Chapter 8
Globalization of Lifestyle: Golfing in China

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Abstract Traditionally, a person’s lifestyle was more locally determined and evolved slowly. However, in the 21st century, globalization makes the globe flat, and lifestyle and taste are globally influenced and can change rapidly. This is especially true for the emerging new middle class, which has changed from primarily struggling for basic physiological needs to enjoying conspicuous consumption, thanks to more exposure to media and information. A good example is the emerging number of golfers in China. This paper uses recent, fast growing trends in golfing in China to illustrate how the tastes and preferences develop and are influenced by commercialization, globalization and public media and to show the impacts of golfing on the sustainable development. It is argued that golfing in China is a result of globalization and a desire to show off one’s status, prestige, wealth, delicacy and taste. The emerging middle class population provides the soil, but golf competitions, public media and globalization are the seeds and fertilizers. The impacts of golf courses on the environment and sustainability nationwide might not be very significant for the time being in China, but they have had some local impacts. This paper not only demonstrates the impact of globalization on lifestyle and sustainability, but also provides more general policy suggestions addressing similar problems and phenomena. It is suggested that not only regulation and taxes or economic incentives but also psychological and educational methods to change the public perception could be applied as well. At the societal level, consumer preferences and perception of “goodness” need to be redefined through education and public media.

Keywords Conspicuous consumption · Leisure · Middle class · Sport · Tastes
8.1 Introduction

Globalization, an integrating process of economic, political and cultural systems across the globe, has been escalated by growing trade, fast transportation and communication. It has enormous impacts on economy, social life, culture, political systems and environments. Globalization has promoted the rapid economic growth in Asia, first in Japan, then in 4 small dragons (Hong Kong, Singapore, Taiwan, and South Korea), currently in China, India, and other countries. The economic prosperity has created new middle class who are more exposed to information, especially advertising, and have more resources and ability to know the rest of the world. Immediately following or even simultaneously going with the rise in income are the changing culture and consumption patterns. Chua (2009) divides the change into four levels of consumption: (1) small objects, (2) television, (3) primary of home/family consumption, and (4) cars. The rapidly-growing middle class in the countries and its consumption behavior have promoted consumption of luxury goods, tourism and conspicuous goods. Golfing has already become very popular in the world, especially in Japan, South Korea, Taiwan, Hong Kong and many other Asian countries now, and has significant environmental impact (Wheeler & Nauright, 2006).

China’s fast-growing economy in the past two decades was initiated and benefited from the open economic policy, foreign investment and exports, or simply from integration with global economy. According to a survey conducted by the China Academy of Science and the National Bureau of Statistics of China, the middle class in China makes up nearly 15–18% of the country’s total population (Chen, 2006). Another study by a France-headquartered company indicates that 13.5% of the Chinese population can be considered middle class (Chen, 2006). Here, middle class is defined by the company as those individuals who are well-educated professionals with an average annual personal income between ¥25,000 (7 Chinese yuan (¥) = 1$) and ¥30,000 or an average family income between ¥75,000 and ¥100,000. By this definition, approximately 50 million Chinese families with an average annual family income of ¥75,000 were middle class families in 2002. This figure will jump to 100 million by 2010 with an average annual family income of ¥150,000 (Chen, 2006). According to Farrell, Gersch, & Stephenson (2006), “These numbers may seem low compared with consumer incomes in the world’s richest countries—current exchange rates and relative prices tend to underplay China’s buying power—but such people are solidly middle class by global standards. When accounting for purchasing-power parity, a household income of ¥100,000, for instance, buys a lifestyle in China similar to that of a household earning $40,000 in the United States” (Reusswig and Isensse, 2009).

China is not an exception. The rapidly-growing middle class in the country and its consumption behavior have promoted consumption of luxury goods, such as cars, houses, insurance, and tourism (Chen, 2006). The market is emerging in China wherein the middle class starts to own a car and a big house with a green lawn in a suburban area. This emerging consumption trend in China resembles what the United States experienced in the 1950–60s when the emerging new
middle class Americans became more interested in buying houses in suburban areas (Chen, 2006). Meanwhile, globalization has been largely transforming the ideology, culture and lifestyle of the country. For example, the anti-capitalism ideology has no longer existed. The old saying of “money is rusty” was replaced by “getting rich is glorious”. As a result, the traditional Chinese cultural values formed in an agrarian society have been radically altered. The old saying of “start working after sunrise and stop working at Sunset” was replaced by that of “time is money”. In fact, globalization has already had a great effect on the everyday life of Chinese people. For instance, attitudes toward beauty contests, fashion shows, sexual behavior, dress and hair styles, and leisure have been largely changed in the past two decades due to increasing modernization and globalization. The change is especially obvious for the youths (Xu, 2007).

Traditionally, Chinese people have preferred passive or appreciative leisure activities. In recent years, however, western leisure pursuits that are more active and adventurous (e.g., rock climbing, camping, tennis, golfing, etc.) have been introduced to China. These activities are becoming increasingly popular among Chinese people, especially the young. This change of taste and preference for leisure pursuits, we would argue, is largely a result of conspicuous consumption, which should be examined from a multidisciplinary approach and not just from physical health or economic perspective.

Different from many other leisure pursuits, golfing associated with decency, status, and prestige. Thus, as an introduced sport to China, golfing can be considered an indicator sport by which the impacts of globalization on Chinese lifestyles can be measured and monitored. To this end, this paper uses recent, fast-growing trends in golfing in China to illustrate how tastes and preferences develop; how they are influenced by public media, commercialization and globalization; and how they impact sustainable development in China. Arguably, taste and preference for large land and water consuming golf courses that have been developed in the United States and some western countries are not compatible with China’s resources where the population density is much higher and economy is not well-developed. Golfing is more a lifestyle than a sport or a recreation. Golf courses do not just consume resources, they indicate a trend of an emerging new lifestyle, especially of the middle class population, which has become more affordable and exposed to the global economy and culture.

In this article, we argue that the following five factors are the main reasons that golfing has been gaining popularity in China: (1) Golf is an outdoor recreation that well combines sports and spending leisure time in a pleasant environment that is increasingly appreciated due to deteriorated urban surroundings; (2) Emerging middle class citizens want to show their status; (3) Golfing is an ideal way of showing the status since it is played by the upper class people in the developed countries; (4) Many foreigners come to China for businesses and cultural exchanges due to globalization; and (5) Media and commercial advertisements affect public consumption motivations and behaviors, which are coupled with the booming real estate market.

Using golf as an example, we ultimately want to demonstrate how the lifestyle is shaped, how it is developed, and how it influences sustainable development. The
consumption phenomenon appearing in China has many similarities with western countries a few decades ago and closely follows that of Japan, South Korea and other early developed Asian countries. More and more evidence shows that China is becoming one of the biggest consumers in luxury goods in the world. Although globalization of culture and lifestyle provides an exciting opportunity to change some unhealthy and less efficient lifestyles, some lifestyles that are not compatible with China’s environment and society might also be brought into the country.

8.2 Hierarchy of Needs, Lifestyle, Conspicuous Consumption and Golf

The aspiration for status always comes after having necessity. Based on Maslow’s theory of hierarchy of needs (Maslow, 1943), humans pursue high levels of consumption behaviors, such as achievement of status, self-esteem, and self actualization, after their basic needs are met. Lifestyle means a particular way of life, usually referring to consumption behaviors and relating to tastes, preferences, and social attitudes. Lifestyle has a strong historical and social context. It was first used by Austrian psychologist Alfred Adler in 1929 to denote a person’s basic character (Walker & Li, 2007). Lifestyle fundamentally matches social development, but the preferred way to show status can be considerably influenced by the demonstration effect, which is to follow the way other people behave. For example, the tastes and preferences of food are basically a result of biology, but they are also becoming a social taste. Heavy marketing of children’s food by TV and internet advertising and viral, or peer-to-peer, marketing shifted children’s ideas about food from tasting “great” to tasting “cool” (Schor & Ford, 2007). Marketers posit a set of innate “needs”, such as love, mastery, power, and glamour, and attempt to create advertisements with the message that the product would satisfy those needs. Needs include love, mastery, power, and glamour. It is also likely that food advertisers know much more about how to stimulate desire than they share with outsiders (Schor & Ford, 2007).

8.2.1 Lifestyle and Conspicuous Consumption

Lifestyle has a special place in the studies of anthropology, sociology and psychology but hardly in economics. To economists (especially to neoclassical economists), a man is an economic agent who uses rational choices to maximize the utilities subject to his budget level and in response to changes in relative prices of scarce resources. Economics usually assumes that tastes and preferences (or simply lifestyle) are fixed. For instance, to explain why the Chinese are consuming more meats than before, economists, instead of describing changes in tastes and lifestyle, tend to state that it is caused by change in income and/or the change in relative price between meats and vegetables. Their theory is correct. However, meat consumption
is not anything new for the Chinese people. A study of old Chinese literature and documents reveals that meat was also an indicator of wealth in ancient times.

Biological evolution (such as preference to meat or vegetables) and environmental adaption of lifestyle are comparatively slow (e.g., the skin and eye color or human reaction to the temperature). They are more a matter of slow natural adaptation, less affected by cultures and not changeable within a considerable time frame (decades and even centuries). From the physiological perspective, most consumers are creatures of habit, and thus the assumption of fixed tastes is a valid approximation when we test for well-established goods and services over a reasonable, short-time scale. This is especially true for a closed or isolated society. For example, rice has been the staple food in China for millennia.

Comparatively social and cultural aspects of lifestyle can change faster when they are exposed to other cultures since they have little relation to basic needs. We know that the clothing people wear, the furniture people buy, the type of housing they want, the sports they watch, or the type of leisure activities they choose have little to do with biological needs and relative price. Now clothing is more something to show to other people (social needs) than a means to keep oneself warm (physiological needs). Therefore, peers and rivals have important impacts on the changes in tastes and lifestyles. When society is closed and isolated, the culture will change very slowly. However, when society is open, one culture will have a significant influence on other cultures.

We know the rule of “survival of the fittest” or “natural selection” in jungles. In modern time and in human society, wealthy people take the lead of new lifestyles since being wealthy is an important indicator of competitiveness in the social jungle. However, it is still difficult to determine what would be the new lifestyle (e.g., clothing, house, car, resorts). Usually, it is a new product or invention that shows better features than the old one or a new discovery about the goods. There are many examples of the evolving preference, such as holiday resorts, automobiles, and clothing fashion. Levitt, Stephen, & Dubner (2005) found an interesting pattern of ways people named their children and why some names were used more frequently by some people during a specific period of time. The reason was not that those names sounded sweeter but that many people unconsciously linked their perception of the different names to people who gave the society good images (rich, powerful, beautiful, or good citizens).

In the last half of the twentieth century, globalization has been accelerated by transportation, migration, and information transformation. Therefore, advertising has been playing an increasingly critical role in shaping people’s tastes and lifestyles (e.g., Galbraith, 1958; Packard, 1957). Advertising shapes and leads consumer behavior. Asian countries are obviously being gradually more westernized. The spread of Hollywood movies and the fast foods of McDonald’s and KFC are a result of globalization. Friedman (2006) demonstrates the impacts of globalization in the 21st century. Whenever the United States has any popular programs, China follows, possibly for two reasons: (1) Information and advertisements are promoted by the developed countries, and (2) Anything from developed countries is assumed to be good.
The earliest and most successful treatment of taste and lifestyle in economics was done by Veblen (1899), who used the concept of conspicuous consumption to describe lavish spending on goods and services by the upper class to display income or wealth (such as jewelry, clothing, excessively large houses) primarily in order to manifest their social power and status. The phenomenon of conspicuous consumption is not totally new, having existed in ancient times in the forms of Egyptian Pyramids, the Palaces of Kings and Emperors, etc. What is new, according to Veblen, is a new class that emerged in the capitalistic society in the 19th century as a result of the accumulation of wealth during the Second Industrial Revolution. Such a phenomenon was totally different from the previous era in terms of scale. An important condition of conspicuous consumption is that a large proportion of income is not required for the basic needs, such as food, shelter and clothing. He also saw sports as conspicuous consumption. Veblen argued that the true reason for the popularity of sports was their usefulness as a means of displaying conspicuous leisure.

Marshall (1920) also pointed out paths of taste changes of consumption: increasing demand for more varieties, more subtle and better quality, more social, conspicuous and distinctive in consumption. The changing desires led to some new inventions. In recent decades, the most notable contribution to taste in economics was made by John K. Galbraith (1958) and Gary S. Becker (1996), who argued that as society became more affluent, lifestyles and tastes became more important in consumption behavior. This thought is consistent with post-Keynesian economics that emphasized Maslow’s hierarchy of need (Lavoie, 1992; Pasinetti, 1981).

From an evolitional perspective, it is well known that only the fittest survive. Those who show some attributes of fitness attract more opposite sex partners. Culturally, those attributes were unconsciously thought of as beauty. Only a few decades ago, slightly over-weight people were viewed as more beautiful since only those who could get access to sufficient food and nutrition appeared wealthy. As food has become no longer a problem, such perception is gone. Conspicuous consumption is the best way to get the information of wealth and status across to peers. Children’s food preferences are largely influenced by the public media (Schor & Ford, 2007). Individuals often indulge in consumption that is not only recognized by their peers as an indicator of status but that also distinguishes them from other people (Bourdieu, 1984). The great efforts human beings put into non-food activities reflect the high cost of communication in a large and complex society (Chen, 2005).

8.2.2 Conspicuous Consumption and Golf

According to Berghahn (2007), to some degree, globalization is indeed Americanization. In order to relate conspicuous consumption to golf, a brief examination of who consumes, or plays, golf in a developed country such as the United States would be useful. Such an examination would allow for a comparison of how golfing has developed in China as a conspicuous consumption more than as a recreational activity.
In the home of golf, Scotland, the game was accepted across social lines in the 16th and 17th centuries. A long and noble version of the game was played by aristocrats on more developed seaside courses, while ordinary people played a short game in village churchyards (Starn, 2006; cited from Hamilton, 1998). The first permanent golf club in North America, Canada’s Royal Montreal Club, was founded in 1873. St. Andrews, one of the oldest golf clubs in the United States, was established as a 3-hole layout in 1888 at Yonkers, New York and was a country club. More than a thousand private courses were built in the period of golf’s massive takeoff between the 1890s and the late 1920s. The first municipal course was built in 1895, and there were several hundred public courses as of 1929 (Starn, 2006).

In 2000, there were 26.4 million golfers aged 12 and over in the United States. Approximately 5.4 million (22%) of them were avid golfers (National Golf Foundation, 2004). In 1999, these golfers played on a total of 16,747 golf courses (Crompton, 2000). In the 1980s and 1990s, approximately 35% and 46%, respectively, of new courses were associated with a real estate development (Garl et al., 2001). More recently according to Laing (2003: 3), “More than three quarters of the courses under construction today are part of larger real estate projects.”

People playing golf or choosing to live in a golf community can be regarded as performing conspicuous consumption to some extent. First, a large proportion of residents who live in such a community do not play golf as evidenced in previous studies. For example, Firth (1990) found that “only one in ten fairway homes is owned by a golfer” (p. 16) in New England golf course communities. Solano (1991) observed that only 30% of residents in the golf communities with which he was familiar played golf. Gimmy and Benson (1992) reported that “as few as 20% of residents in developments play golf” (p. 130). Belden (1993) reported that up to 80% of buyers in new golf course developments didn’t actually play the sport. Muirhead and Rando (1994) also found that 20% to 30% of households within a golf community actually bought golf memberships at a course. More recently, Nicholls and Crompton (2005) found that only 29% of respondents reported that a member of their household played golf regularly (once a month or more) at the subdivision course. Second, golf courses serve to elevate the image of a community and people are attracted to image. Golf reflects affluence and prestige, and some people may seek to enhance their self-esteem or social standing by buying into a golf community or playing the game. Previous studies found that factors such as status, image, and exclusivity of golf courses motivated people to play golf (Garl et al., 2001). For example, Solano (1991) noted, “The prestige has overwhelmed the sport itself” (p. 56). Petrick (2001) found that visitors appeared to be motivated more by status than infrequent locals, and he suggested that “marketing efforts which emphasize golf as an elitists sport, should be more effective for visitors, than for those that play locally, but infrequently” (p. 68). In addition, according to Garl et al., “Many buyers in golf communities are not golfers; rather they appreciate the aesthetic qualities of the course, the permanent open space, and the perceived exclusivity of the community” (p. 6).

Based on the above examination of golfing in the United States and other western countries, the popularity of golfing can be explained by at least six reasons: (1) It
is a good outdoor exercise; (2) A golf course is usually located in an agreeable place; (3) It can be played by all ages of people and is especially good for the aged and women; (4) It can be used as a way to transcend (Chopra, 2003); (5) It is played on wide-open grasslands that are attractive to human beings from evolutorial perspectives (Cullen, 2000); and (6) Golf can be used as a means of conspicuous consumption.

Here, we primarily focus on the last one: conspicuous consumption. Not all people agree that golf was originated from the aristocracy (Starn, 2006), but it is no doubt that historically golf has been strongly related to richness and fame. Golfing has been dominated by rich white men as a form of conspicuous consumption until very recently. Long ago, Mencken (1948) considered golfing as conspicuous leisure. Some people thought that the costly game (from equipment, elaborate etiquette and exclusive clubs) was a way for America’s elites to mark their identity and to isolate themselves from those socially inferior (Mrozek, 1983), while some other people regarded golfing as a xenophobic dimension of the Scottish and British aristocracy to the new immigrants (Brodkin, 1999; Moss, 2001). Starn (2006) also found that golf expansion at Pinehurst (in North Carolina) and around the United States coincided with spiking anti-immigrant sentiment toward impoverished new arrivals from the Balkans and southern Italy: “Golf, a sport perceived as linked to the lifestyle of the Scottish and British aristocracy, possessed an aura of Anglo-Saxon-ness, in contrast to the pastimes of what one observer called the ‘swarthy, unwashed masses’.”

Some evidence from other countries/regions also indicates that golf is used as a way of showing status and doing business with customers. The golf developments in Japan, South Korea, Hong Kong, and Taiwan tell a similar story of golfing as conspicuous consumption. Even in some African countries (e.g., Zimbabwe), golf is a popular leisure activity primarily as a means of meeting people (export customers) and as an indicator of status (Bell, 2000). In the following section, we will closely examine the golf expansion in China.

8.3 Golfing Development as Part of the Lifestyle in China

Even though it is sometimes argued that golfing was invented in China (Smith, 2006), the first golf course was not introduced into China until 1984, and the game has become popular there only in recent years. From 1984 to 1988, only 9 golf courses had been developed with 630 million yuan; another 22 with 3.14 billion yuan from 1989 to 1993. But 262 golf courses had been developed with about 20 billion yuan from 1994 to 2003 (Jian 2006, data from General Administration of Sports of China 2005).

Among the total 293 golf courses in 2004, 70 courses were invested and owned by business people from Hong Kong, Macao and Taiwan, and 68 by foreign companies, 45 by the State and 42 by collective entities, and 68 by domestic private entities (Jian 2006, data from General Administration of Sports of China 2005).

The golf courses were mainly distributed in coastal area, especially Guangdong (60), Beijing (32), Shanghai (29), Jiangsu (22), Hainan (14), Zhejiang (13),
Liaoning (13), Fujian (11), Shangdong (9) and Tianjin (7), and tourist destination like Yuannan (7). Therefore the distribution can almost be classified into three belts: the coastal area having most of the golf course, the most remote and interior without (like Qianghai, Guizhou, Inner Mongolia, Heilongjiang, Shanxi and Tibet) and the one between these two belts with a few courses being developed (Jian 2006, data from General Administration of Sports of China 2005).

All but two of the 300 golf courses in China are luxury country clubs that provide services including restaurants, hotels and caddies (Wong, 2006). According to a recent market study (E-Composites, 2004), the golf club market in China will see an annual growth rate of over 25% for the next 5 years. According to People’s Daily (2003), China’s golf lovers have exceeded 1 million, and the number is increasing at an annual rate of 30%, as reported by a “world managers” survey published at the award-granting ceremony of the “world’s most influential golf course” held on November 23, 2003.

Several reasons can be summarized to describe golfing as an emerging lifestyle in China.

8.3.1 Leisure and Sport

Golf is often associated with the terms “green”, “oxygen”, “light” and “friendship”. Golfing combines leisure and sport very well. Playing golf is relatively more comfortable than playing other sports. It is an outdoor activity within a beautiful landscape that is also often adjacent to favorable tourist locations (i.e., mountains, oceans, and lakes). A golf course itself is usually a beautiful park, and such an environment is increasingly appreciated in China by the urban dwellers due to the shrinking open and green space in the cities. In recent decades, the major consumers have come from the emerging middle class. They pursue new ways of leisure after their business schedule and look for ways to spend their accumulated wealth.

According to Chen and Wang (2005), 68% of golfers are motivated by leisure, 63% by physical exercise, 21% by business, and 16% by the opportunity to build connections. This seems inconsistent with our expectation, but it is not surprising considering that a significant number of players are foreigners who work in China. If we were able to separate out the Chinese players, the results would be different. Golfing, for some of them, may gradually and eventually become a habit and a lifestyle.

8.3.2 Investment and Conducting Business

Although golfing was initiated and developed primarily for leisure and sport in western countries, it is strongly related to business in recent history. In the United States, golf is the unofficial sport of the business world. It is said that business decisions are actually made on the golf courses. For this reason, the successful conduct of
business golf is an important business skill. The picture is similar in China. Many Chinese play golf neither as a leisure activity nor as a sport, but purely for business purposes (at least the initial motivation). Golfing is a great opportunity to communicate and build connection with the western businessmen who live in China or who simply visit China for business purposes.

Golfing was added to the undergraduate curriculum in Xiamen University in order to provide expertise so that students may be more employable in the job markets. On the university president’s website, he claims that “opening golf courses may help students understand [western] culture and learn networking skills, which may be good for them after graduation.” Sun Jinwei, a second-year humanities student at the Tsinghua University in Beijing said that golf was a “useful networking skill” (Clark, 2006). Huang Sheng, 21, a marketing student at the Renmin University in Beijing, said golf was “fundamental” for business because it helps build connection (Clark, 2006).

Golfing not only works as a means of career and business opportunities at the individual level, it also helps in creating an image of open policy and good investment environment at the societal level (People’s Daily, 2004). Many local officials believe that a golf course is a sign of a good investment environment, and many foreign investors see it that way. In the words of an official, “What matters is that we have a course, regardless of whether or not we profit from it.”

8.3.3 Acquiring Status

For most Chinese, playing the game as an indicator of social status of successful people is probably more important than pursuing it as a leisure/sport activity. Playing golf is indeed a symbol of the newly emerging rich and elite in China even though it may no longer be regarded as a sport that is exclusively for the rich in the West. In China, “GOLF” is often interpreted in Chinese as “Gao and Fu,” which implies “High (in political position of ranking) and Rich (in wealth).” The annual membership fee of a typical golf club ranges from $12,000 to $36,000. The membership fee is $181,250 at the Shanghai Sheshan Golf Club (Wong, 2006). According to Friedman (2001), “In Beijing today, being a member of the right golf club is becoming the same status symbol for the Communist elite as it is for capitalists in the West.” Such status is important in order to compete in business.

8.3.4 Promotion by Public Media and Tourism Industry

The media have played an important role in promoting golf (Wheeler & Nauright, 2006). Golf competition has become one of the most advertised sports in China. For example, Shenzhen also boasts the largest number of golf competitions and golf competition organizers. VOLVO China Open, the most influential golf competition on the mainland, was initiated by the Shenzhen Golf Club. CITIC Forward Management, in addition to managing golf clubs, also hosts many amateur golf tours
and youth competitions. Other major professional golf competitions, such as Tiger Woods China Challenge and Dynasty Cub, are organized by the Mission Hills Golf Club in China (Hong Kong Trade Development Council, 2006). Golfing contests are held by golf clubs in Shenzhen all year round. The tourism industry is another result of globalization that facilitates the golf development in China and other developing countries. As early as 2001, Thomas Friedman, the famous columnist for the New York Times, and the author of the popular book The World is Flat, joked, “If 20 years ago the only reason to go to China was for the Great Wall, now it’s also for the Great Golf” (Friedman, 2001).

8.3.5 Golfing and its Impacts on the Environment and Society

Golf courses occupy a large amount of land. One standard 18-hole golf course needs at least 70 hectare of land. Research indicates that golf courses have replaced large amounts of farmland and have caused disputes between the developers and local farmers in China (e.g., Fu, 2004). Because the lawns for a golf course must be fertilized, watered, sprayed and managed, golf is generally believed to have negative impacts on the environment (Ru & Zhou, 2006; Zhang, 2006).

The impacts of golf courses on the environment and sustainability nationwide might not be very significant, but they have had some local impact. For example, Feng (2007) reported that a project to regenerate Beijing’s Old Summer Palace (Yuanmingyuan), which had been semi-wild since the 1950s, would involve the clearing of old trees and vegetation to make way for a golf course-style lawn of imported turf, changing from high density of shade, large amounts of vegetation, and a high degree of biodiversity to a more water-consuming land cover. More importantly, the change reflects a growing obsession with golf courses that have spread across many of China’s cities.

8.4 Final Remarks

It seems apparent that when a society’s lifestyles are changing significantly towards affluence, and conspicuous consumption, they are based more on social desires than on biophysical needs. Globalization universalizes lifestyles, which has become an important issue in the emerging health and environmental problems. Some people argue that the western lifestyle and consumerism significantly contribute to local and global environmental problems and threaten sustainability (Princen, Maniates, & Conca, 2002; Stern, Dietz, Ruttan, Socolow, & Sweeney, 1997).

Golfing is only one example of luxury goods and conspicuous consumption. More and more evidence shows that China is becoming a new continent of luxury goods, including automobiles, mobile phones, watches, clothes, furniture, etc. (Qian, 2006). China is now the world’s third-largest market for luxury goods. Even more surprising is that not only are the nation’s 300,000 millionaires snatching up
high-end wares, but also the white-collar employees are indulging in the urge to splurge (Schwarz & Wong, 2006).

The first and most significant impact on the environment can be caused by automobiles. China, whose people have long been seen as a nation moving on two wheels, is now shifting gears and moving towards a nation on four. China surged past Japan to become the world’s No. 2 vehicle market after the United States in 2006 as car purchases by newly affluent drivers jumped by 37%. The announcement highlighted China’s fast evolution from a “bicycle kingdom” to a major auto market where foreign producers are racing to open factories and sell to a growing urban middle class. China’s overall vehicle sales, including trucks and buses, rose 25.1% to 7.2 million units last year according to China Association of Automobile Manufacturers (The Associated Press, 2007).

Housing can also be a source of environmental problems. The picture of a western style house with adjacent green lawn was never so prominent in China before. However, today the growth of green lawns in China is evident, as are the booming businesses of the enumerable lawn-care providers and the lawn-care tool makers in the country. An American style modern building and surrounding green lawn for many offices and hotels have also become trends. According to Liu (2005), western professionals are preferred by developers for designing the major construction projects in China because western signatures on their designs are considered to be prestigious and thus ideal for publicity purposes. The utility derived from a green lawn and playing golf is often more psychological, not materialistic. Many people in China even spend money on these luxury goods and activities in order to differentiate themselves from ordinary people (Cha, 2007). Thus, in many cases, the new consumption pattern is the result of the tendency to show off. However, the people who use a lawn only for their own aesthetic pleasure and play golf only for physical exercise and mental delight cannot be ruled out, but there are fewer of them.

With only 1.4 mu (15 mu = 1 hectare) of farmland per capita, the Chinese government worries that luxury golf courses will take away too much land and water resources since a standard golf course occupies 40–50 hectares of land and uses 3,000 cubic meters of water every day (Wong, 2006). In addition, they also create some hatred against the rich and public anger and criticism amid the widening gap in China. Xiamen University’s announcement that golf is a required course in the law and economics curriculum provoked outrage in China because it is still frowned upon as pastime of the rich (Clark, 2006).

Economists usually do not like to judge lifestyle. Whenever the consumer is willing to pay, the product has utility to him, so all goods are good. Individuals know how to maximize their utilities under their budget level. Economists usually do not investigate why people value some things more than others and why their tastes and preferences change. Most economists have not asked how we come to want and value the things we do (Bowles, 1998). In the globalization era, lifestyle is not an endogenous variable and should be included in an economic study. For example, economists can also seek policy and solution beyond regulation and taxes.
The central government of China has used both regulation and taxes to curb the trend of the golf course development. The central government imposed a moratorium on golf-course construction in 2004 to protect the country’s scarce land resources. The order, however, has not been taken seriously by regional/local governments, which have been using golf courses as a means to boost their local economies. There are 176 golf courses in 26 provincial regions in China, but only one was approved by the central government (People’s Daily, 2004). In 2005, China further started to limit the building of villas, golf courses and other luxury projects in an effort to protect the environment and prevent wasteful investment (China Daily, 2005).

Taxes have also been used to slow down the golfing industry. Regarding golf as a luxury sport, the tax authority levies a 23% consumption tax on golf – the same amount it charges for nightclubs – as opposed to a 5% tax rate on other sports (Wong, 2006). Despite the controversy and aggressive regulation and taxes, golf continues to be popular among college students, who regard it either as a new, healthy sport or as an entrance ticket to the business world where deals are often clinched on golf courses (Wong, 2006).

Since golfing is a conspicuous consumption, more than just a leisure pursuit for most people, we would suggest using more psychological methods to change public attitudes and perceptions. If regulation is effective, the shortage of golf courses with the growing demand will increase the price of golfing, which will make it an even better indicator of the elites. If we cannot change the perception of golfing as a “good” image associated with wealth and status of decent citizens, they will look for other places or even countries to play golf if their demand cannot be met locally due to golf courses being regulated with a high tax.

Only when we build a public consensus that getting rich is glorious but that golfing is not necessarily a means to show off the glory, the demand will decrease. In other words, it is too costly to use golfing as a communication tool. This is exactly like smoking. Although pricing and regulations are useful, perception and social consensus are also very important. At the societal level, we need to redefine “good consumption” and enhance environmental ethics among the public. Therefore, the major task is to change and mold consumer preferences by redefining “goodness” through education and public media as well. In economics, the welfare will be largely increased if golfing is substituted by other kinds of leisure activities.

Changing lifestyle through education or other means should be used as an important policy toward sustainable development. As compared to technology, culture is more subjective to value judgment. With fast globalization, economists should not treat taste and preference as fixed in consumer behavior and must investigate the mechanism and dynamism of the changes and their impacts on local as well as global sustainability.

Acknowledgments We appreciate the comments and suggestions of the participants at the International Workshop: Globalizing lifestyles between McDonaldization and sustainability perspectives – The case of the new middle classes, 4–5 October 2007, University of Bremen, ARTEC Institute, and the financial support by the University of Bremen.
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