Chinese Markets and Communities in Hungary:
Social Capital, Multiculturalism and Inclusion

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Abstract:
This thesis mainly explores the situation of the Chinese markets in Budapest and their effect on Chinese communities and Hungarians. There are three main Chinese markets in Budapest. The thesis' core research questions are to determine whether the Chinese markets have an effect on the relationship between the two nations? Will Chinatowns grow around the Chinese markets? This thesis is divided into five parts: introduction, literature review, research methods, analysis and conclusion. First of all, I elicited the Chinese markets in Budapest, introduced the background of the Chinese diaspora and the development of the Chinatowns in the UK and the US, and then explored the causes and effects of the formation of a potential Chinatown in Hungary. In addition the thesis seeks to understand some racial events, Hungarian policy on Chinese immigrants, and explores the living conditions of Chinese immigrants or non-immigrants in Hungary by combination of the Push - Pull Theory, social capital (social network), emotional capital. The research also involved other sociological theories such as urban geography, urban sociology. I mainly adopted qualitative methods - ethnographical observation and individual interviews, and combined with SWOT analysis and literature in methodology. The interviewees included three Chinese managers, three Chinese customers and three Hungarian customers. I conclude with the view that Chinese markets are an economic and cultural bridge which connects two nations. Chinese markets may develop into Chinatowns.
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Introduction

Chinatowns are ethnic enclaves of Chinese people. We can see Chinatowns in many countries, especially in many important cities such as London and San Francisco. The thesis will explore the Chinese markets in Budapest and ask whether a new Chinatown is being developed here in Hungary and how these markets play a role in the life of Chinese people in Hungary. The literature review will talk about the historical formation of Chinatowns abroad, to help understand what is happening in Budapest. I am very interested in this topic, in part because I am Chinese. As a foreign student in Budapest, sometimes I have to go to Chinatown or markets to buy some food which I need. I found that many students are very dependent on it, including Chinese and Hungarian people, and was interested in this interaction.

This thesis will explore the causes and effects of Budapest's potential Chinatown's formation by interviewing some people who come from Hungary and China. We will know the differences between 3 Chinese markets whose locations are VIII. Kőbányai út 18, XV. Szentmihályi út 167-169, 1152 and Kőbánya alsó vasútállomás (Mázsa utca), 1107 Budapest. Researching some issues such as why did the markets start up? Will the markets become Chinatowns? How do the Chinese interact through the markets between themselves (social capital) and with Hungarians (intercultural relations).

At the same time, it is important to analyze the effects of Chinese markets on Chinese and local people with the help of SWOT analysis. Strengths (S) refer to some positive attributes and advantages in your company or the organization that you are researching. Weaknesses (W) mean existing competitive disadvantages in the organization. Opportunities (O) are factors which could represent reasons your business is likely to prosper. Threats (T) refer to some elements which beyond your control could cause troubles or problems for the business. (Berry, undated)
In order to introduce the situation of Chinatown in Budapest, I will focus on three research methods. First of all, interview is an important step. Therefore I am going to interview 9 people who are involved with the 3 Chinese markets in Budapest. That is, I need to interview 3 people per market, including one Chinese worker or manager and two customers respectively (one Chinese and one Hungarian). Secondly, the SWOT analysis will be used to study the effect of Chinese markets.

1. Literature Review

1.1 Development of Chinatowns and Chinese Diaspora

1.1.1 Poverty

China is a huge country, and the development in feudalism reached a peak during the period of the Tang dynasty in the 7th century, more westerners begin to know China and relations started to develop with foreigners. However, in the Qing dynasty (Manchu) - China's last feudal dynasty, China fell behind other countries due to the political deadlock and policy of seclusion, where the country tried to cut itself off from the outside world. In the wake of the first Opium war in 1840, western powers invaded China and this led to serious loss of sovereignty and territory. Unfortunately, a series of disasters occurred across China such as peasant uprisings, famine, rebellions and so on. After that, the news about discovery of gold in America spread to China, many Chinese were attracted to leave because of poverty, so they decided to go to America. At that time, America was regarded as a Golden Mountain and Chinese preferred to make a living in a relatively comfortable environment. This phenomenon is called the gold rush of the United States (Keay, 2011).
According to statistics, the total arrival numbers of overseas Chinese labor between 1850 and 1910 was 678,000, including 200,000 diasporas in the United States, 150,000 in Cuba, 120,000 in Peru and other cities (Chaliand and Rageau, 1995). Compared with the data of recent years, those statistics which in the nineteenth century are not huge data. At present, there is a reasonable estimation would put the number of Chinese in all Western countries at least 2.5 million and the Chinese diaspora is the biggest and one of the most flourishing group in the world (Chaliand and Rageau, 1995).

1.1.2 The original development in the US and the UK

A Chinatown is the residential areas which Chinese immigrants occupy. The earliest Chinatown appeared in the United States, they are like the group residential areas of early European settlers. However, these Chinese were subjected to racial discrimination after they came to America, they had to live in a fixed place. This is the formation of Chinatown - early Chinese moved to overseas cities and became the local ethnic minorities, they lived together to face a new environment in the same boat. Therefore, most Chinatowns are the witness of overseas Chinese' history. Owing to the great influence of the Tang dynasty to the world, foreigners call these localities Chinatowns (Chinatowns, 2015).

The gold rush in the 19th century, not only attracted Americans to flock to the western region, but also more Chinese people had to emigrate to the United States and do labor intensive work on projects like the railroad. Soon, the Chinatowns were built by these Chinese who were searching for gold in 1840 such as San Francisco. Around this time New York's Chinatowns. The Chinese did the same work but they got unequal treatment - Chinese miners' salaries were lower than whites'. Because these Chinese immigrants earned less than white workers, Chinese workers were regarded as the main reason for reduced wages and fewer job opportunities by whites. During the
construction of the Central Pacific Railroad, the Chinese were regarded as objects for employment as well. So white people believed Chinese were taking away job opportunities. As the gold mines began decrease and the railroads neared completion, white workers from other industries began to fear losing their jobs and their livelihoods were threatened, making anti-China sentiments more serious (Waxman, undated; Richard, undated).

The earliest Chinese settlement in London was Limehouse. In the 19th century, some workers and sailors who were from south of China settled down near dockyards in London. In the original London's Chinatown, they also engaged in traditional industries such as restaurants and laundries. Therefore the early Chinatown was made up of laundries, restaurants and grocery stores. After the second world war, with the increasingly popular Chinese food and the influx of immigrants, many Chinese restaurants began to appear in Chinatown. When the British imperialism was invading China and burning the royal garden of Qing dynasty - Yuan Ming Yuan, some Chinese sailors came to Liverpool. Then, they set up laundries and restaurants for subsistence. Liverpool is Britain's second largest port. At the same time, this place is the earliest Chinese sailors' locality when they stepped into Europe. With the outbreak of Two World Wars, some Chinese of Liverpool Chinatown worked on enemy lines. However, a large number of Chinese were repatriated from the United Kingdom, resulting in some children not knowing their fathers. Along with economic development, there are many Chinese people living in Liverpool, and this is a key multicultural dimension of the city. It should be noted that in the USA and UK Chinatowns are popular and celebrated areas not just used by Chinese but also outsiders and have done much to promote Chinese culture (Chung, 2008; Liverpool Chinatown, 2007).

1.1.3 Political refugees and economic migrants

Japanese imperialism launched a brutal war of aggression against China, as a result,
one of the most massive refugee migrations in Chinese modern history occurred. The invasion of the Japanese army, resulting in looting, burning and massacre and loss of territory. People fled the Japanese army and fled their homes. According to statistics, more than 90 million Chinese became refugees in this period (Overy, 2013).

After the Sino-Japanese war a large number of refugees fled the country on account of China’s civil war - a war between the Nationalist Party and the Communist Party. As the change of battlefield situation, more and more people dissatisfied the Nationalist government because of hyperinflation, corruption and homelessness, which thus formed a huge refugee flow. It is exceptional in the modern history of the world because of the numbers, scale (Cairns, 2015).

In more recent times a flow of economic migrants has left China for Europe hoping to develop businesses in part based on demand for Chinese products and services in Europe. Comparing with other European countries, the consumption level of Hungary is relatively cheaper in the whole Europe. In addition, international students have become a large group in the wave of migration. Chinese students want to study abroad and gain better educational opportunities.

Nowadays, overseas Chinatowns show that a series of factors have motivated migration ranging from persecution to a desire for economic improvement. The great change actually due to the rise of China, which included economy, diplomacy, military and so on. In the 19th century, although Chinatowns were built gradually in the USA and UK, they were regarded as refugees in the eyes of foreigners. Those Chinese had to do drudge abroad but were excluded. With the development of the times, more and more Chinese are now studying or working abroad for preferable development. This thesis seeks some of the experiences of Chinese coming to Hungary but focused on why in the process they have established areas of the city with a distinct Chinese character. A key point to consider when comparing the situation of Chinese in Hungary with those in the USA and UK before is whether the Chinese are viewed with hostility
and suspicion and or celebrated and viewed as a multicultural aspect of urban life to be celebrated.

1.2 Chinese in Hungary

1.2.1 Chinese businessmen and markets

It can be said that we can see many Chinese people in other countries of the world and Hungary is no exception. According to the Immigration and Naturalisation Office, the real figure was estimated at 20,000 even 30,000 Chinese in Budapest (Szalai, 2010). Most Chinese are doing business in Hungary, and more or less related with Chinese markets. There are 3 main markets in Budapest, in addition, some Chinese restaurants are around these markets. In China, it is hard to imagine that Hungary has such big Chinese commodity markets if it is not seen with one's own eyes. We can see that most of the shops are run by Chinese businessmen in the Chinese goods wholesale and retail markets of the eighth district. The goods mainly include clothing, shoes, craft products, bags, umbrellas, small appliances and other household goods. Moreover, some Chinese merchants have begun to look for a transformation of Chinese markets. They have opened restaurants and shops in the city centre, trying to move from some small markets or the previous market which is located in Kőbányai út. Chinese businessmen and local people have set up shops in a more advanced wholesale market in Budapest - a market including "Asia center" and "China Mart" for trying to improve the grade of the Chinese goods, because this market looks like an emporium.

An aspect of this thesis is that it seeks to understand the function and development of Chinese markets in Budapest and what the cultural and economic impact might be for both Hungarians and Chinese.
1.2.2 Hungarian policy on Chinese

There are some policies on immigration, they are not only for the Chinese diaspora but also for all foreigners. For example, the Hungarian Investment Immigration Program allows the third country nationals who are not citizens of European Union to acquire permanent resident status in Hungary by investing in Special Hungarian Government Bonds that have a minimum 5-year maturity and are issued by the Government Debt Management Agency (The Hungarian Investment Immigration Program, 2015). This is one of the most important immigration policies in Hungary which has enabled Chinese to come here in recent years.

However, the Hungarian government also limited the number of Chinese immigration by some ways. For instance, in the past, some people have to renew their residence permits on a month by month basis, while the other foreigners can get one year permits (Veres, 1998).

Many Chinese people choose to live and work here, and some of them have already gained permanent residence (it is called blue card) or have become Hungarian citizens. Exploring the reasons of this situation, I asked a Chinese girl who is also learning in Corvinus University, she was born in Budapest. She said that firstly some Chinese would like to gain short-term resident status through buying government bonds, then they will get a permanent residence card about 1 year later and purchase a house without limit but no right to vote. The main reason to move here is that many relatively wealthy families want their children get a better education, European education level, air quality and food safety attract more Chinese. Others move to Europe to use Hungary as a springboard into other European Union countries and have a better development. After all, once people acquire the Hungarian passport, the new citizens will be allowed to stay and work in the EU (Crisis cash in: Hungary offers citizenship for investment, 2012). The third reason is investment abroad. Hungary has some good investment conditions, firstly, Hungary has an obvious location advantage - Hungary is located in
the heart of Europe and is a member of the European Union. If investing in Hungary a Chinese person can enter the EU market to lay a good foundation. Secondly, to attract foreign investors, the government also provides many preferential policies. In 2015 Hungary-China signed cooperation documents about promoting the Hungarian railway construction. It is not only for the economy, but also to develop the cooperation of China and Hungary, and to promote friendly relationship between the two countries (An, 2015).

The thesis will seek to understand whether Hungarian state policy is doing enough to help the Chinese migrant community and supporting the markets and communities.

1.3 **Push-Pull Theory and emotional capital**

1.3.1 Push-Pull Theory

An American scholar Lee (1996) put forward systematic population migration theory - "Push-Pull Theory". He firstly divided the influence factors of migration and divided it into two aspects of "push" and "pull". He believed that the former (push) is a negative factor, because there are some reasons which have urged migrants to leave former residence. The latter one (pull) is a positive factor, because it attracts immigrants who have aspirations for a better life to move in a new place. Lee came up with a viewpoint that both the origin and destination have pushes and pulls, so immigrants should consider both the negatives of moving and positives of staying before emigration or immigration. In addition, we should not ignore the effect of intervening obstacles to migrants because people will choose different destinations according to actual situations. This kind of actual situations are the intervening obstacles which include the distance from a place of origin to a place of destination, number of people, number of different opportunities and any other obstacles such as language barrier, cultural difference and so on (Muniz, Li and Schilicher, 2010).
1.3.2 The case of persecution, poverty and opportunity

There are many reasons which make people leave their home and become diasporas such as persecution, poverty and opportunities. For instance, in recent years, with the turmoil in some countries like Libya and Syria, more and more people have become refugees and have fled to other countries. In China, for example, the economy is rapidly increasing and this has increased the economic capacity of some to emigrate, with a high level of emigration every year. People want to live in a better social environment with families, especially so their children can get advanced education level. This is a gift which Chinese parents want to give their children at present because it is a fact that the western education level is superior (Nyiri, 2011). As will be demonstrated social networks are an important source of help for these people.

1.4 The experience of the Chinese Diaspora and Racism and Exclusion in Hungary

Chinese diasporas worked in restaurants or developed laundry business in white communities during the 19th century. It seems that their business became very prosperous, however, as soon as their business flourished, they were regarded as unwelcome objects because of the competition of business and salary. Whites have had prejudice and hostility to this "minority group", and soon the "yellow peril" discourse and the "Chinese Exclusion Act" appeared which were introduced in Europe and America, respectively (Waxman, undated ; Nyiri, 2011). The "yellow peril" discourse advocated that the yellow race is threat to the whites. The "Chinese Exclusion Act" aimed at restricting many Chinese who immigrated to the western United States due to China's internal turmoil and the opportunity to work for railway construction. All of these events resulted in Chinese diasporas being excluded from many occupations and deprived of full participation in the society they had helped to build. A key question to consider is whether similar trends are evident in Hungary. According to a survey, "70 to 80 percent of Hungarians are opposed to Chinese immigration" (Nyiri, 2011). " I'm not
racist, but I hate Chinese people and blacks" (Szalai, 2010). This emotion appeared in the course of a survey about how foreign pupils are received at Hungarian schools (Szalai, 2010). There is a phenomenon of rampant racism and xenophobia in Hungary which was highlighted in recent reports and news coverage. Migrants are not welcome here, including refugees (Bleiker, 2015). I don't know why many Hungarians exclude the immigrants coming here, but it seems that this is nothing to be surprised that they reject Chinese. However, prejudice has turned to discrimination and even acts of hate crime, a phenomenon where the majority group directly attacks the "minority group". In 2006, some Russian students firebombed the largest 'Chinese market' in Moscow (Nyiri, 2011). It is not the first time an event like this happened, some think that new immigrants and minority group are contending jobs with local residents. In the current economic crisis the level of xenophobia and scapegoating has increased (Giddens, 2006).

The thesis will try and provide some insights into Chinese - Hungarian relations by looking at the interactions between the two groups in the Chinese markets.

1.5 Sociological Theories

1.5.1 Social capital, social networks and emotional capital

We can say that social capital relates to social networks, it is about the significance of social networks (Claridge, 2004). In addition, Robert Putnam (2000) developed the idea of bonding and bridging social capital. Bonding social capital is formed between a particular group with shared characteristics such as ethnicity, kin relations or class and philosophy, the social network is intense and insular and does not encourage much social interaction with outsiders, whereas bridging social capital is formed through social networks between heterogeneous groups and is more open and inclusive to outsiders (Panth, 2010). Social networks are developed gradually just like Chinese diasporas who live in foreign countries trying to find jobs by social networks. Therefore,
social networks focus on the interaction and contact between people, and the social interaction will influence people's social behavior. That is, social networks represent all kinds of social relations. It can connect people from a casual acquaintance to close family relationships or gather all kinds of people and organizations through the social relations. These social relations include friends, classmates, business partnership and so on.

Emotional capital is as important as social capital, which is emotional resources that people should have. "People are rich in emotional capital if they are high in self-esteem, self-regulation, emotional energy, attachment, resilience, agreeableness, and optimism. As with the other kinds of capital, individuals may vary in the extent to which they have such emotional resources" (Thagard, 2015). So emotional capital is an important aspect of social capital and is valuable because it can help people create strong relationships and provide emotional support.

This thesis seeks to understand how social capital operates and functions through the Chinese markets and within Chinese communities.

1.5.2 Urban geography and urban sociology

Nowadays, we cannot ignore some urban problems whether we are living in cities or villages, so appears the study of urban geography and urban sociology. Urban geography is defined as a branch of human geography and focuses on various aspects of cities and tries to better understand each aspect of city, including topics such as the creation of enclaves or specific neighbourhoods based on identity, class and ethnicity (Briney, 2015).

As a matter of fact, today's urban sociology research and some famous sociologists are inseparable such as Ferdinand Tonnies, Emile Durkheim, Georg Simmel and Max
Weber. Their work made a contribution to understanding urbanization especially in social, cultural and economic processes (Urban Sociology Theories, 2006).

1.5.3 Chicago school, sociological theories and Manuel Castells's viewpoint

Tonnies developed the terms of Gemeinschaft community and Gesellschaft association. The behaviors of people who are in the villages and cities are different. In general, people who are from rural villages have more intentionally essential unity than urban inhabitants. They prefer to work and live together for the common interest and unite more in social relationships based on kinship and neighborhood (Urban Sociology Theories, 2006). Durkheim also took into account the social structure of the city, while he presented social solidarity which refers to the combination between all individuals within a society and organic solidarity where the order and survival of society relies on the reliance of other people to perform their individual work even if they have different values and interests (Urban Sociology Theories, 2006). Other early writers on city life included Marx and Engels', who thought the concentration and misery of the mass of labourers in the new urban centres represented an important stage in the creation of a revolutionary force, hence the inner city poor neighbourhoods were arenas of class struggle (Engels, 1847).

"Emerging in the 1920s, the Chicago School of Sociology embraced a multi-perspective look at urban social phenomenon and communities. In his retrospective on Chicago sociology, Department and Discipline, Andrew Abbott writes "[For the Chicago School] only the eclectic combination of ethnography, statistics, life history, and organizational history could do full justice to the multiple layers of spatial and temporal contexts for social facts" (Chicago School of Sociology, undated). The Chicago School sought to understand city life through ethnography and observation of interaction and focused on human behavior as determined by social structures and physical environmental factors.
A more recent urban geographer is Castells (2000) who said that we are passing from the industrial age into the information age, this change makes new information technologies - communication and biological technologies appear (Glass, 2005). According to Castells's view, we can know that communication for information is becoming more and more important in the society. We could gain information by Internet and social networks. He thinks that networks are a "key feature of social morphology" rather than a new form of social organization (Glass, 2005).

Drawing from urban geography I will attempt to gain understanding of the role of Chinese markets and development of Chinatowns in Hungary. What type of social networks function? Are they bonded or bridging and how to do the markets contribute to these? Are the Chinese economically oppressed or do the markets create an equal opportunity for Chinese migrants to prosper. Will the markets and Chinese communities around them act as a platform for Chinese culture contributing to good relations and multiculturalism in Hungary? In the Castellian information age are geographic enclaves like Chinatowns a thing of the past, can new technology allow separated people to maintain close and intense networks? In this investigation a SWOT analysis will help shape my line of inquiry and analysis.

2. Research methods

2.1 Research methods definition and ethnography

The selection of research methods are crucial in a study, no matter what the topic it is. Therefore, I have searched some useful knowledge that is related to qualitative, quantitative and mixed research methods. I believe my research can be described as qualitative.
Qualitative research is a kind of exploratory research which helps people get a better understanding of reasons. In addition, we can discover trends in thought by this research. Qualitative methods try to collect detailed and rich data through an in-depth understanding of actions like individual interviews, focus groups and ethnography in the context of social life (Giddens, 2009).

In contrast quantitative methods try to measure and explain social phenomena by data and statistical analysis. The collection methods are also different from the approaches of qualitative research, in particular, surveys are the most important type of quantitative research method (Giddens, 2009). I did not conduct a quantitative data collection because I think there are many disadvantages on surveys. For instance, Questionnaire method is a kind of dialogue in words, if there are too many questions, respondents will feel confused. Therefore, the general questionnaires are simple and easy but impossible to delve into a problem and its reason.

Therefore, I decided to employ qualitative research methods in my thesis. That is, individual interviews, ethnographical observation, SWOT analysis and literature were chosen. I interviewed 3 people in each market, including one Chinese worker or office manager and two customers (one Hungarian and one Chinese). But some of them did not like the conversation being recorded due to feeling uneasy or shy. In fact this was why Dr Ryder provided me with a formal letter to give to interviewees as in the previous year a Chinese student found it very difficult to get Chinese business people to agree to be interviewed. The key questions were why do they go there? Exploring whether or not their decision is due to a cultural dimension? In addition, I tried to ask all the respondents if they think the markets will become Chinatowns in the future? In addition, field study is an essential step. Field study is also called ethnography, I gained information by the way of observation and making notes. It led me to looking around in 3 markets and listening to conversations and counting people's gender and age. Analyzing all the observed things, helped me describe the cultural diversity of the
market and interactions in detail.

2.2 Code of ethics

I used informed consent before the beginning of individual interviews. As a researcher, I am obligated to explain my identity, outline, the object of my research, the process of interview, technical help and anonymity situation to all my interviewees. For example, I told them I am a sociology student in Corvinus University and I will graduate in June so I am preparing my thesis now. My research object is Chinese markets in Budapest and exploring whether these markets are becoming Chinatowns. So I found people who are related to my topic and interviewed them. It was a very relaxing interview but instead of note taking, I recorded our conversation with the help of voice recording equipment allowing me to focus on discussion. The reason for doing so is that I need to neaten notes which could apply to my thesis. Of course, I employed anonymity, so they would not worry. (See Appendix for information)

2.3 Research approach

Interpretivism is that researcher committed to interpret elements of the study. "interpretive researchers assume that access to reality (given or socially constructed) is only through social constructions such as language, consciousness, shared meanings, and instruments" (Interpretivism (interpretivist), 2016). There are some methods suited to collect primary data such as interviews and observations.

2.4 SWOT analysis to the research plan

The strengths and opportunities refer to the fact that I know Chinese people and they are friends, so I think we will have relaxing conversations because of our informal discussion. It is very convenient for us if talking in our native language. Furthermore,
each Chinese person knows the situation of markets here, so I can gain a large amount of information from them.

The weaknesses and threats might be that I am too close to the Chinese markets or culture because of my Chinese nationality and do not look objectively at the topic. However, my time in Europe will give me balance.

2.5 Reflexivity

I am a Chinese student and have already studied in Europe for three years. It seems due to the fact I am living and studying in foreign country that I am interested in all the things which are related to China, so I would like to research this topic. To be honest, I feel I am not racist but I am interested to see whether racism might be playing a part in shaping perceptions of the Chinese markets. In this respect as a Chinese student living in Hungary it is an issue of great personal interest, namely how the Chinese and Hungarians interact and admit that I usually complete presentations and team papers with foreigners who are not just Hungarians. I remembered that I also did group interviews with more than 10 foreigners after class. Not just in terms of learning, it is also common in daily life and in entertainment - I played paintball which was organized by Corvinus students. These experiences have made me more mix with non Chinese, so such phenomena are very common in the environment of studying abroad.

3. Analysis

3.1 Ethnographic observation

There are three large scale and famous Chinese markets in Budapest, Hungary. Since
the Sihu market (Jozsefvarosi Piac) which was located in Kobany was being demolished last year, the original Chinese businessman who worked there transferred to the rest of the three markets and set up shops. So before I interviewed managers and customers, I have been to all the three markets respectively and have observed carefully. First of all, let us talk about the previous Sihu market. I just remember that there was a sign at the gate say - 'Sihu market' in Chinese. A stall next to a stall like an outdoor market. But humble and shabby market surprised me, because nowadays it is almost impossible to see such a scene in China, especially in cities - people always buy goods in the malls.

The Sihu market has already disappeared, so I went to the 'European square' (Volt Ganz telep) which is on the other side of the original Sihu market, but they give me a similar feeling. It is located on the side of the street and the entire buildings belong to the scope of this Chinese market. There are not only many shops which are mainly involved in wholesale, but also there are retail stores. There provides a supply of goods for some small shops in the downtown. People run shops or stalls like in Sihu market, barber shops, Chinese food shops, restaurants, clothing shops can be seen everywhere. And stalls are set up in many big rooms, which is really not easy to find. When it comes to language, we can observe that most are Chinese, but some Chinese businessmen usually put Hungarian in their shops' signs in order to provide convenience for foreigners and drum up business. Not only that, I found that apart from Chinese there are many sellers who are local people. Some Chinese bosses can speak Hungarian, because they can reduce the losses of stores which are due to the language barrier, after all, local customers are in the majority. But I seldom go there because of bad environment and the security situation. Compared to the city centre, the environment of the market is noisy and chaotic. I heard there used to be an abandoned factory then it finally evolved into a large wholesale market. Not only that, there often have strangers ask if you want to change currency, it makes people feel unsafe.

**figure 1 and 2: Euro Square**
The Monori Center which is situated in Köbánya alsó vasútállomás (Mázsa utca) is also one of the three representative Chinese markets. There are some clothing and accessory shops in the neighborhood, but also for doing wholesale. In addition, it seems like a Chinese community with food shops and 3-5 Chinese restaurants. It is
worth noting that the restaurants’ reservation service is popular with people, the businessmen of shops always call for a takeout because the waiters can provide for home delivery of meals near their workplaces. Not only that, the restaurants not only attract people who live nearby but also Chinese students who are studying abroad and some locals due to the good taste. The Chinese food shops often sell some representative food like spices, snacks, frozen products, although most of them come from the south of China. It is because southerners like doing trade business, so their products are mostly with the southern characteristics (~ northern and southern citizens have different tastes and cooking styles about food~). and varieties are limited although we can find some Chinese food here. I guess that the demand of the products is not high, so the merchants only stock some products which are easier to sell. Moreover, some Hungarian foods are sold there. But I feel there are not too many customers coming there for such products.

**figure 3 and 4: Monori Center**
The third point I want to mention which is in Asia Center with two buildings and both are shopping areas, I feel the form is similar to a mall. Having extensive customer sources and providing retail. There is also a lot of parking space nearby and I saw many Hungarians drive cars with families to purchase. The goods are relatively varied and wide ranging, I even saw the Chinese snacks which are not in the two markets mentioned above. Not only Chinese food and clothing, there are many goods from other countries in Asia. At the same time, operators come from different countries such as China, Vietnam, Hungary and so on. Because the goods are complete and the price is relatively lower than local stores and malls, so many Hungarians go there. But due to its remoteness, to buy things, the buyers prefer to drive.

figure 5 and 6: China Mart and Asia Centre
On the whole, the positions of the three markets are remote and they have different levels of shopping environments. Form and environment have changed, the customers flow is different and each market has its own characteristics.
3.2 Chinese managers

I interviewed three Chinese managers in these markets. They all have common points in that they have been doing business in Hungary for several years and they know more information about the Chinese markets. I interviewed them and recorded their comments, hoping they are helpful to my thesis. The first interview focus is a Chinese restaurant' boss who has been here for 20 years. The second one is a boss of a Chinese travel agency who came here with his parents 17 years ago. The third one is a manager of a lady bags' shop in Asia Center and she has been here for 9 years.

When I asked about the number of local or other foreign customers in the markets, the owner of the restaurant said that most of customers are local people while less Chinese in the markets, that is, almost all the products are sold to foreigners. The proportion of sales have changed over time. Before 2000, 70% of goods were sold to neighboring countries, and 30% of products were sold to the locals. However, the percentage of sales to neighboring countries is less than that of the locals (40% and 60%, respectively) after 2000. The owners of the travel agency and shop said that now the flow of customers appears to be a gradually reducing trend because almost all the owners generally think that it is difficult to manage business, it may be related to European economic downturn in recent years.

For the question about if they usually organize social or cultural activities in or near the markets, two respondents told me that they have never organized activities because of busy work every day. Only one person said he would lead some Chinese with an interpreter to enjoy the sight of European buildings when Hungarian festivals are coming, but he did not organize similar activities in the markets. That is to say, the interviewees have never organized and promoted Chinese cultural activities near the markets.
I asked them about the situation of Chinese markets in Hungary and their opinions according to SWOT analysis. When we talked about strengths of markets, the three managers first mentioned that reasonable and cheap price is the advantage of Chinese goods and also the strength of foreign Chinese markets, because they make foreigners can cost a lower price to purchase. Not only that, Chinese markets provide abundant supply of goods which are not just limited to clothing. After all, made in China have greater global influence all the time. The shop's owner did further analysis about strengths. She has known some information by friends that there were many wholesale and retail outlets in the Chinese markets before she came here and decided to invest, while now more and more other countries' merchants also do business in Hungary such as Vietnamese. It may results in decreasing sales so this strength is gradually reduced. Things always have two sides, there will be advantages and disadvantages. One of the managers said that some goods' quality is not very good in the markets, for instance, clothes might have possibility for color fading if they are too cheap. The other two managers mentioned the sales status and marketing management. Nowadays, it is downhill from the sales point of view. China has become the world's factory and is famous for the label statement 'made in China', now China is facing environmental issues and needs to reform and innovate on manufacturing. So many goods are made by other countries, we can often see that the commodity-producing country on the label might be India. From the aspect of management, markets do not have normal business operations. For example, there are some problems such as the phenomenon of tax evasion when shops meet tax inspections. The manager also mentioned that the Hungarian customs system might have some problems because sometimes sellers cannot get enough invoices from their superior, which leads to the number of invoice that should be given to the customers is also limited. When I asked about the opportunities of markets, someone thought markets will establish a certain competitive opportunity, whereas others were not sure or even had a negative attitude. The Chinese markets here experience some threats which result in slow development. People found the prices of a few products in the markets are almost the same as local
stores', to a certain extent, it can lead to the markets having less competitive power. Moreover, other big threats are the mode of operation and environmental problems such as sellers' attitudes, baddish shopping environment and the chaotic order.

The question about whether the Chinese markets bring their personal interests or not, all the respondents' answers are positive and mainly on personal income and promoting contact with wider range of Chinese community. One of the respondents said that the Chinese markets in Hungary occupy an important part for local and Chinese people. She did not come here when there was a prosperous economy in Hungary, even in Europe, its economy appeared to be in an decreasing trend. He has worked here by selling Chinese goods even if sometimes his business was not so good. But an undeniable fact is that markets do help him contact a wider range of the Chinese community in Hungary. The restaurant owners also said that income is the most important personal interests but sometimes he might earn less money because of the dramatic fluctuation of currency exchange rate. Besides, the Chinese markets have an important effect on maintain wider overseas Chinese group and form a close relationship between them. For instance, there are many Chinese immigrants live or work near the markets, some Chinese who have shops in the downtown need to stock from markets to their shops like restaurants. The unique ingredients are transported by air and then distributed in several big markets, except for restaurants and clothing stores, there is a Chinese newspaper office in each one of the markets. The newspaper is published in Chinese and most of the information is from China and Hungary. The newspaper office also provides online reading in order for Chinese to read it anytime and anywhere. Therefore, the Chinese markets have played an important role for gathering together more Chinese groups. They will not break away from the Chinese markets no matter what kind of jobs they are doing because the markets can bring commercial opportunity to operators.

With the manager I asked them if the Chinese markets have effect on Chinese and
Hungarian relations, two of the managers informed me that Markets have build a bridge between Hungarians and Chinese, making Chinese who work in the markets could contact more local people. Chinese do business with local people every day, some of them have formed the employees and employers relation. We can see that there are many porters and sellers are local people in the markets, so there is cooperation relationship between them. I heard that some locals became friends after working together, some people were invited to travel to China. Another manager said that Hungary is not a very rich country, some average persons have a lower living standard. The Chinese markets' goods opportune provide convenience and relief for those people who cannot afford what is in the emporium. But at the same time, the operation of the market also needs the locals to do some jobs to help the Chinese working in jobs such as salesmen. So there is mutual assistance between the two countries' of people.

Two respondents mentioned there are less racist incidents in Hungary. Most Hungarians do not have racial prejudice or discrimination, but occasionally they have stereotypes about the Chinese. However, another person denied this parlance and he thought Hungarians are very friendly.

When I asked them about opinions on the future for Chinese markets, someone advised it should enlarge and include a retail range in the downtown. Moreover, markets should not just a place for trade, they need to have added cultural elements. But when I inquired if they think a Chinatown will grow around the markets, two respondents said it will be difficult development, one of the reasons is that sales status has tended to decrease in recent years. Some people even thought the markets will disappear in the future because Chinese will not limit to sell clothes and accessory.
### 3.3 Customers

#### 3.3.1 Chinese customers

I interviewed three Chinese customers who come from different provinces in China. They are students of Corvinus University and their time which have lived here is different. One of the customers who has lived here since kindergarten because her parents are immigrants. The two others have stayed in Hungary about 3 years and one and a half years, respectively. I hope exploring the Chinese markets from the perspective of Chinese students.

In addition to the girl who was an immigrant since childhood and knew markets from her parents, others are due to friends or classmates. So even Chinese students who just came here soon can get some information on Chinese markets from their friends. After all, everything which relates to China could attract the students' attention who come to a unfamiliar living environment soon.

Going to the Chinese markets for the three respondents is not frequent. One interviewee said she goes there once a month on average, but the two others even said once a few months. The reasons are probably due to distance and a waste of time.

They mentioned that there are mainly two reasons for going to the markets - consuming food in shops and restaurants. They did not buy clothes and daily necessities there but purchased these from local emporiums. One student said that she buys flight ticket to China every summer in the travel agency of the market.

When I asked about their impression of the markets and what if any benefits do they get, one interviewee thought there are concentrated shops like a large terminal market and mainly aiming at wholesale. But markets are located in remote geographical environment, the feeling about them is that they are not very safe. Another customer
thought there are less types of food in the food shops, so it is so limited when purchasing. Their answers for benefits are the same - the most important thing is that they can eat Chinese food in a foreign country.

With the customers I asked them if they feel connected to China by coming there and if the markets improve relations and understanding. The existence of the markets provides convenience for Chinese who living abroad rather than emotion. But the Chinese markets can really promote the relations between China and Hungary. Nowadays, more and more foreigners like eating Chinese food, they can learn more about Chinese food culture by it. Chinese cheap goods make many locals purchase them and promote the trade and cooperation between Chinese and Hungarians.

I asked if they are interested in Chinese culture events near the markets, two of the respondents said that there are rarely culture activities in the Chinese markets, people are paying more attention to trade. In addition, immigrants and students have different feelings for the Chinese markets, immigrants possibly have more contact with markets and nearby activities. The interviewee who has lived here for a long time told me the markets' activities did not greatly attract her unless she goes there with her parents.

As to whether Chinatowns will grow around the markets or not in the future, the respondents seem to have confidence. One of the interviewees thought the market will not be replaced and it will develop better. Another person believed that it may developed into Chinatowns but the number of Chinese in Hungary is a small minority. The third one said that the current markets have become a kind of Chinatown but mainly for wholesale and trade rather than being communities in the full sense.

They also thought that there are many weaknesses in the markets such as tax evasion, so markets should be standardized and regulated. Someone mentioned that it cannot attract more locals due to the distant location and many stores only offer wholesale
rather than retail. In addition, the bad environment, lack of management are disadvantages as well.

3.3.2 Hungarian customers

I interviewed three Hungarians who can speak English in the markets because I cannot talk with them in Hungarian fluently. Two of them have lived here since childhood, the other came here six years ago because her father is Vietnamese.

When I asked how they know the Chinese markets in Budapest, one of the customers said that from her friends and parents, basically from the people who have been living in the city before she moved here (to Budapest). The second one said that he heard of the markets from his mother, too. But another interviewee informed me that they were popular for cheap clothes and more authentic Chinese food.

I found that they go to the Chinese markets not very often. One interviewee told me she has only been around 8 times since 2006. Another girl thought that probably at least once a month, but sometimes every week, it depends on what she needs at the moment. The boy said he goes to the great market once a year but he often goes to smaller Chinese shops about once a week.

I asked them why they come to the markets then their answers were almost the same. They go to browse and look for hidden gems or some bargain shopping at the weekend with friends or families. So it seems that cheaper Chinese goods attract the attention of foreigners. In addition, someone also mentioned that he loves to talk to Chinese people.

When I asked what is their impression of Chinese markets and any benefit they can get, one of the interviewees informed that it is an interesting experience and definitely not
boring or usual. Also, it is much cheaper than any other places, therefore it is worthwhile to do your shopping there. The other one said that the sellers are very busy and loud, and something is always happening. Vendors calling to come to their stand, to choose their products. A benefit would be the diverse list of things these markets can offer on a very affordable price. One of the interviewees has a good impression on the markets and he feels better in this atmosphere because it is more multicultural which he loves. In addition to the cheaper goods, sometimes there is something new around the markets.

With the customer I asked them if they feel connected to China by coming there and whether the markets improve relations and understanding or not, the answers are positive. Someone mentioned that it is like visiting a mini-China, it is just cheaper and closer. But still, the food, the people, the products, they are all so different, that it makes the whole atmosphere so unique and enjoyable. Another one believe you do get a sense like you’re in a different world, it’s very enjoyable for those that love experiencing different cultures. But she always thinks that we can never replicate “the real thing” elsewhere, that is, we can never have a Chinese market that’s really like the ones in China; She thinks that those people that visit these markets have a much better view of and relationship with Chinese culture. However sadly there's still a lot of prejudice among those that don't take time to learn about it.

When I inquired about whether they are interested in Chinese culture events or not, they said they would love to go there. Chinese culture should be one of the most interesting ones out there. Therefore, they want to have more cultural experience, not just to buy stuff.

As for the question whether the Chinatown will grow around the markets, one of the interviewees thought that it is completely natural for a living district to form around the market. She personally does not believe in segregating people from different cultures but if it were to happen she is sure it would be a place bustling with ever so interesting
Chinese culture. The two others said that probably it would just make it even more authentic, plus, it would make sense, since most people working there are Chinese.

I tried to ask them what weaknesses do the Chinese markets have, and there were some different points of view. One of the girls thought its „weakness” is also its charm, therefore she would want them to get more organized or lean and simple. Another girl said that the only think she heard is that it is not completely safe to go to these markets. She has heard of people that claimed to be robbed, scammed or harassed but personally she has never experienced a downside. The boy heard of someone said that the quality is lower there but he does not think so because as you buy the very same piece of clothes in the shop as you buy there.

3.4 General analysis

In my opinion, the Chinese markets play an important role like a bridge in the connection between China and Hungary. It builds a platform for knowing more about Chinese food, trade or other cultures. We can see that many locals like going to Chinese restaurants from time to time because of cheap prices, delicious tastes and novelty. Moreover, foreigners could build trust for Chinese food by food-eating. Not only on catering services but also trade. Hungary is an agricultural country but China is good at manufacturing and textile manufacturing. Some Hungarians buy new clothes in the Chinese markets due to cheap price. They may go to local second-hand shops if without the Chinese markets. Culture is a bait to attract foreigners to go to the Chinese markets where people can see billboards in Chinese and feel the different atmosphere, although I think that markets lack cultural elements such as cultural activities.

The weaknesses of Chinese markets have become big problems that influence the markets preferably develop. For instance, some foreigners have stereotypes against Chinese and makes them not willing to contact Chinese, they do not want to go to the
markets because of noise, environment and order. I found many Chinese shops have
the phenomenon of tax evasion due to excessive tax burden which is about 27%.
Comparing with other countries' shops, I do not know whether Chinese shops face
stricter customs system or not. Not only that, the Chinese markets pay more attention
to marketing rather than presentation, that is, the markets lack cultural elements. I think
the markets should have a combination of marketing and presentation in order to
attract people who want to experience Chinese culture go there.

As for the question about whether Chinese markets will develop into Chinatowns in
the future or not, I am not sure but it cannot rule out the possibility. Chinese
immigrants will not break away from doing business in the Chinese markets, they rely
on the markets which could provide wider customers. However, it is not an easy
thing to develop into Chinatown like in the United States. First of all, there are
different historical roots in diverse countries. At that time, Chinese immigrants were
not allowed to live in other places in America. They lived in a certain area and then
Chinatowns developed. Secondly, Chinese groups have a larger scale in America and
Britain, whereas there are less Chinese in Hungary. So I am not sure whether
Chinatown will grow or not in the future, but I really hope it will be built. If
Chinatown could be built and combined with Chinese culture and trade, Chinatown
will enhance and extend the multicultural scene in Budapest.

4. Conclusion

4.1 Multiculturalism

Comparing Hungary and Chinese migrants with those migrants that went to USA and
UK in the 19th century, the condition of immigration is different. First of all, there are
more and more Chinese people in recent years but they have never experienced hardships that existed in the 19th century period such as famine, war. Nowadays, the Chinese people who come here are mostly in order to studying and doing business. After all, higher income, better living conditions and education level are important pull factors to attract Chinese come to Europe. Second, the size of the Chinese groups in Hungary is smaller. Maybe historical background and the smaller size of the Chinese population are the reasons for no Chinatowns in Hungary so far. But Chinatowns may grow around these markets in the future, now there are some weaknesses and threats such as sales decreases, the problems of management, the influence of global economic recession and lack of cultural elements.

In the situations of more complicated human-society and the developed communication for information, the update of culture is increasingly accelerating. All kinds of cultural development are facing different opportunities and challenges, new cultures will also emerge. So it is easy to create the diversity of culture. Cultural diversity means that the fusion between different races and religions, so immigrants occupy a large part of proportion. However, the Hungarian prime minister Orban objects to multiculturalism and he thinks that multiculturalism doesn't work in Hungary (Stonestreet, 2015). The point being made here is reflected in the wider literature, as I demonstrated in the literature review that views of some Hungarians are the same as Orban's. They exclude Chinese immigrants, it is also cultural exclusion.

In my opinion, multiculturalism can promote the communication between different cultures, the development of a variety of cultures can also enrich people's life. Although now there are many weaknesses in Chinese markets, it is still a symbol of foreign culture. In addition, markets can be good for Hungary tolerance, it makes more people know about China through the markets. If one day the Chinese markets develop into Chinatowns with rich cultural elements in Budapest, local people could enjoy the unique cultural atmosphere not just go shopping.
4.2 Chinese markets as an economic and cultural bridge:

The Chinese markets are thus an economic bridge connecting the two countries. Chinese markets increase goods circulation in Hungary whether clothing, food and other accessories. Therefore, it promotes exports. In addition, the markets also bring economic benefits to both nationals. Chinese businessmen can earn money by selling, and Hungarians can buy goods meanwhile save the cost of living.

The Chinese markets are also the cultural bridge connecting the two countries. Chinese food shops and restaurants are located in the markets, we can see Chinese cooking culture there. Although now the Chinese markets are seen as places where products are cheap rather than showing Chinese culture, there may also become places of celebrating Chinese culture. In that way, local people will go there to feel the different culture atmosphere. It forms the interaction between the two cultures and local residents' cross-cultural awareness.

Along with the development of time, the Chinese markets has transformed from being located in shabby environment like Sihu market to shopping malls like Asia Centre and China Mart. Shopping environment and quality have improved. In the future I would like to see more commercials, marketing the cultural atmosphere for Chinese markets. Hungarians and Chinese can establish deeper friendship through the markets and Chinatowns.
Appendix

Hereby I present the letter which was showed to Chinese managers before interviews and a paper about interview questions for managers and customers.

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15th December 2015

To Chinese Market Traders/managers

To Whom It May Concern,

Ren Xuandi is a Student at the Corvinus University Budapest in Sociology, she is preparing for her BA thesis which will explore the economic and cultural importance of the Chinese markets in Budapest.

It would be a great help if you can give some time to be interviewed by her and
provide her with useful information on the market.

If you have any questions please contact me.

Regards,

Dr Andrew Ryder
Associate Professor - Corvinus University Budapest
Associate Fellow – Third Sector Research Centre, University of Birmingham

Interview questions

For Chinese workers/ office managers:
1. How long have you been here? What made you come to Hungary?

2. Do you have any idea of the number of foreign or local consumers in the markets?

3. Do you organise social and cultural activities in or near the Chinese markets?

4. What is your impression of Chinese markets in terms of strengths, weaknesses, opportunities and threats?
   strengths?
   weaknesses?
   opportunities?
   threats?

5. What personal benefits do Chinese markets have for you? Do the markets help you maintain connections with the wider Chinese community?
6. What do you think the effect of Chinese markets is on Chinese and Hungarian relations? Do the people who work in the markets mix much with non-Chinese people in terms of business and socializing?

7. Are there ever any racist incidents?

8. What is your opinion on the future for Chinese markets? Will Chinatowns grow around them?

For Hungarian/Chinese customer:
1. How long have you been coming here?

2. How do you know about the Chinese markets in Budapest, Hungary?

3. How often do you go to the Chinese market?

4. Why do you come to the market?

5. What is your impression of Chinese markets and what if any benefits do you get?

6. Do you feel connected to China by coming here? Do the markets improve relations and understanding?

7. Would you be interested in Chinese cultural events in the market?

8. What would you think if a Chinatown developed around the market in the future?

9. Do Chinese markets have any weaknesses?
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