

PNG Update Conference 2023

**Theme: Resilient and Diverse  
Development**

**Title: An Analysis of Social Cultural Trends and  
the growth of Chinese business: A case study of  
Goroka urban and Peri-Urban area in Eastern  
Highland Province**

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## Presentation Outline

- The challenge posed by the Chinese in Goroka is big for the locals..
- Locals that own retail business in Goroka had to contend with the challenge..
- The dominance Chinese entrepreneurs have is has many causes..
- This presentation will highlight some of the cultural trends that that indirectly contributes to the Chinese business expansion in Goroka

## Introduction

- What is known is that, Chinese are dominating the retail business in Goroka..
- The scale and rate of dominance as it is now appears bleak for local business..
- If the trends continues it will starve off currents local business and prospective future business undertakings'..
- This research attempts to examine the cultural trends that indirectly supports the growth of Chinese business in Goroka..

## Background

Traditional and or cultural ways are norms and practices of societies that have existed in societies since time immemorial. They provided the basis of cultural development and the continuity of societies.

According to a research done in 2016, traditional cultures play indirect part in the expansion of Chinese business in Goroka.

## Traditional Cultural Trends

## Traditional Tribal Feuds

- Tribal feuds or rivalry encourages competition in business and other areas..
- But also inhibit growth of business
- Enemy does not support enemies but allies..
- In an enemy - ally nexus in business terms, if there are no allies, the possibility to support a new one is highly likely..
- The variant of this is local going to Chinese shops instead because of the local context..

## Traditional Cultural Trends

## Social Ills

- There are many social ills in the society that limits the opportunity people may have to a mere satisfaction of their status quo..
- Sanguma and Sorcery are forms of spiritualism that instil fear in people life.
- Many people, those educated would have in mind business ideas but are often not willing to risk themselves and families..

## Traditional Cultural Trends

## Cultural and family obligations

- Goroka like any other centres in the country is a challenging area to do business..
- Though business is an entity, it operates within the Melanesian social and cultural setting
- One's persons business and success is a win for all in the context of business-culture continuum..

## Traditional Cultural Trends



## Social Safety Net

- The safety net in the context of Melanesia is such that its very neat..
- Wantok system – a kind of reciprocal system and the handout mentality are implicit can also be understood within this parameter..
- The idea of running to relatives for the support of personal problems is bad for business..

## Traditional Cultural Trends

Learn cultural trends are contemporary learned ways with the introduction of cash economy during the colonial period. This learned ways also indirectly supports that growth of Chinese business while inhibiting the capacity of local business to compete effectively with the Chinese business

## The Learned Cultural Trends

## The Enterprise and Industriousness

- Base on the research conducted many are satisfied with their status quo so long as one continues to survive..
- Even those with small business, are satisfied. Business small or big brings prestige and good reputation..
- Young men and women who should thinking smart are not doing that..

## The Learned Cultural Trends

## Inferiority Complex

- ❑ Inferiority complex is a situation where one feels dejected and small because of factors relating to self.
- ❑ According to Wisner (2019) she defines inferiority complex as a basic feeling of inadequacy and insecurity, deriving from actual or imagined physical and psychological deficiency..
- ❑ In PNG context the idea and thinking that only those that have money and resource, education, come from well ordered society, those in prestige position only can engage and excel in business inhibits people's ability.

## The Learned Cultural Trends

## Inferiority Complex

- ❑ The fact the Chinese have dominated the retail sector in Goroka and the tendency of the people to understand the trend within the framework of race-race background is a real issue..
- ❑ Such perception creates a situation where one is idealistic and can not critically take on challenges and opportunities

## The Learned Cultural Trends

- ❑ Proliferation of Chinese business in Goroka is obviously a challenge to the local entrepreneurs..
- ❑ It is clear the trend as it is now will continue in years ahead..
- ❑ While cultural trends are not directly responsible for the expansion of Chinese business they play part indirectly in all this..
- ❑ Deciding not to take on the challenge is an unconscious attempt to self destruct...

## Chinese Business Challenge in Goroka

Goroka, like other towns in the country has seen and experience a marked increase in the Chinese private business. Not only Chinese are focusing on investing in big companies with huge business turnovers but are also dominating the small to medium size businesses whom should be reserved for the local entrepreneurs.

There are many factors that contribute to the growth of Chinese business nationally and in global terms. Thus, cultural trends highlighted in this presentation do contribute to Chinese business expansion but rather in a more indirect manner than direct approach.

So long as China one of the largest economies in the world, it will continue to have significant impact in the economies of the developing countries. On the positive note, such dominance brings both opportunity and Challenge which is also good in terms of business..

## Conclusion

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