

On The Impact Of Cultural Differences On Accumulation And Consumption Value Orientation In China And The Us

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Keywords: Accumulation, Consumption, Cultural Differences, Cultural Integration. Enme

Abstract: Cultural forces can be both a huge driving force for economic development and a cause of economic imbalances and even economic crisis. The great differences in the value orientation of accumulation and consumption during the economic development between China and the US are the inevitable result of their cultural differences. Therefore, countries should also focus on promoting the international optimization of cultural differences when implementing crisis response policies. Through international cultural integration, optimization and sublimation, we can provide a beneficial cultural power for the harmonious, stable and fair development of the world market economy and meanwhile prevent and overcome the negative impact of cultural differences on economic development.

In today's world, culture and the economy are intertwined, and cultural forces have become a powerful force for economic development. In the market economy of any country, and the world market economy as a whole, all processes and activities in the economic process of production, exchange, distribution and consumption are based on human beings and are governed by their cultural concepts and values. This is the mutual penetration and fusion between the cultural factor which is regarded as the humanistic spirit and the economic factor in the overall process of material production. In the process of permeation and integration, cultural forces can be the great vitality, creativity and driving force of economic development, and at the same time, it can also be a cultural driver of economic imbalances and even economic crises. Cultural forces created by the penetration of cultural elements or cultural factors can either alleviate the contradictions inherent in a market economy or deepen the contradictions of a market economy.

1. Cultural Factors of Accumulation and Consumption Value Orientation in China

The current imbalance between accumulation and consumption in the development of China's market economy, on the one hand, is influenced by its current situation as a developing country as well as the lack of macroeconomic control. On the other hand, the imbalance is closely associated with the cultural concepts and values formed by the long-established traditional culture. This cultural motivation has deep historical roots. In China, there was a long history of development of agrarian civilization. In line with this agrarian civilization's small farmer economy and small commodity economy, it has also been deeply marked by the long-standing cultural tradition of agrarian civilization. The cultural imprint of civilization, and thus the Chinese people's concept of accumulation and consumption in economic activities, has become the key to the high accumulation and low consumption in China today.

Taoist culture is the root of the traditional culture of the Chinese nation. On the whole, the essential characteristics of Taoism, namely the cultural concept of following the Tao and valuing morality, are conducive to social harmony and economic development. However, it should also be

noted that while Lao Tzu's concept of consumption "A sage does not want to be a saint and does not want expensive and hard to get goods" are virtues that should continue to be promoted in today's economic and social development, they are also values that inhibit the development of a society. Confucianism, once the mainstream of traditional Chinese culture, is in favor of the separation of righteousness and profit. He advocated that "a gentleman does not seek satiety in food and peace in his home" and "a gentleman refers to righteousness and a villain refers to profit". Although Buddhist culture is a foreign culture, it has taken root in China and has had a great influence. Its essential characteristic is "being happy with the current status and accumulating virtue". Although "being happy with the current status" is unacceptable in the present world, "accumulating virtue" is conducive to the harmonious development of society. Buddhists advocate abstinence from desire and meanwhile promote the cultural concept of frugality and restraint in consumption.

Due to the long-term accumulation of history and culture, coupled with the long-term cultivation of the agrarian economy, the continuity of ethnic blood relations from generation to generation, and the incomplete social security system, the Chinese people's value orientation on the issue of accumulation and consumption is inevitably to "focus on accumulation and ignore consumption". In terms of accumulation or saving, they advocate "saving for rainy days"; in terms of consumption, they advocate "frugality in eating and drinking" and "contentment and happiness". Because of this, in the economic rise of reform and opening up, China's total GDP from 364.52 billion yuan in 1978, jumped to 300,607 billion yuan in 2008, an increase of 82 times; and urban and rural residents' savings from 21.06 billion yuan in 1978, jumped to more than 2,788.54 billion yuan in 2008, an increase of 1,035 times, far higher than the GDP. (b) Growth rate. The savings rate of urban and rural residents in China is as high as nearly 50%, which is higher than the savings rate of residents in all economically developed countries. The high savings rate of urban and rural residents not only supports China's economic rise, but also inhibits the growth of the country's own domestic consumption. It should be said that this is also the fundamental reason why China's fixed capital formation rate is more than ten percentage points higher than the world average and consumption rate is 41 percentage points lower than the world average. The imbalance between accumulation and consumption and the relative insufficiency of domestic demand, especially consumption demand form the important reasons for the risk and crisis. It should be said that this is a particular cultural driver of high accumulation and low consumption in China.

2. Cultural Factors of Accumulation and Consumption Value Orientation in the US

The United States is a country of immigrants. Compared to China, it is a country that emphasizes geography rather than blood. It has a short history without the "pyramid" culture of ancient Egypt, the Buddhist culture of ancient India and the "Great Wall" culture of ancient China. But as a country of immigrants, it has the culture of "equality before God", the culture of the Jews for freedom, the culture of ancient Rome for the rule of law, the culture of the Germans for pragmatism and innovation, the culture of the British for standardized behavior, the culture of the Dutch for turning evil into good, the culture of the French for relaxation and romance, and especially the culture of "unity of heaven and man". It is the integration and sublimation of these diverse cultures that have become the cultural driving force behind the rise of the United States economy and the maintenance of its position as a powerful nation.

However, it should also be noted that the American people advocate individual liberation, individual freedom, personal development and personal enjoyment in terms of value orientation, which is in fact the cultural motivation for the high debt and high consumption in the American economy. Compared with the Chinese who "use today's money to prepare to do tomorrow's job", they are "using tomorrow's money to do today's business". It is under the dominance of this cultural philosophy of consumption that the savings rate of American families is close to zero.

In the absence of high accumulation, the United States makes up for its lack of accumulation through "high indebtedness". To put it vividly, it is "taking other countries' money to do American things". The data released by U.S. Treasury Department show that in September 2008, only the foreign holdings of U.S. Treasury bonds amounted to \$2,860.5 billion, accounting for about 20% of

the U.S. GDP. Among them, China's holdings of U.S. Treasury bonds have been as much as \$586 billion, and does not include part of Hong Kong's holdings. The U.S. "Washington Post" said that the United States issued treasury bonds, nearly \$1 for every \$10 held by China. The United States has become the world's largest borrower of foreign capital, while China has become the largest overseas debtor of the United States. The world's largest economic power built on the basis of such a huge capital credit is bound to face a huge risk caused by the interruption of the credit chain. This is like a high-rise building built on an iceberg, any melting or collapse of the ice will lead to the collapse of the iceberg and the high-rise.

In short, although the United States has possessed and consumed enormous economic resources around the world through the massive plundering of international capital and the accumulation of contradictions inherent in the market economy, in the deformed economic operation mode of "high consumption and high indebtedness" and the movement and accumulation of contradictions in the market economy, which were brought about by cultural motives, the United States has also created the underlying economic and cultural motives for the economic crisis. No bailout inputs or initiatives can eradicate this potential risk and crisis without a fundamental change in the economic model.

In view of this, in exploring the underlying causes of the economic crisis, we must look not only at the existence, movement, accumulation and antagonism of the contradictions inherent in the market economies of the world, but also at the potential impact of cultural differences in the world on changes in the ratio of accumulation to consumption. In the face of the worldwide economic crisis, it is important to look beyond the functions or responsibilities of government macroeconomic regulation and policy interventions to the cultural drivers of the economic crisis. Only in this way can the crisis be defused and mitigated through a multifaceted approach and, to the extent possible, be prevented from recurring and deepening.

3. Cultural Measures to Balance Accumulation and Consumption

The globalization or integration of the world economy today is, in essence, the globalization or integration of the market economies of various countries. In the new pattern of economic globalization or integration, whether it is the socialist market economy of China, the capitalist market economy of the United States, or any other model of market economy of any country, all of them are more or less relying on each other. As far as China's market economy is concerned, in 2008, its total export trade accounted for 33.4% of its GDP, and its exports accounted for 8.9% of the world's total exports, higher than the 8.1% of the United States and second only to Germany's 9.1%, making it the second largest export trading country in the world. The country's foreign exchange reserves amounted to USD 1,946 billion, ranking first in the world. In 2008, China's total import and export trade accounted for 7.9% of the world's total trade, making it the third largest trading nation in the world. This shows that China's socialist market economy has been deeply integrated into the new pattern of the world market economy. In this new pattern of integration, economic fluctuations or economic crises caused by economic reasons in any country, as well as imbalances in economic relations, such as accumulation and consumption, caused by cultural differences among countries, may become the potential causes of the world economic crisis and the ignition point of the crisis.

In terms of Sino-US economic relations, from the perspective of cultural differences and cultural impact on economic development, the "high accumulation and low consumption" of the Chinese in fact compensate for the "high debt and high consumption" of the Americans, known as the "complementary Sino-US economic relationship". But in this "complementarity relationship", each has its own problems and risks. Moreover, these problems and risks are contagious and even mutually reinforcing. The United States and China, as well as other market economies, are in the same integrated pattern of economic globalization. However, "restraining consumption" and "engaging in high consumption" not only add a risk factor of instability to the world economic order, but also represent the greatest inequity in the use of the resources of the global economy.

It should be pointed out that in almost all countries, including the United States and China, the

profound impact of cultural dynamics on economic development has been ignored or even disregarded in their policy decisions in response to the crisis. Since cultural differences among countries are also the underlying cultural drivers of the economic crisis, it is important to promote the international optimization of cultural differences in parallel with policy responses. In other words, countries around the world, including China and the United States, not only need international trade and cooperation in products and technologies, but also need to exchange cultural ideas, learn from each other to make up for the shortcomings and deficiencies of their respective cultures, thus forming a culture and cultural forces conducive to the harmonious development of the world economy.

As for China, we should not only adhere to and promote the traditional cultural concept of thrift and frugality, and take "thrift and frugality" as the "source of promoting virtue", but also adapt to the intrinsic requirements of the market economy, in which production and consumption are interlinked and grow dialectically, and use the production power created by consumption to maintain and realize the virtuous cycle and continuous growth of the economy. While adhering to the cultural concept of "restraint and thrift", the government should encourage, advocate, guide and expand the people's reasonable consumption in accordance with the inherent requirements of economic laws, constantly expand consumption in time and space, increase consumption capacity, optimize consumption structure, update consumption content, transform consumption patterns and change consumption habits. Only in this way can we open up a huge space for sustained economic growth in domestic demand, especially consumer demand, and thus avoid the economic risks of internal and external economic imbalances.

The United States has the advantage of absorbing the world's multiculturalism to form cultural strengths, so in the process of integrating and optimizing the multiculturalism, the US should also examine and absorb the essence of the world's cultures, and incorporate the cultural concepts of frugality and restraint in consumption from Chinese and East Asian cultures into the multiculturalism of the United States. In terms of accumulation and consumption, the US should change the current economic model of "high debt and high consumption" into one of "moderate debt and reasonable consumption". This is not only conducive to the steady development of the U.S. economy, but also to the steady development of China and the world economy. In this regard, it is also necessary for scholars to study the economics, including economic crisis not only from an economic and political point of view, but also from a cultural point of view, and to guide the social consensus on reasonable accumulation and consumption with scientific insights.

Conclusion

There is no doubt that people's cultural concepts of accumulation and consumption are not only related to traditional culture, but are also inherently conditioned by the economic base. Therefore, the cultural concept of reasonable accumulation and consumption can only be gradually established through economic reform and development. For China, only with the establishment and improvement of the social security system and the elimination of unemployment, medical care and old-age worries can people "use today's money to do today's business" so that consumption growth and economic growth will maintain in the same pace. For the United States, only through reform and restraint of high consumption can people "spend less of tomorrow's money on today's business" and "spend less of other countries' money on America's business".

In the process of globalization and integration of the world economy, each market economy country needs not only the optimization of its industrial structure as well as accumulation and consumption relations, but also the integration, optimization and sublimation of cultures on an international scale by making use of the strengths and weaknesses of cultural differences. At the same time, the reform of the economic system should provide social protection for rational accumulation and consumption. Only in this way can the world market economy provide a beneficial cultural force for its harmonious, stable and equitable development, thus preventing and overcoming the negative impact of cultural differences on economic development.

Acknowledgements

This paper is finally supported by 2019 wealth management research project funded by Shandong technology and business university “Research on Private Wealth Allocation from the Perspective of Cultural Differences” (2019ZBKY090), “Research on the Influence of Government Economic Behavior on Household Wealth Allocation” (2019ZBKY063), 2019 wealth management research project funded by school of foreign languages “On Residents’ Wealth and Consumption Behavior From the Perspective of Cultural Differences (WMP2019-007).

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