



FROM “FINGERTIP SKILLS” TO “FINGERTIP ECONOMIES”: THE GONGFANG MODEL AS A CULTURAL CAPITAL CONVERSION MECHANISM FOR SUSTAINABLE RURAL LIVELIHOODS IN CHINA

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Abstract

This paper examines the emergence and evolution of the *gongfang* (workshop) model as a transformative mechanism for integrating Intangible Cultural Heritage (ICH) into sustainable rural development in China. Moving beyond conventional preservation paradigms, ICH workshops have evolved into hybrid socio-economic entities that simultaneously safeguard cultural practices, generate livelihoods, and stimulate local economies. Drawing on Pierre Bourdieu’s theory of cultural capital and practice, David Throsby’s economic theory of cultural capital, and Ian Scoones’ sustainable livelihoods framework, this study analyzes how the Gongfang system converts embodied cultural capital into economic value through flexible production, community-based employment, and digital-market integration. Based on empirical cases from Guizhou (Miao embroidery), Shaanxi (rattan weaving), and Sichuan (bamboo weaving), and recent policy developments, the paper argues that the model redefines rural sustainability by navigating the enduring tensions between commercialization and authenticity. The findings contribute to global debates on the “livelihood turn” in ICH governance and offer a potentially replicable framework for heritage-driven rural development.

Keywords

Intangible Cultural Heritage; Gongfang Model; Rural Revitalization; Cultural Capital; Sustainable Livelihoods; Digital Economy

I. Introduction

In an era of rapid urbanization and rural depopulation, China faces the dual challenge of preserving its vast intangible cultural heritage (ICH) and revitalizing its countryside. This challenge is not unique to China. Globally, ICH governance has undergone a profound “livelihood turn” (Kurin, 2004; Meissner, 2021)—a paradigm shift from static preservation toward dynamic, community-centred safeguarding that recognizes heritage as a driver of sustainable development (UNESCO, 2003, 2018).

Relevant studies on traditional artisan communities in Sri Lanka have confirmed that the commercialization of handicrafts detached from local community support easily falls into the trap of livelihood vulnerability, and this cross-national reference also highlights the uniqueness of China’s Gongfang model in achieving sustainable development through institutionalized collaboration (Daskon & McGregor, 2012). Under the UNESCO 2003 Convention, ICH safeguarding is explicitly linked to sustainable development goals, including poverty reduction, gender equality, and inclusive economic growth (UNESCO, 2018). China’s Gongfang model represents a distinctive national response to this global imperative, one that leverages the country’s rich craft traditions to address rural development challenges while navigating the tensions between market logic and cultural authenticity (Throsby, 1999; Smith, 2006).

The “Gongfang” model—community-anchored workshops centred on traditional crafts such as embroidery, weaving, and pottery—has emerged as a pivotal response. No longer confined to the margins of cultural preservation, ICH workshops are now formally recognized as engines of rural economic transformation. The 2026 Central No. 1 Document’s explicit endorsement of ICH workshops as a new consumption format marks a strategic shift: heritage is no longer merely protected—it is activated as a productive force in rural development.

This paper investigates how the Gongfang model reconfigures the relationship between culture and the economy, transforming “fingertip skills” into “fingertip economies” and redefining what constitutes a sustainable rural livelihood. The analysis proceeds in five stages: first, establishing a theoretical framework that draws on cultural capital theory and sustainable livelihoods analysis; second, mapping the policy and institutional framework that underpins the Gongfang system; third, examining its structural logic and dominant operational models; fourth, assessing its livelihood impacts beyond mere income generation; and fifth, critically evaluating the challenges of policy implementation, authenticity preservation, and market vulnerability that the model confronts.

This study addresses three core research questions: (1) How does the Gongfang model convert cultural capital into sustainable economic value? (2) What are the structural mechanisms through which ICH workshops generate multi-dimensional livelihood impacts? (3) How can the model balance commercial viability with cultural authenticity in the context of rapid digitalization?

II. Theoretical Framework

This study draws on three interrelated theoretical lenses to analyze the Gongfang model.

2.1 Cultural Capital and Practice: Bourdieu’s Framework

Pierre Bourdieu’s (1984, 1990) theory of cultural capital and practice provides the foundational framework for understanding how traditional craft skills—embodied as cultural capital—are converted into economic and social capital through workshop-based production systems. Bourdieu distinguishes three forms of cultural capital: embodied (skills and dispositions internalized through practice), objectified (cultural goods such as crafted products), and institutionalized (formal credentials and recognition) (Bourdieu, 1986). The Gongfang model exemplifies this conversion process: artisans’ embodied skills (*habitus*) interact with the institutional field of rural development policy to generate sustainable livelihood practices. Bourdieu’s conceptualization of capital conversion—[(*habitus*)(capital)] + field = practice (Bourdieu, 1984, p. 101)—illuminates how artisans’ dispositions interact with market opportunities and state policies to produce new forms of economic and social value. This analytical framework clearly delineates the transformation boundaries of the three forms of cultural capital, providing a practical analytical scale for subsequently unpacking the evolutionary path of fingertip skills in ICH workshops from individual experience to a tradable value carrier (Bourdieu, 1986).

2.2 Economic Theory of Cultural Capital: Throsby’s Contribution

David Throsby’s (1999, 2001) economic theory of cultural capital extends this analysis by distinguishing between the intrinsic cultural value and economic value of heritage practices. Throsby argues that cultural capital, like physical and human capital, is a stock of assets that yields both cultural and economic flows over time (Throsby, 1999). Crucially, he emphasizes the “irreducibly collective character” of cultural value (Throsby, 2003)—the idea that heritage practices derive value from their embeddedness in community life and cultural identity, not merely from their exchange value in markets. This framework helps explain the central tension in the Gongfang model: how to balance the preservation of collective cultural value with the imperatives of individual and community economic survival.

2.3 Sustainable Livelihoods Framework

Ian Scoones’ (1998) sustainable livelihoods framework and Frank Ellis’ (2000) work on rural livelihood diversification provide the analytical structure for assessing impacts across five capital domains: economic, social, human, cultural, and natural capital. The framework conceptualizes livelihoods as comprising “the capabilities, assets (including both material and social resources) and activities required for a means of living” (Scoones, 1998, p. 5). A livelihood is sustainable when it “can cope with and recover from stresses and shocks, maintain or enhance its capabilities and assets, while not undermining the natural resource base” (Scoones, 1998, p. 5). This holistic approach moves beyond narrow income-focused assessments to capture the multi-dimensional ways in which the Gongfang model transforms rural lives.

2.4 The “Livelihood Turn” in Global ICH Governance

Richard Kurin’s (2004) critical appraisal of the UNESCO 2003 Convention highlights the shift from “rescue-based protection” toward “sustainable transmission”—what subsequent scholars have termed the “livelihood turn” (Meissner, 2021). This turn recognizes that ICH safeguarding cannot be separated from the economic and social conditions of the communities that bear it. Meissner (2021) further elaborates this by proposing that ICH can function as both a “driver” and an “enabler” of development: as a driver, heritage practices generate direct

economic value through production and tourism; as an enabler, they strengthen social cohesion, cultural identity, and community resilience that underpin sustainable development. The Gongfang model exemplifies both functions simultaneously.

Table 1. Theoretical Integration of Cultural Capital Conversion Framework

Theoretical Lens	Key Concepts	Application to Gongfang Model	Outcome Dimension
Bourdieu's Cultural Capital Theory	Embodied capital (skills, habitus); Objectified capital (crafted products); Institutionalized capital (certifications); Capital conversion via field interaction	Artisans' embodied skills interact with institutional rural development fields; traditional techniques objectified into commodities; formal recognition confers institutional capital	Identifies how cultural capital is mobilized and converted across different forms
Throsby's Economic Theory of Cultural Capital	Dual value: cultural vs. economic; Collective character of cultural value; Cultural capital as asset stock yielding both cultural and economic flows	ICH workshops must balance preservation of collective cultural identity with market viability; commodification risk arises when economic logic dominates	Explains the central tension between authenticity and commercialization
Scoones' Sustainable Livelihoods Framework	Five capital domains: economic, social, human, cultural, natural; Livelihood sustainability and shock recovery; Diversification as resilience strategy	Multi-dimensional impacts across all five capitals; home-based flexible employment reduces migration pressure; family structures preserved alongside income generation	Provides holistic assessment criteria beyond income-focused metrics
Global "Livelihood Turn" in ICH Governance	Shift from rescue-based protection to sustainable transmission; ICH as both driver (direct economic value) and enabler (social cohesion, identity)	Gongfang model simultaneously generates direct income and strengthens community resilience; aligns with international heritage-development discourse	Positions the model within global sustainable heritage governance

III. The Policy and Institutional Framework

The institutionalization of intangible cultural heritage (ICH) workshops reflects a coordinated, multi-level policy approach that has intensified since 2023. In that year, the Ministry of Culture and Tourism, the Ministry of Human Resources and Social Security, and the National Rural Revitalization Administration jointly issued the Notice on Continuously Promoting ICH Workshop Construction to Assist Rural Revitalization (Wang & Ye, 2023), providing targeted support in talent cultivation, employment and entrepreneurship, and industrial assistance. The inclusion of ICH workshop construction into rural revitalization performance evaluation systems by the Central Financial and Economic Affairs Commission signals a top-down commitment to their developmental role.

This multi-layered policy system did not emerge out of a vacuum. Earlier pilot practices of traditional craft stations across China, represented by the Hami and Leishan traditional craft workshops, have laid solid practical foundations for the later large-scale promotion of the national ICH workshop system, forming a complete developmental path from localized experimental exploration to systematic institutional deployment (Zhao, Huang & Yang, 2026).

Table 2. Policy Milestones in ICH Workshop Development (2023–2026)

Year	Key Policy Event	Institutional Level	Significance
2023	Joint notice on promoting ICH workshops for rural revitalization	Ministry-level coordination (Culture, HR, Rural Revitalization)	Formalized multi-agency support in talent, employment, and industry
2023	Inclusion into rural revitalization performance evaluation	Central financial and economic affairs commission	Elevated ICH workshops from cultural initiative to developmental priority
2024	Pilot certification for traditional craft manual authenticity	National cultural administration	Introduced quality assurance against mass-produced imitation
2024	Provincial regulations and regional initiatives launched	18 provincial governments; universities; enterprises	Established "government–university–enterprise–inheritor" collaboration

2025	Nationwide scale: ~14,900 workshops, >1.3 million employed	National statistical bulletin (culture and tourism)	Confirmed workshops as major rural employment and poverty-alleviation nodes
2025	Digital economy integration: livestream and short-video metrics	Platform economy reports	Validated digital channels as core commercial pathways
2026	Central No. 1 Document endorses ICH workshops as "new consumption format"	Central Committee & State Council	Paradigm shift: ICH repositioned as productive force, not merely protected heritage

Seven national cultural ecological protection zones have been officially designated, the sixth batch of national representative inheritors of intangible cultural heritage (ICH) has been announced, and the Chinese ICH Inheritors Research and Training Program has been fully implemented. A leading conservation working mechanism has been established for the items inscribed on UNESCO's ICH Lists, and pilot certification for traditional craft handicrafts has been advanced. The construction of ICH workshops has been intensified, with more than 14,900 such facilities set up nationwide. A series of themed campaigns including the four-season "Intangible Cultural Heritage Treasures China-Chic Revitalization" ICH Shopping Month and the ICH Brand Promotion Week have been organized, while the long-running initiatives "ICH on Campus" and "ICH in Communities" have been continuously carried out, to further promote the integration of ICH into scenic spots, resorts and commercial blocks. **(Ministry of Culture and Tourism of the People's Republic of China, 2026).**

These workshops are not isolated cultural outposts but nodes in a national strategy to decentralize economic opportunity and empower marginalized populations—particularly rural women, the elderly, and persons with disabilities—who are often excluded from formal labor markets.

This institutional scaffolding represents a departure from earlier, preservation-centric approaches. Where previous policies treated ICH primarily as an object of conservation, the current framework positions it as an active agent of rural economic restructuring—a shift from "protective custody" to "productive activation" (Sun & Sun, 2026a). This paradigm shift aligns with the global "livelihood turn" identified by Kurin (2004) and Meissner (2021), but with distinctive Chinese characteristics: state-led coordination, multi-stakeholder collaboration, and integration with national strategies such as rural revitalization and common prosperity.

IV. The Gongfang Model: Structure and Operational Logic

The Gongfang model is defined by its hybridity - bridging cultural transmission and economic production. Its success lies in a flexible, decentralized production system that contrasts sharply with industrial manufacturing. Three dominant operational models have emerged, each representing a distinct pathway for converting cultural capital into economic value.

4.1 ICH Workshop + Specialty Industry

This model integrates traditional crafts into regional value chains, transforming subsistence handicrafts into market-oriented industries. In Hanzhong, Shaanxi, the rattan weaving workshop network has developed standardized production protocols and a cooperative system linking masters, households, and e-commerce platforms. The result is a diversified product line spanning furniture, décor, and cultural creatives.

In 2025, Huangguan Town had established 7 community factories, 5 industrial assistance bases, and 6 designated intangible cultural heritage (ICH) inheritance sites, embedding over 6,500 local residents into the complete rattan-weaving value chain. A total of 738 relocated rural residents secured localized employment in their immediate communities, yielding an average annual income increment of more than CNY 20,000. The three leading specialized rattan-weaving enterprises in the town registered a combined annual gross output value exceeding CNY 168 million, with their end products distributed to international markets spanning Europe, North America, and Southeast Asia (Shaanxi Provincial People's Government, 2025). This type of differentiated competitive advantage, built on irreplicable local craft endowments, fully aligns with the resource-based view's classic proposition that inimitable core competencies can support long-term stable economic returns (Barney, 1991).

The project Hanzhong Rattan Weaving ICH Workshop Assists Rural Revitalization was selected as an official 2024 exemplary case under the UNESCO "ICH for Sustainable Development" initiative across the Asia-Pacific region — the only designated case from Shaanxi Province in that year's cohort.

Similarly, in Guizhou's Congjiang County, the "Jinxu Plan" (Splendid Plan)—launched in 2013 by the Guizhou Provincial Women's Federation—has transformed Miao embroidery from a subsistence craft into a market-oriented industry. The plan has cumulatively invested over CNY 1.1 billion, conducted 5,180 training sessions for 260,000 participants, and supported 2,680 enterprises. It has enabled women to earn income while remaining in their communities, with the industry generating over CNY 6 billion in output value in recent years and providing employment for more than 500,000 people.

The preceding case illustrates what Bourdieu (1984) termed the conversion of embodied cultural capital into economic capital: artisans' traditional skills, once confined to domestic or communal contexts, are now objectified as marketable commodities. Yet this conversion is not automatic—it requires what Li, Li & Kou (2022), in their study of Shengzhou bamboo weaving, call an “actor-network” of designers, government agencies, e-commerce platforms, and cultural intermediaries who translate traditional techniques into contemporary product forms.

4.2 ICH Workshop + Rural Tourism

Here, the workshop becomes a destination, leveraging the performative and experiential dimensions of ICH. In Chongzhou, Sichuan, the Bamboo Art Village has reinvented itself around the nationally recognized Dao Ming bamboo weaving tradition. The village has developed over 20 core tourism projects, including the “Zhuli” architectural landmark, bamboo culture experience centers, and study-tour bases. In 2024, the village welcomed 1.602 million tourists, generating tourism revenue of CNY 69.69 million and a total bamboo industry output value of CNY 75.11 million. The village's collective income reached CNY 2.902 million, while the per capita disposable income of residents rose to CNY 38,500—an annual increase of CNY 5,000–12,000. The village's “ICH + Tourism Integration” model has been recognized as a national exemplary case and included in the *2025 Blue Book on ICH and Tourism Integration* (Sichuan Provincial Department of Culture and Tourism, 2025). This case exemplifies how the strategic spatialization of ICH practice—transforming workshops into immersive destinations—can effectively convert localized cultural capital into sustainable tourism-driven rural development, aligning with the broader discourse on cultural economy and place-making.

A complementary micro-spatial practice can be observed in Hainan's Changjiang County, where Li pottery workshops adopt the classic “front shop, back workshop” (qian dian hou fang) layout. This compact spatial design eliminates the physical boundary between production and consumption, allowing visitors to observe the full pottery-making workflow, participate in hands-on craft sessions, and purchase authentic products on-site. It constructs a small-scale immersive environment where cultural transmission and commercial operation seamlessly converge, successfully transforming conventional passive tourist spectatorship into embodied, active cultural participation.

4.3 ICH Workshop + Digital Economy

Digital platforms have dramatically expanded the reach of ICH products. This trend is exemplified by the “ICH Good Products, Guochao Revitalization” Summer Shopping Month, launched by the Ministry of Culture and Tourism in June 2026. The flagship event, held in Suzhou, Jiangsu Province, organized over 100 ICH workshops and inheritors to showcase innovative products that combine traditional craftsmanship with creative design (Ministry of Culture and Tourism of the People's Republic of China, 2026). The initiative went beyond simple sales, facilitating resource matchmaking between workshops, young inheritors, enterprises, and universities to promote the “quality and efficiency improvement” of ICH workshops. As part of a nationwide campaign featuring over 1,200 events, this government-led digital promotion underscores the strategic effort to integrate ICH into modern consumption and daily life.

In Yongkang, Zhejiang, VR experiences and digital “gene banks” preserve and disseminate tin-carving techniques, while also serving as design resources for new products. The Suzhou *kesi* (silk tapestry) intelligent digital workshop has introduced AI scanning and intelligent weaving equipment, with a 2025 equipment R & D investment of CNY 12 million, increasing production capacity efficiency by 30%.

Table 3. Comparative Analysis of Three Operational Models

Dimension	ICH + Specialty Industry	ICH + Rural Tourism	ICH + Digital Economy
Core Logic	Industrial chain extension	Experience economy	Platform economy
Representative Cases	Rattan weaving workshop network; Embroidery industry cluster	Bamboo art village with integrated tourism facilities	Village livestreaming bases; Digital workshop with AI-assisted production
Capital Conversion Pathway	Embodied Capital → Economic Capital	Cultural Capital → Social + Economic Capital	Cultural Capital → Digital Capital → Economic Capital
Primary Risk	Market volatility; Product homogenization	Over-commercialization; Staged authenticity	Algorithmic homogenization; Digital divide; Low-quality imitation proliferation

This digital turn not only broadens markets but also democratizes access to cultural knowledge, addressing the intergenerational transmission crisis by attracting younger learners—75% of participants in VR remote *kesi* training programs are under 30 years old.

V. Livelihood Impacts: A Sustainable Livelihoods Analysis

The Gongfang model redefines sustainability by addressing both economic and social dimensions of rural life. Drawing on the sustainable livelihoods framework (Scoones, 1998; Ellis, 2000), its impacts can be analyzed across five capital domains.

5.1 Economic Capital: Flexible, Home-Based Employment

Economically, the model provides flexible, home-based employment that accommodates the caregiving responsibilities disproportionately borne by rural women. In Guizhou's Huaxi Village, embroidery artisan Yang Wenli returned from urban entrepreneurship to establish a workshop, enabling mothers to work locally and reunite with their children—transforming “left-behind” families (families with parents migrating to cities while children remain in rural areas) into cohesive units. The Guizhou “Jinxiu Plan” has become a landmark project for women's poverty alleviation and rural revitalization, with its successful experience documented in the *China's Experience in Women's Poverty Reduction in the New Era* report submitted by the All-China Women's Federation to the United Nations.

In Shaanxi, provincial-level ICH workshops have generated substantial employment opportunities, with per capita annual income increasing significantly. In Hanzhong's Huangguan Town, relocated residents achieved “doorstep employment,” with notable increases in per capita income.

These outcomes demonstrate what Ellis (2000) calls “livelihood diversification”—the ability of rural households to combine multiple income sources to reduce vulnerability and enhance resilience. The Gongfang model enables diversification without requiring physical migration, preserving family structures while generating income.

5.2 Social Capital: Dignity and Collective Ownership

Socially, the model fosters dignity and agency. Artisans are no longer passive recipients of aid but active producers and entrepreneurs. In Chishui, Guizhou, bamboo weaver Yang Changqin—a provincial-level inheritor of Chishui bamboo weaving and a deputy to the 14th National People's Congress - has established the Qianshou Bamboo Art ICH Workshop. Operating under a “Party Branch + Company + Cooperative + Household” model, the workshop has developed over 300 product varieties, holds 34 registered trademarks and 12 invention patents, and has distributed dividends to villagers. It provides stable and flexible employment opportunities for local community members.

Yang's credo — “development is the best form of inheritance” — encapsulates the model's philosophy. This resonates with Meissner's (2021) argument that ICH valorisation is both a driver and enabler of development: economic success drives the continuation of traditional practices, while the social recognition and community cohesion generated by the workshop enable broader developmental outcomes.

5.3 Human Capital: Intergenerational Transmission

Moreover, the model supports intergenerational transmission. Training programs, such as those in Hanzhong and Chishui, have trained thousands of new artisans, ensuring the continuity of skills while adapting them to contemporary tastes. The China ICH Inheritor Training Program (*Yanpei Jihua*), implemented nationwide, has provided systematic capacity-building for inheritors, helping them “strengthen foundations, broaden horizons, and enhance literacy”.

This investment in human capital addresses what Sun, Yang & Sun (2026) identify as the “generational gap” in ICH transmission: with national-level inheritors averaging 63 years of age and fewer than 8% under 40, the Gongfang model's training programs serve as critical pipelines for cultivating a new generation of cultural bearers.

5.4 Cultural Capital: From Preservation to Activation

The model exemplifies what Bourdieu (1984, 1990) termed the conversion of cultural capital—transforming embodied skills and dispositions (*habitus*) into objectified economic capital through market exchange, while simultaneously generating social capital through community-based production networks. This process aligns with Throsby's (1999, 2001) economic theory of cultural capital, which distinguishes between the intrinsic cultural value of heritage practices and their exchange value in commercial markets.

This 14,900 ICH workshops from the 2025 Statistical Communiqué on Culture and Tourism Development, the latest official statistical data covering the full calendar year of 2025, forms a clear chronological progression with the previously cited interim figure of 12,900 intangible cultural heritage workshops recorded in June 2025. It directly captures the annual growth momentum of China's national ICH workshop construction initiative, and further establishes a more rigorous, temporally complete evidence base for the subsequent analysis of the

employment-generating effects of community-based intangible cultural heritage preservation in this study (Ministry of Culture and Tourism of the People's Republic of China, 2026)

This tangible employment and income growth figure provides robust empirical evidence for the economic spillover effect of China's "living heritage conservation" model. These figures demonstrate that cultural capital, when properly activated through digital platforms and localized community governance rather than top-down commercial exploitation, can generate substantial economic returns without necessarily sacrificing cultural integrity. The key lies in what Throsby (2003) calls maintaining the co-presence of "cultural value" alongside "economic value"—ensuring that market success reinforces rather than erodes the intergenerational cultural meanings that give heritage products their distinctive, irreplaceable appeal. A large-sample empirical study of 689 intangible cultural heritage villages in Huangshan further verifies this logic: when workshops are equipped with matching local cultural adaptation capabilities, the transformation efficiency of cultural capital is 47% higher than that of scattered individual operations (Wang, Li & Zhang, 2024).

VI. Challenges and Critical Considerations

Despite its successes, the Gongfang model faces significant challenges that threaten its long-term viability.

6.1 Policy Implementation Gaps

This gap between policy design and implementation reflects a broader challenge in China's multi-level governance system. While the national government has established a comprehensive support framework for ICH workshops—grounded in the Intangible Cultural Heritage Law, intellectual property protections, fiscal subsidies, and tax incentives—the translation of these directives into effective local action remains uneven. Consequently, despite a steadily improving profit environment, the majority of ICH workshops and small-to-medium heritage enterprises still fail to reach their anticipated scale, highlighting the persistent disparity between top-down policy design and grassroots execution.

Sun & Sun (2026a) note that while China's ICH research has formed a "three-in-one achievement system of policy, practice and theory," the connection between research and practice remains inadequate, with some theoretical studies lacking targeted empirical research and feasible solutions.

6.2 The Authenticity-Commercialization Paradox

The tension between transmission and commercialization reflects a deeper paradox in heritage governance. On one hand, Smith's (2006) critique of the "Authorized Heritage Discourse" (AHD) alerts us to the dangers of expert-driven, top-down definitions of authenticity that may exclude community voices. On the other hand, market pressures can lead to what Throsby (2003) calls the "commodification" of cultural capital—where the simplification of complex techniques for mass production risks eroding the very practices that generate cultural value.

As educational assessments have noted, when craftsmen rush to meet market demands, some pay little attention to traditional norms, leading to debates over whether "commercialized" heritage still counts as "pure" (Sun and Sun, 2026a). The field is also flooded with "imitated" mass-produced handicrafts—thousands of which enter markets annually—blurring the line between authentic heritage and fakes.

This paradox demands not a binary choice between preservation and profit, but what Meissner (2021) calls a "valorisation model" that respects the dynamic nature of living heritage while establishing quality safeguards. The 2024 pilot program for traditional craft manual certification, mentioned in the 2025 Statistical Bulletin, represents a step toward quality assurance.

6.3 Market Vulnerability and Imitation Risks

ICH workshops remain highly susceptible to market fluctuations and fierce competition from mass-produced imitations. Although the ICH cultural product market has entered a phase of scaled development, this rapid growth also attracts commercial actors who may prioritize profit over preservation. Furthermore, the digital economy, while expanding markets, introduces new vulnerabilities. Algorithm-driven platforms may prioritize viral content over substantive cultural transmission, and the ease of digital replication can accelerate the spread of low-quality imitations (Sun, Yang & Sun, 2026).

6.4 Toward a Dual Evaluation System

To address these tensions, a dual evaluation system is needed—one that measures both economic output and cultural integrity. From the perspective of neo-endogenous development, this evaluation design that balances economic output and cultural integrity can effectively avoid the potential risk of external capital over-intervention eroding local cultural identity (Li & Wang, 2023). Guangzhou's requirement that workshops demonstrate full-chain functionality (transmission, R&D, production, tourism, and employment) offers a promising framework. Similarly, the "five-in-one" model pioneered in Hanzhong's Huangguan Town - "inheritor-led enterprises, artisan

cooperatives, diligent-worker family workshops, e-commerce practitioner online stores, and innovator R&D bases” - provides an integrated approach to balancing commercial viability with cultural authenticity.

This dual evaluation aligns with the global trend toward “systematic safeguarding” identified by Sun & Sun (2026b), who note that the global ICH system has moved from “inscription-oriented” to “safeguarding-centred” governance. China’s experience with the Gongfang model can contribute to this evolving global framework.

VII. Conclusion

The Gongfang model represents a paradigm shift in rural development: one where culture is not a relic of the past but a living, productive resource for the future. By embedding intangible heritage within sustainable livelihoods, China is pioneering a form of development that is economically viable, socially inclusive, and culturally grounded. This study makes three theoretical contributions. First, it operationalizes Bourdieu’s cultural capital theory in the context of rural China, demonstrating how embodied craft skills are converted into economic and social capital through institutionalized workshop systems. Second, it extends Scoones’ sustainable livelihoods framework by adding a cultural capital dimension that captures the distinctive value generated by heritage-based development. Third, it contributes to the global “livelihood turn” debate by providing empirical evidence of how ICH can function simultaneously as a driver and enabler of sustainable development (Meissner, 2021).

The 2026 policy endorsement is not an endpoint but a catalyst—urging further innovation in how tradition and modernity can co-produce a more resilient rural future. As the model evolves, its greatest test will be maintaining the delicate balance between market relevance and cultural fidelity—ensuring that in empowering rural communities, the soul of the craft is not lost.

The experience of the past decade suggests that this balance is achievable, but only through sustained institutional support, rigorous quality standards, and the continued agency of artisans themselves as both custodians and innovators of their heritage. The Gongfang model thus offers not merely a Chinese solution to a Chinese challenge, but a potentially replicable framework for any society seeking to harness cultural heritage as a driver of inclusive, sustainable rural development in the twenty-first century.

As Sun, Sun & Yang (2026) demonstrate in their analysis of ICH transmission along the Asian Silk Road, cultural practices have always been dynamic, adapting to new contexts while maintaining core meanings. The Gongfang model continues this tradition of creative adaptation—transforming “fingertip skills” into “fingertip economies” while ensuring that the fingers remain connected to the hands, the hands to the hearts, and the hearts to the cultural traditions that give meaning to the work.

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