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**Article**

## Note from the editor: Global markets and local cultures

economic sociology. perspectives and conversations

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Note from the editor

# Global markets and local cultures

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**Cheris Shun-ching Chan**

**T**oward the end of last issue's editorial note, I posed the question of "what constitutes economic sociology." In this and the next issue, I have invited contributions from some authors whose works may not be typically classified as "economic sociology," but their subject matter is definitely of great interest to economic sociologists.

The global expansion of modern capitalism has always been a central concern for sociologists across different subfields (e.g., Sassen 1991; Harvey 1995; Berger and Dore 1996). The questions about the forms of capitalism in different locales, the transnational relocation of production, the creation of global markets for an infinite variety of commodities, the prevalence of technofinance, and the management of offshore labor and capital are all core concerns of economic sociology. In this issue, we bring together a wide range of

topics related to the theme of global markets and local cultures.

Glocalization – the concurrence of universalizing and particularizing processes – was highlighted early on in social theories (e.g., Giddens 1990; Robertson 1992). The role of local cultures in the globalization of modern capitalism, however, drew more attention from anthropologists than sociologists in the 1990s (e.g., Appadurai 1996; Watson 1997; Inda and Rosaldo 2002). Since the 2000s, we have seen an increasing number of empirical sociological studies of culture and globalization. In my own study of the global expansion of commercial life insurance to Asian societies, I found that local cultures play a critical role in shaping market features and trajectories (Chan 2012a; Chan 2012b). For example, in the face of the Chinese cultural taboo on the topic of premature death, transnational and domestic life insurance firms

have consistently pursued different strategies across three different Chinese contexts. While the transnational firms have attempted to remove the local cultural barriers, the domestic firms accommodated local preferences by redefining life insurance in a way that could get around the cultural taboo. Consequently, the market emerged as a money management rather than a risk management market with highly localized features. This happened in the cases of mainland China and Taiwan where protectionism against transnational players was put in place. In colonial Hong Kong, the absence of competitive domestic insurance players due to a laissez-faire government resulted in a market with features similar to those in Euro-American contexts. Nonetheless, the market size in Hong Kong was unusually small due to transnational insurance firms' reluctance to accommodate local preferences (Chan 2012b). The life insurance case demonstrates dynamical negotiations between local cultures and global market forces through the market behaviors of domestic firms and transnational enterprises. It also illustrates that state actions could mediate who the dominant market players are, which then affects the extent of localization and market development.

The six articles that follow are all about global-local dynamics in cultural terms, and their subject matter all belongs to economic activities, ranging from shoe production and bazaars to capital offshore, filmmaking, digital finance, and microfinance.

The first contribution, "Traduttore, traditore" by Claudio Benzecry, presents to us a fascinating story about foot fitting in the global production of shoes. Deriving from his ethnographic studies of the work and lives of experts in charge of shoe design and production in Dongguan, South China, this essay examines how the "standard foot" of fit models is translated into multiple global markets through designers, technicians, and models working for the production of shoes in a specific locale. Using rich ethnographic data, Benzecry found that various actors in the production process combined ethnic stereotypes with biology to explain the variation of foot size, shape, and features of different ethnic groups. For instance, Chinese feet were seen as very different from European and American feet, and Russian feet were seen as very unique. Despite the highly standardized production at the global scale, there exists a tension between standardization (universalities) and tacit knowledge (local, ethnic particularities). Benzecry insightfully ana-

lyzes how global classifications are achieved through local imaginations of Other in the process of producing a commodity for the global markets with local variations. This essay manifests "sociological imagination" in its fullest extent by examining one of the most unnoticed and taken-for-granted social processes in shoe production at a global scale.

Along the lines of universalities and particularities, Bian Xiang's essay about the global bazaar economy in Yiwu, southeast China, most vividly displays

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global-local dynamics in the face-to-face channel. As Xiang describes, this economy combines global dynamics, such as dis-embedding, generalizing, and wide information sharing, with bazaar characteristics, like being embedded, local, and conducive to small players. Three major groups of actors – manufacturers, internal migrant shopkeepers, and foreign traders – engaged in information sharing, intensive negotiations, flexible adaptations, and close collaboration. Standard rules, transparent transactions, and cultural diversities are the norms of the marketplace, yet each of the three groups has their own distinct patterns of behaviors and perceptions. The size of this marketplace is impressive, as Xiang reports that there were 500,000 foreign traders annually in the mid-2010s, together with 75,000 retail shops and 200,000 small manufacturers who supply low-technology and low-price commodities. Intriguingly, this "free market" is owned by the state, and generalized trust of the market is made possible thanks to public order. Through this global bazaar, products without brands or direct marketing channels are able to reach out to the world. Xiang concludes that the global bazaar economy is constituted by multiscalar, multifaceted, and composite processes.

From global trading in China we then turn in Julia Chuang's piece to Chinese capital going offshore. Why do Chinese capital holders move their capital offshore? How do they choose destinations for invest-

ment and negotiate with brokers? What are the cultural implications manifested through these economic practices? Chuang observed that tension existed between brokers and Chinese clients, as the former complained that the latter adhered to a “Chinese mental map” when choosing capital destinations. For instance, Chinese clients displayed an overwhelming desire to invest in Manhattan-based real estate and a marked disinclination to choose former Soviet Union locations. They also preferred “fixed deposits and fixed rates” and displayed deep mistrust in financial institutions and even in brokers. Yet, Chuang perceptively noticed that while Chinese clients refused to follow brokers’ advice based on western investment principles and adhered to local cultural schemas when seeking out investment products, they paradoxically embraced western-centric markers of prestige. The hierarchy of cultural symbols in which US superiority is not only reinforced and reproduced but also internalized by these Chinese capital holders through their offshoring investment.

Along the same line of Chuang’s argument is Sylvia Martin’s “Globalization and film locations,” which documents how a cultural hierarchy is in play in global filmmaking. Hollywood as a vehicle communicating US cultural values and advertising US commodities for both domestic and international audiences has been in place for over a century. According to Martin, part of Hollywood’s globalizing processes and decentralization of production in the recent decades has involved filming overseas in the quest for local authenticity to a story – what scholars termed “runaway productions.” Taking Hong Kong as an example of a locale for Hollywood’s global/local filming, Martin found that there is a public performance of foreign (and particularly Hollywood) privileges in the postcolonial city Hong Kong. Unsurprisingly, the privileging of foreign filmmaking was promoted by the postcolonial government. For instance, Nicole Kidman and her Australian crew members were granted an exemption by the Hong Kong government from the seven-day mandatory quarantine to film her scenes in the city in August 2021 during the COVID-19 pandemic. Another example is the production of *Batman* in the city that received permission from the government to close down some local businesses in the busy financial center and yet keep the city lights on throughout the night for filming. Seeing how white foreigners receive preferential treatment, domestic filmmakers in Hong Kong complained about being discriminated against by their own government. Thus, Martin’s essay fascinatingly describes how a transcultural undertaking is reinforcing a cultural hierarchy through local government’s desire to sell their imagery to the global audiences.

While Chuang and Martin highlight the cultural hierarchy in the global-local dynamics, the strength of local cultures can be seen in the last two contributions. Tracing global blockchain markets in local configurations, Alex Preda and colleagues made every effort to conduct field visits to Hong Kong and Shanghai in the midst of the pandemic. They found that while blockchain as a distributed digital ledger is global in nature and supposedly standardized and locality-less, its operation is indeed anchored in specific, local bodies of expertise. The expertise includes software engineers, finance specialists, legal professionals, business development experts, and so on. Taking software engineers as an example, Preda et al. observed that there are significant differences in the ways this expertise is organized in different locales. While software developers in Tokyo adopt crypto trading platforms as their predominant activities, those in Hong Kong concentrate on expertise in gaming, and those in London have significant expertise in payments, supply chain, or cybersecurity. Together with their experience of getting access to fieldwork, Preda et al.’s essay illustrates how local cultures as knowledge, perceptions, skills, and etiquettes matter in making a universal, digital-based global market.

Smitha Radhakrishnan’s “Extractive masculinities” takes us to gendered for-profit microfinance activities in India. Grounded in ethnographic data, this contribution presents two important and intriguing findings. First, Indian microfinance institutions display conspicuous masculine culture. Women clients were construed as grateful but needy, benevolent but unreliable. Men were portrayed in a privileged light, and presumed to be service-oriented even when their actions were exploitative. Radhakrishnan argues that by articulating the microfinance environment in a locally relevant way in India, this environment reproduces masculine cultures of finance found around the world. She found that a US-based microfinance institution’s branch office offered training adapted for the locals, yet the trainers often drew upon globalized tropes of the capable, entrepreneurial Third World woman as an “ideal image” of gendered subjectivities. This leads to Radhakrishnan’s second finding; that, except for those from upper-class groups, the majority of local women did not take on the empowerment ideologies. The working-class women maintained their own meanings for their lives, refusing to conform to the US-led inoculation of ideologically decontextualized understandings of Third World femininity. This indicates microfinance institutions’ unsuccessful attempts to socialize local women to embrace and internalize a particular set of global scripts.

The six contributions altogether point to the multifaceted dynamics and relations between culture

and globalization. On the one hand, the global expansion of modern capitalist enterprises and products embodies the global reach of certain cultural values, ideas, and way of life that produce and reproduce a hierarchy of cultural authority in some spheres of life. On the other, resistance to cultural imperialism is in evidence and the strength of local cultures has been brought to the fore in globalizing development. At the same time, as some of the articles illustrate, the role of the state is equally, if not more, critical along with culture in shaping the global-local dynamics.

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