

An evaluation and analysis of the prospects of social movements based on changing the trajectory of neoliberal economic development

Zhiwei Chen*

Department of European and International Studies, Kings College London, UK, London WC2R 2LS

*Corresponding author: vj162774@163.com

Abstract. Although scholars have largely recognized social movements as a ‘failure’ to resist the market neoliberal globalized capitalism, the case of ‘Hennes&Mauritz AB (H&M) Boycott Event’ in Mainland China context rather illuminate a dynamic power relation between ‘elite’ and ‘grassroot’ agency and thus an increasing bargaining power for collective action to challenge the presence of transnational corporations and wider neoliberal globalization. Through an analysis of the 2021 Chinese consumer activism to boycott H&M company, this paper describes and examines the alternative power model in social activism in China today, arguing that a combination of top-down guidance and bottom-up autonomy through the mechanism of social media platform and ideology discourse construction could work best to resist the neoliberal globalization and its derived transnational corporations. Therefore, this thesis seeks to suggest a nuanced understanding between the dichotomy of ‘political authority’ and ‘broad society’ in social movement studies, of which the blurring boundaries between these two agencies in particular context may further generate a growing capacity to build a counter-hegemonic project to capitalism and globalization.

Keywords: Neoliberalism; Social Movements; Social Activism; Polanyian; Globalized Capitalism; Double Movement; H&M Boycott Event; Transnational Corporation.

1. Introduction

Although scholars have largely recognized social movements as a ‘failure’ to resist the market neoliberal globalized capitalism, the case of ‘Hennes Mauritz AB (H&M) Boycott Event’ in Mainland China context rather illuminate a dynamic power relation between ‘elite’ and ‘grassroot’ agency and thus an increasing bargaining power for collective action to challenge the presence of transnational corporations and wider neoliberal globalization. Through an analysis of the 2021 Chinese consumer activism to boycott H&M company, this paper describes and examines the alternative power model in social activism in China today, arguing that a combination of top-down guidance and bottom-up autonomy through the mechanism of social media platform and ideology discourse construction could work best to resist the neoliberal globalization and its derived transnational corporations. Therefore, this thesis seeks to suggest a nuanced understanding between the dichotomy of ‘political authority’ and ‘broad society’ in social movement studies, of which the blurring boundaries between these two agencies in particular context may further generate a growing capacity to build a counter-hegemonic project to capitalism and globalization.

This essay will be divided into three sections. In the first section, the general introduction of social movements and neoliberal economic development will be elaborated, in which the definition and criteria of social movement and the Polanyi’s account on ‘role of social movement’ would be first introduced. And a brief delineation of social movement and neoliberal economic development in Mainland China context shall be subsequently presented. In the second section, the literature review of the current academic work on the ‘impact of social movements on neoliberal economic development’ would be first elaborated. Alongside the reflection on the literature, the analysis of the strengths and weaknesses rooted in methodologies and narrations applied in these academic accounts shall be critically conducted. In the third section, this paper tends to break through such methodological constraints by examining the case study of H&M boycott event in China. The cause, characteristics and results of this consumer activism shall be analyzed. And then, the impact of this event on the neoliberal trajectories of economic development on three dimensions: 1) transnational

corporations; 2) transnational capitalist elites; 3) cultural ideology of consumerism shall be explored. Thereafter, this essay will be concluded by not only call for an academic rethink in social movement studies and Polanyi account of 'double movement' theory, but also several recommendations for the future social activism against the wider neoliberal context.

2. Introduction of Social Movement and Neoliberal Economic Development

2.1 The Introduction of Social Movement

Despite the wide variety in categories of social movements, academics have proposed a highly unified consensus and criteria for the concept. It has generally defined social movement as informal networks of interaction between multiple individuals, groups, and organizations participated in political, economic, or cultural conflict based on a shared collective identity [1,2]. Alongside the definition, Charles Tilly elaborates three key elements as a criterion to determine whether it is a social activism. Campaigns (an organized public effort making collective claims of target authorities), Repertoire (a combination from the following forms of action: establishment of associations and coalitions, public meeting, statements to and in public media, etc), and WUNC displays (concerted public representation of worthiness and commitments) have been introduced as three major elements in a 'social movement' [3]. Thereafter, although the forms and purposes of social movements are more varied, they tend to be public, collective and confrontational in nature.

2.2 The Introduction of Neoliberal Economic Development

Despite the term being ubiquitous, there are continuous debates towards the exact meaning towards 'neoliberal'. And despite of controversies, neoliberalism usually refers to an ideology advanced by 'liberating entrepreneurial freedoms within an institutional framework featured by private property rights, free markets and free trade' [4,5]. Hence, in economic phenomena, neoliberal trajectories emphasize the marketization and privatization and thus a process of opening up national economies to global scale, of which the actors such as multinational corporation and ideology of consumerism are the products being derived by such agenda.

2.3 Polanyi Account on 'Double Movement'

The 'double movement theory' is rather a conceptual framework envisaged by Karl Polanyi to define the relation between neoliberal economy and social activism, which is also provided as the theoretical foundation this paper seeks to investigate. In Polanyi's account, a highly polarized dichotomy between 'unbridled marketization led by authority group' and 'a reactionary movement led by social actors' is introduced, of which the latter could insulate the fabric of society from the destructive impact of the former [6]. However, the legitimacy of such Polanyian account and the effectiveness of social activism have rather been frequently questioned by the scholars since 1960s [7,8]. And I would further attempt to continue examine it through the following section of literature review and case study of 'H&M boycott event in China'.

2.4 Mainland China Context and 2021 H&M Boycott Event

In contemporary Mainland China context, despite of the constraints caused by ideology and authoritarian of the State, the more prevailing neoliberal environment in China since the Reform and Opening has allowed a growing space for a certain group in society to 'make their voice heard' [9]. Under such circumstances, in March 2021, because the H&M company issued a statement expressing concerns about the abuse of human rights in Xinjiang, a large scale of Chinese consumers and net users on social media platform accused it of smearing China and called for a strong commitment and cooperation to excoriate and boycott this Swedish fashion transnational corporations [10]. Thus, although the purpose of the Chinese consumers' boycott of H&M is to 'preserve national dignity' rather than their own interests, according to Tilly's social movement criteria, the boycott fits perfectly

into its three elements of public, collective and confrontational nature. Thereafter, the highly recent boycott event towards the fashion TNCs in Mainland China shall be regarded as a 'peculiar' consumer activism, which would be useful to analyze the effectiveness and prospects of social movement in resistance to wider globalized neoliberalism.

3. Literature Review

In terms of the current academic account on the impact of social movement on the neoliberal trajectories of economic development, it can be found that most scholars insisted on the perspective that social movement is largely a 'failure' to resist the neoliberalism, while there are still a few pieces of academic work contribute a more positive understanding of the role played by social activism. The Negative perspective towards the effectiveness of social movement to change the neoliberal trajectories of economic development is more of an orthodoxy. First, many scholars are highly pessimistic about the role of social activism, especially labor movements, in changing neoliberal economic development. For instance, Marcuse and Touraine claim that 'all the anti-capitalist persuasions of workers' organization, despite some notable successes, has generally failed' [11]. Besides, the more recent work by Nancy Fraser even raised a more aggressive statement that 'there is no double movement in the 21st century' [12]. And the social movements are oftentimes recognized as disconnected and autonomous and therefore being questioned the potential to contribute to a broader social change [13,14]. Thereafter, the current landscape of social activism has been largely regarded as a 'deviate' from the Polanyi's double movement theory since these movements generally incapable to build a counter-hegemonic project to resist neoliberal development. Second, in terms of the New Social Movement, the relative absence in study of interaction between social activism and capitalism would rather illuminate an academic ambivalence towards the negative capacity of social activism. For example, Jeff Goodwin points out that there has been a 'strange disappearance' of the capitalism discourse from the social movement studies [15]. And evidence for such disappearance can be found in the two main journals dedicated to the social activism studies, of which the concern with capitalism had declined from the field by 1990s and thus being commonly lack of economic analysis and anti-capitalist spirit. And it may further suggest the incapability of social activism to effect and change the neoliberalism and capitalism. Accordingly, recognizing 'social activism' as a failure to build counter-hegemonic agency to neoliberalism has been suggested as more pervasive to the contemporary outcomes.

Nevertheless, a few studies of social movements in relation to capitalism elaborated a more positive and nuanced understanding. First, the academic work on social movements in Latin America and Africa, which belong to the 'Third World' area, has a more positive affirmation of social movement against globalization and capitalism [16,17]. Second, for some English-speaking scholars, they suggest that social movements can have a localized social effect in a specific location by taking effective movement approaches and tactics [18]. Third, several pieces of studies in New Social Movement (such as feminism and environment activism) have suggested a rethink towards the classic theoretical foundations of social movements studies and highlighted transforming boundaries and power dynamics of 'state-social movement' relation [19,20]. Consequently, these scholarships have characterized and proposed social activism in certain areas with certain approaches as a more positive agency to counter the unbridled trajectories of neoliberalism.

Therefore, it could suggest that most scholars generally stand that social movement is less capable of building a 'counter-hegemonic' project for neoliberalism than the 'double movement theory' envisioned by Polanyi. However, some of the current scholarship also offers relatively positive suggestions about the effectiveness of social activism in terms of its nature of dynamics and locality and offers a more nuanced understanding of the classic binary framework in social movement.

Nevertheless, there are still two weaknesses rooted in the current academic literatures. First, the social activism in Mainland China context and its impact on neoliberal economic growth remains as an absence in scholarship account. Second, most of the case studies selected for the study of anti-

capitalist social movements in Latin America and Africa occurred before 2010, there is thus an incapability to explore the current relation of social movements and neoliberalism. Thus, this paper attempts to fill in such academic gap by examining the case of consumer activism in Mainland China 2021 to further investigate the legitimacy and prospects of social movement to resist globalized neoliberalism in contemporary context.

4. Research Methodology and Source Analysis

4.1 Methodology and Source Analysis

In terms of methodology applied in this paper, a qualitative approach through case study research shall be utilized. As one of the approaches in qualitative research, case study research is a ‘study of a case within a real-life contemporary context with an indepth and detailed analysis’ [21]. Therefore, this study will apply a wide range of primary sources such as newspaper, documents, social media record, financial report attempt to critically explore the cause, characteristics and results of the 2021 H&M boycott event. And therefore, the agency (such as the tactics, frames and mobilizing structure applied to against certain codes or groups) and contextual structure (such as political opportunities and cultural opportunities) in this consumer activism event shall be studied [22]. Nonetheless, the limitation rooted in the case selection should also be acknowledged. It might be criticized that, due to the political landscape as ideologically against capitalism, the case in Mainland China may not be able to capture the impact of social activism on neoliberalism in a global dimension. Therefore, to respond to such limitation, this essay will elaborate a more cautious conclusion on the prospects of social activism.

4.2 Applied Theory

Because this study not only intends to analyze this social movement itself, but also its impact on the neoliberal economic development. Hence, this study will apply the ‘global system theory’ build by Leslie Sklair as the main interrogating criteria. In Sklair’s account, as the products of neoliberal economic development and globalized capitalism, the transnational corporation (economic practices), the transnational capitalist class (political sphere) and ideology of consumerism (cultural sphere) are three building blocks of the theory [23]. Therefore, this thesis will look at to what extent the consumer boycott in 2021 challenges these three dimensions.

5. Case Study: 2021 H&M Consumer Boycott Event in Mainland China

My analysis unfolds in three parts. First, we look at the contour of this consumer activism. Second, its influence on neoliberal economic development will be explored. Third, some reflections on what a new wave of social activism might be to resist capitalism will be developed.

5.1 Overview of the boycott event

The deep cause of the boycott event remains as the question and thus being highly blurred. As aforementioned in the first section, the direct reason of H&M boycott activism was the company had made a statement refusing to use its cotton because of human right concerns in the Xinjiang area. Xinjiang is the leading producer of cotton in China, constituting for about 20% of the world’s cotton production [24]. And while being ambivalent in evidence, this industry’s practices have been alleged widespread human right abuses, thus prompting a denounce from global community [25]. Since the 2020, the business groups of apparel and clothing industries have declined their use of cotton produced in Xinjiang, of which the H&M company first released a statement of its ‘deep concern about the human right abuse’ with a declaration of no longer source cotton from the area [26]. Nevertheless, the outrage of Chinese public was aroused because the Chinese regard these statements as deliberate smears and groundless accusations. And thus, began in March of 2021, there was a consumer outcry on Chinese social media Weibo that more than 32 million people used the hashtag

'I support Xinjiang cotton' and boycotted the H&M company as well as other apparel TNCs such as Nike and Zara [27]. Therefore, this massive boycott of several MNCs by Chinese consumer netizens is more of a rebellion against the Western business groups' suppression of the Chinese raw material market and political discourse.

The characteristics of this boycott event has three main characteristics, which further illuminates its agency and contextual structure. First, the platform of social media, Weibo (Chinese version of Twitter) entitled the activism a high mobility of dissemination, however, the tactics and framing of an event was more of a partially illogical and emotional outrage accompanied by a relatively entertaining characteristic. Although social media has increased the spread of the boycott, the framework of the boycott is still highly fragmented due to the lack of an organization or agency to collectively frame this consumer activism. Furthermore, the tactic of this consumer boycott referred only to social media retweets and comments to evoke public sentiment on a large scale to further boycott the consumption of products with the targeted company brands. And thus, relying only on social media dissemination and ignition of emotion were being relatively sole and superficial. And responses of these Chinese consumers were highly emotional and entertaining lacking in-depth criticism [28]. Thus, this boycott activism was not highly effective in agency. Second, however, such a boycott was not merely a bottom-up event, but rather encouraged and guided official authority, celebrities and Chinese business groups. Although the government still denounced the protest action, the official reports such as People's Daily, strongly released a statement with a highly blaming attitude and negative tone towards these MNCs group [29]. And the Chinese business companies such as Alibaba and Jingdong closed the e-commerce platform for H&M and many celebrities also showed the supportive action to the boycott [30]. And this support rather engendered the 'political opportunities' for the counter-hegemonic capacity of the activism. Third, despite the reason of the western MNCs declined the use of Xinjiang cotton being the still debating human right concerns, the China side injected a sensitive 'humiliation and discrimination discourse' and thus this boycott was rather constructed as patriotism action. And it is worthy to note that such 'national humiliation narration' is highly prevailing and orthodoxy in the Chinese public discourse, causing an ideological antiforeign sentiments that always be presented [31]. Therefore, these cultural opportunities of a prevailing ideology can be applied as a source to render the activism more meaningful and resonant. Consequently, by analyzing the characteristics of the boycott activism, it can be argued that this event was rather 'vulnerable' in frame and tactics, while the dissemination role of social media and wider political favor and cultural construction offered more space and resonance for the activism to further challenge the targeted groups.

5.2 Results

The consequence of this consumer activism is that although companies such as H&M have not completely withdrawn from the Chinese market, their sales have declined significantly, and thus H&M's accumulated profits have received a highly negative impact [32]. Thus, in terms of the '2021 H&M boycott event', it was a collective challenge organized by bottom-up Chinese netizens and encouraged by top-down authorities against the group of apparel TNCs (H&M remained as the boycott focus). And it can be found that while the agency of this boycott was not highly efficient, the wider authority support and the discourse construction instead entrench a significant power to such consumer activism to against its targeted MNCs groups. And consequently, although the targeted companies are still operating in China, their economic performance and brand image have been hit hard especially the H&M company. To a large extent, therefore, this consumer activism was a success in result.

6. Analysis of Its Impact on neoliberal economic development

As the aforementioned 'result' section, because this activism represented as a huge blow to the running the H&M companies and other apparel TNCs. This activism could therefore largely challenge

the global capitalism in the economic sphere includes disrupting the MNCs' ability to accumulate profits. Therefore, it can thus be regarded as an effective agency to challenge the presence of TNCs and weaken and capitalist hegemony.

This consumer activism has also disrupted its transnational capitalist class due to the powerful fight against multinational corporations, however and paradoxically, this activism still largely promoted the interest of domestic entrepreneurs. For example, to further challenge the foreign monopoly in Chinese apparel markets, the consumers in turns supported the domestic clothing entrepreneurship [33]. And it can be found that the profit of these business groups such as Lining and Hoingxing Erke rather achieved a significant explosion in sales [34]. Therefore, this consumer activism contributed that representative of big global businesses groups have rarely been popular, while the interests and profits of local business sectors rather have been protected and supported.

Paradoxically, this consumer activism was further exacerbated the consumerism by the fact that these netizens supported Xinjiang cotton and suppress foreign brands through a feverish consumption of domestic commodities. For instance, large-scaled and 'ridiculous' buying action of domestic commodities was instead being applied as the means to counter the presence of foreign brands, and therefore reinforced and reconstructed the cultural institutions of capital neoliberalism. In such account, the resistance to the logic of the excessive commercialization and commodification was not being penetrated, thus suggesting that the cultural ideology of neoliberalism may still deeply root in Chinese market and society.

Hence, what can be observed is that this consumer activism still failed to change and overthrow the neoliberal trajectories of economic development because the foundational agencies such as marketization and commercialization were not being penetrated. But it could highly disrupt the profit accumulation and thus the economic development of transnational corporations and thus further disrupted neoliberal globalization to a certain extent.

There are three prospects can be elaborated through the experience of this 2021 boycott activism in Mainland China. First, it should be acknowledged that in its current state, social activism still does not have the capacity to change neoliberalism completely. Second, developing the argument by Disney & Williams and Prempeh, the Chinese case study could further demonstrate that 'non-traditional capitalist countries' in the 'Third World' have better prospects for anti-neoliberalism due to their political space supported by authority and thus an interactive agency between state and public. Third, 'neoliberal globalization' may more 'vulnerable' to be resisted and challenged than the 'whole' neoliberalism such as marketization and privatization. Accordingly, this case of social movement may suggest a further deglobalized capitalism and a rise of 'domestic' neoliberalism. Thereafter, it could be argued that although the Chinese consumer boycott towards H&M in 2021 cannot be fully interpreted as a 'whole success' as a pure counterhegemonic project to neoliberal economic development, the alternative power construction and dissemination model in such social activism would indeed illuminate a prospect of increasing bargaining power of collective action to further approach the resistance towards the capitalism and globalization.

7. Conclusion

To conclude, this study has sought to prove reassess the impact of social activism on neoliberal trajectories of economic development. And this case study suggests that the case of 'H&M boycott event' cannot prove a linear trajectory to determinedly characterize the potential of this social activism as fully dedicated to resist neoliberalism. But instead, it shows that, there is a certain increase of the bargaining power in this social activism to further challenge the route of neoliberal globalization and such bargaining power was highly entitled by the high mobility of social media, the constructed prevailing discourse and a dynamic power relation between the 'top' and 'bottom'. And this case study further interrogates the Polanyi's classic double movement study. It can be found that the China case reiterated the current literature account that the locality in which areas ideologically opposed to capitalism is highly critical to the effectiveness of social movement. Besides, this case

study may further suggest that the current social activism may could have a more disruptive impact on the capital globalization so far, instead of the wider marketization and privatization. Therefore, the role of activism to build the counter-hegemonic project to neoliberalism rather presents the feature of being highly local and specific.

And this analysis could therefore shed a light on the prospects of social activism to change the neoliberal economics. And these are three major recommendations for future social activism to achieve broader social effect: 1) entrenching a more dynamic power relation between ‘top’ and ‘bottom’ to stimulate the cooperation; 2) rationalizing a highly sensitive ideology discourse to accelerate the scale and extent of resistance in civil society. 3) applying platforms that spread quickly, such as new media, to increase the mobility of social activism.

References

- [1] Mario Diani, The Concept of Social Movement [J], *The Sociological Review*, 1992, 40 (1): 1 - 25.
- [2] Jacqueliën Stekelenburg& Bert Klandermans, 2 Social Movement Theory: Past, Present and Prospects in Movers and Shakers: Social Movements in Africa [M], 2009.
- [3] Charles Tilly, Social Boundary Mechanisms [J], *Philosophy of the Social Sciences*, 2004, 34 (2): 211 - 236.
- [4] Rajesh Venugopal, Neoliberalism as concept [J], *Economy and Society*, 2015, 44 (2): 165 - 187.
- [5] Terry Flew, Six theories of neoliberalism [J], *Thesis Eleven*, 2014, 122 (1): 49 - 71.
- [6] Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time*[M], Beacon Press, 2001.
- [7] Fred Block, Polanyi’s Double Movement and the Reconstruction of Critical Theory, *Political Economy*, 2008.
- [8] Kuah-Pearce, *Social movements in China and Hong Kong: the expansion of protest space* [M], Amsterdam University Press, 2009.
- [9] BBC, Nike, H&M Face China Fury Over Xinjiang Cotton Concerns [N], 25/03/2021.
- [10] Alain Touraine et al, *The Worker’s Movement* [M], Cambridge, 1987.
- [11] Nancy Fraser, *A Triple Movement* [N] 2013.
- [12] Kendal Wright, *Social Movement Intersectionality and Re-Centering Intersectional Activism* [M], Atlantis, 2019.
- [13] J. K. Gibson-Graham, *A Post-Capitalist Politics* [M], University of Minnesota Press, 2006.
- [14] Jeff Goodwin, *The Strange Disappearance of Capitalism from Social Movement Studies*, *Marxism and Social Movement* [J], *Marxism and Social Movements*, 2013.
- [15] Jennifer Disney& Virginia Williams, *Latin American Social Movements and a New Left Consensus: State and Civil Society Challenges to Neoliberal Globalization* [J], *New Political Science*, 2014.
- [16] E. Prempeh, *Against Global Capitalism: African Social Movements Confront Neoliberal Globalization*[M], Routledge, 2017.
- [17] Simone Schiller-Merkens, *Scaling Up Alternatives to Capitalism: A Social Movement Approach to Alternative Organizing (in) the Economy* [M], 2020.
- [18] Manjima Bhattacharjya et al, *why gender matters in activism: feminism and social justice movements*[J], *Gender&Development*, 2013.
- [19] Smith 2014, *Counter-hegemonic networks and the transformation of global climate politics: rethinking movement-state relations* [J], *Global Discourse*, 2014.
- [20] J.W. Creswell, *Research Design Qualitative, Quantitative, and Mixed Methods*[M], London, 2013
- [21] Sidney Tarrow, *Power in Movement* [M], Cambridge, 1998.
- [22] Skalir, *Capitalism and Development* [M], Taylor 1994.
- [23] *The Guardian*, Xinjiang: More than Half a Million Forced to Pick Cotton[N], 03/05/2021.
- [24] CBCN, *Why China's Xinjiang cotton is hard to boycott* [N].

- [25] Insider, H&M releases new statement following Xinjiang controversy, says China is a 'very important market'[N], 31/03/2021.
- [26] CNN, H&M and Nike are Facing a Boycott in China Over Xinjiang Cotton [N], 25/03/2021.
- [27] What's on Weibo, "Support Xinjiang MianHua!" – China's social media Storm over Xinjiang Cotton Ban[N], 28/03/2021.
- [28] People's Daily, Commentary: Stop tainting Xinjiang's pure cotton with dirty politics [N], 26/03/2021.
- [29] The Wall Street Journal, H&M is Erased from Chinese E-commerce Over Xinjiang Stance [N], 25/03/2021.
- [30] Mark Metcalf, The National Humiliation Narrative, Education about Asia [N], 2020.
- [31] BBC, H&M: Fashion giant sees China sales slump after Xinjiang boycott [N], 02/07/2021.
- [32] Global Times, Chinese public voices support for Xinjiang cotton, turns to domestic brands over H&M, Nike [N], 25/03/2021.
- [33] Forbes, Sales Soar at Ailing Chinese Brand Erke After Good Deed Goes Viral [N], 05/08/201.
- [34] China Marketing Insights, Boycotts of H&M, Nike, and Others Creates Massive Opportunity for Chinese Brands Like LiNing[N], 26/03/2021.