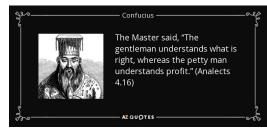
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Balancing Economic and Cultural Priorities: a Vision for the Future

A recent article by Viola Zhou, *Why Chinese-Pop Fans Are Spending Millions on Milk*¹, details the scandal associated with the rise and fall of popular Chinese reality show *Youth With You* (Zhou, 2021). *Youth With You* was a massively popular program that involved months of contestants living together and competing for spots to be "idols" in a boy/girl group that would then go on to debut under the label of a major entertainment company (Iqiyi, 2021).



The show was sponsored by Chinese manufacturing and distribution company Mangniu Dairy - as a promotion for the company, in order to vote for their favorite trainees, viewers had to buy bottled Mengniu brand milk in order to scan the QR codes printed inside the bottle caps. As a result of the promotion, millions of fans purchased milk they could not and would not drink, instead simply scanning the QR codes and then pouring the milk down the sewer. After a video of young people dumping hundreds of bottles of milk went viral, the government exploded in reaction, canceling the hugely popular iQiyi show and claiming that the show ran counter to the traditional CCP values.

Further investigation reveals that the show *Youth With You* in and of itself was a global financial hit - according to reports by Enlightent, a market research firm, *Youth With You* was the nation's highest rated online variety show (iQiyi, 2021). Chinese social media was set ablaze, and content labeled with the hashtag #YouthWithYou gathered more than 64.31 billion views. In the quarter that it was released, its parent company iQIYI (a Chinese platform that is one of the largest online video sites in the world, with nearly 6 billion hours spent on its service each month (Yahoo Finance, 2022)) gained 3.6 million monthly subscribers and boosted its revenue by 12% (Tea, 2021). iQIYI was even deemed by many analysts in the industry to be one of the key players in China's entertainment and marketing industries (Lim, 2018), noted for pushing the boundaries of online entertainment by combining media marketing with content and technological innovation (Jewell, 2016).

And yet, despite its major financial success, the Chinese government felt that the risk of its cultural harm was so significant that it felt it necessary to ignore the financial benefits. Further investigation into the scandal reveals that on top of taking issue with the mass food waste as a result of the show, China's government's crackdown on *Youth With You* was part of Xi Jinping's larger "national rejuvenation" to "resolutely put an end to sissy men and other abnormal esthetics", according to the National Radio and TV Administration (McDonald, 2021). The term used by the government was "niang pao" (Gu, 2021), which translates literally to "girly guns". The government expressed a deep concern that by following the lead of Korea and Japanese pop cultures, Chinese "idols" were setting a bad example for the country's youth and encouraging young Chinese men to be less masculine. The CCP has made a deliberate effort to return the country to its "traditional values" - in an article published by the People's Daily, the CCP's main newspaper, government authorities made a declaration regarding the arts: "If you want to pursue a career of performing arts, you must always keep the bottom-line of morality. Otherwise, once

¹ The information in this article was corroborated by the New York Times, The Guardian, etc.

you touch the red line of law and morality, you will reach the finish line of the road of performing arts" (Li et al., 2021).

Thus, although many of its outward facing rhetoric and plans are economically focused in nature, it is clear that the Chinese government is willing to sacrifice some economic gain in order to solidify the cultural hold they have on Chinese society. This suggests that the CCP views a return to "traditional Chinese cultural values" as a necessary step to maintaining legitimacy, even though the nature of these values are inherently poised to clash against China's modern economic interests.

By nature of its autocratic system, the CCP has always had a legitimacy problem. Because autocrats have no checks on their power and no realistic mechanisms in place for any sort of punishment and/or concessions if they do not follow through on their promises (i.e. a credible commitment), it is usually difficult for them to gain the trust of the people they are ruling over (Yang, 2022; Chen, 2017). Given the meticulous, calculating, precise nature of the CCP, I can stand to reason that they would be on high alert regarding any threat to their legitimacy, creating both short-term and long-term plans to capture the loyalty of the public. I hypothesize that in the past decade, fearing a threat to their reign, the CCP made a conscious turn and decided to lean into the use of traditional Chinese culture and values as a tool to bolster its legitimacy. These traditional values include an emphasis on hierarchy, harmony, and obedience and are often based in Confucianism.

Despite the sparsity of the CCP's public communication, there have been quite a few explicit pieces of evidence that the CCP is turning towards traditional values. In 2010, the CCP spent \$38 million on renovations and museums in Qufu, the birthplace of Confucius (Jaffe, 2013), and President Xi Jinping has visited several times. In 2013, the Ministry of Education released guidelines enforcing the standardized teaching of traditional Chinese culture in schools nationwide, and President Xi added "cultural confidence" to the "three confidences" that the CCP wishes to boost (Zhao, 2016). In his 2014 speech to honor the 2,565th anniversary of Confucius's birth, President Xi Xinping made a case for Confucius's central role as the "soul of the nation", with "neither a country nor a nation is able to stand on its own if it loses its soul" (Shengnan, 2014). In 2017, the General Office of the Communist Party of China Central Committee released guidelines designed to "preserve and carry forward traditional arts and Chinese culture" (Xinhua, 2017). And in 2021, when the Sixth Plenum of the 19th Party Congress was held, the CCP passed the "Resolution of the Central Committee of the Communist Party of China on the Major Achievements and Historical Experience of the Party over the Past Century". This long-titled resolution introduces the "Xi Jinping Thought on Socialism With Chinese Characteristics for a New Era", which "embodies the best of the Chinese culture and ethos in our times and represents a new breakthrough in adapting Marxism to the Chinese context" (Chinese Communist Party, 2021).

Despite its possible economic consequences, the CCP's call for a return to traditional values makes sense, given that appeals to nationalism and a return to traditional, "homegrown" values is almost always met with widespread acclaim and is known to solidify party support (Thorleiffson, 2018). This is true across cultures and nations (take the United States, Britain, Austria, and India as examples), but is especially true and efficient for China, where, according to Claremont McKenna government professor Minxin Pei, "[Chinese] nationalism binds the people with the state, not to each other" (Pei, 2018). Historically, Chinese nationalism was split into cultural nationalism ("distinctive and historically-rooted way of life") and political nationalism (nation building, modernization), two branches that were at odds with each other for decades (Modongal, 2016). From the early 20th century to the late 1980s, the widespread belief was that cultural traditions were responsible for why China was "falling behind", and the political nationalism branch was more widespread. Recently, however, President Xi Jinping seems to be aimed to combine cultural nationalism with political nationalism, making the state a symbol

of traditional values in an attempt to win the hearts of the people. Party leaders stoke nationalist pride to solidify their power, delivering messages of national superiority and party loyalty. A study by Credit Suisse found that young Chinese consumers were increasingly returning to local brands as a result of the nationalism push (with 90.7% of consumers aged 18-29 preferring local home brands the most, instead of 58.8% the previous time the study was run) (Lee, 2018). Much of the nationalist push has been run by citizens itself - online pressure by Chinese internet users in April of 2021 led to boycotts of H&M and Nike, both Western fashion brands (Frayer & Suliman, 2021), and celebrities are "canceled" by the masses for even the slightest rumor of positive sentiment towards other nations (Li et al., 2021), Human Rights Watch researchers found that mass censorship against anti-nationalististic content by the Great Firewall was fostering "young nationalists", "changing a generation" from a group known for challenging the power structure to an "army increasingly part of Beijing's defense operation" (Wang, 2020).

There are also a few reasons that Chinese traditional values in and of themselves lend themselves well to helping the CCP restore their legitimacy. Firstly, while the Cultural Revolution was based on the destruction of traditional Chinese culture (and the CCP rose from the ashes of a "destroyed traditional China"), most Chinese citizens suffered greatly during the Cultural Revolution (including Xi linping himself) (Buckley & Tatlow, 2015), and thus a restoration of the traditional values that were destroyed during a painful time might be more welcome for lots of people. As the CCP aims to transition from a revolutionary opposition party to a governing party, it needs some roots to anchor on to, and it seems to have anointed "traditional Chinese culture" to that position. It also seems to me, interestingly, that Chinese culture itself might be more susceptible to autocratic rule than other value systems - traditional Chinese culture is based deeply in respect, hierarchy, and harmony emphasizing the collective over the individual (Yang, 2022), and these values lend themselves perfectly to the CCP's autocratic system. One of the Three Fundamental Bonds in Confucianism is between "ruler and subject", and the Bonds "underline the importance of upholding social hierarchy" and "modeling behaviors, fulfilling your roles" in society (Wuchang, 2009). CCP officials can now justify their autocratic government values by making references to old Chinese traditions of obedience and hierarchy. Finally, emphasizing the CCP's commitment to traditional Chinese values also helps combat the spread of Western values like individualism and liberalism. Individualism and liberalism are threats to the CCP's ability to rule, and by appealing to traditional Chinese values, the CCP aims to shield itself from this danger.

The CCP's shrewd move to emphasize and build a base on traditional Chinese values will likely succeed in building the regime's legitimacy. It will also, however, inevitably have strong clashes with the CCP's main goal of economic progress. There are a few theoretical reasons for this. Economic progress inevitably causes different groups to develop different and varied interests - i.e. as a nation progresses economically, social groups begin to form that are distinct in nature. The very existence of such groups is problematic to those who wish to abide by traditional Chinese culture, which emphasizes collective morality and forces everyone to abide by the same priority systems. The CCP already has an information flow problem, and popular demand is often not met (despite protest) (Yang, 2022), and the rise of social groups with different priorities will inevitably cause the government to have a limited ability to meet all vectors of popular demand, because certain rules and regulations will benefit one group but harm another. Traditional Chinese values would be a successful rulebook to govern from if one was governing over a monolith of peoples with identical goals, but as a nation economically progresses, its populace diversifies, and these values fail to be of service to everyone. Additionally, according to several economists, liberalism and individualism are natural consequences of economic progress (Lemieux, 2020; Ferguson, 2016), which also runs contrary to traditional Chinese values (although there does exist recent evidence that this might not be the case in China).

A hardline focus on traditional values will also hurt Chinese business and economy. A regression to traditional Chinese values and a rejection of Western ideas prevents the type of innovation that China needs (and that the CCP claims it wants, as per the 13th Five Year Plan). True innovation requires an open sharing of ideas without fear of judgment or persecution, and as the CCP enforces outdated codes of morality and discourages "startup culture" in favor of a system where everyone should keep their head down and just work, they are losing crucial opportunities for economic growth. An example of this can be found in the event that sparked this investigation the canceling of popular hit shows like *Youth With You*. Online entertainment is one of China's most vital industries for e-commerce, online Al innovation, and media marketing, but canceling the country's most popular shows (in favor of "quiz shows about traditional Chinese art forms" (Han, 2021)) is only guaranteed to stifle true economic progress. Additionally, a study by the Wall Street Journal found that almost 80% of American and European companies polled by the American Chamber of Commerce in China agreed that censorship and Internet restrictions rooted in promoting Chinese culture and suppressing Western values "significantly interfere with their ability to operate in China" (Zimmerman, 2016). Excessive control over content online only slows down commerce and discourages world-class companies from operating in China.

A return to traditional Chinese cultural values, no matter how well motivated politically, will inevitably clash with the CCP's goal of economic progress. The two prioritize values so opposite that even Confucious contrasted the two in one of his most famous statements: "the gentleman understands what is moral; the small man understands what is profitable".

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