## AJB-2 EAST ASIA

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## *The Ikea-Man Cometh:* **Globalization and the Creation of a Chinese Middle Class**

By Alexander J. Brenner

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BEIJING—I have seen China's future, and it has a curious affinity for things Swedish. On the northern stretch of Beijing's Third Ring Road lies a mammoth Ikea furniture store. Go there any afternoon, take the escalator to the second floor, and plop down in a Klackbo chair or a Klippan sofa (warning: on weekends, when the store overflows with shoppers, you may have to wait for a seat). Look around you. In every direction you'll observe a deep sea of lounging, middle class Chinese. Some people are really trying out the chairs in advance of a purchase, others are simply exhausted from having battled each other to examine merchandise in other parts of the store.

At first glance, this group may not look so impressive with its collective rear end sinking into the sofa cushions. However, according to political scientists, as well as some of my own (middle class) Chinese friends, these are the people who will quite likely determine the future of the country's political system, and thus, the direction of China as a whole. The basic idea here is that an increasingly wealthy middle class focused on safeguarding its property will be more likely than any other force to push for democratic and legal reforms; you need a bourgeois class before you can have a bourgeois "revolution." Given China's rise on the world stage, the character of this emerging middle class could well have a disproportionate influence on the character of the 21<sup>st</sup> Century.

The Ikea phenomenon isn't just a measure of the rising disposable income of the Chinese middle class: it's also a window on this group's vanguard fascination with the novel and the foreign. I made a couple trips to Ikea as I was furnishing my apartment last fall, but I also trekked out to one of Beijing's eastern suburbs, where dozens of antique repair shops and dealers are clustered. Some of their lots look like junk yards, with piles of filthy, broken, hundred-year-old furniture strewn about. Add a bit of semi-skilled elbow grease from some migrant labor, however,



*The Loungers: Go ahead, take that seat on the sofa. Question of the day: lounging, a necessary way-station on the road to democracy?* 

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Institute of Current World Affairs The Crane-Rogers Foundation Four West Wheelock Street Hanover, New Hampshire 03755 U.S.A. and *voilà*!—a perfectly functional, refurbished late-Qing table or cabinet, for a price equal to or less than what you'd find at Ikea.

Not surprisingly, many who buy these antiques are members of Beijing's large foreign community, people who have, on some level, come to China because of curiosity about the other. At Ikea, of course, this pursuit of otherness is also on display. My Chinese friends who shop there describe the furniture, as well as the store and whole shopping experience, as *xinxian*, or "new and fresh." Indeed, for members of this emerging middle class, it would be somewhat anticlimactic if the end result of China's transformational development were to wind up with a home furnished like your grandmother's. In other words, we'll take the new and the fresh; you foreigners can have the old and the musty.

Before you leave Ikea, it's worth a visit to the cafeteria on the top floor. Observe the clientele showing off its sophisticated western taste by sampling the smoked salmon and the chocolate cake—often alternating a bite of the former with a bite of the latter (in fairness, the concept of saving the sweets 'til last doesn't exist in Chinese cuisine, where there is no traditional concept of the dessert course). The cafeteria also sells Chinese dishes like stir-fried eggplant, which patrons can and do mix with the western fare. Come on a Friday evening, when the red table cloths are put out and a Chinese jazz band plays versions of "Yesterday Once More" and other '70s Western favorites everyone seems to know. The Ikea cafeteria is as good a laboratory as any to witness the developing cultural-smorgasborg identity of Chinese consuming their way into the middle class.

During a snack break on one of my Ikea shopping trips, I engaged a high-school-aged couple sitting in the cafeteria. They didn't look like they were quite ready to



*Free jazz band at the Ikea Cafeteria: add some salmon pudding and Swedish pancakes for a cheap, cosmopolitan Friday night date option.* 

furnish a home, and indeed, they admitted they hadn't come to purchase anything.

"So why did you come?" I asked.

*"Ganjue hao,"* the young man replied. Because it feels good.

A quick scan of the cafeteria revealed that there were quite a few teens and twentysomethings sipping soft drinks. They had converged on Ikea just to feel good.

In my last report (AJB-1), I offered some introductory comments on the "feel-good gap" running through China today, and hinted at its links to the globalization process. This report will comment on the group on the sunnier side of that gap, the soft-drink-sipping, sofa-bedlounging middle class. Who are they, and why are they feeling so good?

For the most part, members of this emerging middle class are concentrated in large urban areas in the strip of provinces running along China's east coast, but have a growing presence in major inland cities as well. For members of this group, the October space launch discussed in the last report was very much what that on-message second-grader told me: a reflection of China's development—and, thus, of their own rising prospects.

How do we know that Ikea shoppers are "middle class"? In a country that has been accumulating wealth so rapidly and in such an unequal manner, how does one even go about defining the "middle class"—or middle "layer" (*jieceng*), as the still class-conscious official lingo refers to it? If you look at debates among Chinese and western sociologists, you find widely varying definitions, with some academics challenging the notion that a Chinese middle class exists at all. For our purposes, I'm going to suggest that Justice Potter Stewart's remark about

pornography applies here as well: we know the middle class when we see it. In developed countries the general framework for defining the middle class is by standard of living; when the economic extremes are trimmed off—those living on welfare, those living on yachts— everyone else fits in somewhere on a broad - spectrum of living standards.

When speaking here about the Chinese middle class, we're simply looking for the development of a group whose standard of living would be considered neither rich nor poor in the West. And having seen the insides of enough types of homes, both in Beijing and out in the countryside, I feel comfortable asserting that shopping at Ikea pegs you as middle class: If you're too poor to part with 59 RMB (US\$7) for a Gruva multi-function desk lamp, then you're not yet middle class; if you're so wealthy that a 4390 RMB (US\$500) Mysinge corner sofa seems beneath you, you're also not middle class.

Among the more scientific attempts to define the middle class is a detailed study on social stratification that the Chinese Academy of Social Sciences (CASS), a semi-official think tank, began putting out a couple years ago. It breaks down the Chinese population into layers, and gives a complex, six-part definition of what exactly one needs to have and do to be considered part of the "middle layer" (zhongjian *jieceng*). In the interest of space I'll just highlight two of the six requirements. In terms of actual income, the standard "three-mouth" middle-layer household (generally speaking, one heterosexual couple and one spoiled child) should be making a minimum yearly salary of about \$6000. This total squares more



Meanwhile, outside the pearly gates: Migrants on road-work detail in front of Beijing's Ikea.

or less with my Ikea shopper definition, as Ikea's announced strategy is to target families with a base monthly salary of 3,350 RMB (\$408, or just under \$5000 a year).

The last requirement in the study's definition is by far the most interesting. It states that members of the middle layer should possess a "consciousness" of "citizenship and public morality" (gongmin, gongde yishi), exemplified by such behavior as "actively participating in community building" and "protecting the environment." The cynic in me would say that members of the emerging middle class are showing their commitment to the environment by forsaking public transportation and buying cars en masse, which will allow them, once a bit richer still, to move to the suburbs and actively participate in the building of gated communities. In fact, members of this layer are more likely to care about environmental protection than any other group in Chinese society. Thanks in part to a higher levels of education, they are also more likely to possess a "civic consciousness," at least in as much as this means availing themselves of their rights as citizens and using the legal system to advance their interests.

The fact that the CASS definition also imparts a moral flavoring to the middle-class identity reveals the great hope intellectuals writing such reports place on this emerging layer—a layer to which, by their own definition, they obviously belong. The study quotes a young business owner making \$1000 a month: "We should be considered middle class. I read a book on the middle class in the West, and they are the backbone of society." One suspects the study's authors quote him approvingly, hoping that they themselves and people like them will become an increasingly solid backbone for Chinese society. This middle layer, however, is currently a very small percentage of China's population, probably not much more than five percent, perhaps 65 to 75 million people. While this number sounds high in absolute terms, it only makes a thin, fragile spine for a beast as large as China; you can imagine the rest of the animal shifting its bulk about and snapping this societal vertebra all too easily.

In a city like Beijing, where per-capita income of about \$4000 is already four times the national average, a sizable portion of the city's population has already graduated into the Ikea-shopper target group; the municipal government expects per-capita income to hit \$6000 in time for the Olympics in 2008. Aware of this trend, Ikea will open a second store in Beijing, and has plans for 10 more in other cities in the coming years. The point here is, small as this middle layer may be, it is expanding rapidly in urban areas—a phenomenon not lost on those in countryside, whence the 100 to 150 million migrants of the "floating population" have traveled, searching for at least a toehold toward accessing the feel-good life.

We have some data on just how good many urbanites feel thanks to the 2002 Pew Global Attitudes Survey, a study based on interviews of over 38,000 citizens in 44 nations. Following the release of a first round of survey results in December 2002, the US press commented at length on the study's findings regarding widespread international disenchantment with American "unilateralism" and with the pernicious effects of American culture. Mostly unreported, however, were noteworthy country-specific results. Responses were overwhelmingly glum when people were asked the following: "Thinking about [your country], overall, are you satisfied or dissatisfied with the way things are going in [your country] today?" Across Europe, Africa, the Mid-East, Latin America, and most of Asia, respondents who said they were "dissatisfied" made up between 60 to 90 percent of the population.

In contrast to this unhappy bulk of humanity, the re-



Ms. Lin, seated on wooden stool, and her neighbors prepare vegetables for steamed pork buns in the alleyway outside their shared courtyard house.

sults for China are striking: only 33 percent of those polled here said they were "dissatisfied," while 48 percent said they were "satisfied," more than in any other country save Vietnam. Even more notable was the response to the question "When children today in [China] grow up, do you think they will be better or worse off than people today?" A striking 80 percent said "better off," higher than in any nation except Vietnam—and only 9 percent thought the next generation would be "worse off," lower than anywhere save Vietnam. This study is particularly

relevant to describe the middle class mindset because the Chinese population surveyed was, as Pew noted, "disproportionately urban"— the breakdown being 69 percent urban/suburban, and 31 percent rural, with the entirety of the polling taking place in and around six of China's most developed cities, including Shanghai, Beijing and Guangzhou.

These Pew results reflect the experience of people like Ms. Lin, who lives with her husband, son, daughter-in-law and newborn grandchild in two rooms of a dilapidated courtyard house just around the corner from me. I struck up a conversation with Ms. Lin one day as she sat in front of her house with her neighbors, jointly preparing ingredients to make a multi-day supply of steamed pork buns; no sooner had I expressed interest in her recipe than I found myself invited over to try the final product. And so the next evening I dined with Ms. Lin, who used to work as a saleswoman in a state-run department store, her husband, Mr. Zhang, a retired barber, and their son and daughter-in-law. The family has lived in these two tiny rooms for almost 40 years. In winter they keep warm by burning coal bricks in a small furnace, and while they have a sink they must walk to a nearby public toilet. When the younger Zhang married, his parents gave up their bedroom to the newlyweds and moved into the living room, where they sleep on a sofabed.

In fact, many Beijing residents cope with similar living conditions-conditions that to us may not seem like much of a step up from those of migrant workers crammed into dormitories. In fact there is huge comfort gap, and migrants can only dream of a household like Ms. Lin's, where you find all the major electrical appliances present in an American home. The more crucial difference is the speed with which urban Chinese have seen their standard of livings rise. In the case of Ms. Lin's family, the younger Zhang and his wife have good jobs making medicine at a Chinese-Swiss joint-venture pharmaceutical company; while their education stopped in technical high school, their salaries have permitted them make a purchase unheard of for their parents' generation, a car. And so on weekends, Ms. Lin and her retired girlfriends cram into the back seat and motor around to visit sites on the outskirts of town. And sometime this month, after nearly four decades in these two rooms, the whole family will move into a larger apartment in one of the new developments that are sprouting like bamboo across Beijing.

The stories of people like Ms. Lin help explain why 80 percent of the Pew survey's Chinese respondents felt their children would "be better off...than people today." And each new generation brings more reason for optimism. Ms. Li's granddaughter was born just last month; maybe she'll have her own helicopter. And why not? Since 1978 the Chinese economy has grown at an average pace of



Ms. Lin shows off her finished pork buns at the dinner table.

nine percent a year, amounting to the largest, most rapid creation of wealth in any society in history. At this point, a bit more detail on the development of the Chinese economy and its connection to globalization is in order.

Updated statistics are out for last year, with official growth adjusted up to 9.1 percent-despite the SARS-related slowdown. The leadership hopes to keep the economy expanding at or near this pace for the next 20 years. Recently there has been much discussion about whether this kind of growth rate is sustainable. Various indicators suggest the country could be in the midst of the kind of bubble that built up in early-nineties Japan and late-nineties America, and it seems likely that overcapacity being created in certain sectors (steel, automobiles) will create discomfort down the road.



Moving on up and out: Three generations of the Zhang/Lin family in one room of their soon-to-be-abandoned two-room home.

On the other hand, some analysts believe that in the mid-to-long term China has the potential to grow even faster. Currently, the major drag on the Chinese economy is its inability to allocate capital efficiently. Chinese are prodigious savers; people squirrel their money away such that savings makes up about 44 percent of national income, a higher percentage than in any other major economy except Malaysia and Singapore. And yet the major state-owned banks, holders of the bulk of the country's savings, also hold very high percentages of non-performing loans (officially 23 percent of assets, but probably double this figure). Many of these loans are squandered through what amounts to forced lending to keep uncompetitive state-owned enterprises (SOES) alive, essentially money down the toilet.

If the banking system could be reformed in a such a way that China's huge pool of savings could be used more efficiently, one would expect the economy to grow even more rapidly. Furthermore, legal-system reforms coupled with proper regulatory oversight should gradually turn China's casino-like stock markets into another mechanism to boost the efficiency of capital allocation. Naturally, corruption is closely connected to the problems facing the banking system and the stock market, with a study by Qinghua University economist Hu Angang suggesting that losses from corruption take a whopping 15 percent bite out of China's GDP each year.

A main reason China's leaders pushed for entry into the World Trade Organization was precisely to create outside pressure to speed the banking and legal reforms that will help address these problems. For example, according to China's WTO accession agreement, foreign banks will be allowed to take deposits from citizens starting in 2007. This creates a race against the clock for Chinese banks, who need to clean up their balance sheets or face the prospect of creditors transferring their money to Citibank or any other foreign entity viewed as safer. China's opening-up has already caused plenty of pain, particularly for SOEs that have little hope of succeeding in a competitive environment transformed by the entry of well-run foreign firms. Aware of this, the government has been in the process of dismantling many SOEs, leading to the creation of a huge pool of unemployed workers.

In many parts of the developed and developing world significant portions of the population perceive the increasing integration of the global economy as a threat; even as I write this, an expected 80,000 activists from 130 countries are making their way to the World Social Forum, the "anti-globalization summit" being held this year in Mumbai. Given the punishment already being inflicted on certain sectors of the Chinese economy, it's interesting how little discussion there is here about the consensus that China should, and even must, push forward with opening itself up. There are several reasons for the fact that the country lacks anything akin to the kind of globalization debate going on elsewhere. One obvious reason is that the state-controlled media set limits on discussion about the direction of the country once the leadership has made up its mind. For example, with the government going full throttle towards WTO accession during the late 1990s, anti-WTO and anti-globalization voices were marginalized. In the last couple years, these voices have had better success at making their arguments heard outside of the university departments, on-line chat rooms, and more conservative sectors of the Party where they had been incubating, and their ideas now receive a certain amount of press. At this point, however, these voices just don't have the critical mass to form a real counterpart to western anti-globalization movements.

Another reason for the weakness of these forces is that it is not globalization, but rather corruption, that is seen as the major cause of unfairness and rising inequality in China today. Late last summer, I spoke to a group protesting outside Beijing's World Trade Center, two 40story towers rising a couple miles due east of Tiananmen Square. These buildings offer one the city's most desirable corporate addresses, the tenants reading like a who's who of well-known multinationals. Having worked out some sort of arrangement with city officials, the World Trade Center management is about to raze a large swath of adjacent apartment buildings in order to put up two more towers; the people staging their sit-in were soon to be displaced. They weren't, however, protesting about the destruction of their neighborhood to make way for more offices for multinational corporations; they were protesting being thrown out of their apartments without sufficient compensation.

A few weeks later these protesters were gone—I don't know if they were paid off, scared off, or just gave up. Even without knowing the details of this case, however, I suspect the residents were right to be protesting about inadequate compensation. Local governments in both urban and rural areas have been notoriously shady actors in real estate deals, colluding with developers to appropriate land for a fraction of re-sale cost and then pocketing handsome kickbacks. But if some central neighborhood in say, Buenos Aires or Prague, were about to be destroyed to build new office space for foreign mul-



The carcass of an older building, about to be torn down to make way for another tower in Beijing's World Trade Center complex.

tinationals, you can bet someone would frame the issue in terms of the globalization debate. The fact that this doesn't occur here means that anger is focused on targets closest at hand, like real-estate development companies and local officials. The top leadership views this as a serious problem—serious enough that one of its main reasons for pushing a constitutional amendment guaranteeing private property is to help protect residents from the depredations of local officials.

This anecdote also shows an intense focus on something else: money. Beijing is in a constant process of bulldozing old neighborhoods to make way for real-estate development, but by and large residents' major concern has little to do with being forced out of their (often crumbling) homes, and a lot to do with receiving unsatisfactory compensation. A theme I will be revisiting regularly is how material progress, represented here by the allmighty Renminbi (the People's Currency), is the key value around which so much of Chinese society revolves. And if material progress is the key, then we see the most basic reason for the weakness of anti-globalization forces. As the story of the Lin family indicates, it is precisely the process of opening up that has been driving the generation of wealth of the last decade, and most everyone seems aware of this. First, China has become the world's leading recipient of foreign direct investment (FDI), which has been running at over \$50 billion a year; the accumulated stock of FDI, almost a half-trillion dollars, is on track to become the largest total outside the US. Second, booming exports have been the most dynamic sector of the economy, tripling during the last decade and now accounting for almost one third of GDP.

With politicians in Washington harping on an exploding trade deficit, it's important to remember that two thirds of the growth in China's exports over the last ten years have come from multinational corporations, many of them American. One can thus see why the general attitude here is not to oppose foreign corporations, but rather to welcome them and the jobs and investment not to mention the Klappsta chairs and smoked salmonthat they bring. People here don't drive tractors through the fronts of McDonalds in protest against the industrialization and corporatization of the global food industry, as French farmer/activist Jose Bove did. Thus far, when the Chinese attack McDonalds they are either protesting specific actions of the US government, as in the case of the bombing of the Chinese embassy in Belgrade during the Kosovo war, or simply choosing a target associated with wealth, as in the "McBomber" case in the central city of Xian, in which an extortionist threatened to detonate explosives at shopping centers and restaurants unless he was paid off (he wasn't, he bombed a McDonalds, no one was hurt, and he's in jail). However, Chinese usually aren't destroying McDonalds, but rather are patronizing them in such numbers that the restaurant chain plans to open two new locations a week for the coming several years. Kentucky Fried Chicken, meanwhile, with already about 1,000 outlets in China, almost double the number of McDonalds, plans to launch *four* new restaurants a week for the fore-seeable future.

If you haven't yet heard about the Starbucks located inside the Forbidden City, this is the one symbolic case you need to know about the penetration of western corporations into the very heart of China. The word "penetration" seems appropriate; this feels like a violation. While there was a brief public debate after this Starbucks opened in the fall of 2000, the shop took some superficial steps to make its appearance less obtrusive, and its presence in the Forbidden City has been an absolute non-issue ever since. Indeed, now the ones who feel most violated about chancing upon a Starbucks inside the Forbidden City are us westerners. We don't want our experience of the old and the foreign marred by the new and the familiar, not

to mention the ®ed and the <sup>TM</sup>ed. This is not to say I didn't once patronize this Starbucks—I just felt conflicted while doing it. And so, if we feel conflicted, the overwhelming majority of Chinese don't. In fact, from what I can tell, most people don't even think about these issues at all. Particularly in the cities where residents enjoy newfound disposable income, increasing access to western products and chain-stores is understood as an obvious benefit of the Open and Reform era; indeed, a recent Ipsos poll reports that almost two-thirds of urban Chinese see America's cultural influence as positive, compared to 19 percent of Canadians and 15 percent of Germans. In China today, McDonalds and Starbucks are received not as negative symbols of corporate power or the homogenization of culture, but rather as *avant-guard*, *xinxian*, feel-good forces.

The story of Ms. Li's family provides a simple example of how globalization, in this case, Swiss investment in a Beijing medicine factory, is powering material progress and generating a middle class. Naturally, material progress is rife with qualifications. Your faith in China's development may slacken, for example, during the hour you spend sitting in yet another trafficjam created by the tens of thousands of new drivers pouring onto Beijing's streets each month. I, for one, prefer to ride around on my bike, from which vantage point I can bear witness to all this material progress without getting stuck in it.

For urbanites like Ms. Li, however, the fact that China is moving in the right direction couldn't be more obvious. This is an appropriate time to give some historical perspective on the reasons for this optimism in the cities—an optimism that the Pew numbers indicate is broadly shared. I will straight-out grant you the occasional outlying pessimist: if you visit Tiananmen Square on the wrong day you may chance upon a gentleman



Inside the Forbidden City Starbucks: a latte with conflicted feelings? (Courtesy Jean McConochie)

lighting himself on fire, or throwing himself into the moat of the Forbidden City, in an act of protest and despair. That anyone would feel pushed to such extremes is of course terrible, a sign of a deeply flawed system. However, I have talked to people who face major dissatisfaction in their own lives-laid-off workers who hate their jobs as taxi-drivers, residents who feel they have been removed from their old homes without adequate compensation-and who nonetheless maintain their faith that China is on the right path. I have met just one person who is unhappy that Beijing will host the Olympic Games; everyone else is thrilled for the city and for the country. In general, people here seem more able to separate their individual fates from those of the broader communitythey can fit the square peg of their personal discontent in the round hole of their society/nation/civilization moving forward in a way that seems, well, un-American.

There is an underlying reason that even the most disgruntled urbanites retain high hopes for the next generation: many have personally experienced much, much worse. As someone once noted, "History is just one damned thing after the next," and in the case of China, the spirit and goals of the Open and Reform era flow out of a particularly damnable thing, the Cultural Revolution of 1966 to 1976. Any Chinese over the age of 40 has some direct memory of this decade-long, low-grade, pseudo-civil war.

The trend in recent years among a group of intellectuals, collectively identified as the "New Left," has been to recast the Cultural Revolution in a positive glow, as an era of idealism and equality that contrasts with today's rampant materialism and rising inequality. (Not surprisingly, members of this group harbor some of the loudest reservations about WTO entry and globalization in general.) After speaking with some thoughtful intellectuals espousing this rosier view of the Cultural-Revolution, I realized I should confirm my skepticism by talking to people in my neighborhood. Indeed, while few dispute the New Left's basic critique of modern society, my sampling of older Beijingers shows that exactly zero of them would prefer to return to Cultural Revolution-era China. In one conversation I had with a white-haired gentleman standing beside a busy street, I asked him to compare life now and then. His answer was succinct. "Four words: Eating. Drinking. Housing. Transport. (*Sige zi: Chi. He. Zhu. Xing.*) Every aspect of life is better now." We both realized the cars in front of us hadn't moved in several minutes. "Ok," he conceded, "but even with the traffic jams, everything is still better."

It's not simply that life has improved due to material progress; it's that the Cultural Revolution was an unspeakably awful period for so many. As you get to know people, their family stories start to leak out. As I ate dinner the other night with the chef/owner of my favorite local restaurant, he told me unappetizing details about his uncle, who had committed the crime of being the son of a Nationalist military officer, for which his legs were disfigured with a hot iron brand. Sometimes you don't even need to know the person-a complete stranger will launch into the topic spontaneously. On a recent trip to Shanghai, a cab driver spilled out his life's woes as we made our way along the elevated highways running through downtown. The son of educated school teachers, he was shipped off during the Cultural Revolution to spend ten years working in the frigid rural areas of Heilongjiang province, near the border with Siberia. Having missed out on his chance for an education, upon his return to Shanghai he had to settle for work in a factoryonly to wind up laid-off during the on-going reforms of China's SOEs. He now works long shifts to make ends meet. "Did you take away anything valuable from your ten years in Heilongjiang?" I asked.

"Nothing. It was all a waste."

I didn't ask him, but he could just as well have meant his entire life. Still, if history can be utterly cruel to one generation, it can compensate at least partially by showering the next with peace and progress. The Shanghai cabbie told me about his son: "All he cares about is having the same kind of sneakers as the other kids. I tell him about how poor we were, and he says, 'That was before, it's a different world now.'" I hate to say it, but the fact that Chinese kids today whine about different kinds of shoes has to be seen as a sign of progress, certainly preferable to the problem of having no shoes at all.

As for the son's remark about today's Shanghai being "a different world," it's hard to imagine a parent and child growing up in the same place under such disparate circumstances at any point in history. Each time I go back, Shanghai feels more and more like Manhattan—only cleaner. Shanghai in particular is a showcase for China's progress since the Cultural Revolution, a glittering display of the fruits of "peace and development." Even though Vietnam has nothing as impressively urban to offer as Shanghai, I suspect that country's rapid generational turn-about accounts for the Pew study's responses from Vietnamese, whose poll showed them to be the most satisfied, optimistic people in the world. Similar to China, Vietnam in the late 1970s was finishing up yet another decade of strife and instability; today it looks back on 20 years of peace and improving economic conditions. These stark historical contrasts make the sense of progress all the more vivid—Shenzhou Number Five lifting off from a barren desert launch-pad seems an apt visual metaphor.

And yet, people here don't see the country as simply emerging from problems caused by the Cultural Revolution. Another older man I met in a park put the successes of the reform era in broader context. "You could say the situation in China today is the best it's been in last few years." He thought some more. "Actually, it's the best it's been in 50 years." He thought a bit more. "Actually, it's the best it's been in the last several hundred years." Indeed, just as surely as China has been characterized for the last 25 years by fortunate historical timing combined with (generally) fortunate leadership, prior to this period the country endured at least a century and a half of unfortunate historical timing combined with unfortunate leadership. By fortunate historical timing I mean the following: Deng Xiaoping's "Open" policy sought to profit from a broad range of economic and educational exchanges with developed countries, but even a visionary like Deng couldn't have predicted how technological and geo-political change would spawn a globalization system so thoroughly tailored to China's main comparative advantage: abundant cheap labor, a topic to which I will be returning.

The feel-good middle classes of the Open and Reform era are China's answer to America's "Good Times" generation of the fifties and early sixties: they have come along at just the right moment to prosper. In 1945 America emerged from a long war that followed an even longer depression; in China's case, the country climbed out of years of strife and economic stagnation brought on by the Cultural Revolution. Robust economic growth has resulted in curiously similar sets of social dynamics in the two countries, from the expansion of higher education to the spread of car culture and the growth of suburbanization. More intangibly, a sense of vigor and optimism has come from living at a time when things are finally looking up, when your nation is standing taller than ever before on the world stage. And indeed, as if on cue, a Chinese leader has leaned on his lectern and proclaimed: "We will go to the moon." Just as the middle class will go to Ikea, because it now can, China will go to the moon, because it now can.

Layered into all this optimism is a complex naïveté. Superficially, Chinese society today exudes a Brady-Bunch-like innocence that comes across in everything from its pop songs to its television advertising. The country seems to have officially entered that stage of its development in which smiling families gather about gleaming new home appliances and salesgirls caress the hoods of cars—there is even a new word for this blossoming profession: *qimo*, or "car-model." And just as fifties America remained mired neck-high in its Puritan past (now we're only waist-high), China today grapples with its own traditional prudishness. In an update of Ed Sullivan leaving Elvis's gyrating hips off-camera, authorities at Chinese Central Television are attempting to edit

sexual allusions out of "Friends" before allowing the show to run. "I had thought the play focused on friend-ship, but after a careful preview I found each episode had something to do with sex," an official explained to the *People's Daily*. "The attitudes of the six close-knit young friends in the play cannot be generally accepted by Chinese audiences yet."

I suspect most people here, who live amid barely veiled prostitution in every neighborhood of every city,

can handle "Friends"—a show many have been watching for years on pirated DVDs and via Hong Kong television stations. Some of this climate of innocence is thus hollow and even hypocritical, stemming from the paternalistic wishful-thinking of a Party still needing to play chaperone. The urge for this kind of censorship grows in part out of the conservatism of traditional Chinese culture, but it is also in keeping with the aesthetic ideal that Milan Kundera calls authoritarian "kitsch." This ideal, favored by the Nazis and Soviets as well, "excludes from its field of vision all that is basically unacceptable about human existence." Here in China we are still subjected to such kitsch on a routine basis—the happy, parading school children on National-Day celebrations; the happy, dancing minority villagers on television specials. However, attempting to control the overall cultural discourse is increasingly futile, as even the government knows. As the China Central Television official admitted, "[m]ost youths on the Chinese mainland have watched ["Friends"] and feel passionate about it. If we make too much trimming, I'm afraid they will not agree. But it is also impossible to accept it uncritically." You know your cultural-control apparatus is in trouble when your censors worry that teens will be upset by cuts to shows they've all already seen.

This climate of naïveté is thus not so much directly imposed from above, but rather arises from within; more powerful than censorship is self-censorship, broadly put, not just of speech but of interests, and thus, even thoughts. In the West we often talk about the "deal" the Party "offered" to the public in the wake of the tanks rolling into Tiananmen Square: "we let you make money, you shut up and let us handle everything else—or else." This deal, underwritten by the PLA, is still in effect, and it underlies the apolitical climate of the last dozen years.

Once the economy began to take off in 1992, however, the get-rich-quick carrot has risen in importance relative to the police-state stick in fostering this apolitical atmosphere. Like the US in the fifties, a collective focus on material progress is allowing Chinese society to avert its eves from problems bubbling beneath the surface. Many

of these are the same problems that America's "innocent" post-War generation also didn't enjoy discussing: What, women are abused at home and harassed at work, their advancement blocked in the professions and government? What, minorities, particularly those living in their home regions, face economic and cultural discrimination? What, gays, ostracized by society at large, are stuck cowering in the closet? (gays? there are gays in China?) and What's that you say, none of these groups has

The qimo shows off the Ikon: Hordes of car-crazy middle class Beijingers pack a recent auto show. (Courtesy Central Chinese Television)

> a chance in court, because anti-discrimination law has barely begun to develop? China is, in short, in desperate need of the 1960s.

> Hold on a second, you may say. What about the freewheeling Chinese youth culture, the increasingly boisterous press, the nascent NGO sector, the Internet sexcolumnists? Haven't sixties-like attitudes and freedoms already arrived? Obviously, compared to Cultural Revolution China, dramatic progress has been made on countless fronts, and the deep market reforms of the 1990s in particular have helped accelerate the opening of the social sphere. But this is precisely what makes contemporary China so fascinating: The rapidity of social and economic change means that progress in certain areas for certain groups co-exists with deep-set attitudes that can't possibly evolve at the same pace.

> Take feminism, for example. Women have supposedly been "holding up half the sky" ever since Mao and the Communists came to power—and yet female friends working in business say that to be taken seriously at client meetings they have to bring along male colleagues (often underlings posing as equals). In the late nineties I spent two years teaching English to some of the brightest, most open-minded college students in China, all future members of the middle class. During my weekly office hours, however, my male students admitted they wouldn't be able to cope with wives who made as much money as they did. And naturally, these future wives should be virgins (no such self-imposed requirements for



men, of course). The bold response from my female students: putting their hands over their mouths and giggling. And both sexes were And both sexes were shocked shocked!—when I suggested there might be some homosexuals among the university's 10,000 students. Nineteenfifties attitudes? Try the eighteen-fifties.

Consider, however, the professor at Beijing's Central Film Academy who two years ago was banned from the classroom after publicly revealing his homosexuality but who has nonetheless been allowed on television to discuss his case. Last fall, meanwhile, Shanghai's Fudan University begun to offer an actual course on homosexuality, the first of its kind in China and something my utterly uninformed students could have used. The course, entitled "Homosexual Health, Society and Science," attempts to contain controversy by emphasizing a medical focus; although only graduate students at the medical and public health schools may enroll, this hasn't prevented auditors from flocking to the lecture hall.

These cases indicate real steps forward, and they are important to mention. Unfortunately, they also show how change comes with great difficulty and controversy even where the country's cosmopolitan academic and cultural elites are concerned. Go try having a discussion about, say, feminism, in the countryside, where unwanted baby girls "disappear" on such a wide scale that the gender ratio in some provinces now stands at 130 newborn boys for every 100 girls (while infanticide persists, the spread of ultrasound technology means almost all of these missing girls were aborted). The nationwide gender imbalance, as reported in China's 2000 census, is bad enough, with a ratio of 118 boys for every 100 girls. As the Party is well aware, the coming "missing bride" phenomenon could have serious destabilizing effects.

In the end, of course, the difficulties in dealing with social and economic discrimination are inextricably linked to China's authoritarian rule. The inability of the legal system to confront such discrimination owes much to a one-party system that sees the judiciary as part of its arm of control. If the courts were to allow, say, Tibetans to sue their Han employers on the basis of racial discrimination, you'd just be emboldening them-what will they ask for next, independence? The lack of media freedom stifles debate on all issues and makes it very difficult for interest groups to educate the public and garner support. And of course interest groups and associations face a slew of restrictions on the scope and nature of their activities. Earlier this month, Beijing's Municipal Civil Affairs Bureau declared illegal 51 groups, including the Beijing Association on Roast Duck Technology and the Beijing Pigeon Watching Association-because they had failed to comply with registration procedures. Even if your group manages to gather, the obstacles thrown in the way of public assembly mean you can't have a march for anything-even the "Million Mom March" would be considered a dire threat to social order here. Basically, if you're the Party you don't want anyone, not even a handful of pigeon watchers, joining together without your permission and supervision.

The Party made this view all too clear at Tiananmen Square. In terms of political climate, the first decade of the Reform era possessed more of a sixties-like dynamic, culminating with the outpouring of idealism during the Beijing Spring of 1989. The students, who had begun making their way to Tiananmen Square in mid-April, eventually camped there in what became a massive sitin. The loudspeakers in the square were commandeered to play the provocative songs of Cui Jian, China's first and most famous rock n' roll star, who along with other rockers pumped up the protestors with live performances. Then the bullets flew on June 4. Greensboro to Woodstock to Kent State, the sixties in six short weeks and then the people sent scampering back into the politically-apathetic, money-grubbing nineties.

I'm always surprised how many of my middle-class friends who supported the students in 1989 (some actually spending time on the square) make the case that China is better off today for having crushed the movement. Only by using force, they say, could the Party have guaranteed the stability underlying China's long boomthe long boom that has vaulted them into the middle class. A twist on this argument is to posit that the protests were in fact leftist in nature and intended to derail Deng's economic reforms, or at least could have been used by conservatives to that end. These are of course the same arguments the government still trots out, pointing to the 150 million people lifted out of poverty during the nineties to justify the correctness of the crackdown. We'll never know what would have happened if the protesters' demands had been accepted and certain political reforms had been accelerated. We'll never know if the Chinese economy would have grown more or less quickly, or what the trade-offs would have been. However, we can still condemn the *methods* used to clear Tiananmen Square, as well as the government's unwillingness to reevaluate



*Fighting for their property rights: middle class homeowners, going toe-to-toe with the police.* (Courtesy Fangzhouyuan Tenants Association website: http://fzy.bj.soufun.com)



Banners hung from at the Fangzhouyuan housing complex. At left, the banner in the foreground claims Beijing's highest city officials as supporters of the residents' interests: "What Party Secretary Liu said must be implemented. What Mayor Wang ordered must be carried out." In the photo at right the banner reads: "If we can't get rid of unscrupulous merchants, social stability is hard to maintain." Needless to say, neighborhood officials weren't enthusiastic about messages linking them to the possibility of social chaos, and ordered the banners taken down, leading to the residents' standoff with the police. (Courtesy Fangzhouyuan Tenants Association website: http://fzy.bj.soufun.com)

them, while acknowledging the real possibility that many millions more may have benefited because stability was restored on June 4. It's an uncomfortable, ironic contortion, but if we accept this logic, we can at least tell ourselves "they didn't die in vain."

We'll never know to what extent China's economic miracle is built on the graves of those killed on June 4, but we do know that stability here has been an important pull for foreign investors. The total of foreign direct investment in China grew from \$25 billion in 1990 to close to a half-trillion dollars today, a 20-fold increase that has reshaped the structure of the global economy—and generated a middle class in the process. What are the chances that this middle class will prove the theoreticians right and act as the force that pushes for democracy? What chances that the Ikea Lounger—that slothful, self-centered, a-political creature—is in fact the fuel keeping alive the flame of June 4?

I don't mean to sound harsh. Given the post-Tiananmen "deal," I understand why you, a middle-class member, are apolitical. For those who lived through the Cultural Revolution, it's even more comprehensible where your me-first sense of entitlement comes from— "I sacrificed plenty for the collective; now it's time the collective sacrificed for me." You're right, you do deserve this sofa-bed we're sitting on. But I just wish you'd develop a bit more political persona, even if you keep it hidden in public. Get a bit more excited about the theory that this group you are part of will one day be a force for democratic change, even if you're going about it for selfcentered reasons.

In fact, I'd guess the political theorists are onto something. Here in Beijing, the middle class is already showing itself increasingly willing to fight for its newly-purchased property.

Imagine, for example, that you have bought an apartment in a new complex surrounded by a green park, a real part of the appeal for you in your gray city. Then a few months later, your money paid, you look out your front window one morning and the park suddenly bears a strange resemblance to a construction site. Yup, your park and your view will soon be gone, not to mention a piece of your home's value. Real estate firms have taken to using this tactic to milk as much profit out of their land as possible, and they'll walk all over you unless you take action.

This is just what happened last summer and fall at

the Fangzhouyuan housing estate in eastern Beijing, where a dispute broke out between homeowners and the developer over the construction of new buildings on an area previously designated as a park. While there were actual physical altercations between some of the residents and construction workers, the most remarkable part of the confrontation was a nine-hour standoff between police and about 300 homeowners. The residents had draped huge banners denouncing the realestate developer; cops came to remove the banners; homeowners barricaded the police inside their estate by blocking the driveways with their cars. To break the standoff, the city government agreed to "mediate" with the developer.

In the case of the Fangzhouyuan estate, it looks like the developer is being allowed to push on with at least some of the controversial building projects. But even if the homeowners lose their own battle, their efforts were certainly not in vain. Citing the Fangzhouyuan situation, the Beijing Municipal City Planning Office has announced a new regulation for 2004 that will require developers to have written agreement from residents before any deviations from the original planning blueprints can be carried out. What's most important is that a broader war has now been declared: middle-class residents are showing they will wage an intense, organized fight for their rights. The fact that they are willing to take on the police is significant—this is a police state, after all. And there is a key piece of symbolism in this struggle: the residents couldn't have barricaded the cop cars if they hadn't had their *own* cars. It's hard to fight power if you have no power to fight with, as Chinese peasants well know. Regardless of how far and at what pace this middle class pushes for reform, the country's rulers can ill afford to ignore this educated and well-funded group. The government is already showing it understands this: Beijing's Communist Party secretary Liu Qi and mayor Wang Qishan both made visits to the Fangzhouyuan estate to show their concern.

And they should be concerned. As a resident told the press, "we are angry and we will not give up." These are fighting words. Of course the question remains: will members of the middle class simply fight for the value of their real estate property, or will they come to value the fight for broader social justice? I hold out hope this group will move beyond its fifties focus on material well-being and become actively engaged as a progressive force in Chinese society. This middle class, expanding in concert with China's integration in the global economy, is constantly comparing itself with its counterparts in "modern" developed nations. An inferiority complex thus informs the Ikea appeal, and it means more than a simple push to catch up with material living standards in Europe or the US. Urbanites are also striving on both conscious and unconscious levels to be more "modern," a manifestation of this being the intense desire, especially among younger Chinese, to possess a command of western languages and culture and to study abroad. Naturally, purely professional and financial reasons prompt a desire to want to speak good English; it seems to me, however, that at root the middle-class embrace of cosmopolitanism is genuine and should become an increasingly powerful force for social progress.

China's urbanites have always sought to distance and differentiate themselves from the country's "backward" peasant classes. Today, many urban couples now have stated preferences for daughters, who are seen as easier to raise and more likely to be attentive to their parents. While this attitude, too, carries sexist undertones, it's nonetheless a felicitous updating of the idea that women are worthless drains on the family name. Thus I would hope that as members of the middle class continue modernizing Chinese social traditions in tandem with their self-comparisons to, say, the Swedes, they will in the end develop interests in promoting gender equality and the rights of disadvantaged groups like migrants and minorities—and even the very peasants they disdain. Too much smoked salmon can be subversive.

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