it's like you're slowly still sipping.

RL: Yeah, yeah yeah.

AC: Okay. I always wondered why such small cups when you go out. I thought, I'm so thirsty, why this little cup?

RL: Oh yeah, yeah, that's right.

AC: Because it's a different purpose, like you said.

RL: Yeah, try, tea drinking, **I mean the real tea drinking, is not just some beverage. It's like kind of joy.**

AC: I see that now.

RL: Yeah. It's kind of joy. You are not thirsty to drink the tea.

AC: See, I didn't get that then, you know, I thought I'm still thirsty, why is this little cup—

RL: That's right, that's right. I didn't realize that too.

AC: But from my standpoint as an American, and this is years ago, I thought why so little?

RL: (LAUGHTER) Yeah, if you feel thirsty you better drink, you know, a glass of water or something.

AC: That's what I did.

RL: **But tea is enjoyment, you know. You don't feel thirsty at all, but you're enjoying it and you feel like wow, you know, you feel so peaceful, you know, after having watched that whole thing you feel so peaceful and calm.** That's the tea, and that's why the green tea is amazing, because green tea is more expensive and green tea is more, black tea, well, black tea is not fresh enough. Oolong, not fresh at all.

AC: Really, okay?

RL: You have to keep oolong for several years, that's why oolong is kind of fermented. But oolong has its own function. Yeah, it will lower the blood pressure, it will kill the cholesterol within the blood, that kind of stuff.

AC: But see, there's health aspects to tea too—

RL: Oh, yeah, totally, pharmaceutical—

AC: From switching to a tea from a coffee, there's such a health, which I'm not going to in my research, but there absolutely—

RL: Oh yeah, absolutely, green tea has a, you know, vitamins that—

AC: I don't get the real, I get the matcha green tea. It's a shot.

RL: Oh yeah, matcha, yeah. Matcha green tea is more like a Japanese style.

AC: Is it? Okay.

RL: Yeah. Matcha.

AC: I had a, it's a shot of—

RL: Yeah, I know.

AC: Liquified matcha, and you do that with an orange, and then Jamba Juice does it with a soy—

RL: (LAUGHTER) Okay.

AC: I mean, it's obviously not the tea.

RL: Yeah.

AC: So we have to do tea.

RL: Okay. We have to do tea.

AC: This might be a bit of a longer question, but it is along the lines of the youth of China, How are the youth of China responding to globalization?

RL: You know, unfortunately, we take it as a good thing. Yeah.

AC: Uh-huh.

RL: **As I said, most of the people, they don't realize that the globalization will eventually kill the nationalism or the tradition of their country. You may, at a certain point you may feel, oh, what's wrong with our country? It's not the country that I love. It's filled with Starbucks and KFC and McDonald's ... where's our traditional stuff? So, yeah. That's why several years ago, Peking University and, you know, ... University, some scholars, they created some kind**

**of a recovery for the tradition, you know, and they set up some courses or programs for the young people to go back to school to learn our traditions. We call it ... Literally translated would be the study of tradition, the study of Chinese tradition, including calligraphy, tea drinking, and—**

AC: And it's still going on now?

RL: Yeah, yeah.

AC: Oh, okay.

RL: But it's more. It's more. That's the good thing. Because if you try to balance it—

AC: I'm, I'm glad, because it, it seems so worrisome—

RL: Uh-huh.

AC: That if it's not getting out there, like you say, you'll wake up in a matter of years and go what happened to the country I love? And to my culture?

RL: Uh-huh.

AC: Which many countries have done.

**RL: Yes, exactly. But I would say that, you know, the Chinese were, probably would never let the globalization kill its own identity. You know why? Because it has such a long, you know, history, 5,000 years, and that's something we're very proud of, and that's something we feel different, you know, the whole thing. And that's something we attract other people out of that country. So we won't never give that up. I don't believe so.**

AC: I hope not. I really do. That's what I'm hoping for.

RL: Yeah, we won't let that thing of, I mean, the Chinese government is very tough on that point, you know. You can't do anything that you can really change the principle or the essence of the country.

AC: Okay.

RL: You're not allowed to do that.

AC: I hope not. Because it gets worrisome when you think about, well, if more and more money comes in—

RL: Yeah.

AC: Could that be a factor of change? There's been so much change already with more and more money—

RL: Right. Yeah, I understand.

AC: That's something that will be interesting to watch in the next five years.

RL: Yeah, exactly. Yeah. I mean, I say that because, the globalization has been going on like more than 10 years in China, you know, since the policy of opening gate, it's more than that. I mean, opening it is like around 1980s, you know, with all the invasion of the foreign culture and pop culture, but things many years past, it seems like our, we still have our own stuff, and it's pretty strong.

AC: That's good to hear.

RL: Yeah.

AC: It just seems like there's a majority that's losing it—

RL: Yeah.

AC: And there's a majority that's keeping it.

RL: Right.

AC: Okay.

RL: And for the young people, I want to say, they are young. That's why, they are young. But then they are getting older and older and older, they probably go back to the tradition, you know, probably adjust themselves pretty well. The ... and also to maintain their own tradition.

AC: Plus the hope when they get out of that phase, so to speak, that they'll go back to it.

RL: Right. So all of the things kind of happen unconsciously.

AC: Uh-huh.

RL: You probably don't realize that for me, you know, it happened to me too, I like, when I was probably around 20, you know, I probably went out with those, the young people, you know, and liked the pop singing, you know, Michael Jackson, you know, the Titanic, you know.

AC: (LAUGHTER)

RL: You know, all the pop culture, I mean, like wow, this is so different. But since I went to college and have graduated, you know, I started caring more about our own stuff. And I study, I love Chinese, I love Mandarin more, and at this point I've never loved my native language more than like this moment, you know. When I, actually, I was reading some old traditional Chinese literature work and trying to understand old Asian people's mind, yeah. And I found that so amazing to me, because people nowadays, something people nowadays won't realize, won't understand, or won't seek out, doesn't know who they are, probably the people, the Asian people 2,000 years ago, they know better, a lot better, than you do. You know, that's something, to me that's just something so amazing, you know. The great Asian philosophers or scholars, like ... and, you know, Confucius, you know, ... popular everywhere—

AC: ... themselves.

RL: Yeah, they realize themselves.

AC: Do you think the generation now doesn't know who they are?

RL: Well, I—

AC: The under-30 generation.

RL: No, I don't think so. That's a question that bothers them. Just, to me, the other day I had a very, I had an argument with a girl, you know, well, she's one of my friends here. I met her here. Because we, it's kind of coincidence, we met on the plane—

AC: Oh, okay.

RL: From China, from Shanghai to San Francisco. So we kind of like, okay, great, you know? We can be friends in San Francisco. **But she kind of changed too much, you know. I always said okay, you don't know who you are, you know? You're so lost, you know that? I mean, it's so sad. The sad thing, it's not that you're lost, the sad thing is you didn't realize you're lost, you know. You became someone you cannot recognize. And she's trying to tell me like I'm just myself, you know? I'm just doing something that I like and you don't like. And I said no, I think you're doing something you cannot change, you won't understand, probably understand, like a few years later, but right now you don't understand, but some years later I bet you'll regret what you have done. So far. We had that kind of argument.**

AC: Uh-huh.

RL: **The things she has done is that, you know, she tried to, she tries to imitate American style, you know.**

AC: Okay.

RL: Like change her own type. And she, she went out with different guys, you know, just, probably sleep with them, you know, that's something. Well, I, I, well, that to me, I mean, if she's, she's not that particular person to me, she's not that special to me, I'm just telling her in a general way, because you're lost.

AC: Well, sure, you're looking out for her as a friend, too. I mean—

RL: Yeah.

AC: And some people, it's funny, they don't want to, they don't want to hear it, you know?

RL: Yeah.

AC: Because she didn't realize it, like you said.

RL: Right, right. She didn't realize it at all.

AC: So you think she's almost doing this like imitation—

RL: Yeah, yeah. Which to me—

AC: Is it rationalized as well as internally?

RL: **Is kind of stupid, you know. To me it's kind of stupid, because well, you don't know what you're doing right now, you know? You think you're having fun, you know. You think you're doing the cool thing. But actually, you're not doing the cool thing, you know. You're just forgetting, you know, your own identity. You're trying to step into someone else's shoes, as they say.**

AC: Yeah.

RL: But finally yourself.

AC: And then as far as culture, I mean, does she keep her traditions and language, etc.?

RL: No ... she doesn't even speak Mandarin to me too much. All she wants to do, she's just trying to be American. You know?

AC: **She fits into one of the categories of the people in China that like to go to Starbucks—**

RL: Right.

AC: Because they want to be “American.”

**RL: Yeah. She tries to be American.**

**AC: And that can be dangerous?**

**RL: Yeah, very dangerous.**

AC: ...

RL: She tries to be American, both physically and mentally. You know, try to think in the American way or try to behave in the American, or try to get an American citizen finally, you know. Stuff like that.

AC: You're trying to tell her. Later, maybe not now, maybe in a couple of years, what, five, ten years down the road, you're going to wake up and go oh my gosh, where am I?

RL: Well, that's kind of late for her, because—

AC: Well, that would be way too late.

RL: Yes.

AC: But some people don't find out until, unfortunately, that late.

RL: Yeah. (LAUGHTER)

AC: I mean, I hope that doesn't happen to her, but—

RL: Well.

AC: I wish her luck. I feel like there's a lot of people, she can join the club. And if she's traveling with like-minded individuals, they won't notice a difference, and she won't notice a difference.

RL: No.

AC: And that's why, you not being a like-minded individual, you kind of butt heads on that.

RL: Uh-huh.

AC: That makes sense.

**RL: Yeah, yeah, exactly. And, I don't know, I feel like the biggest change to me is, I see China in a very clear way right now, and I feel like, I feel so strong that I'm**

**a Chinese person, and I love my culture and I love the country, but I'm probably, I don't like the government too much, you know, but that's a different story.** I would never say that you love the country, you have to love the Communist party or you love the country. That sounds to me, you know, that's just nonsense, you know. I won't definitely agree with that. I love the country, I love, you know, the culture, I love the way it is, and I love the Mandarin, I mean the Chinese words. They're so beautiful. You know, there's a lot of words, you can't express yourself so clearly to a foreigner in English, you know, but in Chinese, even a slight change of the tone or accent will give the people a totally different impression, you know?

AC: I'm sure learning it must be difficult. I can imagine someone mispronouncing a tone and it conveys a different message.

RL: Exactly. And you have to mostly, you hear one thing, and you listen to that person it's one thing, but you figure it out, it's a different thing, you know. You listen to it and you have to figure it out by yourself based on your understandings.

AC: It seems like, I would say, and this is my own opinion, you can tell me yours, Mandarin seems tougher to learn than English.

RL: Oh, yeah.

AC: People have said no. I think that it's the toughest language, though.

RL: Uh-huh.

AC: Just attempting, in my attempts to learn Mandarin I thought there's no, I mean, I tried, and that was like a day, so I didn't give it a good try, but I looked at it and I thought, oh goodness.

RL: It's a very, it's very hard. It's one of the most difficult languages around the world.

AC: ...

RL: And when they say, oh, I met a lot of people in linguistics, they named like the top five most difficult languages, and of course Chinese would be one of them.

AC: Sure. I think it is the most difficult. People say that English, I've heard from some foreigners, oh, English is more difficult.

RL: No.

AC: You have all these words to name things, and I thought well, it's different for me, having learned it since I was little. It's easier, of course, most linguists know, and I'm sure you know, learning a language before 8. After 8, it's hard.



RL: Yeah. To me, English is not difficult. It's, um, it's easy to learn because there's only 26 letters, alphabetical, and then you learn words and try to speak, you know. The grammar is very simple. But the Chinese, it's like a thousand ways to say one thing, you know? Thousand ways to express your mood, your thinking. And that's why, that's how it makes the literature so deep, you know. It has many levels.

AC: No wonder why it doesn't translate as good.

RL: Right, right, exactly.

AC: Like you were saying with the poetry too, when I read it I think, I feel like something's missing.

RL: Yeah.

AC: And that's what we see, because, like you say, the interpretation isn't there.

RL: Yeah.

AC: We can maybe interpret it two or three ways. One particular word in there can be ...

RL: Right, exactly.

AC: Wow.

RL: That's why—

AC: That's a good point.

RL: That's why, when we talk about literature, the Nobel Prize, the Chinese won it once, the Nobel Prize, that's, I would blame the translation, because it, they will never translate the Chinese novel into the same level of that deepness of, you know, different language. I mean, it's just physically impossible.

AC: Could that not be received within their own language? ... Could it not be read by someone who ...

RL: Right, yeah, exactly, yeah, also.

AC: ... that could be a possibility.

RL: Yes.

AC: Because otherwise someone like me, not knowing the language, I might not get the resonance of it.

RL: Uh-huh, exactly. It's, yeah, that's just so hard.

AC: Okay. We're going to make it through nightfall outside. (LAUGHTER) So these are a bit rough, so please excuse them.

RL: Uh-huh.

AC: Let's see. Well, I thought these are specifically for you, because I think that after talking with you for so much, you're quite intelligent and so interesting to talk with, I thought we could talk about them.

RL: Okay.

AC: So, I don't know if we've touched on this, but what is the great advantage for China, having Starbucks and Wal-Mart? What do they gain from having these two corporations, these two cultures?

RL: What do they gain?

AC: Uh-huh.

RL: For the Starbucks?

AC: Yeah, what does China gain by having Starbucks and Wal-Mart there?

RL: Well, you mean, you're asking me for my point of view?

AC: Yeah, your point of view.

RL: Okay. I would say again nothing. **For the Chinese people, for most of the Chinese people, well, the Starbucks, almost nothing, almost nothing. These young people, they probably get the taste of the foreign culture, you know. Well, that's it. I mean, what else can you get it from the Starbucks? I mean, you get a high quality cup of coffee, that's so expensive, you know, isn't worth it at all, and all the Starbucks and McDonald's, this kind of stuff, they just want the money, you know, they just want to suck you up, just get the money out of your country. They don't care about you too much. And the even, so if a cup of coffee is like 20, 30 or 40, they don't care, because they know someone will buy it.**

AC: So you think they're more concerned with the profitability and growth—

RL: Oh, yeah.

AC: As opposed to a culture's tradition.

RL: **Of course they will not care about your country's, you know, culture or whatever, no. They won't care about that it at all.**

AC: So you think the ethics might be a bit shaky there?

RL: **It's very shaky, actually. I really doubt it, because they won't even think, you know, they won't even think, what are you trying to do? They just try to seduce their customer.**

AC: You said the key word.

RL: Yeah.

AC: Seduce.

RL: **Oh yeah, they try to seduce, in a very tricky way—**

AC: Sure.

RL: **Because they try to be friendly with you.**

AC: That's what's the brilliant, they're both brilliant, different. I think Starbucks is far more brilliant with what they do, some of the subtleties. Wal-Mart has had much more, I'm sure as you've seen, exposure with the horrible treatment of the workers.

RL: Yeah, yeah, right, right.

AC: It's just horrible in China.

RL: Oh yeah, it is.

AC: I mean, at least people don't die at Starbucks. People have actually died from overworking—

RL: Oh, yes.

AC: However, there's different subtleties. Like you had mentioned, in the ways in which they seduce. I like that you used that word, seduced.

RL: **Oh, of course. I mean, they seduced people, they create an illusion for you, you know, okay.**

AC: So they kind of shake your hand and welcome you in the front, and then behind your back do something else.

RL: Oh yeah, and ... the customer, **but the customers, they don't realize that, why they are doing this, because they are earning the money. And for the local companies, I mean, Chinese enterprises, you know, state-owned enterprises, they don't realize, you shop in a Chinese market and you shop in a Wal-Mart will make a difference. You're increasing the need, economically, you're increasing the need, you increase the flow of the capital, of the money, and financially for the whole country—by shopping in the local Chinese, you know supermarket.**

AC: That's what I thought you meant, yeah. Absolutely. That's why they need more people to go ...

RL: Also, they might, they might be, you know, not very nice compared with Wal-Mart.

AC: Yeah, they do, they pride themselves on that warm, welcoming—

RL: Because they don't know, you know, they just walk in the Chinese way. And they might not be, you know, so fancy.

AC: Uh-huh.

RL: They might not be so advertising they put on, you know, the big fancy stuff, you just come in there and you feel like oh, this is nice. Because the advertisement is nice, the product must be very nice.

AC: It's like a smokescreen.

RL: Yeah.

AC: It's a big distraction.

RL: So that's why, you know, you probably have a lousy cup of tea in the Chinese restaurant or you go to a Starbucks to have a cup of coffee. That would make a difference. Not just you paying like two or just one buck in the Chinese teahouse, or 20 bucks in that house, not that difference. It will help the people that are there and it will create their, you know, the total float of the money within the country. It will create that inner need, and then the employment will come out, you know, and it will decrease unemployment, and the young people, it's easier for them to get a job. But usually ... Starbucks. Well, it doesn't make any difference. They get the money ... That's why we have the slogan that the CEO of the Wal-Mart, he said oh, the Chinese people loves GDP so much, let's give them the GDP, and we take the profit, you know. That he said. He said that to our BBC generalist. I mean, he's kind of stupid ... he said that—

AC: Jim McDonald, yeah.

RL: Really?

AC: Jim McDonald is his name.

RL: Okay.

AC: Like you said, there are just different ways of seducing.

RL: Yes.

AC: Do you think that the local, so if we think of Starbucks is for the local cafés and then Wal-Mart the local stores, if the local stores and the local cafes change their atmosphere, do you think there would be more of a draw? Do you think changing that—

RL: They tried.

AC: Have they? Okay.

RL: Okay. The first thing is, first, they tried so hard, you know, they tried to be very polite, be very friendly and nice, but they can't compete with the foreign, like, company. Because they're so powerful.

AC: Sure.

RL: You know? I mean, you mentioned that there are Starbucks right there and two blocks away there's a Chinese teahouse. I mean, to me, in China, this situation, and in the teahouse, mostly, I mean, possibly that he has just become, you know, in a month—

AC: Bankrupt, yeah.

RL: Yeah, in a month. Because, you know, compare that space. Actually, I have a typical example, you know. My friend's grandparents, they own a grocery store. It's a very nice grocery store. And they, it's a small but very cozy and neat and clean, and they've been doing groceries for more than like 50 years—

AC: Wow.

RL: Yeah. It's a small grocery. It's very friendly.

AC: Like a neighborhood store.

RL: It has their stable customers around the area, but since there is, it's not Wal-Mart, it's another one called (Carri-4?). You know the (Carri-4?) from France, the supermarket?

AC: No, I've never heard of it.

RL: The (Carri-4?), I think it's Carri, C-A-R-R-I—

AC: ... out here?

RL: No. No. It's a French one. Yeah, it's also a supermarket. You don't know that? It's, um, I don't know. Well, whatever. It's the same thing like a Wal-Mart.

AC: Okay.

RL: And then immediately the grocery store just closed.

AC: After 50 years.

RL: Yeah. Because they closed, because they said okay, you know, ... my grandparents, my friend's grandparents, and they went, and I talked to them, and I said what happened to the grocery store? And the old guy talked to me like well, you know, they're building a big, big market, he meant big, I know what it is, you know, it's a big thing around the corner, and he said well, I think it's the time for me to retire because I don't think people will come here more. And I said oh, maybe, maybe not, because you're a nice person. You know, you have your certain customer.

AC: Uh-huh.

RL: And maybe you cannot compete with a big company, but you still have your advantage.

AC: Yeah—

RL: **You have your history, you have your nice thing, you know? I mean, for the people at your, I mean, they probably like to talk to you and also buy stuff from you. And the point that he closed it at, and all I know then, of course it will come to me, but I can't sell my products at such a low price.**

AC: Oh, they're competing with the—

RL: Yeah, because Wal-Mart, you know, is big, so when you sell the stuff in the larger portion, you can sell at very low price.

AC: That's the thing, yeah, sell in bulk.

RL: As I know, as I know, for the same type of shampoo, made, I mean, for Wal-Mart, supermarket like that, they get the shampoo directly from the factory.

AC: Yeah, they cut out the middleman.

RL: Yeah.

AC: It's very—

RL: And even, they cut out the middleman and they even cut some ingredients out.

AC: Yeah, the quality is very different.

RL: **It will decrease the price. So they sell at such a low price and the poor man, old man, cannot sell that way.**

AC: But he's selling the quality.

RL: Yeah.

AC: And he's selling it at a good price.

RL: But he can't do that.

AC: Most people don't see that. Most people don't see that.

RL: Oh yeah, no.

AC: They say well, there's a price differential.

RL: Yeah, exactly.

AC: Well, it's the same with the tea, right?

RL: Yes.

AC: You know, you know that this tea bag is not going to be the same as this tea—

RL: You can't compare.

AC: But I'm looking at price, I'm saying but this is cheaper.

RL: Oh, yeah.

AC: And you're saying yeah, it's crap.

RL: (LAUGHTER)

AC: It's the same thing.

RL: Yes.

AC: I don't get why more people don't see the wool being pulled over their eyes ...

RL: Right.

AC: I think they do, but I think it comes back down to money, and that's where that cycle comes in.

RL: Yeah, to me that's just a sad story. Because, yeah—

AC: And there's more of those—

RL: He can't really do that. I mean, he can't sell, you know—

AC: No.

RL: That low price.

AC: And make a living.

RL: Yeah. He won't make a living at all.

AC: That's sad.

RL: **He lost his job, and also he lost his life. I mean, over 50 years he's been doing that and, you know, pretty happy. But suddenly he just stays at home.**

AC: He talked to people—

RL: **He probably die soon because of that. You know, he doesn't have any other activities—**

AC: Outlets.

RL: Besides doing that, taking care of that grocery store.

AC: **See, and that's the big difference too with the local and the big, they don't have that kinship and connectedness to the local—**

RL: **Exactly. It's like, the case in China is very severe, and people just don't have the money—**



AC: There's two—

RL: Just look at the thing, you know?

AC: There's two Wal-Mart's in Shanghai now.

RL: Huh? Two Wal-Mart's?

AC: Two Wal-Mart's in Shanghai. Can you believe that?

RL: Oh really? Two?

AC: I looked at the, you know, it was like Wal-Mart in China website, and they said they have now, I want to say, 194 Wal-Mart's.

RL: Hmmm.

AC: That's a lot.

RL: That's a lot.

AC: I think it's going to hit 200 soon.

RL: Wow.

AC: Which is huge.

RL: I can't believe that.

AC: Because here in America, there's 1,100.

RL: 1,100.

AC: Which is, it's too much ... and Starbucks, there's over 200, and they want to expand to 600.

RL: Oh, wow.

AC: So if you look into the company's vision ahead, it seems like there's going to be this battle. If you did a satellite view, it's like where would the country be? It was just like these little cluster dots of all this—

RL: Right.

AC: But that's their vision. I know in Beijing there are more.

RL: Definitely.

AC: But since it would be Shanghai, I was wondering where they were and they give you the addresses and, you know, how far that would be from where I am and such. And I noticed, oh, there's only two right now.

RL: I know, I've been to the Wal-Mart, there's one in Nanjing.

AC: But they're big.

RL: They have several floors.

AC: They're called Super Centers.

RL: Super Centers, yeah, yeah, yeah.

AC: Yes.

RL: Yeah, we call it like a super mall or something.

AC: It's huge. I looked at it. Gee, you're not kidding. It's big.

RL: Yeah, it's big.

AC: The biggest Wal-Mart I've seen unfortunately is in Hawaii. It's horrible. All you see is like beautiful lava, right, because in Kona, it's just lava and then one road. You can go this way, then there's this way. And then there's white pebbles where everyone writes their names in the lava. And that's all there is. And then on the top of the hill, which used to be a beautiful tropical place, you could just look out, and there was hammocks, it's all gone, and it's just this big Super Center Wal-Mart, on the edge of a rocky lava cliff. It's just a horrible picture.

RL: (LAUGHTER)

AC: So the first thing you see when you land in Hawaii is now that horrible cliff, and Wal-Mart. So look to the left of the plane, if you ever go.

RL: Okay I will.

AC: But, I mean, it made me think of that, for China, like this huge Super Center, like you said, I've never seen such a big ...

RL: (LAUGHTER)

AC: It's a monstrosity.

RL: Yeah, it's—

AC: But I'll see first hand when I go, which I'm looking forward to. (LAUGHTER)

RL: (LAUGHTER)

AC: I am looking forward to going, but I'm not looking forward to seeing it.

RL: Okay. When are you planning to go?

AC: I, thought end of July.

RL: End of July.

AC: I want to go for 10 days, I talked about this with Dr. Herda, and I'm going to be traveling by myself.

RL: Okay.

AC: My family is excited about me going to Shanghai. So we were looking at places to stay and getting a map.

RL: Okay.

AC: Which is funny in itself because I can't read the map.

RL: Really?

AC: You know, it's in Mandarin.

RL: Well, you can get a map here.

AC: Yeah, I was just saying, you have to get a map here.

RL: Yeah, you have to get a map here. There's just a lot of like cities in China.

AC: I can only see landmarks.

RL: But you have to say stuff. You have to say where you want to go, and tell the taxi drivers.

AC: Yeah, I mean, I'm going to get it arranged, but I'm thinking end of July. And you and I can talk about that as well.

RL: Yeah, yeah, sure.

AC: And anyone that you know who would be willing to talk with me.

RL: Oh yeah, sure, I have some friends there.

AC: You could set up contacts.

RL: Yeah, I have some friends there.

AC: Meanwhile, I'll be lurking about at the coffee shops asking people questions.

RL: Yeah, you can check that, I don't know totally how many coffee shops in Shanghai, but you definitely will, you know, getting to walk into the coffee shop and see, which is like—

AC: That's what I want to see, I want to take it in.

RL: Yeah.

AC: And get to talk to different people.

RL: Yeah, you will get the picture of different kind of people. You will see the people you see in the Starbucks—

AC: That is what I want to see too.

RL: Yeah, that's what I was going to say, yeah.

AC: Okay.

RL: The people outside walking on the street, or, you know, you go to some kind of remote area, you know, totally different picture. Yeah.

AC: I look forward to seeing that. And then I, again, we'll talk via email and stuff—

RL: Yeah, yeah, yeah, yeah, sure.

AC: About people to set up contacts with. Because that would be great. Because then they'll say you're not that weird, you know Ryan. You know?

RL: (LAUGHTER) Yeah.

AC: This can be something if you want to answer, or you can think about.

RL: Okay.

AC: It's just a food for thought question.

RL: Okay.

AC: So I don't keep you sitting for too long.

RL: Oh, it's fine.

AC: Because you've been nice to answer my questions. I was pondering about Starbucks' and Wal-Mart's presence in China, and I started to wonder. How does Starbucks' and Wal-Mart's presence reflect the growing interdependent economy between China and America?

RL: Um—

AC: It's a big question.

RL: Yeah.

AC: But, it's one that should be answered. Maybe not right now, but I thought, food for thought.

RL: Ask me the question again?

AC: Sure. How does Starbucks' and Wal-Mart's presence reflect the growing interdependent economy—

RL: You mean presence? What do you mean, presence?

AC: Just by them being there ...

RL: Oh, their appearance, their being there.

AC: Uh-huh. Now being built in China. How does it reflect this growing interdependence, this interdependent economy between China and America?

RL: Oh wow.

AC: Which is the real under-infrastructure of it all, right?

RL: Okay. Yeah. That's—

AC: I know that's a bigger question.

RL: Yeah, that's, well, let me see.

AC: But I knew this would be something you and I would discuss.

RL: Well, I will say something right now, if I think about that, some new stuff coming, I will give you email, you know, say more about that.

AC: Oh sure.

RL: But at this moment, you know, I probably just can give you, you know, the thing that just pop up in my mind.

AC: Okay great.

RL: Um, I would say, first, the economic system is different between China and the United States, okay? I mean, you see it this way. Um, mostly because the American government, the United States, they have a power for companies to get into other countries.

AC: Uh-huh.

RL: We don't have that powerful stuff.

AC: To get into other countries?

RL: Yeah.

AC: That's right. Like we said earlier, it's not that there's no equal—

RL: So, yeah, as I say, we are not at an equal or, you know, fair status, because, you know, for example, it's like I have my stores in your territory but you don't have yours in my territory. It seems like I have something there to get your money out of there, you know, but you don't have that. But it looks, superficially it looks like China is developing with all these foreign countries that come in. Well, that's the map of 20 years ago. If 20 years ago we needed that, definitely. No doubt about it. Because that's the step you need to make, to open your door and welcome other companies and come in, you know, and give some stimulation to the local things, and will, you know, will make the local thing thrive, whatever, and compete with both companies, and fortunately your local companies can get out of your own country to other countries as well. Well, that's the something you have to, you know, focus on. But unfortunately, within 20 years, it's more than 20 years, this map or this decision hasn't been changed too much, you know, in my point of view, and I think it's really, really, the point, we have to change, you know, this kind of situation. Because you are always giving more, right, but you get money out all the time, but you didn't get the things.

AC: It didn't come back to China.

RL: Exactly. You don't feel these change.

AC: So it's not reciprocated.

RL: Yeah. Right.

AC: So it's not a two-way street.

RL: Yeah. So, um, but I believe that the government realize that and they have to change their economic map, but it's not that easy, as they've been doing for a while, and for the previous leaders, there's been some kind of, you know, short-sighted and kind of silly. They didn't realize this kind of situation. They saw, you know, like beauty and ... like foreign companies, they're happy, pretty happy with that, because okay, you invest the money, you know. There is a typical example. It's not, it's not the, but it's a typical example regarding the whole economic system, the globalization. But that's the example, that's a consequence of what happened to most local companies in China if we do not do something different. The example is, there is a famous company, it's called Dannon, you know that?

AC: Uh-huh.

RL: Yeah. They're from France, right? It's a French company, and five years ago Dannon co-op with Wahaha, it's a local company. It's also a very famous company, but it's a totally Chinese, you know, company. It's beverage, you know, milk, all kind of stuff. They co-op with each other. That's five years ago. But gradually, gradually, gradually and, the Dannon occupies, you know, the stock within Wahaha company, the Chinese one, and by the end of last year, or the beginning of this year, the Chinese one is gone, because the Dannon, Dannon says okay, we have 75% of your property and we'd like to buy you, you know?

AC: That is sad.

RL: Yeah. And that guy was pretty sad. Because that little company, he spent like billions of dollars on that local company too, and he starts that company, you know, with a very, very small, you know, like soda beverage factory, but within 10 or 20 years it becomes like famous company in China, you know, very famous. They're located in Hangzhou, they're the first company that served tea in the bottle.

AC: And then he just sold that?

RL: No, he can't do anything, do that, because it's like the Dannon took it by force.

AC: Oh.

RL: **Yeah, took it by force and, you know, they fired the Chinese CEO. They said okay, and they showed the CEO their agreement, and unfortunately, you know, they made some tricky stuff on the English agreement.**

AC: That's horrible.

RL: **And it's all about ethics, of course. And then all their staff members of the Chinese company, they signed on the paper, they said no, we won't do that. But then Dannon said okay, whatever, you can't use the trademark anymore. They said to Wahaha they bought the trademark, they can't use it then.**

AC: So then, that doesn't make any sense. So you're serving, I mean, then how are people going to recognize what you've built?

RL: Yes, exactly. But you know, Dannon will keep that trademark in China because it has the money behind it, you know.

AC: Sure.

RL: So they will keep the Wahaha trademark but that company becomes a French company.

AC: So people think that they're supporting the company, the Chinese company—

RL: Uh-huh.

AC: When in actuality the money, the economy, is actually going to, in this case, the French.

RL: Yes.

AC: The French bought the company.

RL: Yes.

AC: Which is a good lesson, I'm glad you brought that up, because it could be the same case with Wal-Mart or Starbucks.

RL: Yeah, that's a good thing—

AC: That's a good cautionary tale.

RL: Yeah, because right now they've got a lot of joint ventures, what do you call.

AC: They don't stay joint ventures for long.



RL: Yeah. That's very transitional, you know.

AC: Uh-huh.

RL: **So that's the lesson, you know? All the other Chinese, all the local companies, they need to learn it, you know. When we co-op with a foreign company, how do we do it? You know, you don't just serve as a waitress or waiter and, you know, to work for them, you know. You have to keep something, like, just to make yourself like a secure line, you know. Because—**

AC: Secure a part of that company to a part of you.

RL: Yes, yes. You still have the power to own it. You know, you're really cooperating. It's not like you are acting as his slave.

AC: Uh-huh.

RL: You know, you are acting as his front, the front-line soldiers. Because you are the Chinese company, you know the relations that are there, you have your certain customers, your target customers.

AC: And they don't know your target customers.

RL: Yeah. If I just co-op with you, I just give you a bit of money and then I get into it, and gradually, gradually, I will eat you up. You know. I will own the thing. And people will not notice. People will think, most people will think that it's still the company, you know.

AC: This is so reminiscent of, have you heard about what happened to Huffy Bikes?

RL: No.

AC: So Huffy Bikes was originally an American company, and Wal-Mart, as you know, cuts out the middleman and goes straight to the manufacturer, and they usually put in an obscene amount of orders. I think it was like 900,000 orders in a week. So they over-worked people in China in some of the factories, and in Bangladesh and Mexico, like 22 hours. And they still never made it, you know. And they cut costs and cut their pay, 43 cents an hour, you know? It was horrible. And Huffy Bikes had to come to the agreement in a forced way—

RL: Uh-huh.

AC: Giving over the company. And now the only thing American about Huffy Bikes is me buying it. And it just switched. The same thing happened to Levi's, the jeans business, and so it's like this underhanded way of doing business, but yet legally

speaking, they can't get in trouble Because if you were to take it to a legal system and say hey, look what was done, it's an injustice—

RL: Yeah, yeah.

AC: They would support it. And the same thing with Huffy. It's like, it was an American company and now it's not even really Chinese, it's like, it's Chinese but it's, the quality has changed of it, and unfortunately it's made under harsh conditions so I don't think that the Chinese people get to show their work, so to speak, because how are they showing their work, in a bike that they can't, they're not taking pride in something that wasn't theirs.

RL: Yeah.

AC: And the quality isn't there because, not because of the Chinese people, but because Wal-Mart said look, we have to cut corners. If we're going to sell this bike at \$18.99, we have to cut this, cut this, cut this. And I actually had a Huffy bike and I'll tell you, it fell apart. So, you know, that's a lesson to learn with quality.

RL: (LAUGHTER)

AC: But I think it's interesting, a lot of, some Americans, I read in my articles, they want to blame the Chinese and say that it's a part of their quality, and I always have to argue, reading it with other people, and say how can you believe that people in these factories, that are forced under these conditions—

RL: Yeah.

AC: Sometimes chained to working there, or don't have potable water—

RL: Yeah.

AC: How could you get quality out of that? And it's not even yours to make quality out of. This has nothing to do with you or your identity, it's just a chain line, or supply line.

RL: Right.

AC: So I always say blame the companies, not blame the people.

RL: Yeah.

AC: But, that's the mixed things I get in articles too, which I don't like finding, because I never blame. I never blame China, you know, or a people, I think that's absurd.

RL: Yeah.

AC: They didn't ask Wal-Mart to come to ...

RL: Yeah, they didn't ask the Wal-Mart to come over.

AC: But that's just my two cents on it. So when you say that, you brought up the example—

RL: Yeah, you know, it's the same for KFC right now, like, 80% or even 90% of its income is coming from Asian countries. So you realize that, if they lose the market of Asian countries, I mean, they're dead. You know, they're literally dead.

AC: It's like you said, there's no symbiotic relationship. It's like we need the Asian countries and the Asian countries need us, but we get different things from those needs. Economically, the money, from what you're saying, seems to come in from, to us from China.

RL: Yeah.

AC: But it's not going back.

RL: Yes, exactly.

AC: It's going back into the building up of the area perhaps?

RL: Yeah, exactly, it's--

AC: With their companies?

RL: Yeah. It's more like this. It's more like you go to a different country for traveling, and you spend money there.

AC: Uh-huh. But ultimately the money is not going to your ...

RL: That's right. You're helping that country and that, you know, special territory. And when you go back, you actually earn the money from China, you're giving out the money, it can get very ... Very few think they can do it because the foreign companies, they hire local people, but they hire them and put them on very shaky situation, you know. They get really low pay, and the, it's really horrible.

AC: It is ...

RL: They're overworked, you know, they work like 12 hours a day.

AC: Even the Chinese, isn't it like you can't work more than six days?

RL: Uh-huh.

AC: But Wal-Mart many a time has worked seven days a week.

RL: Yeah, exactly.

AC: And I don't know why that's not, it was looked into in some articles I found by the Chinese Labor Union (?), but there's like this little pat on the back about that. I don't get it. It's like well, but you're making this money so we'll turn a blind eye. Or we'll get upset ...

RL: Well, there is a market and there is a need, because for Wal-Mart—

AC: So you overwork your own people?

RL: I know.

AC: I don't understand. So you overwork your own people and say well, I'm thinking from the government's point of view—

RL: Uh-huh.

AC: And you say well, there's this law, and other people broke that law and they need to be punished, but Wal-Mart goes unpunished? You know what I mean? Here they could never do that.

RL: Uh—

AC: I don't understand how they can do that.

RL: Yeah. You know why? Because, okay ... The people who work for Wal-Mart market, they would like to work more than six days or seven days a week. They like to do that because why? Because they get extra money.

AC: They increase the pay.

RL: Yeah, so based on this thing, if Wal-Mart hires a person in the United States, you know, let's say \$10 an hour, okay, and when Wal-Mart hires a person in China, Wal-Mart can only pay him like \$5 a day. That's a huge difference.

AC: Yes.

RL: So, Wal-Mart will say okay, let's pay him \$6 a day, you know, and still have a lot of money. But \$5 to \$6, that's a big difference to a Chinese worker, or cheap labor.

AC: Because of the number of hours?

RL: Yeah. Because for the local companies, they pay \$5 a day. Now Wal-Mart, okay, I'll pay you \$6, but you have to work seven days a week. What do you say? Okay, you balance it. I really need the money—

AC: It's like a rock and a hard place, huh?

RL: Yeah. Or I will say, what do you say, I'll pay you \$7 a week. Okay. They pay you \$5 a week, a day, but I'll pay you \$7 a day, but you have to work more than that.

AC: I see. So that's how they get into that agreement. Okay.

RL: Yeah. But for Wal-Mart, they always say, you would never come up with the same expense in the United States, because you never can hire people because they have like minimum wage.

AC: Uh-huh.

RL: But in China, no.

AC: It's completely different working standards, too.

RL: Right.

AC: The standards of some of the factories. Not so much in the stores, but in the factories is really atrocious.

RL: Yeah, yeah, I know that.

AC: From what I've read. And they do a lot of underhanded things that I didn't know until doing research, that goes on in the factories. And they have to clean up and they give them scripts. Like they know a few days in advance they'll kind of warn them, oh, someone's coming in to check—

RL: Uh-huh.

AC: But they won't say they're warning, they'll just say oh, I'm coming, but that's a warning.

RL: Yes.

AC: So the head worker will make sure all the workers are scripted and no bandages showing, nothing like that, the more happy exterior.

RL: Yeah.

AC: And then they go there and they say oh, working conditions here are fine. Then they change ...

RL: Yeah. Exactly.

AC: So, I found that so horrible. I mean, some worse conditions are, some are worse and some are better, but it seems like obviously they can get away with it more, not just in China, but in other countries. Here, it would never be the case.

RL: Yeah ...

AC: They get away with things here, with discrimination and such, but it's very, very tricky. This is at least what I've learned from business. So, I'm so glad we talked. It is such a pleasure to talk with you. I think we have closed down the library. I can't believe the sun has gone down already.

RL: Me neither.

AC: We'll stop the recorder.

(END)

### **Appendix F: Journal Conversation (November 8, 2007)**

It seemed to take eons to arrive at the Secret Garden teahouse located on Lincoln Street in San Francisco, CA. One wrong turn after the other, my conversation partner and I finally found the teahouse and adequate parking. Vivian Liu seemed leery about my judgment in restaurants. Once inside Vivian became entranced with the enchanting décor and immediately shouted out “wow this place is so beautiful. I wish I had my camera. Thank you for bringing me here.” Vivian’s joyous remarks set the tone for our captivating research conversation. After perusing through the delectable treats on the menu, we decided to purchase tea sandwiches, scones, and the Madame Butterfly tea. Initially, I had to reassure Vivian that this was not an interview and I was genuinely interested in understanding her story. Vivian proceeded to discuss the topic of change in China and gave me a brief overview of the historical events that shaped China’s identity politically, socially and economically. The research conversation with Vivian was recorded in my research journal on November 8, 2007. It was fascinating to learn about the shift from traditional values to modern values and discuss the major events that shaped China's history. Vivian spoke with such vigor and passion that it permeated across the table. I felt as though a genuine conversation was transpiring, one filled with trust, care and openly shared and respected ideas.

Armed with my journal and pen I realized our conversation was engaging and that it might have appeared rude if I scribbled our conversation vigorously at the table. Instead, I opted to attentively listen and participate in the exhilarating back and forth of our conversation while trying various delectable tea sandwiches with Vivian. After learning about the founding events of China’s history, Vivian informed me that she had never set foot in a Wal-Mart, but frequented Starbucks. The conversation transitioned appropriately into my research topic and research

questions relating specifically to Vivian's thoughts on what Starbucks represented. Vivian stated that Starbucks "represents status, [and] prestige. It is a place to be seen." In addition, Vivian stated, "you advertise your status when you carry their cup with you." My conversation partner discussed the aspect of displaying Starbucks cups as personal billboards of status.

It is significant to note that during our conversation Vivian mentioned the word status six times and discussed that Starbucks represents status. This provided a segue into the importance of stories in advertising brand image and the stories that Starbucks sells in their mission statement, image and on the actual cups. Vivian saw Starbucks as a wonderful meeting place for the Chinese middle class and informed me that it "is a place to be seen." After discussing the importance of status in the rising middle class, Vivian informed me about the lack of a middle class prior to globalization. Vivian stated, "there is either extremely rich or extremely poor. No in between, middle class. This gap is evident. Do you see this?" Thus, Vivian stated that Starbucks is welcomed by some Chinese to help "us fill the gap." As the evening melted away with every sip of the alluring Madame Butterfly tea, I speculated how Starbucks and Wal-Mart were helping fill this gap. In addition, I wondered could both corporations be trusted to fill this gap ethically with respect for the Chinese cultural history and identity.



## **Appendix G: Consent Forms for Research Participant**

### **INFORMED CONSENT FORM UNIVERSITY OF SAN FRANCISCO CONSENT TO BE A RESEARCH SUBJECT**

#### **Purpose and Background**

Andrea Colangelo, a doctoral student in the School of Education at the University of San Francisco, is conducting a study on how Western companies Starbucks and Wal-Mart are influencing urban Chinese identity, culture, and the ethical implications of their business practices. I am being asked to participate in this research because I am a citizen of the People's Republic of China and I live in an urban area.

#### **Procedures**

If I agree to be a participant in this study, the following will happen:

- 1) I will agree to provide basic information about myself, including my age and occupation, in a questionnaire format.
- 2) I will participate in a recorded research conversation about urban Chinese identity and the ethical implications of Starbucks and Wal-Mart's business practices in urban China, with the understanding that I may add to or delete any part of the conversational text upon my review of the transcript.
- 3) I will give my consent for Ms. Colangelo to use the research conversation in her dissertation and in any publication thereafter.

#### **Risks and/or Discomforts**

- 1) It is possible that some of the questions on urban Chinese identity and ethical implications may make me feel uncomfortable, but I am free to decline to answer any questions I do not wish to answer or to stop participation at any time.
- 2) Participation in research is not confidential; however, for those who wish to remain anonymous, an English name will be used at their discretion to respect participants' wishes. The conversational text will be used in the dissertation and may be used in other published works.
- 3) I am free to stop the conversation at anytime if the conversation becomes too time-consuming and tiresome, or for any reason necessary.

#### **Benefits**

There will be no direct benefit to me from participating in this study. The anticipated benefit of this research inquiry is to contribute toward an understanding of the research topic at hand.

**Costs/Financial Considerations**

There will be no financial cost to me as a result of taking part in this research.

**Questions**

I have spoken with Andrea Colangelo about this research and have had my questions answered. Should I have further questions about the research project, I may contact Ms. Colangelo either by internet XXXXXXXX@XXX; or by phone at (XXX) XXX-XXXX.

If I have any questions or comments about participation in this research, I understand that I should first contact the researcher. If, for some reason, I do not wish to do this, then I may contact the IRBPHS, which is concerned with protection of volunteers in research projects. I may reach the IRBPHS office by calling (415) 422-6091 and leaving a voicemail message, by e-mailing IRBPHS@usfca.edu, or by writing to the IRBPHS, Department of Psychology, University of San Francisco, 2130 Fulton Street; San Francisco, CA 94117-1080.

**Consent**

I have been given a copy of this consent form to keep. PARTICIPATION IN RESEARCH IS VOLUNTARY. I am free to decline to be in this research, or to withdraw from it at any point.

My signature below indicates that I agree to participate in this study.

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Subject's Signature

Date of Signature