

## Looking at Vuitton: Negotiating value and price of counterfeit merchandise in Shanghai's Xiangyang market

### Abstract

The paper examines how different notions of value are drawn into action in exchanges when people evaluate and negotiate 'fake' branded commodities at the Xiangyang market in Shanghai. With a critical look into classical economic and sociological debates on how to perceive of value and its construction, we further explore how different values, and perhaps ontologies, of objects are continually (re-)negotiated and (re-)created in relation to rationalities inherent in different economic systems. In discussing different economic rationalities as a base for comparison, we will also argue that the constructions of values of 'fake' commodities, though living their own 'social lives', are intimately intermingled in references to the social-symbolic values of the 'real' brands. The paper is based on empirical data gathered during six months of fieldwork, participant observation and interviews with vendors, customers and other actors engaged in the exchange of 'fake' and 'real' commodities. In addition to the more traditional research methods, we also conducted an experiment in which we purchased and used a 'fake' Luis Vuitton bag to collect and analyze various opinions and arguments regarding values, quality and price.

### Authors:

#### **Gard Hopsdal Hansen**

Norwegian University of Science and Technology  
Department of Interdisciplinary studies of Culture  
NTNU Dragvoll  
N-7491 Trondheim

Email: [gard.hansen@hf.ntnu.no](mailto:gard.hansen@hf.ntnu.no)

Phone: + 47 73591324

Mobile: +47 90965459

Fax: + 47 73591327

**&**

#### **Henrik Kloppenborg Møller**

University of Copenhagen  
Department of Social Anthropology  
Email: [henrikkloppenborg@yahoo.dk](mailto:henrikkloppenborg@yahoo.dk)

## 1 Introduction

*A Louis Vuitton is not just another fashion item; it's a statement of where we stand in life and a reflection of our personality. The bright colours, quality of production, and overall style of the Murakami fits my wife perfectly, because she has upgraded my life so much that she deserves to be on top.*

Proud husband on a LV-fan page<sup>1</sup>

*The full wind of the Cultural Revolution hit our sleepy little mountain retreat and I noticed that everyone had started wearing various types of Mao badges. In my heart I thought of these badges as sacred and beautiful objects.*

Zhou Jihou<sup>2</sup>

A fundamental question in the discipline of economics (and on a more pedestrian level; the discipline of everyday life) is “what’s the price?” Or in other words; “what is the assigned monetary value of the good, service or asset I currently desire?” The answer to this question is sometimes clear-cut and apparently nothing to discuss, other times the price is hard to establish as *the actual value* of the good, service or asset might be a matter of debate. As markets evolve and become differentiated and diversified (Callon, Méadel and Rabeharisoa 2005), new constructions of value emerge and become relevant.

The Xiangyang Clothing and Gift Market (henceforth: The Xiangyang Market), also known as ‘The Fake Market’, is one of the major tourist destinations in Shanghai. The controversial existence of the Xiangyang Market in Shanghai’s geographical, political, economical and legal landscape has been continually renegotiated in the statements and practices of a variety of actors during its short, but booming evolution, culminating in its closure in late June, 2006. Those negotiations have exposed and perhaps also reinforced different values regarding the economic activities taking place at the market, including the values attached to ‘fake’ and ‘real’ branded objects. In this paper we’ll look into this market and its merchandise, and study *how and which kinds of values are assigned and drawn into action by actors negotiating counterfeit branded objects*. ‘Negotiation’ here refers to both the activity

---

<sup>1</sup> <http://www.1st-4-louis-vuitton.com/gabriel.html> (accessed 30 June 2006)

<sup>2</sup> In Michael Dutton 1998, p. 260

taking place between buyer and seller when an object is purchased, but also, on a deeper level, the relationship between object and subject and how this relationship is communicated to others. The concept ‘value’ is discussed along the same line; as something participants refers to in various ways to establish the price of certain objects, but also as something that evolves in the relationship between object and subject, influenced by other subjects and the environment in which this interaction takes place.

The remainder of this paper is organized as follows; first we look into some theories and contributions that discuss value and value construction along several dimensions. Next, we give an ethnographic description of the Xiangyang market and its people and explain the empirical work we conducted in this environment in order to illuminate the questions presented above. In the next section called ‘The Market and its merchandise’ we introduce some different notions about and attitudes towards brands and their counterfeits. Then, we present an experiment with a pirated Luis Vuitton bag and some of the negotiations and interpretations of value that came up. In the final section before the conclusions we discuss how different understandings of value are drawn into the negotiations at the market, and further, how the negotiations per se contribute to value creation.

## 2 Evaluating values

The relationship and sometimes the apparent lack of relationship between value and price have fascinated scholars for centuries. One contribution, usually credited Adam Smith (1776), which illustrates this, is the ‘paradox of value’ (aka diamond-water paradox). The obvious contradiction is that the price of water, although of a crucial importance to life is lower than the exchange value of diamonds, which primarily have only an aesthetical value<sup>3</sup>.

### 2.1 Value through Production

Scholars like Ricardo (1821) and Marx (1867) aimed to go behind the mechanism of exchange in order to fully understand what commodities are, and distinguished between *use value*; the usefulness of a commodity to an individual, the *exchange*

---

<sup>3</sup> See White (2002) for an interesting discussion on the role played by the diamond-water paradox in economics and the debate concerning the difference between utility and value in exchange.

*value*; defined as the number of units of another commodity (money) you receive in exchange for your commodity in the market, and especially *labor value*; the efforts that have to be utilized in order to produce the commodity (Sheppard and Barnes, 1990). Besides the theoretical significance of the understanding of value as generated through production, empirical research has also shown that production in practice was assigned a *moral value* by people in the (post-) socialist Eurasian countries that in recent years have been undergoing economic and political transformation. Verdery (1996), for instance, describes how the pyramid scheme ‘Caritas’ in the early 1990s Romania, by crashing into the deeply embedded communist understanding of production as the good and honest way of earning a living, contributed to alter the participants understanding of value.

## **2.2 Subjective value**

While classical economics sources the base of value to labor and production cost, neoclassical economics locates it in marginal utility and consumption (Zafirovski, 2000). The Austrian Economist Böhm-Bawerk (1891) came up with a partial solution to the diamond-water paradox by suggesting that a person possessing a good will use it to satisfy the demand that takes the highest priority in the situation of the owner. Value is subjective and contextual; the significance attached to specific commodities is clearly different from one place to another according to their contexts of production and consumption (Jackson, 1999). This point has been widely documented in anthropological literature, dealing with how ‘foreign’ commodities, ideas and even persons are incorporated into localized cultures, communities or cosmologies, where they are made meaningful and valuable in relation to other components in those shared systems of values, ideas and practices. Studying the passing of elements through different contexts might be a way of objectifying different value systems; famous cases being the descriptions of Melanesian ‘Cargo cults’ as well as the way Captain Cook in Hawaii was seen by the natives as the ancestral God, Lono, and thereafter killed in order to make way for new tribal leaders (see Keesing, 1992; Sahlins, 1985; 1999).

In the case of diamonds and water, we may assume that someone lost in the desert probably would give up a few diamonds for a bottle of water. This makes resonance with sociologist Simmel’s (1907) understanding of objects as valuable when they resist our desire to possess them, and thus of value as the distance between

subject and object. In Simmel's words; "We desire objects only if they are not immediately given to us for our use and enjoyment; that is, to the extent that they resist our desire" (ibid, p. 66). To Simmel, value is not an attribute of the object itself; rather he regards value as a relational concept, something depending on subjects' evaluation of the object.

### **2.3 Inter-subjective and social dimensions of value**

A desert and a bottle of water represent very simple understandings of context and demand. When the context gets more complex, including multiple subjective actors and opinions, and the demand less obvious; prioritizing values becomes more complicated. According to Charles Smith (1990), who studies the dynamics of auctions, the problem isn't that the participants can't agree on a price; it's that they individually and collectively don't know exactly how to value certain things. Unlike the economic and psychological perspectives that view auctions as "revealing" market forces and constraints, the sociological perspective set forth by Smith recognizes auctions as a means for generating these same forces and constraints. The sociological perspective argues that these meanings are inherently social in origin and character (Smith 1990, p. 4). Value, hence price, is a social construction enacted by a very complex set of determining factors. This line of argumentation is further advocated by Zafirovski (2000) who claims that: a social approach to economic value considers it more plausible to assume the social determination of value or prices than to metaphysically search for a primal or final cause largely outside the context of society – in nature (physical scarcity), technology (production cost or labor), psychology (marginal utility or satiation), etc. as done by (neo-) classical economics (ibid, p. 289). To explain individuals' evaluations of transactions and prices Thaler (1985) proposes two kinds of utility; *acquisition utility* and *transaction utility*. The former depends on the evaluation of the object compared to the cost, i.e. the value equivalent of an object is the amount of money that would leave the subject indifferent between receiving the object or the money as a gift. Transaction utility, on the other hand, depends on the price an individual pays compared to a reference price, or in other words, the perceived merits of the deal. The most important factor in determining the reference price is fairness, that in turn depends on the sellers costs, external reference price (such as the retail price suggested by the manufacturer or the price other people pay) and internal references (for instance the price paid the last time). From his research,

Thaler concludes that even when the acquisition utility is constant (i.e. the object is the same and it is also used or consumed under the same circumstances), prices consumers are willing to pay may be significantly different depending on the reference prices triggered by the vendor and the context of the transactions per se.

The argument that the value of objects do not emerge in voids, but rather in intimate social relations, as subjects and social groups engage in economic exchange in different contexts, is not new. French sociologist Marcel Mauss (2002 [originally published in 1923-1924]) described the values and meanings of gifts in archaic societies as a product of the different aspects of which the gift is constituted; the “spirit” of the giver, the expectation of return and the different contexts, in which the gift circulates. Economic exchanges, such as gift giving, are rooted in social, cultural, political and economical relations and obligations between people. Graeber (2001) draws on Mauss’s insights and is also paraphrasing the Greek philosopher Heraklit, when he describes the reality of objects as “one of constant flux and transformation” (ibid, p. 50). Meanings can be embedded in objects through their production, but they do not necessarily remain fixed, when the objects are exchanged or consumed. While the traditional understandings of value would suggest that value is embedded in objects by its designers and context, the inter-subjective and social understanding of value suggest that consumers participate in a joint project to create value (see also Jackson, 1999). “The creation of meanings and values of objects does not end at the factory floor – things are continually being maintained, altered, and above all, vested in new meanings, even as they are often repeatedly detached and alienated again” (ibid, p. 163). This is related to the term ‘domestication’ which has been used to describe how users interpret and adapt technology to fit their use (Lie and Sørensen, 1996; Sørensen, 2004). To domesticate an artifact is to negotiate its meaning and practice in a dynamic, interactive manner. This negotiation implies that technology as well as social relations is transformed (Sørensen, Aune and Hatling 2000, p. 240). Domestication is so forth a notion closely related to Latours’ statement (1987); *the fate of what we say and make is in the later users’ hands*. Users may accept and adapt to the values and technology intended by the designer, but users may also adapt values and technology according to their own need for or understanding of value and technology.

The same point is to be found in Appadurai's (1986) argument that a thing takes on different statuses, e.g. inalienable gift or exchangeable commodity, and that it produces different identities as it moves through different spatio-temporal contexts in its 'social life'. According to this view the meaning and value of an object is constructed by the subjects, who are interacting with the object and each other in different contexts, through which the object is 'floating'. To analyze the meaning and value of objects in their human and social context it is therefore, according to Appadurai, necessary to look at the things-in-motion. Following this argument, a methodological strategy to study the constructions of values of commodities is to follow a given object in different contexts, where subjects are relating to it. Thereby it is possible to study the different identities and values that the object is given and gives, as well as the linkages between the contexts, in which the object circulates and the different actors operating within those contexts (see also Buck, 2002).

When we soon go on to analyse the values drawn into action at the Xiangyang market we go to work with the notion that all understandings of values mentioned so far at some level may play a role in the negotiations we observe. The distinction between subjective and inter-subjective values, however, is made in order to distinguish between those constructions of values that are inward oriented, i.e. the calculations the actor makes in order to convince him or herself about the values and qualities of the object in scope, and those that are oriented towards and influenced by a social context; that is the negotiation in which different actors interact to enhance or diminish the value of the object in scope. Our aim is thus not to show what 'value' ultimately is; rather, it is to show how different notions of value intentionally and unintentionally emerge and become relevant in a market that has received unduly little attention in economic theory, namely the trade in counterfeit merchandise.

### 3 Introducing the Fake Market...

*Ever had a wet dream about a shopping haven where goods are plentiful and prices are low? Ever wanted to bargain for an item to the point your 'opponent' vomits blood while you savor the victory of the battle? Xiangyang Market is the answer to your prayers.*

#### Enthusiastic customer on a Shanghai expat webpage<sup>4</sup>

The Xiangyang Market opened for business at its present location in central Shanghai's busy commercial street Huaihai road in 2000. The area was originally leased to a Hong Kong company in 1996, which planned to construct office buildings there. But as funding for this project failed and the land was left unused for years, the area was taken over by New Shanghai International Commercial Development Co Ltd. that established what came to be known as The Fake Market (China Daily, July 8, 2004). The Xiangyang market is a bustling maze; crowded with tourists and others dealing with vendors who usually are young immigrants from the provinces surrounding Shanghai. In between the outlets hundreds of people are working as "guides" – the infamous "huang niu" (translates to 'yellow cow') – always ready to show you where to buy your next watch, bag or DVD. In the four streets surrounding the perimeter of the market a number of more informal shops are located in hidden rooms, rented from local Shanghai residents, selling the most expensive and famous branded commodities. These commodities are supposedly of better quality (i.e. resemblance to original) and also considered "more illegal" than those sold inside the market. The people, who rent and manage those shops do not pay taxes to the local government, but explain that they have to maintain good relations to authorities, including donations of money and dinners to the market sponsor and local government officials, who in turn will inform them on police inspections.

Most vendors' estimate that a number between 10.000 to 15.000 people are employed in the market and the surrounding shops, and official estimates have it that around 50.000 customers visit the market every day, topping with up to 100.000 in the weekends. The market brings in some 400-500 million yuan<sup>5</sup> and pay 30 million yuan in tax every year<sup>6</sup> through the host company. The 24.000 square meter area is occupied by 874 rooms and about 2.000 shops, which provide an assortment of watches, bags, DVDs, clothes, sports equipment and cigarette lighters whining 'The East is Red'. Most products at the market have famous and expensive brand names, but they are sold for a tiny fraction of the price of the genuine brands. The business is carried out in various dialects of Chinese, English and everything in between, often

---

<sup>4</sup> <http://shanghaiexpat.com/Article1103542.phtml> (accessed 31 May, 2005).

<sup>5</sup> The exchange rate for Chinese yuan (rmb) is 0.125 usd (August 17, 2006).

<sup>6</sup> Wen Hui Daily, Economic Perspective Section. July 10 2006. Translated from Chinese.

aided by big calculators where the participants may punch in the price they find reasonable. Some are laughing, others are yelling, some seems to love the sport of a good bargain, others apparently hate it.

### **3.1 ...and its people**

To analyze how and which kinds of values are assigned and drawn into action by actors dealing in counterfeit branded merchandise we have drawn on a variety of traditional research methods. These include participant observation, small talks, interviews and questionnaires among actors operating in the Xiangyang market and other similar markets, as well as analyzing statements from government institutions, newspapers and internet blogs. Fieldwork in the Xiangyang market can sometimes be an ungrateful activity. The people working there are busy approaching potential customers, and the potential customers put on their most impenetrable facade. None of the categories are initially particularly receptive to academic research and silly questions about sensitive issues such as the trade in counterfeit merchandise, but as relations and trust was formed during six months of fieldwork, our informants among the employees became more open and sometimes eager to explain the situation and express their views. This anthropological approach has been imperative to get information which would otherwise be concealed or blurred by a thick layer of formal language and careful understatements. The empirical material of this paper is based on information and opinions from a variety of actors operating in and around the market. Some of the respondents are people we have met, dined, strolled and hanged out and even played tennis with, several times before conducting more formal, semi-structured interviews. Other respondents are vendors and customers we were introduced to through our closer acquaintances, relations in our emerging personal network at the market, or simply people brave enough to talk to us without further references.

The study has been carried out in two arenas. The first and most important arena is the Xiangyang market it self. However, viewed upon as a thematic field of research, the Xiangyang market cannot be limited and focused by spatial or geographical relations (see Manners 1965; Olwig 2002). As the market is cut through by flows of commodities, persons and social relations, our thematic field of research might be said to be created and limited by human negotiations and value constructions (see Zhang 2001; Hohnen 1998), which stretch out of the physical market, and relate

to wider social and economic processes on a global scale. To capture some of these processes we created a second arena around a counterfeit Luis Vuitton bag, which we bought, then brought to different situations and respondents with the purpose of collecting and analyzing opinions and arguments regarding value, quality and price. In taking this approach, we attempt to study how people negotiate counterfeit products in relation to subjective, inter-subjective and social dimensions of value, and further, how the existence of the genuine product and brand itself function as a reference for value construction.

A large share of the merchandise at the Xiangyang market, including Luis Vuittons', is produced in the Zhejiang or Guangdong provinces. Then, through certain channels, a portion of those reach the Xiangyang market, where one of them perhaps is bought by a foreign business man, who gives the bag as a gift to his wife back home, who might use it for years, until it is disposed of, forgotten or passed on to someone else. To understand the social life and different values of an object like this require a methodologically attention to multiple settings and situations, in which different persons are evaluating the bag. For practical reasons, however, the thematic field of research fostering "multisited ethnography" in various geographical settings, as advocated by George Marcus (1998), has in this fieldwork been restricted to different settings in Shanghai and Guangzhou in Guangdong province.

But let's leave the bag here for now and go on with our introduction to the first arena; namely the Xiangyang market. The informants working at the market can be divided into three categories; *the yellow cows*, *the shop assistants*, and *the shop owners*. In addition we would like to introduce "Mika", who is working as buyer at the market, as well as the more ordinary *customers*.

At the Xiangyang market, the expression '*yellow cow*' (in Chinese "huang niu") is used to cover the mobile hawkers, who operate in and around the market, guiding customers to certain shops and warehouses at the market and its perimeters. At the Xiangyang market, the typical yellow cow is a young man from one of the poorer provinces surrounding Shanghai. A few of them earn good regular salaries from a single shop owner, but for most of them their salary is constituted by a commission which amounts to typically 50-60 percent of the profit earned from the sale they initiate. Most of the yellow cows we met said that the salary was relatively good compared to more conventional positions, and working as a yellow cow also provides them with an opportunity to hang around and meet girls and foreigners.

Most of the informants in this group are men between 20-30 years old, who all come from the same town in Shandong province and have been recruited for the job through their personal networks. The empirical material that represent the yellow cows in this study consists of 18 in-depth interviews with 14 males and one female, as well as around 50 short, semi-structured interviews and countless informal talks in and around the market. New informants among the yellow cows have mainly been recruited through 'gatekeepers' in the network of the informants we initially met in December 2005.

*The shop assistants*, sometimes called "water cows" (shui niu), are usually young women between 18 and 25 years old and like the "yellow cows", they come from Shanghai's neighboring provinces, and are almost without exception recruited for the job via relatives or friends from their hometown. They do most of the sales and negotiations in the stores and earn a fixed salary, which is usually lower than the "yellow cows" income, even though most of them work very long hours. The data material representing this group of people consists in six in-depth interviews and 50 short, semi-structured interviews and talks.

*The shop owners* rent their small shops from the market sponsor, and manage between one and six employees. The prices for rent have been increasing during the six years the Xiangyang market has been in operation, ranging from 100.000 to around 1.000.000 yuan per year including taxes for the best locations. In many cases, the initial shop owner rent out the shop to other people, who rent them out again and so on, so that one shop may have up to seven "links", where only the last one is actually managing the shop. The shop owners also have to maintain relations to the market office and the authorities controlling IPRs at the market, in order to avoid control and get information about large-scale razzias'. The data concerning this group is more restricted, amounting to three in-depth interviews, ten short, semi-structured interviews and conversations.

*"Mika"*, on the other hand, is based on only one respondent. He is a Finnish man in his late twenties who has been living in Shanghai for about a year. Mika is buying fashion clothes and accessories at the Xiangyang market and the surrounding outlets, which he sells to customers in Europe and the USA via the internet. His customers are usually made aware that the merchandise from Mika is counterfeit, but business is flourishing. Mika is exceptionally well informed about fashion collections and trends.

*The customers* are people from all over the world strolling the market for souvenirs, gifts and cheap counterfeit merchandise that sometimes may be worn as if genuine, or in other cases, as a joke. The typical customer represented in this paper is from the Western hemisphere (61 out of 70 customers in our survey are from North America, Europe or Oceania); some of them are tourists in China, others are working in Shanghai for a shorter or longer period. The customers have been interviewed on-site in short, semi-structured interviews and in a small questionnaire survey, consisting of 35 nominal measures, completed by 70 respondents.

## 4 The market and its merchandise

*Without intellectual property rights, society is condemned to obscurantism and chaos.*

Press release from jewelry producer Cartier, May 2003

Counterfeiting, understood as the unauthorized use or reproduction of trademarks, copyrights and patents, is a global industry, but Asia and especially China is commonly regarded as the number one offender of intellectual property rights (IPR). It has been estimated, for instance, that 15-20 percent of all branded commodities sold in China are ‘fakes’ and that this share is on the rise<sup>7</sup>. As part of the WTO agreement the Chinese government has committed to battle the violations of IPRs, but counterfeit merchandise is still found everywhere and in all product categories – from aircraft parts and entire petrol stations to clothing, cigarettes and software (Hung 2003).

### 4.1 Degrees of realness

The Xiangyang market is segmented according to quality and degree of illegality. There are some restrictions on which “brands” are accepted sold inside the market. In November 2005 the landlord hosting the Silk Market in Beijing got sued by a coalition of the five luxury brand makers Burberry, Chanel, Gucci, Luis Vuitton and Prada (Bloomberg Media, January 4, 2005). The coalition won a landmark victory and since the ‘December 19 verdict’ it is now *more* forbidden to sell copies of these five brands at markets in both Shanghai and Beijing, but the verdict only touch the

---

<sup>7</sup> [http://trade-info.cec.eu.int/doclib/docs/2004/august/tradoc\\_113209.pdf](http://trade-info.cec.eu.int/doclib/docs/2004/august/tradoc_113209.pdf) 21/5/05.

surface as these “brands” are now removed from display to be sold in outlets hidden in the narrow alleys surrounding the market. In these shops that are protected, not only by their location, but also by the relations of the owner, good copies of all kinds of brands made by first-class materials are sold. The shops and people working there are usually quite relaxed compared to the market itself, and the “exclusiveness” of the products is often increasing the higher up in the building you get. One of the vendors explains that the watches in the third floor have original Swiss clockwork on the inside, and that these watches are not manufactured locally as the watches in the first floor or inside the market; they are copies imported from Hong Kong, South Korea or Japan. However, when our relationship with the vendors improved, it turned out that the argument regarding country of origin is usually just something they say to diversify products and play on the bad reputation of Chinese quality.

Based on Prendergast, Leung and Phau (2002) and Hung (2003) three groups of counterfeit products can be distinguished: There are *imitations* that have name, designs and packaging that resembles another product. Then there are *pirated products* which are more or less exact copies of brand name products made by technology and designs stolen from registered IPR-owners, but produced with the knowledge that the customer will be aware that the product is not original. And finally there are *fakes*, which replicate the original product and are sold for authentic prices to customers unaware of the fact that they are not authentic.

Mika suggest that counterfeits rather should be divided into two categories reflecting the probability that the artifact is considered genuine by the environment of the owner. This is partly based on the counterfeit artifact’s resemblance to the original product, but also on the price of the original product as some objects easily will be recognized as counterfeit because they are seen as too expensive for many consumers. The first category could be termed “fakes-for-fun”, which include pirated versions of products that most ordinary people would not afford or prioritize to purchase, for instance luxury watches from Breitling and Rolex and jewelry from Cartier that can be bought counterfeit for prices in the area of one per mill of the price of the original product. Counterfeits of these products are usually bought for fun and sported by people who gladly admit that they wear a pirate watch. 47 percent of our respondents in the customer survey stated that the main reason for buying fakes was ‘for fun’. The second category is composed by counterfeits resembling brands usually bought by ordinary, fashion-minded wage earners (and their children), for instance clothing from

Levis, Lacoste, Evisu and Canada Goose, that typically are bought for something like one tenth of the price of the genuine product. According to Mika, most of his Internet-customers and also a good number of the customers buying copies of these brands directly in the market will wear them as if the brands were genuine. This, however, is not confirmed by the vast majority (74 percent) of the customers in our statistical survey, who assert that they in fact would tell others they are sporting fake products if they do. Only seven percent confess they would keep this fact for themselves. One reason for this might be that this is a sensitive question; not admitting to wear counterfeit clothes if you do is somehow associated with cheating or lying, and that's not something you'd admit to do, even to strange researchers. On the contrary, if you wear counterfeit brands and do admit it, this might be interpreted as a sense of cleverness, or even as something calling attention to the fact that the owner is a global citizen making good deals in exotic cities such as Shanghai. Only nine percent of the customers in our survey assert that they find buying counterfeit products quite or very immoral.

#### **4.2 The qualities of brands**

One aspect of the economy that can hardly be explained without a social approach to value is brand equity. Brands are commonly seen as an abstract and insubstantial quality describing objects; a mark of ownership intended to create trust in customers as a guarantor of the quality of particular products through the identification of origin (Lury 2005). Modern trademark laws, essentially representing western ideas about ownership, can be traced back to the medieval European practice of inscribing the name or mark of the manufacturer in the commodity (Miller & Davis 1983, p. 146). China, on the other hand, does not have a similar tradition about intellectual ownership. In the fine arts, the act of copying has traditionally been considered a great skill – not a crime<sup>8</sup>; especially the 'art' of copying or even stealing the Chinese Classics have been considered "an elegant offence"; 'The Master [Confucius] said: I transmit rather than create; I believe in and love the Ancients' (*The Analects of Confucious*, in Alford 1995, p. 9). Alford argues that the Chinese legal system both before and during Mao has been more concerned with protecting the power of the leaders than that of individual creators, by controlling the spread and content of

---

<sup>8</sup> Interview with the Chinese artist Zhang Hongtu, who is currently making pop-art Mao replicas in his residence in New York. Weekendavisen NR. 49, 9-15 of December, 2005.

certain intellectual achievements and inventions. Intellectual achievements, if considered a property at all, were considered as belonging to the collective, which was usually the same as the state. During the Cultural Revolution resistance against individual ownership was expressed in the following popular saying: “Is it necessary for a steel worker to put his name on a steel ingot that he produces in the course of his duty? If not, why should a member of the intelligentsia enjoy the privilege of putting his name on what he produces?” (ibid, p. 56). This is to suggest that there may be both political-historical and cultural reasons for the poor level of IPRs protection in contemporary China. There may also be some very contemporary and strategic reasons for the government not to crack down too fast or too hard on China’s large counterfeiting industry. These are, however, questions we will leave for others to scrutinize in depth.

The insubstantial, intangible lightness of the brand is challenged by Lury (2005) who, rooted in work done on complexity in social science (see Thrift, 1999; Urry, 2003; Thompson, 2004), argues that the brand could also be described as a thing or an object in it self; it is an object that emerges in relations between parts or rather products and in a dynamic relation to the environment, that is, to consumption or everyday life (Lury 2005, p. 183). But what happens in this relationship between object and environment when the brand in scope is no longer genuine, but counterfeit?

Most Yellow Cows refer to use value as one of the arguments when they negotiate prices with customers in the market; *the [thing] is counterfeit, but the quality is good*. One of our closer informants, however, asserts that; *the quality is not good, but if you love the famous brands, it should be good enough*. 21 percent of the customers in our survey say that they think that the quality of the products in the market is more or less the same as the genuine branded product, 66 percent say that the quality is not as good as the original, but usually good enough. But, brands refer to more than quality (understood as the object’s durability, ability to keep its wearer warm, look good or keep time etc.). There must be another value associated with the brand as they obviously have a certain value even when they are no mark of guarantee, as in the case of counterfeit merchandise. Mika argues that quality is not really an issue when dealing in counterfeit merchandise; *the reason why people wear pirated clothes is not that they want good quality; rather it is because they want to be associated with a certain group wearing a certain brand*. Value is partly assigned to branded products due to the value assigned to the particular product or brand by other

people, in other words inter-subjective value. Brands are no longer just marks of guarantee referring to the artifacts they are glued to; rather they have become pieces of information referring directly to the taste and qualities of the owner.

## 5 The social life of a pirated Luis Vuitton

One of the brands included by the ‘December 19 verdict’ is Luis Vuitton (LV); icon of luxury and quality craftsmanship – and counterfeiting, as LV sometimes is described as the most pirated and faked brand in fashion history<sup>9</sup>. Appadurai (1986) argues that in order to understand the values and meanings embedded in things; we have to follow the things themselves, for their meanings are inscribed in their forms, their uses, their trajectories. It is only through the analysis of these trajectories that we can interpret the human transactions and calculations that enliven things (ibid, p. 5). To explore the relationship between a counterfeit branded object and its environment and how values are created and assigned for different purposes in various situations we conducted an experiment where we bought a fake Luis Vuitton handbag, and then carried this specific bag around to different people and situations to collect opinions and arguments regarding quality, value and price.

### 5.1 The vendor: Little parts. Big difference.

The first episode in the social life of the bag was the actual purchase and the long negotiation that preceded. We start outside the Xiangyang market waiting for a “Yellow Cow” to approach with the characteristic sound of “Watch, bags, DVD”. We make sure he can take us to a place that provides good Luis Vuitton bags, and follow him to a small shop in a small alleyway in the outer edge of the market. We enter a room filled with bags and purses; all of them are apparently made by Gucci, Prada, Chanel and Luis Vuitton, the latter brand fills most of the space. The owner says that foreigners prefer Luis Vuitton, but Chinese customers prefer Chanel, because Chanel’s bags are more ladylike. We look around for a nice piece and take closer look at a few. The owner says that all bags in her store are fine A or triple-A quality bags made in Korea; if we want cheap B-quality made in Guangdong we have to go elsewhere. We learn that Luis Vuitton’s cherry design is popular among Spanish and

---

<sup>9</sup> See: [www.answers.com/topic/louis-vuitton](http://www.answers.com/topic/louis-vuitton)

Taiwanese customers; while the classic monogram pattern is more popular among Scandinavians. We finally find a bag resembling the ‘Luco’ in the monogram canvas series of Luis Vuitton and start bargaining. This is triple-A quality, the vendor says, one of the best bags she has, and we should pay 1200 yuan (circa 150 USD) for it. First she says the bag is almost genuine; bought tax-free in France, but this story is never really elaborated. We shake our heads and offer 200 yuan. She is shocked and argues that the bag itself might be a counterfeit, but it is good craftsmanship made by first-class components; the leather details are made by good material and the zipper is a genuine YKK<sup>10</sup>. To demonstrate the leather quality she burns it with a lighter to show that it doesn't take damage. Further, she argues that the bag we're looking at is an exact copy of a bag that originally costs more than 7000 yuan. We get her price down to 800 yuan, and she drives us to 280 yuan, and she uses her big calculator to add 800 to 280 and then divide this sum by two, and declares that her final offer is 540 yuan. We present 300 yuan as our final offer and start moving towards the door. Ok, she suddenly says, you can have it for three hundred yuan, and next time; bring some friends.

## **5.2 The Yellow Cow: They're all faking it...**

Next, we introduce our counterfeit Luis Vuitton to one of our yellow cow informants. At first we don't say the price or whether it is counterfeit or not and we ask what he thinks about it. He says he can easily see that it is a fake, but he thinks it is a quite decent fake. However, the grading between B, A and triple-A is just something people make up to make money. That the bags are made in Korea or Taiwan is also just something the vendors make up to create an illusion of quality. The lighter argument is just a trick, he says, and demonstrates by burning his own suit; it's no problem. The Yellow cow estimates that the cost price of this bag in Guangdong would be 80 yuan or less. A bag like this would usually be sold for 2-300 yuan in the market, but some Japanese customers may pay as much as 1000 yuan. These bags are usually bought by men, he says, that give them to their wives and girlfriends as present.

## **5.3 The manufacturer: They make me money**

---

<sup>10</sup> YKK, which is the worlds leading zipper manufacturer, are also troubled with counterfeiting in China. In several Chinese industrial zones the company has put up massive billboards with their catchy slogan; *Little parts. Big difference.*

From the yellow cow, we take the bag to Guangzhou, the capital of Guangdong province – and counterfeiting industry. In the northern part of the city there is a large wholesale market where both counterfeits and brand-less products are sold in large quantities. Most of the vendors represented in this market operate factories in the outskirts of Guangzhou where they manufacture all kinds of merchandise on demand. Some of the vendors are quite reluctant to talk, but we find one willing to discuss Vuitton bags. Several bags are on display; some are cheap, low-quality fakes, others are, according to the owner, exact copies. For the best bags on display – made by imported Italian leather and YKK zippers – he demands 200 yuan. He says they make sure to use good thread and some special stitches when they make the best copies. We show him our bag and he says it is a good copy, almost as the original and he shows us a picture of the same bag in a LV-brochure. But it is not as good as his best copies; there is something wrong with the color and the leather is not as good as the leather he uses for his best models. His factory has never made this exact model, but they can easily make a copy of our bag if that's what we want. He offers to make a test sample for 125 yuan in the same quality of our bag, or even better. If we buy five hundred pieces we'll get them for 115 yuan each. Delivery time for five hundred bags will be ten to twelve days. We are not allowed to visit the factory at this point, but if we really want buy a few hundred bags that might become an option. He says a factory visit will have to wait until our relationship is better established, because he has about a hundred people working at the factory, and they'll risk a very high fine if it is discovered that they make fakes. That could put them out of business. Regulations regarding counterfeiting have become stricter and stricter in He emphasize that the regulations have become stricter and stricter in this business and that he won't take chances. At this factory they manufacture both real, brand-less bags and pirated merchandise. He says he likes LVs because they make him money, but that's not the only reason; he also emphasizes that Luis Vuitton has been making bags since the 19<sup>th</sup> century and they represent very good craftsmanship.

#### **5.4 The connoisseur: Because it's luxury**

“Lizzie Wu” is a former employee of Luis Vuitton in Beijing. She is also the owner of several genuine LV bags (even though she prefers Prada) and a passionate lover of the famous brands. We ask her why she love brands so much, and she quite simply says it is because it's luxury. Then we ask her if she would like to sport our bag, but she

instantly recognize it as a counterfeit, and it is completely out of the question. It would be very bad and embarrassing if my friends saw me with a fake Luis Vuitton, she says. If you carry a fake one, you'll lose face, she continues. She estimates that our bag probably cost between two and three hundred yuan, while the genuine bag would cost at least five thousand yuan. According to Lizzie, the difference between a genuine bag and a fake is that the real ones are of good quality, the design is simple and the bag feels good. On the other hand, it is sometimes hard to see the difference and most ordinary customers are not able to do that. She says the paper tag on our bag is too yellow, and it is supposed to be inside the bag, not attached to the grip by a thread. The leather grip on our bag is also a little too long, whereas the chain that attaches the small wallet to the bag is too short. The lining is too red, and also not very well stitched; it is far too wavy. The list of technical details is long; the main difference between genuine and fake is nevertheless, according to Lizzie, *the feeling*.

### **5.5 The final offer...**

Finally, a personal contact in the clothing production business took over our bag, and used it to acquire information about how to make copies of LV products and the prices. Her assistant in very short time managed to get in contact with three companies, offering to make copies of our bag. The last offer came from a Shanghai based company suggesting to make 10.000 copies for 28 yuan per piece.

## **6 Values in action**

The rational superhero Homo Economicus has become a less frequent character in the latest stories about the Market. Markets (and their participants) are diverse and manifold and there are significant differences in their degree of perfection. Some markets provide all participants with more or less the same information; see for instance the financial markets studied by Knorr-Cetina (2005) in which the computer screen has become more than a device for monitoring the market. As hundreds of thousands of traders act and react to each other on-line this screen has *become the market*; a system that effectively eliminates the pre-reflexive reality by integrating within its framework all relevant venues of the specialized lifeworld of financial markets (ibid., p. 127). The Xiangyang market constitutes a quite different lifeworld as actors on both sides have very limited information on what the exact similar

product where sold for in the outlet next door five minutes ago. *This market is an abnormal way of doing business*, one of the shop owners explains; *the fact that the stuff is counterfeit makes it possible to make very high profits from some customers. Fixed prices would never work here*, he continues.

### **6.1 Interpreting references**

Even though most products in the Xiangyang market are subject to hard-bargaining (as in the case of our purchase of the Luis Vuitton bag), a few products are still sold for somewhat established prices. Consumers' share price information among themselves and guiding price lists circulate on emails between ex-pats in Shanghai. One example mentioned by Mika is the Canada Goose Parkas which in several Scandinavian newspapers and blogs has been used as an example of the bargains that can be made in Shanghai<sup>11</sup>. The standard Canada Goose parka is now easily bargained down to about 250 yuan at most shops in the market. However, another model of more or less the same quality resembling the same brand, but produced and sold in a lower volume, has a minimum price of 600 yuan. The yellow cows and Mika agree that the volume is the absolutely most important factor affecting the minimum prices at the market; mainstream merchandise produced in a high volume can be, and usually are sold for far lower prices than more atypical products. Mika emphasizes that; *the inflation in clothes is amazing. Some stuff can be boiling on the net for a week and the early birds selling it can make a small fortune. Then, suddenly there are seventy thousand selling the same sweater and the prices fall as a rock.*

Both vendors and customers at the Xiangyang market will at some level relate to classical economics understanding of value as something that is rooted in production costs. For the vendors, a price slightly above cost price usually represents the absolute minimum a product can be sold for. For many customers at the market, estimated cost price, though sometimes gravely miscalculated, is the reference they draw into action when they bargain for a better price. Vendors, on the other hand, attempt to activate the customer's sense of value by referring to the price of the genuine product into the deal. However, the minimum price is one thing; the price actually paid is another. According to some of the vendors business was better a couple of years ago, before foreigners learned how to bargain. Now, the foreign

---

<sup>11</sup> See for instance Eskiltuna-Kurieren, January 7, 2006

customers often offer prices below the minimum price, whereas they earlier would accept the price offered by the vendor more easily. Customers in the Xiangyang market can be categorized according to their level of information and experience in the market. Some customers usually test price levels at different outlets before starting bargaining, while others engage in bargaining without having a clue about what the price would be in the store next door.

In the case of the financial markets discussed by Knorr-Cetina the participants are able to see the market as a whole on their screens, but in the case of the Xiangyang market the participants are confined to see the fraction of the market they are currently dealing with. The Xiangyang market might be seen as an example of the 'Bazaar-type Economy' (Geertz, 1963); a social, cultural and economic system in which the physical clustering of vendors facilitates the consumer's comparative information search, by eliminating displacement time. The specifics of this type of economy are found, when we look at the bazaar as 1) a patterned flow of economical goods and services, 2) a set of economical mechanisms to sustain and regulate that flow, and 3) a social and cultural system, in which these mechanisms are imbedded. Central characteristics of the 'Bazaar-type Economy' and at the Xiangyang Market are fragmentation of the market, weak organization and a 'sliding price system', in which prices are negotiated situationally, in relation to the actors' knowledge about the market, their negotiation abilities and stubbornness (ibid, p. 33). However, at the Xiangyang Market, knowledge, abilities and stubbornness is not always enough. Value creation is strongly influenced by relationships and networks; relationships and preferential treatment are integral to business. Different people pay different prices (Dana, Etemad and Wright 2004). All employees, when asked under the right circumstances – i.e. realizing that you are not a potential customer – agree that Chinese pay lower prices for the products than foreigners.

In the Bazaar-type economy, competition implies a tension between buyer and seller, rather than between sellers (Geertz 1963). According to the yellow cows it is a big advantage to understand what kind of customer you are dealing with before starting to bargain. One of the factors taken into consideration by the vendors are the nationality of the customer; Koreans are described as difficult customers, Australians as the funniest ones, while Japanese customers usually pay the highest prices; *I like Japanese money*, one vendor explains, *but I don't like Japanese people. I like to make them pay!* Most vendors and yellow cows are very skilled in spotting good customers

from their behavior and appearance. Usually, well-dressed, middle-aged tourists are seen as the best customers, as they are rich and probably don't know much about prices at the market and lack bargaining skills. First time visitors are the number one favorites of the vendors, since they often use the price of the real product as a reference, rather than comparing with other fake products. Also, first time visitors often think the quality of the products is quite good, while more experienced fake market customers usually would say that the quality is quite bad and pay accordingly. Mika, who is usually dealing with his internet customers on msn or email, also emphasizes the importance of carefully evaluating the customer; *it is crucial to interpret how a customer talks about clothes. A person who typically buys his or her clothing in regular shops in Finland or Sweden has completely different ideas about what the price should be like than a person who buys everything on e-bay. The internet customers know they can buy [counterfeit] stuff for one fifth of the original price, and I have to adjust my prices according to the different customers.* The similarities between the Bazaar-type Economy and the Internet-based New Economy are also emphasized by Dana et al. (2004) who claim that unlike the institutionalized Firm-type Economy with its impersonal transactions and non-negotiable prices, the internet represents a revival of status, relationships, price negotiation and multi-polar networks. This claim corresponds well with Callon et al. (2005) who assert that the static 'economy of the good' gives way to an 'economy of relations' in which the consumer participate more actively in the *qualification* of products.

## **6.2 The strength of imperfection**

Transaction utility theory (Thaler, 1985) and, by extension, equity theory (Darke and Dahl, 2003) suggest that social cues, such as the price other customers pay as well as the relationship between buyer and seller, influence consumer perceptions of fairness in pricing. In the Xiangyang market buyers and sellers are usually complete strangers to each other, and strangers are much less likely to take each other's word as to what something (should) cost, how much time and labor was spent, what it was sold for last year, or other factors that affects the determination of value (Smith 1990). The Xiangyang market can in this sense be described as a quite imperfect market as most customers have limited knowledge of production costs and what other customers pay, and hence no solid points of reference to establish the value and price of the artifact in scope except for their own desire to own it. But this imperfection, which is typical for

the Bazaar-type economy (Dana et al. 2004), can also be understood as one of its qualities, as it also provides the customers with an opportunity to play on their strengths.

In a survey of Chinese buyers' perception of pirated goods, Cheung and Prendergast (2005) found that consumers opinion on pirated clothing and accessories was high on superficial factors such as physical appearance, wide variety, design, materials and, of course, price, but not so high on the less apparent factors such as durability, quality, after sales service, and the ethical and legal aspect. What Cheung and Prendergast do not look into is the values associated with the mode of transaction itself; as counterfeit products usually are sold in outlets of a more informal character than genuine brand products; the price is often a result of the buyer and seller's ability and willingness to negotiate – or merits of the deal, to use Thaler's (1985) vocabulary. Callon et al. (2005, 31) distinguish between 'the product' which they describe as a process, and 'the good' which corresponds to a state, to a result or, more precisely, to a moment in that never-ending process. A product is henceforth an economic good, seen from the point of view of its production, circulation and consumption. A good is defined by the qualities attributed to it during qualification trials. These qualities are intrinsic, i.e. embedded within the good in question, and extrinsic, that is dependent on the tests and measures used to qualify the good as well as the evaluation and preferences of the qualifying agent (ibid). This way of understanding what products and goods are might be useful when trying to understand how values work in the Xiangyang market. The lack of guarantee that the counterfeit artifact will resemble the original sufficiently, and more or less match the qualities the original product is supposed to possess, might create a prolonged and more demanding qualification process in which the consumer have to evaluate the qualities, hence value and price, of the artifact.

An interesting tendency revealed by the interviewed customers, whether they were happy or not, is that they ascribe the outcome of the deals made in the market their own skills and efforts as a shopper. A woman who came out of the Xiangyang market with a pair of Puma sneakers said that; *I was satisfied for five seconds after the deal was closed on seventy yuan. Then I realized that I would probably never use the shoes anyway, and if I did, they'd probably just fall apart before I could manage to tie the laces.* However, she did not blame the producer or the vendor; rather she blamed herself for not being able to evaluate the quality before she actually had bought them.

Another customer saw the Xiangyang market as an opportunity to test her instincts as a shopper. A European customer noted that; *the sellers are really good at making you feel good about the deal. They always make me believe that they give me this good price because I speak good Chinese, or because we became buddies, or because the business is so bad today.* The Xiangyang market is by many described as a hunting ground where you can make a bargain if you are alert and up for it – if you’re not, the market is nothing but a hassle. 71 percent of the customers in our survey stated that they enjoyed bargaining, and 52 percent described themselves as quite or very good at it. Only seven percent admitted to have limited skills in the art of bargaining. The smart shopper hypothesis suggests that getting a discount may also satisfy ego-expressive goals; people find bargains enjoyable as they provide a separate source of psychological value (Schindler 1998; Darke and Dahl 2003). The vague, unestablished and negotiable values and prices provided in the transaction of counterfeit products acts as an invitation to the buyers to participate in the process of qualification; this in turn adding a new dimension of value to the artifact in scope, namely the value of participation.

## 7 Conclusions: Stabilizing values and luxury purses

The negotiation process will always differ depending on the object, people and situation in scope, but we’ll here try to sum up some of the typical arguments and notions regarding value that are drawn into action. The negotiation and the qualification process is initiated when a buyer spot a certain artifact, for example a LV bag, in the market. The values are drawn into action in the bargaining process, in which the buyer’s evaluation of the bag meets, merges or clashes with the seller’s evaluation of the same bag. The subjective dimension of value emphasized by the vendors is often the simple fact that “the stuff makes me money” – a reference to the exchange value of the object, but the manufacturer also emphasized the good quality and long history of Luis Vuitton, which makes it tempting to point to the Confucian way of seeing the act of copying the classics as “an elegant offence”. The vendor will then attempt to create value by trying to interpret the value references of the potential customer. These references are by the vendors seen as anchored in the customer’s nationality, appearance and experience at the market. In the initial phase of a negotiation process at the Xiangyang market, the famous brand name and the price of

the original product is often stressed by the seller. The merchandise sold at the market is seldom presented as de facto genuine, but they are nevertheless often presented as something which is very similar to the original, both regarding quality and brand value. The “similarity” between the genuine and the counterfeit object, argued by the vendor, is then faced by the customer who, first for the sake of negotiation, but also as part of his or her own qualification process will challenge this similarity. When the vendors negotiate value with their customers they often use the expression “good quality copy” to establish a sense of value and quality of the object in the eyes of the customers, later on technical arguments such as “the zippers are genuine YKK” or “the materials and seams are exactly similar to the original Luis Vuitton” become more important. Scales including B, A and triple-A quality are used and juggled to enhance the perceived quality of the object at hand, simultaneously discrediting the stuff found in other outlets and the cheaper alternatives. The vendors are hence drawing on a classical notion of value which is anchored in production costs. This is further elaborated by playing on the belief that Chinese quality is bad quality and the claim that the best copies are imported from abroad.

If the participants finally agree on a price, the customer then has to remove the bag from the bargain context of the Xiangyang market and renegotiate its value in new subjective and inter-subjective contexts. First, the owner has to convince her or himself that the bag is good enough for its supposed use, for instance as a personal accessory. Next, the owner has to take the bag to her or his lifeworld were the bag may be introduced as some kind of a joke, but more plausible as a great deal which is almost as good as the original, but fifty to a hundred times cheaper, or as the original per se. Of course, this qualification process might fail at any step, and the bag may be disregarded as a piece of junk, but if the bag makes it to the portfolio of clothes and accessories of its owner and stabilizes as something of use in the subjective evaluation of the buyer and the environment of the owner (the inter-subjective dimension), the lucky buyer can add the psychological value of making a bargain to the deal.

Evidence from our research on counterfeit merchandise and the people dealing with them suggests that the value of objects should be studied along multiple dimensions that should not be considered irrelevant, but varies in importance according to the object, subject and context in scope.

## Epilogue

After six years of existence, surviving several rumors and announcements stating that it has to close down tomorrow, next week or sometime in the near future, the Xiangyang Market finally closed its gates June 30, 2006. The area will now host a new metro station and some high-rise shopping centers. In an official statement sent to us by the Xuhui District Propaganda and Media Department, the following reason was listed as the most important: “First, some of the shop owners conspire with the “huang niu” to sell fakes illegally. It violates laws about the Intellectual Property Right (IPR) and is very harmful to the image of Shanghai. The closing of the Xiangyang Market will be good for the protection of IPR, punishment of fake dealers’ illegal action due to *Laws of Patents of PRC, Laws of Brands of PRC and Shanghai Statute of Markets and Commerce* (translated from Chinese).

However, most of the vendors have already relocated to other similar markets, opened with the local government’s permission. Four to five new, smaller markets already have or will be opened. Short visits to the two largest new markets reveal that in return for karaoke, dinners and money spent on strategically chosen government officials the vendors are happily continuing to sell the same Rolex watches, Ralph Lauren t-shirts and Louis Vuitton bags as they used to.

## References

- Alford, W. P. (1995). *To Steal a Book is an Elegant Offence: Intellectual Property Law in Chinese Civilization*. Stanford University Press.
- Appadurai, A. (1986). Introduction: commodities and the politics of value. *The social life of things. Commodities in a cultural perspective*. Cambridge University Press.
- Bloomberg Media (January 4, 2006). Chanel, Prada Win Landmark China Court Victory (Update 4).  
[www.bloomberg.com/apps/news?pid=10000080&sid=a5F93rkkgkZU&refer=asia](http://www.bloomberg.com/apps/news?pid=10000080&sid=a5F93rkkgkZU&refer=asia)
- Buck, D. (2002). *Constructing China’s Capitalism. Connecting Shanghai’s Urban and Rural Industries*. UNI Dissertation Services. Doctor Dissertation.

- Böhm-Bawerk, E. (1891). *The Positive Theory of Capital*. London: Macmillan and Co. [Online], available from [www.econlib.org/library/BohmBawerk/bbCI.html](http://www.econlib.org/library/BohmBawerk/bbCI.html), accessed July 5, 2006.
- Callon, M., Méadel, C. and Rabeharisoa, V. (2005). The economy of qualities. In: Barry, S. and Slater, D. (eds) *The Technological Economy*, 28-51, Routledge: London.
- Cheung, W. and Prendergast, G. (2005). Buyers perception of pirated products. An Exploratory Study in China. *Working paper*, Hong Kong Baptist University.
- China Daily (July 8, 2004). Uncertainty grips the market. [www.chinadaily.com.cn/english/doc/2004-07/08/content\\_346586.htm](http://www.chinadaily.com.cn/english/doc/2004-07/08/content_346586.htm)
- Dana, L., Etemad, H. and Wright, R. (2004). Networking as a Means to Value Creation. Paper presented to the *Rencontres de St-Gall*, September 2004.
- Darke, P. and Dahl, D. (2003). Fairness and Discounts: The Subjective Value of a Bargain. *Journal of Consumer Psychology*, 13:328-338.
- Dutton, M. (1998). *Streetlife China*. Cambridge University Press.
- Geertz, C. (1963). *Peddlers and Prizes: Social Development and Economic Change in Two Indonesian Towns*. University of Chicago Press.
- Graeber, D. (2001). *Toward an Anthropological Theory of Value*. PalgraveMacmillan
- Hohnen, P. (1998). *A market out of place? Remaking economic, social and symbolic boundaries in post-Communist Lithuania*. PhD Dissertation, Department of Anthropology, University of Copenhagen.
- Hung, C. (2003). The Business of Product Counterfeiting in China and the Post WTO Environment. *Asia Pacific Business Review*, 10:58-77.
- Jackson, P. (1999). Commodity Cultures: the traffic in things. *Transactions of the Institute of British Geographers, New Series*, 24:95-108.
- Keesing, R. (1992). *Custom and Confrontation. The Kwaio Struggle for Cultural Independence*. University of Chicago Press.
- Knorr-Cetina, K. (2005). From pipes to scopes: the flow architecture of financial markets. *The Technological Economy*, 122-142. Routledge: London.
- Latour, B. (1987). *Science in Action*. Harvard University Press.
- Lie, M. and Sørensen, K. (1996). *Making Technology Our Own? Domesticating Technology into Everyday Life*. Scandinavian University Press.
- Lury, C. (2005). The objectivity of the brand: marketing, law and sociology. *The Technological Economy*. Routledge: London.

- Manners, R. A. (1965). Remittances and the Unit of Analysis in Anthropological Research. *Southwestern Journal of Anthropology*. 21:179-95.
- Marcus, G. (1998). *Ethnography through Thick and Thin*. Princeton University Press.
- Marx, K. ([1867] 1999). *Capital*. [www.marxists.org/archive/marx/works/1867c1](http://www.marxists.org/archive/marx/works/1867c1)
- Mauss, M. ([1923-1924] 2002). *The Gift: the form and reason of exchange in archaic societies*. London: Routledge Classics.
- Miller, A. & Davis, M. (1983). *Intellectual Property: Patents, Trademarks and Copyright*. West Publishing Company, Minnesota.
- Olwig, K. (2002). Det etnografiske feltarbejde: antropologers arbejdsmark eller faglig slagmark? *Norsk Antropologisk Tidsskrift* 13:111-123.
- Prendergast, G., Leung, H. and Phau, I. (2002). Understanding Consumer Demands for Non-Deceptive Pirated Brands. *Marketing Intelligence and Planning* 7:405-416.
- Ricardo, D. ([1821] 2006). *On the Principles of Political Economy and Taxation*. The online library of economy and liberty. [www.econlib.org/library/Ricardo/](http://www.econlib.org/library/Ricardo/)
- Sahlins, M. (1985). *Islands of History*. Chicago: University of Chicago Press.
- Sahlins, M. (1999). "What is Anthropological Enlightenment? Some Lessons of the Twentieth Century. *Annual Review of Anthropology* 28:i-xxiii.
- Schindler, R. (1998). Consequences of Perceiving Oneself as Responsible for Obtaining a Discount: Evidence for Smart-Shopper Feelings. *Journal of Consumer Psychology* 7:371-392.
- Sheppard, E. and Barnes, T. (1990). *The Capitalist Space Economy: Geographical Analysis after Ricardo, Marx and Sraffa*. London: Unwin Hyman.
- Simmel, G. ([1907]1995). Value and Money, Part I in *The Philosophy of Money* 59-79. London: Routledge.
- Smith, A. ([1776] 2003). *The Wealth of Nations*. Bantam Classics.
- Smith, C. W. (1990). *Auctions: the social construction of value*. Berkley: University of California Press
- Sørensen, K. (2004). Domestication: The social enactment of technology. *STS working paper* 08/04, Department of interdisciplinary studies of culture, Norwegian University of Science and Technology.

- Sørensen, K., Aune, M., Hatling, M. (2000). Against Linearity – On the Cultural Appropriation of Science and Technology. *Between Understanding and Trust. The Public Science and Technology*. Harwood Academic Publishers.
- Thaler, R. (1985). Mental Accounting and Consumer Choice. *Marketing Science* 4:199-214.
- Thompson, G. (2004). Is all the world a complex network? *Economy and Society* 33:411-424
- Thrift, N. (1999). The Place of Complexity. *Theory, Culture and Society* 16:31-69
- Urry, J. (2003) *Global Complexity*. Polity Press.
- Verdery, K. (1996). *What Was Socialism, and What Comes Next?* Princeton University Press.
- White, M. (2002). Doctoring Adam Smith: The Fable of the Diamond-Water Paradox. *History of Political Economy* 34:4.
- Zafirovski, M. (2000). An Alternative Sociological Perspective on Economic Value: Price Formation as a Social Process. *International Journal of Politics, Culture and Society*. 14:265-295.
- Zhang, Li (2001). Contesting Crime, Order, and Migrant Spaces in Beijing. In: Chen, Clark, Gottschang & Jeffery (eds.) *China Urban: Ethnographies of Contemporary Culture*. Duke University Press. Durham & London.