# The Impact of Mass Consumption on the Economy in Postwar America and Southeast Asia Countries after the Covid -19 Pandemic

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#### Abstract:

The United States (US) is a multicultural and racially diverse country. Therefore, American society is shaped by diversity in terms of ethnicity, religion, economic situation and even human outlook. That diversity has created a way of life that is quite different for Americans compared to other countries. Southeast Asia countries after the Covid-19 pandemic have also had significant changes in shopping habits. Americans spend three to four times as much time shopping, much more than people in Europe. Americans shop 53 times more products than someone in China. Meanwhile, Southeast Asia countries also spend most of their time shopping. This is also a sign of the influence of Mass Consumption culture.

This article was written to provide information about the mass consumer culture of America in the post-war period and Southeast Asia Countries . In addition, it also provides an overview of its influence as well as its roles in promoting the US economy and Southeast Asia Countries.

Keywords: Mass Consumption, Southeast Asia Countries, impacts, Covid-19 pandemic, post-war period.

#### **1. INTRODUCTION**

In the early years of the 21<sup>st</sup> century, environmental issues gradually became a topic of worldwide concern. From concerns for their own lives, people focus on finding harmful agents to the environment and actively take action to solve those problems. However, in many areas, people are still not fully aware of the harmful effects of an activity that causes great harm to the environment, instead, they still interact, use and develop it every day. That is Mass Consumption (MS). Born and developed initially in the US, along with the process of globalization, MS has become a global phenomenon. With the spread of folklore, Southeast Asia (Southeast Asia) also gradually received and was influenced by this phenomenon.

The four-year Civil War (1861-1865) - "The saddest chapter in American history" - ended in solving two fundamental American problems since 1776: the abolition of slavery and the affirmation of slavery. America is an indivisible unity. However, America suffered catastrophic damage with more than 600,000 soldiers killed, many infrastructures destroyed, and most of all, faced a difficult time after reunification. Therefore, the reconstruction of the country and economic recovery is the primary goal of the US government. Choosing to implement the second industrial revolution not only helped the US achieve the above goal, but also brought the US to the era of mass production, creating a "fever" for consumption. mass and eventually brought the US to the position of the world's number one power. Mass consumption, since then becoming an essential part of the life of an American citizen, exists and develops up to the present day.

Many scientists have studied mass consumption, as well as its impact on the business environment. However, there has not been a report or a research work showing the impacts that mass consumption has caused to the environment in Southeast Asia. Articles and publications related to this field can be mentioned as the report Assessing the Environment Impacts of Consumption and Production: Priority Products and Material. essential products and materials) of the United Nations National Environment Program (UNEP) and the book Modernization trends in Southeast Asia by Terence Chong. However, the above reports either only assess the impact of mass consumption on the environment in developed areas or only state the current situation of mass consumption in Southeast Asia, but have not yet given its impacts on the regional environment. this. Therefore, research on the phenomenon of mass consumption to the environment in Southeast Asia to provide a solution to this problem.

## 2. MATERIALS AND METHODS

We used a variety of methods in the research project: a detailed and length; survey questionnaire, a series of personal interviews covering financial life histories, a series of focus group discus discussions, and and a number of paper and penci tasks, all designed to elicit people's experiences of money and possessions in their everyday lives. These methods varied in how far they were open-ended and receptive to issues or ideas raised by the respondents and how far they were more directive, drawing on theory and previous research. While any one method has its limitations, we hoped that the combination of different methods would provide some compensation for these limitations and give us a satisfactory picture of people's experiences of mass consumption. The data which resulted allowed us to conduct both qualitative and quantitative analyses and,

again, it is through their combination that these are most useful. The discussions and interviews were audiotaped and transcribed. The questionnaires were coded and analysed on the computer. All details of these analyses, together with further details of the samples that are given below.

The main source of data came from the questionnaire that was completed by 440 people who varied in gender, age, social class, income and family status. Of these 440 respondents, 65 per cent were women and 35 per cent were men.

#### **3.** FINDINGS AND DISCUSSION

#### 3.1. Definitions

- Mass consumption: is an economic term used to describe the phenomenon of consumers buying goods in excess of their actual needs. Consumers buy items based only on product appearance and shopping inspiration, most pay little attention to their uses and needs.

- Impact: is to make an object have certain changes. Impacts fall into two main categories: positive impacts and negative impacts.

## 3.2. Mass Consumption and the rise of Mass Consumption Societies

#### 3.2.1. The Birth of Mass Consumption

Mass Production" was a term invented by Henry Ford, the auto maker, in 1926. Before that, his system of assembly-line manufacturing was called "Fordism".

So the cutting edge of the 20th century industrial economy was built around boosting consumption. You had to get people to buy things. Increase their wages, so they could spend more, and tempt them to buy stuff they didn't really need. Manufacturers even went so far as to purposely make a product so that it wore out quickly or seemed outdated when it was still fairly new. Hence the fashion industry and "planned obsolescence" (invented by Alfred P Sloan, boss of General Motors, in 1926). Manufcaturers found that if they promoted mass-consumption, they boosted profits. Mass-consumption had to be developed to accompany Mass-production.

Although there are many factors that influence and promote, the birth of mass production is still the main consequence of mass production, or more deeply, it is the birth of the second industrial revolution. The second industrial revolution broke out in the first year of the nineteenth century, giving mankind a manufacturing industry that grew faster than ever. With improved machines and optimized worker productivity, more and more goods are produced and consumption grows, without exception, the American people are also caught up in the flow of waste. use this. With the birth of the "American-style mass production system", American consumption in general and "American mass consumption" in particular became a new phenomenon.

The mass production system allows goods to be produced in larger quantities than in the past. The fact that many goods are shipped has the opposite effect on factory owners: "How to consume the above goods without affecting the profit of the business?". And with that in mind, these traders have invested heavily in fixed capital, trying to produce maximum output at low cost and using the development of specialized manufacturing to reach their position. technological hegemony and minimize product costs. Goods are shipped at low prices, Americans rush to buy these items, especially cars and other consumer products.

The Ford company (1903) under the direction of businessman Henry Ford became the symbol of business. With many reforms, ten years after its founding - in 1913 - Ford's production line was considered the most productive production line, putting the company's products on the "must-have" list. yes" of the consumer. Henry Ford also took steps to keep the cost of products as low as possible, with the result that almost any average American could drive a stylish Ford (for to low: less than \$300). It increases the standard of living of the American people to a high level: home, people driving to work, going out. Not only that, Ford brought the US to the top of the list of automobile producing countries with 45,000 units in 1907 (nearly twice as many as France, three times more than the UK and 15 times more than Canada), and increased to 485 thousand cars. units, more than 10.5 times after just 6 years (this figure is almost 5 times the total of the three countries of Britain, France and Canada combined).

Besides the impact of mass production, policies to promote industrial production and encourage consumption are also a cause of mass consumption.

#### 3.2.2. The explosion of mass consumption in Southeast Asia countries

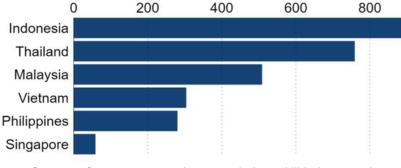
The COVID-19 pandemic has had obvious impacts on the real economy and financial markets of Southeast Asian countries, the stock and foreign exchange markets fluctuated sharply, many countries have revised down their growth expectations GDP.

America as a country has great potential and ended up being the number one power in the world. There are two ways to look at this country: a country with a high standard of living, big cars and big houses. Especially, the country thrives on high technology with global influence.

Meanwhile, Southeast Asia countries also began to develop strongly in industry. The sharper the gap between rich and poor, the greater the gap. Accordingly, the influence of Western culture, especially the influence of American consumer culture on the people of these countries is also more obvious.

After the pandemic, most countries transformed their economies in accordance with the status quo. Southeast Asia's digital economy has huge potential. Businesses predict that in the next 10 years, ASEAN will become the world's fourth largest economy, then 70% of ASEAN's population will become a middle class and the size of the consumer market will increase to 4 trillion USD. , in which the new digital economy will be a major pillar of the consumer market. In the period 2015 - 2019, the compound annual growth rate of the new economy of 6 countries including Indonesia, Vietnam, Thailand, the Philippines, Singapore and Malaysia is 33%, in 2015 the total successful transaction turnover was 32 billion USD and surpassed the 100 billion USD mark for the first time in 2019, accounting for 3.7% of total GDP; It is expected that by 2025, it will increase sharply to 300 billion USD, accounting for 8.5% of the total GDP.

Industrial consumption, especially car consumption in Southeast Asian countries accounts for around 14% of the world. New car sales in Indonesia, Thailand, Malaysia, Vietnam, the Philippines and Singapore reached 2.79 million vehicles in 2021, up 14% from 2020, led by a 67% increase in Indonesia.



*Source:* Country automotive associations. Nikkei research Figure 1. ASEAN major countries' new car sales in 2021

## 3.2.3. The effect of mass consumption on the post-war period in America

As for the United States, since the unification in 1776 up to now, this country has experienced 3 armed wars and the Cold War with the Soviet Union (Russia). There is a remark that after each war, America gets richer and stronger and develops more brilliantly. For example, after the American Civil War, there was a period of development often called the "Golden Age" and the "Advanced Age", after World War I (1918) the "Roaring Twenties", after the War. World II (1945) was the phenomenal economic growth and wealthiest country in the world, throughout the years during and after the Cold War, the United States continued to be the world's leading power, influential both economically and politically.

#### Economic impact analysis

Realizing that mass consumption economy is extremely important for the national economy, it needs to be stimulated more strongly because after the war, consumers have been more cautious in spending and saving. and bonds. Thus, starting during the war and immediately after each war ended, business leaders, governments, mass media, advertisers conveyed the message that mass consumption is not It must be a personal passion that is a civic responsibility designed to improve the quality of life of all Americans. That has created a wave of stronger consumption, more goods to be produced, more well-paying jobs and, in turn, richer consumers. The emergence and spread of mass consumer culture with the impact of new advertising services, attractive messages affecting consumers' thoughts have contributed to mass consumerism in Vietnam. America is growing more and more, having a strong impact on the US economy. Mass consumption was an important factor that influenced the American economy in the post-war period.

The most important impact of mass consumption on the American economy was to contribute to the rapid and effective economic recovery and development after each war. By being mass consumption, it has promoted the development of the production and consumption cycle of the US economy's factories and markets. After each war, American goods in the country achieved a huge output because this country did not stop producing during the wars, this also helped the US economy after each war to gain a lot of money. huge profits when both restricting foreign goods from entering their market by collecting high taxes and turning all other countries into a "big market" for them to consume a wide range of goods. surplus produced during war years by the policies of a country that wins wars.

After the Civil War of 1865, the United States recovered and developed its economy very quickly, bringing the American economy to the glorious "Golden Age" in history with the mass consumption of Americans. The explosion of scientific inventions and the birth of electricity, the process of mass production and mass

consumption of the United States began to take place from here, by 1890, the United States rose to the number one position in the world, over England in production output and economic development and the second half of this 19th century is also considered the era of the rich tycoon. Gross domestic product has almost doubled from the previous decade, a larger percentage than any previous decade. Capital investment also increased greatly during the 1880s, increasing by nearly 500 percent, while capital formation doubled during the decade.

After 1910, mass production was accelerated by the power of factories, replacing water and electricity. In 1913, the assembly line was born, an important step towards mass production, production output increased rapidly, a part of the labor force was increased in wages, the quality of life was improved, the economy With rapid growth, American society moved towards a mass-consumption economy.

The "Advanced Age" began in the 1900s to 1920s, and the economy continued to grow with the modernization of industry in the United States, with 80% of the energy used in industry being electricity.

After World War I (1914-1918), America entered the most brilliant era in its history, the roaring 20s ("Roaring Twenties", 1920-1929). It is clear that the effects of mass consumer culture on postwar America are most prominent at this stage. This is a memorable piece of American history as well as the American people when life changed unexpectedly.

After World War II (1939-1945), America became an economic powerhouse of the world, mass consumption culture has deeply ingrained in Americans, becoming one of their distinctive personalities as well as contributing to the global economy. very important role in the process of economic development. However, mass production and mass consumption have a high probability of leading to a crisis, especially a crisis of excess.

Due to unequal mass production and consumption, in the period shortly after the Civil War, a series of recessions occurred. The economic crisis of 1873 marked the end of the "Golden Age", the panics of 1893, a deep recession that lasted until 1897. Mass production and mass consumption were also the same. was the cause of the Great Depression of 1929-1933, when goods were produced in excess of the actual consumption of society. The crisis of overcapacity caused extremely serious consequences for the US economy and spread to the whole world.

#### Influence on Culture and Society

Over time, mass production became the strength of the American economy, and the culture of mass consumption ingrained in their personalities and preferences and formed a very distinctive American society.

After the wars, especially after World War I, when people had higher and higher wages to make ends meet, America became a mass and quality society. enhanced quality of life, profoundly influenced by vehicles where every family has a car, a refrigerator, a microwave, a radio, listens to the same broadcast, watches the same TV shows, building the same house, going to the movies regularly on the weekends and even smoking the same cigarettes.

Urban works, roads, hydroelectric power plants developed after the crisis with the New Deal policy of Roosevelt and increasingly developed, with high quality. People in the countryside flocked to the cities to find themselves a new job that could provide for their new life, creating new crowded, bustling cities and a new class of single-worker workers. single and repeated job in a chain of jobs. They live in cramped dormitories with difficult living conditions.

This leads to a widening gap between the rich and the poor in American society. Because the bourgeois owners are getting richer and richer while the peasants and the unemployed, the new working class face many difficulties in life. Economic development and the spread of America's mass consumer culture have also created a new class of people, the middle class, emerging from the various types of trading, services and stocks.

The economic prosperity after World War I made the culture also have significant changes, gradually creating the first foundation for the formation of an open and modern culture as well as the character of the people. most Americans later. The changes made American culture more and more diverse. Not only about clothes, houses, cars, literature, music (Jazz music, ...), sports, movies, consumer culture but also many other aspects.

The 1920s in America saw the world's first revolution in women's rights. It is thanks to mass consumption that almost every family has tools for housework, reducing the number of hours of housework, and women have more time to take care of themselves, can go to work. and pay attention to politics, moreover, after 72 years of struggle, in 1920, American women were allowed to vote in the presidential election for the first time. The role of women has been enhanced like never before, having a strong impact on domestic politics and women around the world. Accordingly, American women's fashion is also constantly changing according to new trends, they abandon the rigid and discreet style influenced by Queen Victoria. There are young women who like "rebellious" from middle-class backgrounds, despite being condemned for their new "sloppy, easygoing" lifestyle, these young girls still show off their body beauty in a way daring. They no longer use neck-style corsets (waist belts, breast enhancement) but instead use small, neat new style shirts (flattering round 1).

Young women of this era favored thin, knee-length skirts, armpit tops that showed off their entire arms. Short hair, smoking, drinking and bar; they become new objects of business and service industries, especially fashion and beauty services.

The introduction of new stores was a significant change that affected and influenced mass consumption by Americans. Shops are ubiquitous on the urban streets, offering a wide range of goods and services. Initially, the focus was on large and diversified stores, but then each store only traded one type of product, until the second half of the twentieth century, it was concentrated into supermarkets with many general goods. In addition to advertising, there are also product discounts, promotions or programs such as "Black Friday" to stimulate shopping of American people. Payment methods are also diverse, from cash to credit cards, checks can all be accepted by stores.

Quality of life is improved, people are aiming to enjoy life more than ever before. The food processing and fast food industries increased, producing high-calorie foods, butter, and dairy, which has led to the increasing obesity status of Americans.

Mass industrial production and mass consumption have caused serious pollution to the environment, polluted water, industrial and domestic waste, and e-waste that are difficult to recycle have brought about problems of depletion. Resource depletion, environmental pollution and waste have been alarming for the entire United States since the 1860s.

Another problem that mass consumption affected American society in the post-war years was the increase in social evils and crime. When crowded cities have many unemployed people, the sale of prohibited items attracts criminals. Smuggling of prohibited goods such as alcohol, drugs, etc.

Besides, mass consumption is the "output" of mass production. It helps to consume the goods produced by mass production, while creating demand and increasing the variety of tastes. This helps companies to constantly renew themselves, create diverse products and thereby, promote the economic development of the country. On the other hand, along with the consumption of goods, mass consumption partly helps this country's economy avoid overcapacity crises that can occur at any time.

In short, with its unique characteristics, mass consumption has created great benefits for the US economy. Mass consumption can be consumed or, conversely, dominate that economy. But no matter what, with a large, densely populated country like the US, mass consumption culture has done great work, bringing the US to the position of great power as it is today.

## Impact on Southeast Asian countries

Mass consumption has a double impact on the economies of Southeast Asian countries. On the one hand, it helps these countries develop significantly in industry, on the other hand, it has a negative impact on the environment.

Mass consumption plays an important role in the national economy because it contributes to economic recovery and development quickly and efficiently. Mass consumption plays a role in boosting the factory's production cycle, creating more products at lower prices. In addition, mass consumption is considered an "output" of mass production, helping to consume the amount of goods created by mass production, while creating demand and increasing the diversity of tastes. On the other hand, in terms of the environment, mass consumption helps the manufacturing industry to limit pollution. Currently, on the market, there are many famous phone brands such as: Samsung, LG, Apple, Nexus, etc. Thanks to Mass Consumption, in 2021, Samsung sold 260 million mobile phones, Apple sold 7 million units. From there it can be clearly seen the danger to the environment if only mass production exists without mass consumption.

With the growth and widespread spread of mass consumption around the world, its negative effects are just as "widespread". The negative impact that mass consumption brings to people is present in many aspects: from economic and political to social life as well as the environment. However, the environment has been, is and will be the subject most strongly affected by this phenomenon. The forest area is shrinking, the situation of environmental pollution is increasing, the phenomenon of climate change such as natural disasters, epidemics, etc.

## 3.3. The Factors Impacting Consumer behaviours

A survey of consumers' opinions shows that there are 5 basic factors that affect consumer behavior.

## 3.3.1. Life and Cultural Factors (LC)

Evaluation of 6 groups of factors about life and culture in Southeast Asian countries, including ethnic groups, races, religions, beliefs, geographical regions and social classes, shows the group of geographical regions and social class has the biggest impact, accounting for 47.2 to 51.3%.

Social class is not based on a single factor such as income, but also a combination of occupation, income, education, wealth and other factors. Marketers need to be interested in studying social class because people belonging to a social class tend to exhibit relatively similar behaviors, including shopping behavior.

#### 3.3.2. Environmental and Social Factors (ES)

A consumer's behavior is also influenced by social factors such as family, social roles and status, and

reference groups. A consumer's behavior is also influenced by social factors such as family, social roles and status, and reference groups. Environmental factors also have a great impact on people's consumption behavior. The results show that the influence of family factors and social environment accounts for the largest proportion, from 44.8 to 52.3%.

## 3.3.3. The human factors and the personal factors (HP)

The human factors and the personal factors including age, occupation, lifestyle, economic situation and personality. Consumers of the same particular cultural group or social class and even the same occupation, may also have differences in lifestyle. A person's economic circumstances will greatly influence his or her choice of products.

Accordingly, the survey shows that lifestyle factors and economic circumstances have a great impact on the consumption behavior of Southeast Asians, with an effect of 41.9 to 50.7%.

## 3.3.4. Psychological and cognitive factors (PC)

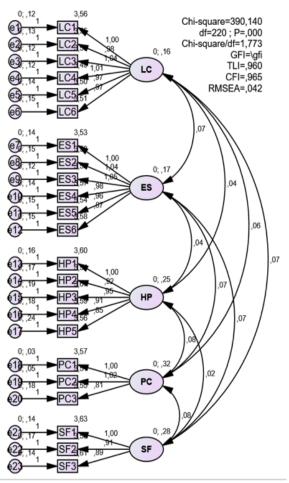
Psychological and cognitive factors include motivation, knowledge and point of view, of which cognitive factors have the greatest impact, accounting for 48.7%. Knowledge theorists argue that a person's knowledge is derived from the interaction of urges, stimuli, suggestive situations, responses, and reinforcement. The urge is an intrinsic stimulus that prompts action. A consumer may be motivated to want to be proactive about transportation, his urge becoming a motivator when it is directed at a particular stimulus that is likely to reduce the urge, in this case is a car or car.

## 3.3.5. Situational factors (SF)

In addition, some situational factors will also directly affect consumers' decisions such as:

Use case: In other words, the situation in which the product is used. Buying situation: Is the impact from the surrounding environment on the purchase decision. Media scenario: How advertising reaches users. Research shows that the media situational factor has the greatest impact on consumer behavior, accounting for 51.5%.

The model of factors affecting mass consumption behavior of Southeast Asian countries after the Covid-19 pandemic is shown in Figure 2.



Source: Author's research source. Figure 2. CFA model of factors affecting mass consumption

Analysis the fit of the research model shows that:

Measure	Estimate	Threshold	Interpretation
CMIN	390,140		
DF	220,000		
CMIN/DF	1,773	Between 1 and 3	Excellent
CFI	0,965	>0.95	Excellent
RMSEA	0,042	<0.06	Excellent
PClose	0,976	>0.05	Excellent

Table 1	. Model fit measu	res evaluation	indicators	with research d	ata
		co cvaluation	maicators	with rescarch u	ala

Based on the above table, shown that CMIN/DF=1,773 (<2), TLI, CFI, GFI greater than 0.9; RMSEA= 0.042 (< 0.06) are suitable. Therefore, the model fits or is compatible with the research data. In addition, it is necessary to consider some more issues of scale reliability, convergent validity, monism and discriminant validity.

From the model fit results, all factors in the model have an impact on the mass consumption behavior of people in Southeast Asian countries. In particular, groups of factors have a great impact, so further studies are needed to evaluate and have positive solutions in mass consumption after the Covid-19 pandemic.

## 4. CONCLUSIONS

## 4.1. The influence of mass consumption on post-war America

The influence of mass consumption on post-war America was profound, reflected in many aspects: economic, cultural - social and political. It has promoted the outstanding development of the US economy, helped the social culture to become diverse and modern, as well as political changes in line with the development of the whole country. In addition, it also promotes changes in new fields such as business, services, advertising, etc. Not only is it a cause of economic growth, but it is also a cause of imbalance between rich and poor. , excessive waste, environmental pollution with crises.

However, it can be affirmed that mass consumption is the characteristic of American people and society, helping this country to develop. It plays an extremely important role in the US economy, helping the US to grow as it is today.

#### 4.2. Impact of mass consumption on Southeast Asian countries

From the above data, it is undeniable that mass consumption is causing significant impacts on the living environment, especially in Southeast Asia. Factors affecting mass consumption, impact assessment model in consumers in Southeast Asia.

With the economy still not fully recovered and the risks of slowing growth still present, policy support is needed to help ensure a strong recovery from the Covid-19 pandemic. In the short term, Southeast Asian countries need to actively adjust the size and composition of policy support to match the speed of recovery. To cope with inflationary pressures, it is necessary to increase the use of fiscal policy. In addition, drastic structural reforms are needed to achieve the government's aspirations for sustainable, inclusive growth. It is necessary to improve the business environment by creating a level playing field in access to finance and land, while reducing the legal burden, especially for small and medium enterprises and small enterprises. young. Further efforts are needed to improve the quality of the workforce and reduce skilled labor shortages.

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