

## On the Soft Power of Folk Culture in China's Modern Economy

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**Abstract**—Culture is playing an increasingly promoting role in the development of modern economy. How to correctly perceive and reasonably exploit the soft power of culture is an epochal proposition in China's economic progress. In terms of improvement of modern enterprise motivation system, application of new elements in product design, and new expansion of culture industry, the paper took folk culture as an example to expound on the manifestations of culture's soft power in modern economic advancement.

**Keywords**—folk culture; soft power; clan ethics; product design; culture industry

### I. INTRODUCTION

In the comprehensive development of modern economy, culture and economy are not two unrelated parallel lines. On the contrary, they are supposed to reach a win-win situation through interaction. The development of culture needs sufficient material security and advanced technological support. On the other hand, economic growth is in urgent need of culture's soft power to provide continuous motivation. Soft power is a concept developed by Harvard professor Joseph Nye in early 1990s to describe the ability to attract and co-opt rather than coerce, use force or give money as a means of persuasion. By contrast, hard power is the use of military and economic means to influence the behavior or interests of other political bodies. According to Joseph Nye, soft power is linked with factors like politics, culture, life style, etc. The essential element have been proven by history to be a nation's traditional culture, which, with its strong capability to extend and spread through time and space, exerts an invisible influence on people's life style and moral principles.

China's traditional culture consists of two parts: major traditional culture with official Confucianism at the core, whose influences are found in schools and ruling classes,

and minor traditional culture featuring folklore closely linked to everyday lives of the masses. Folk culture consists of various widespread customs and conventions, including material culture, social communities, popular beliefs, oral history etc. In contrast with major traditional culture of Confucianism, folk culture is able to exert, at a micro level, forces of impact and assimilation on mindsets, codes of conduct, value orientation, and the like.

Modern economy is essentially the creation of social value centered around human beings. The emphasis and

exploitation of cultural soft power propelled economic advancement in Western developed countries. It is the task of China's modern economy to be aware of the advantages of folk cultural resources, to promote the combination of folk culture and modern economy, and to energize the latter on the basis of the former.

### II. EXTRACT THE ESSENCE OF CLAN ETHICS SO AS TO PROVIDE MOTIVATION AND CONSOLIDATION TO MODERN CORPORATE MANAGEMENT AND ESTABLISH A MANAGEMENT MODEL WITH NATIONAL CHARACTERISTICS.

The goal of modern enterprises' business activities is to maximize their profits in social distribution. However, the maximized corporate profit is based on human beings, through promoting the staff's enthusiasm and intelligent potential, as well as the development and innovation of modern equipment. That requires modern firms to develop a sound human resources motivation mechanism. Max Weber, the advocate of modern ethics motivation theory, believes individual moral behaviors under Western traditional religious ethics are unsystematic and unorganized. Traditional ethics can play a moral motivating role in modern economic activities only after their transition to modern forms. Weber's modern moral motivation theory integrates individual faith, behaviors, life style, moral principles into systematic social economic activities with benefits, so that individuals are driven to create more social value. The theory was based on the widespread perception of individual will and emphasis on personal rights during the Western transition from nomadic life to industrial civilization. Weber's theory brings Chinese enterprises a significant revelation: to introduce traditional ethics into modern human resources management system and exploit the soft power of traditional culture. However, the Western moral motivation system is motivated by personal benefits. It does not fully apply to China, which transformed from farming habits to industrial civilization.

Moral is a set of codes of conduct to regulate the relationship between individual and society. While ethic principles are used as a starting point and guideline on adjusting inter-personal, person-social, and inter-social benefits. Moral rules and requirements are based on and compatible with ethic principles. Traditional ethics' soft power in economic activities is reflected in the motivation of individuals to create value and in the realization of traditional ethic principles. The mere copy of modern

theories and systems from the West without regard to one's own domestic traditional culture may fail to live up to its initial expectation. Traditional Chinese ethic principles stem from emphasis on collective survival and rights, in contrast to Western ethic principles' stress on individual ones. Weber held the view that modern capitalism was the achievement of a uniquely Western rationalism. His well-known study of China argued that its legal institutions and ethical and religious culture had impeded a similar development there. He believed Eastern clan ethics and Western religious ethics belong to different ethic value systems, and drew the conclusion that oriental clan ethics are incompatible with capitalist modern economic development, which have been attracting growing doubts. In late 1970s, the rapid rise of East Asian economy and modernizing practice of Eastern countries helped the once denied oriental ethic values gain regard and acknowledgement anew. In early 1980s, more academics started to investigate why such a uniquely oriental management style and enterprise spirit helped Japan achieve so huge a success as to challenge the West. For example, New Confucianism advocates for certain Confucianist elements of society — such as social, ecological, and political harmony — to be applied in a contemporary context in synthesis with Western philosophies such as rationalism and humanism.[2] Tu Weiming analyzed the relationship between Confucian tradition and East Asian modernization, stressing the positive influence of Confucian tradition on the rise of East Asia.[3]

Japan's successful exploitation of clan ethics in modern company management is a model in East Asian countries' modernizing practice. The success of Toyota is a microcosm of Japan's economic rise. In 1984, Toyota is one of two Japanese companies that made more than 1 billion dollars in profit. Toyota's achievement is attributed to a modern enterprise management model with national characteristics, as well as advanced industrial technology. The clan-related producing and organizing method was combined in Toyota's administration with modern Western scientific rules. On the one hand, on the basis of Western law of inheritance, even sons are not allowed to inherit all the property and management rights, without competent knowledge of technologies and adequate trainings. On the other hand, lifelong employment system of traditional clan industry, encouragement and help given to employees over romantic relationships and marriage between themselves, all promote, with blood and family ties, the concept of "we" in the ethic perception of the staff. Toyota employees attach their future and destiny to the development of the company, seeing it as a family, dedicated to hard work, purchasing cars from it, and actively putting forward ideas to help it grow. The success of Toyota human resources development lies in the full use of traditional ethics' soft power to propel the growth of enterprise, as well as in overcoming the impediment of it to modernization.

In the lack of social trust, confidence and interdependence based on blood and affection are capable of bringing advantages and economically valuable

management system to the company. The introduction of clan ethics into modern businesses fosters the sense of corporate identity and individual loyalty, so that the company is consolidated with less internal frictions and more efficiency. As a common social code of conduct in China's folk lives, clan ethics are deeply rooted in Chinese individuals' social behaviors and values. To establish the modern human-oriented enterprise management system, we need to take full advantage of clan ethics to guide individual employee's development and growth. Meanwhile, its disadvantages should be avoided.

### III. WITH THE CULTURAL SENSE OF IDENTITY IN MIND, FOLKLORE ELEMENTS ARE TO BE INCLUDED IN THE PRODUCT DESIGN SO AS TO INCREASE CULTURAL CONNOTATIONS AND GAIN PRACTICAL PROFITS.

In modern economic operations, the cultural sense of identity is one significant factor of folk culture's soft power. It appeals to consumers' taste, life style, emotional needs, and tips the balance in favor of certain products. Folklore is folk culture interwoven in everyday lives of the people. Its wide popularity is due to its ability to meet the spiritual and emotional needs of people in certain cultural circle. Therefore, a major task of modern product design is to bring in folk culture to gain a cultural sense of identity in consumer community and boost the added value.

The desire of consumers to purchase particular products is motivated by kinds of two needs: functional and aesthetic. The fast pace of modern life makes it growingly crucial to attract consumers' attention with aesthetic appeal. Richness and uniformity of modern production make it increasingly difficult to win out in the market with absolute functional diversity. Aesthetic appeal in a product design helps it stand out in a more and more homogeneous market, because it clearly displays the characteristic of products and tends to arouse consumers' desire to purchase. For instance, In 2008, Konka and Legend (two important Chinese cell phone companies) turned out to be the biggest winner in a market infested with price wars, because they applied the traditionally favored "blue and white porcelain" pattern to the design of their cell phones. In modern economy, people's choice of certain products to purchase is not only a material consuming behavior, but an aesthetic selective behavior based on cultural sense of identity. Folk culture has various specific forms. The reasonable and creative adoption of folk elements in designs makes use of cultural sense of identity in the same cultural circle to gain an edge for products.

Folk culture is the accumulation of generations after generations of cultural genes, which reflects the nature of national spirit. In a modern society obsessed with material gains, it is able to provide emotional consolation and spiritual prop to people under massive burden, and to fulfill people's urgent spiritual and cultural need in modern social consumption. A product, only when it sparks the empathy and resonance in consumers, can truly win them over. Combination of folk cultural forms into modern product designs is the exact way to achieve that purpose. Few eyes rest on an ordinary watch priced 30-40 dollars. Whereas,

designed into the folk cultural patterns indicating good luck or romantic love, its value may surge several or even dozens of times. The secret lies in cultural connotations contained in the patterns, which strikes a chord in the entire consumer community.

#### IV. WITH AN EYE TO THE EXPLOITATION OF FOLK CULTURE'S SOFT POWER, WE NEED TO IMPLEMENT "BLUE OCEAN STRATEGY" AND DEVELOP CULTURAL CREATIVE INDUSTRY.

To remain competitive in modern economy, a corporation has to continuously explore new fields and offer new products to the market, in accordance with "Blue Ocean Strategy" instead of "Red Ocean Strategy". Blue Ocean Strategy is a business strategy first put forward in 2005 by W. Chan Kim and Ren   Mauborgne at European Institute of Business Administration. It suggests that an organization should create new demand in an uncontested market space, or a "Blue Ocean", rather than compete head-to-head with other suppliers in an existing industry.[4] China's underdeveloped cultural resources are an ideal starting point to make use of folk culture's soft power and develop cultural creative industry.

China's cultural industry realized a total output value of over 4 trillion yuan in 2012, increasing from the 3.9 trillion yuan in 2011, according to data published by the Cultural Industry Research Institute at Peking University. And in early 2012 China's Ministry of Culture released a cultural development plan that includes a goal of doubling the added value of the culture industry by 2015. With China currently at the emerging stage of folk cultural resources development, China's culture industry still has a long way to go. The lack of content and loss of value is the largest bottleneck for the further development of Chinese cultural industries. Take the folk tourist industry as an example: it has been a common practice in many regions to push forward tourism through folk cultural resources. This growth model of combining folk culture and tourism requires little technology and creation. On the other hand, it is a less advanced development model, in which the further growth of cultural industry is limited, and resources tend to be overused, or even misused. The redundant construction, sameness of designs and artificial folk phenomena are indications of homogenous folk cultural industrial development, which is in urgent need of new ideas to change.

The combination of culture and technology has become an important breakthrough in the updating of the whole cultural industry. The "content" cultural industry growth model we advocate emphasizes comprehensive development of folk culture resources. Folk culture will be fully exploited, the use efficiency and added value of cultural resources enhanced, by means of technology and media forms like games, cartoons, internet, telecommunication, multi-media, DVD, MP3 、 MP4 、 publications, TV and films etc. Chinese cartoon film *Happy Sheep and Grey Wolf: The Super Adventure*, which managed to make great profit in a market against Hollywood blockbusters, may serve as a typical case of folk culture resources development. The movie earned ￥ 8 million at box office on the opening-day Jan. 6<sup>th</sup>, 2009, and topped 30 million in the first week. Half a year later, The 6 million yuan cartoon sailed past its American counterpart *Kung Fu Panda* to reach 100 million yuan at the box office, setting a new record for Chinese cartoon movies. *Happy Sheep and Grey Wolf: The Super Adventure* attributes its success to two factors: First, it transforms, by means of technology and media, the Chinese folk story of sheep and wolf pitting their wits against each other into a cartoon film suitable for a consumer community ranging from kids to the elderly. Second, 2009 is the Chinese year of the ox. The movie involves oxen in the sheep-wolf competition and was released in the first month, January, in conformity with the Chinese folk cultural notion of "New year, auspicious beginning."

The shortage of supply in China's cultural industry, low level of cultural industry development, and the success of Chinese cartoon film *Happy Sheep and Grey Wolf: The Super Adventure* are all indications that it is a sensible choice for enterprises to explore new markets by exploiting folk culture soft power and developing cultural creative industry.

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