China's New Media Milieu:
Commercialization, Continuity, and Reform

Edited by: Maryanne Kivlehan-Wise and Catherine Welch

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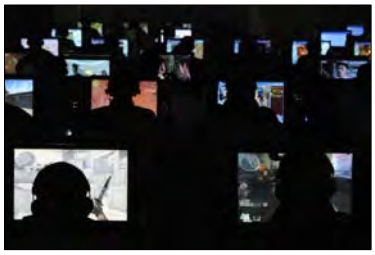

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Approved for distribution: October 2010

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China’s New Media Milieu:
Commercialization, Continuity, and Reform

Table of Contents

Publication List iii

U.S. Media Acronyms ix

Acronyms xi

Acknowledgments xiii

Foreword by Maryanne Kivlehan-Wise xv

Chapter 1: Chaos Under Heaven: Continuity and Change in the Chinese Media System by Maryanne Kivlehan-Wise 1

Chapter 2: Media Commercialization in China: A Political Economic and Evolutionary Perspective by Joseph Man Chan 11

Chapter 3: Globalization, State Capitalism, and Press Conglomeration in China by Chin-Chuan Lee 29

Chapter 4: Media, Public Opinion, and Foreign Policy by Xiong Zhiyong 47

Chapter 5: The Birth of Sophisticated Propaganda: The Party State and the Chinese Media in Post-Reform Politics by Wu Guoguang 61

Chapter 6: The Silent but Salient Impact of Web Media in China by Junhao Hong 79

Chapter 7: Proactive Experiments: The Internet as an Alternative Media Outlet by Zhou Yongming 99

Chapter 8: New Trends at CCTV by Jie Lin 113

Chapter 9: Who Comes First, the Party or the People? The Media Policy of Beijing's "Mass-based Administration" by Willy Lam 129

Chapter 10: China's New Media Milieu: Commercialization, Continuity, and Reform by John Pomfret 145

Chapter 11: Analyzing Chinese Media in an Era of Sex, Money, and Power by Alice Lyman Miller 155

Appendix: Author and Editor Biographies 171

Publication List

The following lists the English translations, pinyin Romanization and Chinese characters used to refer to the Chinese publications discussed in this volume. The publications are listed in alphabetical order by the English translation of their titles.

21st Century Business Herald; *ershiyi shiji jingji baodao*; 21 世纪经济报道

21st Century World Herald; *ershiyi shiji huanqiu baodao;* 21 世纪环球报道

American Studies (Quarterly); *meiguo yanjiu*; 美国研究

Apple Daily; *pingguo ribao*; 苹果日报

Asia Week; *yazhou zhoukan*; 亚洲周刊

Beijing Daily; *beijing ribao*; 北京日报

Beijing Review; *beijing zhoubao*; 北京周报

Beijing Times; *jinghua shibao*; 京华时报

Beijing Youth Daily; *beijing qingnian bao*; 北京青年报

Caijing; *caijing*; 财经

Century China; *shiji zhongguo*; 世纪中国

Century Salon; *shiji shaolong*; 世纪沙龙

Century Weekly; shiji zhoukan; 世纪周刊

China Business; *zhongguo jingying bao*; 中国经营报

China Can Say No; *zhongguo keyi shuobu*; 中国可以说不

China Central Television (CCTV); *zhongyang dianshitai*; 中央电视台

China Central Television (CCTV) Drama; zhongguo zhongyang dianshitai xiju pindao; 中国中央电视台戏剧频道

China Central Television (CCTV) Football; zhongguo zhongyang dianshitai fengyun zuqiu pindao; 中国中央电视台风云足球频道

China Central Television (CCTV) Forum; *yangshi luntan*; 央视论坛

China Central Television (CCTV) Movies; zhongguo zhongyang dianshitai dianying pindao; 中国中央电视台电影频道

China Central Television (CCTV) MTV; zhongguo zhongyang dianshitai yinyue pindao; 中国中央电视台音乐频道

China Central Television (CCTV) Opera; zhongguo zhongyang dianshitai xiqu pindao;

中国中央电视台戏曲频道

China Central Television Sports (CCTV-5); zhongguo zhongyang dianshitai tiyu pindao; 中国中央电视台体育频道

China Central Television Variety (CCTV-3); zhongguo dianshitai zongyi pindao; 中国中央电视台综艺频道

China Central Television West (CCTV-12); zhongguo zhongyang dianshitai xibu pindao; 中国中央电视台西部频道

China Comment; *banyue tan*; 半月谈

China Consumer News; *zhongguo xiaofeizhe bao*; 中国消费者报

China Daily, *zhongguo ribao*; 中国日报

China Education Television (CETV); *zhongguo jiaoyu dianshitai*; 中国教育电视台

China Entertainment Television (CETV); *huayu weixing*; 华娱卫星

China Environment News; *zhongguo huanjing bao*; 中国环境报

China International Television Corporation (CITVC); zhongguo guoji dianshi zonggongsi; 中国国际电视总公司

China Internet Information Center (china.org.cn); *zhongguo hulianwang xinwen zhongxin*; 中国互联网新闻中心

China Journalist (Xinhua); *zhongguo jizhe*; 中国记者

China Legal Report (CCTV); *zhongguo fazhi baodao*; 中国法制报道

China National Radio; *zhongyang renmin guangbo diantai*; 中央人民广播电台

China News Service (CNS); *zhongguo xinwenshe*; 中国新闻社

China News Agency (CNA)/ Hong Kong China News Agency; *xianggang zhongguo tongxunshe*; 香港中国通讯社

China Radio and Television Academic Journal; *zhongguo guangbo dianshi xuekan*; 中国广播电视学刊

China Radio International (CRI) (formerly Radio Beijing); *zhongguo guoji guangbo diantai*; 中国国际广播电台

China Review; *zhongguo pinglun*; 中国评论

Chinese Scholars Abroad; *shenzhou xueren*; 神州学人

China Securities News (Xinhua); *zhongguo zhengquan bao*; 中国证券报

China Statistical Yearbook 1996; *zhongguo tongji nianjian 1996*; 中国统计年间

China Trade News; *zhongguo maoyi bao*; 中国贸易报

China's Way Under the Shadow of Globalization; *quanqiuhua yinying xia de zhongguo zhi lu*; 全球化阴影下的中国之路

China Youth Daily (CYD); *zhongguo qingnian bao*, 中国青年报

China Youth Online (CYOL); *zhongqing zaixian*; 中青在线

Chinese Diplomacy; *zhongguo waijiao*; 中国外交

Chinese Foreign Affairs Forum; *zhongguo waijiao luntan*; 中国外交论坛

Chinese Military Science; *zhongguo junshi kexue*; 中国军事科学

Commercial Observer; *shangye guancha*; 商业观察

Contemporary International Relations; *xiandai guoji guanxi*; 现代国际关系

Contending; *zhengming yuekan (chengming)*; 争鸣月刊

Current Affairs Discussion (Phoenix TV); *shishibian lunhui*; 时事辩论会

Dazhong News Group; *dazhong baoye*; 大众报业

Development Forum; *fazhan luntan*; 发展论坛

EastDay.com; *dongfang wang*; 东方网

Eastern Satellite Television; *dongfang weixing dianshi*; 东方卫星电视

Eastern Television (Shanghai); *dongfang dianshitai*; 东方电视台

Economic Daily; *jingji ribao*; 经济日报

Economic Observer; *jingji guancha bao*; 经济观察报

Economic Reference News (Xinhua); *jingji cankao bao*; 经济参考报

Farmer Daily; *nongmin ribao*; 农民日报

Fashion; *shishang*; 时尚

Finance Daily; *caijin ribao*; 财金日报

Focus; *jiaodian fangtan*; 焦点访谈

Global Times; *huanqiu shibao*; 环球时报

Global Weekly; *shijie zhoukan*; 世界周刊

Guangdong Television; *guangdong dianshitai*; 广东电视台

Guangming Daily; *guangming ribao*; 光明日报

Guangzhou Daily; *guangzhou ribao*; 广州日报

Guangxi University Journal; *guangxi daxue xuebao*; 广西大学学报

Harbin Daily; *ha'erbin ribao*; 哈尔滨日报

Henan Daily; *henan ribao*; 河南日报

International Business Daily; *guoji shangbao*; 国际商报

International Forum; *guoji luntan*; 国际论坛

International Herald Leader; *guoji xianqu daobao*; 国际先驱导报

International Studies; *guoji wenti yanjiu*; 国际问题研究

Jiangnan Times; *jiangnan shibao*; 江南时报

Lanzhou Evening News; *lanzhou wanbao*; 兰州晚报

Liaoning Daily; *liaoning ribao* 辽宁日报

Market Daily; *shichang bao*; 市场报

Ming Pao; *ming bao (ming pao)*; 明报

The Mirror; *jing bao* (*ching pao*); 镜报

Modern Express (Xinhua); *xiandai kuaibao*; 现代快报

Modern Media; *xiandai chuanbo*; 现代传播

Nanjing Morning News; *nanjing chenbao*; 南京晨报

Netease; *wangyi*; 网易

News Broadcast (CCTV); *xinwen lianbo*; 新闻联播

News Front; *xinwen zhanxian*; 新闻战线

News Hookup; *xinwen lianbo*; 新闻联播

News Meeting Room; *xinwen hui keting*; 新闻会客厅

News Probe; *xinwen diaocha*; 新闻调查

News University; *xinwen daxue*; 新闻大学

The Nineties; *jiushi niandai*; 九十年代

Oriental Outlook Weekly (Xinhua); *liaowang dongfang zhoukan*; 瞭望东方周刊

Outlook Weekly (Xinhua); *liaowang zhoukan*; 瞭望周刊

Open; *kaifang*; 开放

People’s Daily; *renmin ribao*; 人民日报

People’s Daily International Forum; *renmin ribao guoji luntan*; 国际论坛

People’s Daily Online; *renmin wang*; 人民网

Popular Movies; *dazhong dianying*; 大众电影

Phoenix TV; *fenghuang dianshitai*; 凤凰电视台

PLA Daily; *jiefangjun ribao*; 解放军日报

Public Platform; *gonggong pingtai*; 公共平台

Qianlong Net; *qianlong wang*; 千龙网

Radio Beijing-see China Radio International (CRI)

Radio Guangdong; *chengshi zhisheng*; 城市之声

Reference Materials (Xinhua); *cankao ziliao*; 参考资料

Reference News (Xinhua); *cankao xiaoxi*; 参考消息

Securities Weekly; *zhengquan zhoukan*; 证券周刊

Selected Reports of the Central Party School; *zhongyang dangxiao baogao xuan*; 中央党校报告选

Shanghai Security News; *shanghai zhengquan bao*; 上海证券报

Shanghai Television; *shanghai dianshitai*; 上海电视台

Shenyang Daily; *shenyang ribao*; 沈阳日报

Shenzhen (Special Zone) Daily; *shenzhen tequ bao*; 深圳特区报

Sichuan Daily; *sichuan ribao*; 四川日报

Sina (www.sina.com.cn); *xinlang*; 新浪

Sohu (www.sohu.com); *souhu*; 搜狐

Southern Daily; *nanfang ribao*; 南方日报

Southern Metropolitan News; *nanfang dushi bao*; 南方都市报

Southern Weekend; *nanfang zhoumo*; 南方周末

Speech; *yanlun*; 言论

STAR Group Limited; *xingkong zhuanmei jituan*; 星空传媒集团

Stock Market; *gushi*; 股市

Strong Nation Forum; *qiangguo shequ*; 强国社区

Study and Practice; *xuexi yu shijian*; 学习与实践

Taiwan Studies; *taiwan yanjiu*; 台湾研究

Technologies of Broadcasting, Television and Networking; *guangbo dianshi wangluo jishu*; 广播电视网络技术

Television Studies; *dianshi yanjiu*; 电视研究

Theoretical Trends (Central Party School); *lilun dongtai*; 理论动态

Three Persons Talk Show (Phoenix); *qiangqiang san ren xing*; 锵锵三人行

Tianya Forum; *tianya luntan*; 天涯论坛

Titan Sports; *titan fengyun*; 体坛风云

Tourism; zhongguo *luyou wang*; 中国旅游网

Trends; *dongxiang yuekan*; 动向月刊

Twenty-First Century; *ershiyi shiji*; 二十一世纪

United Morning News**;** *lianhe zaobao wang*; 联合早报网

Weekly Digest; *xingqi wencui*; 星期文萃

Wenhui-Xinmin United Press Group; *wenhui xinmin lianhe baoye*; 文汇新民联合报业

Wen Wei Po; *wen hui bao*; 文汇报

Wide Angle; *guangjiaojing yuekan*; 广角镜月刊

World Economics and Politics; *shijie jingji yu zhengzhi*; 世界经济与政治

World Knowledge; *shijie zhishi*; 世界知识

Wuhan University Journal: Humanities Edition; *wuhan daxue xuebao: renwen kexue ban*; 武汉大学学报: 人文科学版

Xinmin Weekly; *xinmin zhoukan*; 新民周刊

Xinhuanet; (Xinhua website-www.xinhuanet.com); *xinhua;* 新华

Xinhua (News Agency); *xinhua (she)*; 新华(社)

Xinhua Daily Telegraph; *xinhua meiri dianxun*; 新华每日电讯

Yangcheng Evening News; *yangcheng wanbao*; 羊城晚报

Youth Review (subsidiary of CYD); *qingnian cankao*; 青年参考

Zaobao.com; *zaobao wang*; 早报网

Zhejiang Daily; *zhejiang ribao*; 浙江日报

U.S. Media Acronyms

ABC – American Broadcasting Company

AP – Associated Press

AOL – America Online, Inc.

BBC – British Broadcasting Corporation

CNN – Cable News Network

ESPN – Entertainment and Sports Programming Network

MTV – Music Television

Acronyms

BBS – Bulletin Board Service

CCP – Chinese Communist Party

CCPCPD – Chinese Communist Party Central Propaganda Department

CCPPD – Chinese Communist Party Publicity Department

CEPA – Closer Economic Partnership Arrangement

ICQ – "I Seek You" (an instant messaging service)

IP – Internet Protocol

ISP – Internet Service Provider

PR – Public Relations

PRC – People's Republic of China

PSC – Politburo Standing Committee

RMB - Renminbi

SARS – Severe Acute Respiratory Syndrome

SEZ – Special Economic Zone

SOE – State Owned Enterprise

WTO – World Trade Organization

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Foreword

By Maryanne Kivlehan-Wise

In June 2004, CNA China Studies hosted a two-day conference on China's media system. The conference took place early in Hu Jintao and Wen Jiabao's reigns as President and Premier of the People's Republic of China (PRC). At the time, it was perceived that there was a potential for real and fundamental change in China's approach to media governance. The conference itself was an effort to capture the full spectrum of economic, technological, and ideological change taking place in China's media environment, the implications of such changes, and the potential for deeper reform in the coming years.

In addition to underscoring new developments, paper presenters did an excellent job of describing continuity—that which has remained unchanged despite dramatic economic, social, and political developments shaping China and its media environment since the early 1980s. This includes enduring efforts to maintain content control and reluctance on the part of the PRC's government to allow for private ownership of media enterprises.

What made this conference unique was the mix of contributing authors. Throughout the conference, an effort was made to describe changes from multiple perspectives. Academics who contributed were selected from mainland China, Hong Kong, and the West. PRC-based media professionals included foreign media correspondents serving in China, as well as Chinese nationals working in the PRC media complex.

The result was an impressive collection of recognized experts and new voices discussing continuity and change in China's media with a level of sophistication not found in many discussions on China's media. Today, as we near the end of the Hu-Wen Administration, one is struck with the enduring value of these conference papers.

In 2010, as we publish this volume, those in the United States who closely follow China-U.S. relations have spent much of the late spring and early summer trying to properly interpret hyperbolic statements appearing in the PRC press discussing China's core national interests, freedom of navigation in the waters close to China's shores, and PRC opposition to the U.S. decision to hold military exercises with the South Korean military in the Yellow Sea. Lacking a clear roadmap, U.S. observers are struggling to make sense of comments made by PRC officials—to include members of China's military—in high-profile PRC media outlets. [1] Questions related to the Chinese government's editorial control of PRC media, the increased prominence of commentary by China's public intellectuals in China's print media and on television, and the incentives which drive the selection of PRC news content are once again at the forefront of China-watcher's minds.

[1] For examples of such articles see, Yang Yi, "The US Should Refrain from Provoking China through Unnecessary Military Drills and Respect its Maritime Concerns," *China Daily*, August 13, 2010, and John Pomfret, "U.S. Takes a Tougher Tone with China," The Washington Post, July 30, 2010; A01.

Eight years into the Hu-Wen Administration, the continuity, challenges, and trends to watch in the Chinese media system remain as relevant today as they were the day that these papers were first presented. The following volume contains the results of this 2004 conference. It is hoped that the information will be of use to all China watchers who use the PRC media to interpret PRC government signaling and to better understand key events taking place within the Chinese government, economy, and society.

Chapter 1: Chaos Under Heaven: Continuity and Change in the Chinese Media System

By Maryanne Kivlehan-Wise

Impressive change

As with most spheres of reform in the PRC, a central event in the development of China's media system was the redirection of the nation's development strategy following the Third Plenum of the 11th Central Committee in December 1978. At this meeting, the Chinese Communist Party (CCP) decided to shift away from class struggle and toward modernization. This launched a period of economic reform and rapid development, featuring dramatic growth in most sectors of China's economy, including China's media sector.

The papers in this volume discuss four fundamental changes which have, together, served to shape China's media environment: (1) the dramatic increase in the numbers and types of media outlets; (2) the expansion of information considered appropriate for public consumption; (3) the reduction of state subsidies and the introduction of market forces; and (4) the diversification of management structures.

Increase in numbers of outlets

The first fundamental change was a rapid increase in the number and types of media outlets. In their chapters Joseph Chan, Chin-Chuan Lee, Wu Guoguang, Jie Lin, and Alice Lyman Miller all make references to the rapid increase in the number of media outlets. Following the Third Plenum in 1978, government restrictions on the establishment of media outlets were relaxed, allowing for unencumbered expansion. Disbanded publications were revived, and new ones rapidly sprung up.

This increase was remarkable. Miller and Lee both document this change. At the lowest point of the Cultural Revolution, China had as few as forty-two newspapers and twenty-one magazine titles. According to Xinhua, by 2007 the number of newspapers had increased to over 2,000 and the number of magazines had risen to over 9,000.[2]

This rapid expansion goes well beyond a simple increase in the numbers of print media outlets. Jie Lin, Junhao Hong, and Zhou Yongming each discuss how improvements in technology led to a diversification in the types of media outlets that facilitate information flow in China. Jie Lin makes reference to dramatic increases in the number of television programs and the type of news formats. Junhao Hong and Zhou Yongming each provide lengthy discussions of China's halting embrace of the Internet, evolving policies toward Internet news format, and the explosion of PRC bulletin board systems (BBS) discussing

[2] *China reports growing number of magazine titles* (Xinhua News Agency November 18, 2007). Also see http://www.chinatoday.com/med/a.htm accessed September 2010.

news and information. In his chapter, Zhou Yongming provides a fascinating discussion of the establishment of *Strong Nation Forum*, a well-established BBS known for its strong nationalistic content and affiliated with the CCP mouthpiece *People's Daily*. Zhou describes the lengths that the *People's Daily Online* staff go to in order to manage the thousands of messages appearing daily on this forum.

Such an expansion of numbers of outlets alone would be a force powerful enough to remake the media landscape in China. But this change did not occur in a vacuum.

Expansion in types of information considered appropriate for public consumption

A second change highlighted by the authors of these papers is that this expansion in the number of media outlets has been coupled with an expansion in the types of content deemed appropriate for public discussion.

When considering information appearing in PRC media, it is useful to think of content as falling into three categories: (1) obligatory content, (2) discretionary content, and (3) forbidden content.[3]

Obligatory content

In the Chinese media, there are certain stories or types of information that consistently show up, regardless of whether a media outlet's target audience is interested. This type of reporting can be referred to as "obligatory content." Examples include the text of certain speeches, detailed reports about the travel and meeting schedules of China's central leaders, or the arrival and departure of foreign delegations. Key events, such as CCP Congresses, often bring out a coordinated release of these types of stories throughout China.

Obligatory content is immune to market forces. Media outlets are required to publish obligatory content. Therefore, the incentives for including it are defined by the state. Refusing to comply with such guidance could result in disciplinary actions.

Discretionary content

Not all content in the PRC media content is obligatory. There also are a host of types of information that a Chinese news media outlet is permitted to choose to include or omit. This can be referred to as "discretionary content."

Discretionary content can include a list of topics ranging from softer issues (such as human interest, fashion, or hobbies) to harder news (such as discussion of some aspects of world news, foreign affairs, and domestic policy). If an editor or reporter is able to independently exercise judgment and decide whether or not to include information, the content is discretionary.

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[3] For a more full discussion of these three types of content, see Maryanne Kivlehan-Wise, "China's media in an age of capitalist transition," pp. 126-145 in *China's Emergent Political Economy, Capitalism in the Dragon's Lair*, edited by Christopher A. McNally (Routledge Press, New York 2008).

Incentives for publishing discretionary content vary. Discretionary content is often selected because it appeals to an outlet's target audience and thus has the potential to increase advertising and subscription revenue. Editors and reporters may derive satisfaction from reporting on issues of personal importance. Corrupt practices, such as bribes for publishing about individuals or business entities, also play a role in content selection. Finally, media professionals may "select" content based on a desire for personal advancement or institutional support by designing a story to win plaudits from party officials.

Forbidden content

At the same time, there remains a host of topics and types of information that cannot be reported on regardless of how interested a media outlet's target audience would be. These topics can be referred to as "forbidden content." When the CCP determines that reporting on an issue would violate a core party interest, it retains the ability to clamp down on and/or completely stop reporting on the issue. The media's handling of the SARS epidemic in 2003 is testimony to this sobering reality. Identifying the absence of forbidden content from afar is difficult. Observers are often limited to tracking crackdowns and observing gaps in reporting on issues believed to be of high interest to the target audience.

China's leadership sometimes reverses a decision and allows reporting on what was once forbidden content. In some cases, these changes are marked by a clear announcement. For example, in September 2005, Shen Yongshe, a spokesman for China's National Administration for the Protection of State Secrets, announced that information pertaining to the death toll for natural disasters would no longer be considered a state secret.[4] In other cases, the change in rules can only be surmised from an upsurge in reporting on previously risky topics.

Discussing media content

Although each author uses different terms to describe this phenomena, several chapters discuss the gradual change in media content.

To encourage growth in the media sector, the PRC government demonstrated a new openness to publicizing information. As a result, there was an expansion in the amount of discretionary content allowed to appear in the PRC media. Jie Lin, Willy Lam, John Pomfret, and Alice Lyman Miller each touch upon this theme in various forms.

At the same time, requirements for including obligatory content remained. Wu Guoguang's chapter on the birth of what he terms "sophisticated propaganda" provides a fascinating description of how some of these requirements for obligatory content have evolved over time. Xiong Zhiyong discusses the expansion of discretionary content, specifically in the areas of international news and PRC foreign affairs.

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[4] *People's Daily* "China Focus: Natural Disaster Death Toll Statistics No Longer State Secrets," September 13, 2005.

Finally, instances of forbidden content making its way into PRC media can still be documented. Junhao Hong and Zhou Yongming provide interesting insights into how the government is struggling to minimize the appearance of forbidden content in online media. Joseph Chan and Chin-Chuan Lee each discuss the impact commercialization has had on the expansion of discretionary content, as well as the continued existence of taboo topics that are not suitable for public discussion.

Reduction of state subsidies and introduction of market forces

A third change in the PRC media landscape which is discussed in these conference papers is the decision to re-introduce market forces into the Chinese media system (one of Deng Xiaoping's many reforms). This change pivoted on two related policy decisions: the decision to make media outlets responsible for their own profits and losses and the decision to allow media units' to sell advertising.

During the 1980s, as the PRC began to focus on economic modernization and the central government struggled to collect adequate revenues from the provinces, the PRC government decided to reform its management of media enterprises. Before the 1980s, media outlets did not sell commercial advertising and were generally not money-making enterprises. They submitted whatever limited revenue that they generated to the State, and depended on State subsidies to cover their operating costs.

As part of China's 1980s economic reorientation, the PRC decided to allow media outlets to sell advertising and began to make individual enterprises responsible for their own profits and losses. With this change, media outlets had two streams of funding through which they could generate revenue: (1) advertising, and (2) subscriptions (both voluntary and involuntary).[5] When the Chinese government realized the media's revenue-generating potential, it began to sharply cut back State subsidies. Advertising became a more efficient means of covering operating costs. Chin-Chuan Lee describes this development in careful detail. He explains how, in 1992, in response to Deng's overall drive toward marketization, the Party-state made a decision to sever State subsidies to the media. In order to achieve self-sufficiency, media outlets were allowed to retain some profit to re-invest in equipment and employee benefits. Lee points out that within four years of this important decision, the total volume of newspaper advertising revenues in China jumped to almost five times its 1992 levels.

In her paper, Jie Lin provides some striking discussion on the impact of advertising revenue on CCTV operations. She points out that in 1993, government financing of CCTV ended, and then, beginning that year, CCTV actually began paying roughly 25% of its advertising revenue back to the state.

[5] Prior to July 2003, it was common for governments at all levels to provide indirect subsidies to what they determined to be key media newspapers and magazines by requiring various offices and work units to retain subscriptions. This policy was officially banned in regulations promulgated in July 2003, but many indicate that informal subscription requirements still exist.

This severing of State subsidies and introduction of market forces created a series of unique dependencies in the PRC media system. PRC media outlets remained politically dependent on the State, while at the same time they were economically dependent on advertisers and subscribers. A misstep in either the political sphere or the marketplace had the potential to threaten the continued existence of any media outlet.

Dependence on advertising revenue creates incentives for differentiation

The movement from dependence on state-subsidies to dependence on advertising revenues had far-reaching implications. In order to remain viable, China's media outlets had to ensure they had a strong base of loyal readers, listeners, or viewers. Without a strong base of consumers, a media outlet not only failed to receive adequate subscription revenue, it also left itself poorly positioned for selling advertising. As a result, a media enterprise had to meet the expectations of its target audience if it wanted to survive. As Jie Lin writes, CCTV has adjusted its policies in order to encourage programming selections that appeal to broad audience bases. One example she uses is that it is now common practice to require cancellation of television programs with consistently low ratings.

Second, as locating and developing a loyal consumer base became important, and China's media complex underwent a period of massive growth, media outlets developed a strong incentive to differentiate themselves from one another and to report on new topics. Prior to this time, newspapers, magazines, and radio and television programs were tools for guiding the masses and promulgating Party views. At that time, news editors had no incentive to take risks or to print information that it was not required to report.

As a result, media professionals discovered incentives to seek out new types of stories and to explore the information that existed in the category of "discretionary content." Several authors in this volume describe how this incentive to differentiate media outlets from one another has led to new forms of media. John Pomfret, Jie Lin, and Joseph Chan each describe the link between changed economic incentives and the rise of investigative journalism. Junhao Hong and Zhou Yongming discuss how this drive for differentiation has led to new forms of Internet media.

Indeed, reading through this collection of conference papers, one is struck by the slowly diversifying roles media can play in today's China. Alice Lyman Miller notes that we can no longer assume that all Chinese media reflects the political purposes or prevailing consensus of the Chinese government. Clearly, the authors participating in this conference would agree with this point. Joseph Chan, Chin-Chuan Lee, Jie Lin, John Pomfret, and Willy Lam all make references to the traditional role the PRC media serves as the mouthpiece of the Party-State. Wu Guoguang discusses this mouthpiece role, but also focuses on the media as a living and adapting tool for political indoctrination. Xiong Zhiyong notes that the media act as a "bridge between the government and the public." Through media reporting, the government can collect and respond to public opinion as well as explain its own policy decisions. Junhao Hong's paper makes a similar argument focusing more narrowly on online media. Finally, Jie Lin, Willy Lam, and John Pomfret all describe the PRC media as serving "watchdog" roles, or providing a venting

mechanism for popular frustrations—a phenomena that has received a fair amount of attention in the public press.

Diversification of management structures

A final change in the PRC media landscape—one that is driven by the previous three—is the introduction of new managing organs to the PRC media system. When considering the dramatic changes that have taken place in the PRC media system, it is striking to note what has not occurred.

Commercialization, not privatization

While there has been commercialization of the PRC media system, privatization has not occurred. Like water on pavement, private money has, in some cases, found its way into the PRC media system. However, at the time of this writing, all PRC media outlets are government entities. They are not privately owned. In some cases, the connection is very tenuous, but media outlets are connected to some organization that provides political and editorial oversight.

Corporatization without privatization

In her paper, Jie Lin describes China's television system as having been corporatized without being privatized. By this, she means individual programs have been given a great deal of responsibility and autonomy in managing the operations of their own program and the people who work on the program. This has entailed providing individual programs with operating budgets large enough to hire a high percentage of long-term "temporary personnel" who are *more* directly responsible to the program producers and editors, and *less* directly responsible to management from a central headquarters. Unlike permanent staff, individual program managers have the right to hire and fire their "temporary workers" as well as provide incentive structures that more effectively pay for performance. In this manner, individual television programs have had the freedom to experiment with different management styles and see which create the most efficiencies.

Domestic media conglomerations without foreign competition

In his paper, Joseph Chan explains that the first media conglomerate (media group) was started in 1996. In order to build economies of scale and simplify Party oversight, the Chinese media complex has grouped together collections of media enterprises. These collections of media enterprises are known as media conglomerates or media groups.

These groups generally have a similar structure. Each group has a major media outlet that acts as the leader of the group. This media outlet is often referred to as the "flagship." The name of this flagship media outlet tends to be incorporated into the name of the media group.[6] Ranked below the flagship media outlet is a collection of subsidiaries. In the case of print media, some are major newspapers, some are tabloids, and some are

[6] For example, the *Anhui Daily* newsgroup is lead by *Anhui Daily*, the Party newspaper for the Anhui Provincial Party Committee.

magazines or weekly papers. The media group is set up to appeal to the broadest possible audience.

The administrative headquarters for a newsgroup is generally co-located with the headquarters of its flagship media outlet. This headquarters contains personnel responsible for the ideological content of the media outlet as well as the business and operating decisions.

Chin-Chuan Lee, Joseph Chan, and Wu Guoguang offer complementary papers describing the China's move to create media conglomerates as a means to provide better economic management and government control over the PRC media system. Lee discusses the implications of media conglomeration for China's participation in the global marketplace. He argues that foreign media competitors have been the ultimate losers in China's push to create media conglomerations—media conglomeration, according to Lee, has enabled domestic media to consolidate political control and reap economic benefits while keeping foreign competition out of the market. Joseph Chan discusses the domestic implications of media conglomeration. He argues that the PRC government's creation of media conglomerates is a way of controlling (or limiting competition) and preventing the unfettered spread of news organizations. Wu Guoguang discusses the trend toward media conglomeration and argues that media conglomeration has resulted in a CCP that is actually *better* able to reach a broader and more sophisticated audience.

The continuity of content control

If there were a single take-away that one might reach upon reading the papers in this volume, it would be this: the Party-State intends to maintain ultimate editorial control over content found in the PRC media. Despite any changes that may affect the economic or operational realities of China's media sector, the editorial necessity to respect Party guidance on issues the Party deems to be in its purview remains one of the single most defining features of China's media landscape. This theme is touched upon—sometimes directly, sometimes indirectly—in each paper in this volume.

Noteworthy discussions include Zhou Yongming's description of the nine types of forbidden information listed in the PRC Telecommunications Regulations of 2000, Xiong Zhiyong's mention of a *Joint Self-Censorship Pledge* among national-level Party mouthpieces, Willy Lam's description of common censorship practices, and John Pomfret's case studies of two well-known PRC publications, *Caijing* and *Nanjing Morning News*.

Alice Lyman Miller discusses the analytic value of understanding editorial control in the PRC media. She discusses the challenges that increasing pluralism in China's media content has posed for those using the PRC media to understand China.

Joseph Chan and Chin-Chuan Lee each provide interesting discussions on the PRC's struggle to maintain content control while commercializing and corporatizing the Chinese

media sector. Wu Guoguang describes the PRC's efforts to convey political messages to the general populace in an era of market reform and commercialization as the birth of "sophisticated media," and Jie Lin refers to the need to serve both commercial interests and Party initiatives as a need to balance the between the "two *lao*s (olds)"—with the first "old" standing for the old cadres or Party officials, and the second "old" standing for the Chinese term for general populace (*lao bai xing*).

Junhao Hong takes a slightly more optimistic tone. In his paper, Hong challenges the conventional wisdom that the State maintains a monopoly on the news information that makes its way into the PRC media system. Online media outlets, he argues, do more than simply repackage news that has already made its way through some formal editorial review process (in which news content has been approved by someone who is answerable to the State). Hong argues that, the CCP's toleration, and at times encouragement, of Internet bulletin boards and other online forums, has, in fact, created an outlet where private individuals have the ability to independently create news content. Hong acknowledges the enduring requirement for PRC Internet media to uphold Party principles, but also argues that, despite all government efforts to control content, discussions taking place on BBS and other online forums are slowly creating a new pattern of mass communication in China.

Looking at the events that have taken place since the papers in this volume were written, there is little to point to that would indicate change is on the horizon.

Early in the start of the Hu-Wen administration, there was some discussion of the possibility that the 2008 Beijing Olympics Games, and the dramatic increase in the number of foreigners expected to accompany this event, had the potential to significantly expand the universe of acceptable media content. This has not turned out to be the case.

The lead up to the Beijing Olympics did result in some noteworthy loosening of restrictions on foreign media reporting from China. Some of these reforms expired shortly after the Olympics, but some remained. However, the result of the Beijing Olympics has not included similar progress for China's domestic reporters.

In 2007, the China Press and Publications Administration issued a circular describing the protection of legal newsgathering activities from officially accredited reporting personnel, but the guidelines of what constitutes "legal newsgathering activities" remain purposely ambiguous in an effort to encourage self-censorship.[7] It is possible that these new regulations will provide some modicum of protection against reports investigating corrupt practices, but in many cases, the individuals charged with providing this protection to reports are the very ones creating barriers to proper news reporting in the first place.[8]

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[7] Qu Zhihong, "The Press and Publication Administration Issues a Circular Before the Reporter's Day (sic) Prohibiting Any Organizations or Individuals from Interfering With or Obstructing Journalists' Legal News Gathering Activities," *Xinhua News Agency*, November 5, 2007.

[8] For an excellent, current, and nuanced discussion of recent changes and trends in PRC media regulations, to include the 2007 Press and Publications circular, see the University of Hong Kong sponsored website, the *China Media Project*, http://cmp.hku.hk .

It is sobering to note that, since the papers in this volume were written, the CCP has repeatedly called for increased regulation of online media content. Indeed, in 2007, during Hu Jintao's most recent call for political reform, China's Central Party School released a report outlining the "three controls" that must remain in place during any pursuit of political reform or democratization. Control of the media was the second of the three.[9]

While the Party's proclivities on the issue of content control in the PRC media are quite clear, its ability to maintain this control in increasingly complex economic and information environments is questionable. As the papers in this volume highlight, the PRC is attempting to capitalize on the most beneficial aspects of globalization and information technology without compromising on what it sees as its enduring interest to control the flow of information among the general populace. Whether such a move is sustainable in the long term remains to be seen.

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[9]*Reuters*, "Elite China think-tank issues political reform blueprint," February 18, 2008. Also see *Beijing Review*, "Interview with Zhou Tianyong: 'Political Reform at Watershed'" April 8, 2008 and the *China Media Project*, http://cmp.hku.hk .

Chapter 2: Media Commercialization in China: A Political Economic and Evolutionary Perspective

By Joseph Man Chan

Introduction

Media commercialization—which assumes private ownership—is a universal process applicable to communication systems. It implies the rise of advertising as the major source of revenue and the intensification of competition for an audience in a market.[10] While the commercial media model is taken for granted in liberal democracies, it still coexists with partisanship, state subsidy, and public ownership even in some advanced capitalist societies.[11] Public broadcasting, for instance, remains a formidable force in the United Kingdom and Japan, in spite of growing competitive pressure from commercial operations. Economic integration and the growth of liberal democracy (following the collapse of socialism in Eastern Europe) have also bolstered the commercial media model. In this age of globalized communication, transnational media corporations are expanding at an unprecedented speed, and the pressure they place on national media is mounting. There is thus a tendency for national media systems to respond by emulating the commercial media system utilized by transnational media corporations.

While it may take decades for the commercial model to supplant partisanship as the major form of media control around the world,[12] this process *can* take place in a revolutionary manner, as was the case in Eastern Europe where private media and the market were introduced almost overnight in the wake of the breakup of communism in the late 1980s and early 1990s.[13] The Eastern European experience demonstrates how a country's media can be commercialized at the same time as its political system is being drastically restructured.

With the above global context in mind, this chapter studies how the Chinese media is responding to marketization, and how it is commercializing, given its socialist setting featuring little private ownership. Unlike the "big bang theory" that is used to describe the revolutions in Eastern Europe, social change in China, including its media reforms,

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[10] John McManus, *Market-Driven Journalism: Let the Citizens Beware?*, (Newbury Park, CA: Sage Press, 1994).

[11] Colin Seymour-Ure, *The Political Impact of Mass Media*, (London: Constable Press, 1974).

[12] Michael Schudson, *Discovering the News*, (New York: Basic Press, 1978).

[13] See Karol Jakubowicz, "Media Within and Without the State: Press Freedom in Eastern Europe," *Journal of Communication*, 1995, 45:4: 25-139. See also Colin Sparks, *Communism, Capitalism and the Mass Media* (London: Sage Press, 1998).

can best be characterized as "evolutionary."[14] The purpose of this chapter is not to produce new empirical evidence, but to build on previous studies to articulate a theoretical account of media commercialization in China. Specifically, this chapter will look at media commercialization in terms of driving forces, processes, and patterns. The consequences of media commercialization for Chinese society will be discussed as well.

Conceptualizing Media Commercialization

Media commercialization can be defined as a process by which media respond to competitive pressure in order to enhance their market position and make a profit.[15] Commercialization, as such, can take place at both the organizational or sectoral levels, in domestic or global markets. The concept of media commercialization necessitates the existence of a market, which forms the cornerstone of a communication system. However, beyond the market mechanism, media commercialization also includes policy changes, industrial reconfiguration, and management practices that are geared toward the creation of wealth for either the whole media sector or specific media outlets.

While the Chinese media has increasingly tended toward a commercial orientation, the actual concept of "media commercialization" is not in vogue in China. One reason for this has to do with cultural misgivings associated with "commercialization" in China. These misgivings can be traced back to a traditional culture that places businessmen below intellectuals, farmers, and workers on the social ladder. More importantly, in the past "commerce" was considered a capitalist activity, with profit-making as its major goal. To avoid ideological complications, and to be in tune with the national policy of marketization, Chinese media experts and practitioners prefer to use the term "media marketization" to "commercialization."[16]

An informal comparison of media and economics in the United States[17] and China[18] has led me to identify the following as key indicators of media commercialization: (1) the emergence of the market as arbiter of competition; (2) the withdrawal of state subsidy and the diversification of revenue source; (3) the rise of the "profit motive;" (4) the "commodification" of media content; (5) the tendency toward concentration of capital; (6)

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[14] See Huang Yu, Peaceful Evolution: The Case of Television Reform in Post-Mao China. *Media, Culture & Society*, 1994, 16:2. Also see Junhao Hong, *The Internationalization of Television in China: The Evolution of Ideology, Society, and Media Since the Reform*, (Westport: Praeger Press, 1998).

[15] Joseph Chan, "Commercialization without Independence: Media Development in China," in Joseph Cheng and Maurice Brosseau (eds.), *China Review 1993*, 25: 1-19 (Hong Kong: Chinese University Press, 1993); Also see Yuezhi Zhao, *Media, Market and Democracy in China*, (Urbana-Champagne: University of Illinois Press, 1998).

[16] Interview with a Chinese media scholar.

[17] See McManus, *Market-Driven Journalism*…(1994). Also see Ben Bagdikian, *The Media Monopoly*, (Boston: Beacon Press, 2001).

[18] See He Zhou and Huailin Chen (eds), *Chinese Media*, (Hong Kong: Pacific Century Press, 1998). Also see Zhao, *Media, Market and Democracy*… (1998).

the inclination toward expansion across geographical regions; and (7) the tendency toward privatization. We will examine how far media commercialization has gone with regard to these indicators in China.

First, the emergence of a media market in China indicates a break from the traditional socialist system that rules out media content as a commodity. By creating competition for media as a commodity, the Chinese media market has radically transformed the relationship between media outlets. Before media reforms, Chinese media outlets were all a part of the propaganda apparatus and viewed each other as sister organizations. The onset of market competition has turned such comradeship into competitive relationships, requiring media outlets to search for the right niche in the market in order to survive.[19] Instead of subjecting themselves to the ideological dictates of party authorities as was done in the past, the market and economic competition now provide important indicators for media outlets as to the success or failure of their operation.

The Chinese media have previously relied on state subsidies for revenue. Depending on the political status and the size of the media outlet, state subsidy was virtually guaranteed. Thus there was no need for the media to focus on revenue generation. An important indicator of media commercialization in any market is the increasing use of advertising by media outlets and corresponding withdrawal of state subsidies, which forces media to use advertising as the primary source of income.[20] Except for a few national party media that are still subsidized, all media operations in China currently have to depend on advertising, subscriptions, and other sources for income. Some media are known to have diversified investments in real estate, theme parks, and other industries that are not directly related to media.

As media's survival has become divorced from state subsidy, the profit motive has risen in importance. Once frowned upon, profit-making is now considered a "glorious" achievement, and making a profit has become the bottom line for the media.[21] Managers charged with generating income are now the cornerstones of the new management setup in many media outlets. The economic motive has become so strong that some media outlets have ventured beyond ideological boundaries—once of paramount importance in media operations—to publish a story for sheer profit.

In a marketized environment, media content is commodified. Once shared between media outlets, news reports and television programs are now copyrighted and tradable. Money

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[19] Interviews with various Chinese media practitioners and communication scholars.

[20] See Zhao, *Media, Market and Democracy*… (1998). Also see Yuezhi Zhao, "From commercialization to conglomeration: The transformation of the Chinese press within the orbit of the Party state" *Journal of Communication*, 50:2, 2000. Also see He and Chen, *Chinese Media* (1998). Joseph Man Chan and Jack Qiu, "China: Media Liberalization Under Authoritarianism." In Monroe Price, Beata Bouzumilowicz and Stefaan Verhulst (eds.), *Democratizing the Media, Democratizing the State*, (London: Routledge, 2002), pp. 27-47.

[21] Interviews with various Chinese media practitioners and communication scholars.

has become the medium for measuring the value of virtually all media fare. Although this is a matter of common sense and comes naturally in capitalist societies, it has taken time for the Chinese media to put it into practice. For example, TV programs were first produced for broadcast in a station. They then became products available for exchange through the exchange network, later were turned into commodities in exchange for advertising slots, and now are used as products for sales.[22] Whereas previously it was an honor for a provincial television program even to be aired by China Central Television, nowadays how much the program will sell in the market is what counts. As a result, all types of media resources have been commodified, including talent, labor, equipment, brand reputation, and so on.

In a capitalist setting, there are paradoxical tendencies for capital to concentrate on one hand and on the other to expand beyond geographical boundaries and other constraints because of economies of scale. In a free market economy, the media are inclined toward concentration and cross-regional operation. In China, however, the media system is closely tied to the administrative system. The status, mission, and scope of operation of a given media outlet are largely determined by its administrative status.[23] For this reason, any particular metropolitan media outlet is less inclined to cross the boundaries with regard to coverage of the urban center it serves. So far, media conglomeration in China is more of a result of administrative direction than one of natural and voluntary mergers and acquisitions. With the exceptions of satellite television and Internet publication, geographical boundaries remain effective constraints on the operation of Chinese media.

Ownership is the most sensitive issue in media commercialization in China. Currently, state ownership of the media remains dominant, and private ownership is a distant dream. In orthodox Marxism, ownership type draws the line between capitalism and socialism. In addition, *owning* is equated to *controlling*. Although the permits to publish books and magazines are sometimes sold to private practitioners, such sales are officially banned. Attempts to formally introduce stock ownership to media outlets have so far failed to come to fruition. However, the non-media operations associated with a media outlet are allowed to go public, as in the case of Hunan Television Broadcasting Group.[24] Chinese media and scholars have repeatedly called for the government to allow investments of private capital in media ventures. In addition, the Chinese media sector has attracted interest from foreign investors about potential investments. So far, several magazines and publishing joint ventures are operating in China, and there are also television ventures that have been started by private or foreign capital.[25]

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[22] Yin Hong, *On the Audiovisual Media*, (Kaifeng: Henan University Press, 2002). (In Chinese)

[23] Joseph Chan, "Administrative Boundaries and Media Marketization: A Comparative Analysis of the Newspaper, TV and Internet Markets in China." In Chin-Chuan Lee (ed.), *Chinese Media, Global Contexts*, (London: Routledge Press, 2002), pp.159-170.

[24] Shengmin Huang, Yan Zhou and Chen Lu, "On Broadcast TV," in Huang Shengmin and Zhou Yan (eds.), *A New Century of China Media Markets*, (Beijing: Zhongxin Press, 2003) (In Chinese), pp.3-28.

[25] Zhengzhi Guo, "Playing Games by the Rules: Television Regulation and China's Entry into the WTO." Paper presented at the Conference on "Transnational media corporations and national media systems:

The Political-Economic Drivers of Chinese Media Commercialization

Media commercialization is not an isolated process; instead it has to be understood against the backdrop of the larger political economy at the national and even international level. At the macro level, media commercialization is an extension of economic reforms in China. As China realized that radicalism had led its economy to the brink of bankruptcy in the late 1970s, Deng Xiaoping concluded that moving the economy from permanent revolution to modernization would be achieved by economic development. As the influence of the Cultural Revolution lingered, Deng had to be cautious in introducing what might have been considered "capitalist" practices, such as an economy of commodity and private business operations. Without a detailed master plan, he himself admitted that he was groping toward reforms.

Deng's first step was to restore political institutions that had been destroyed during the Cultural Revolution and to reject the notion that political legitimacy stemmed from the charismatic personality of Mao.[26] Closely tied to the institutionalization of the political process was a lessening of the all-controlling influence of Maoist ideology. Deng initiated an unprecedented discussion on whether Mao's policies centered on class struggle should be rectified, later known as the "Great Debate Concerning the Criterion of Truth." As a result of this debate, traditional Maoist ideology was discredited and it was replaced with pragmatism and empiricism. This focus on pragmatism and empiricism paved the way for a new central policy goal: to satisfy the material aspirations of the people without sacrificing Chinese Communist Party (CCP) leadership. To justify the economic imperative and reconcile it with social control, Deng coined the phrase "Socialism with Chinese characteristics."[27] This phrase gave the leadership flexibility to stress socialism when they worried that development was progressing too quickly, and to stress Chinese characteristics when they wanted to depart from Marxism–Leninism-Mao Zedong Thought and encourage development. Thus, it enabled the leadership to pursue the new economic imperative without officially denouncing socialism. To do this, the leadership pursued a three-part reform system composed of the responsibility system, the transition to a commodity-based economy, and an opening to the international economy.[28]

In a planned economy, advertising is not required; the allocation of resources and the links between production and consumption are facilitated through planning and rationing. Mediated advertising is necessitated as enterprises arise in a marketized environment.

China after entry into the World Trade Organisation," Rockefeller Conference Center at Bellagio, Italy, 12-16 May 2003.

[26] Hsin-Chi Kuan, "Introduction," In Hsin-chi Kuan and Maurice Brosseau (eds), *China Review 1991*, (Hong Kong: Chinese University Press, 1992).

[27] Kuan, *China Review 1991*.

[28] This paragraph was condensed from Chan and Qiu "China: Media Liberalization Under Authoritarianism," in Monroe Price, Beata Bouzumilowicz and Stefaan Verhulst (eds.), *Democratizing the Media, Democratizing the State*, (London: Routledge, 2002), pp. 31-33.

Given the ideological sensitivity of advertising, it took intrepidness for Shanghai Television to air the first television advertisement in 1979.[29] It took a few years for the audience to get familiar with advertising as initially, they complained that it interfered with their viewing activity. In the early 1980s, official subsidies turned out to be inadequate and could not cover the soaring costs of media operation.[30] The government felt pressure in two main ways. First, the soaring cost of pulp, as a result of price increases caused by inflation, squeezed the government, which was the primary purchaser and provider of pulp. Second, the government, without an effective taxation system and strong financial reserve, found itself financially strapped as it had to cater to expanding social services. The reduction and elimination of state subsidy for the media had therefore become a logical option, which became all the more feasible in the mid-1990s as the Chinese economy grew in leaps and bounds. Advertising thus became an indispensable source of revenue (at first as a supplement to and finally as a substitute for subsidies) in the 1990s for all but a few national media organizations (such as the *People's Daily*) run by the central party authority.

Reforms in China suffered a severe setback in the wake of the Tiananmen Square crackdown in 1989. They regained momentum after Deng Xiaoping endorsed the market mechanism in 1992 during his tour in Southern China, vowing that the CCP would build "a socialist market economy with Chinese characteristics." According to orthodox Marxism, the market, as a capitalist feature, should be restricted and finally eliminated. Deng's deviation from orthodox Marxism was later formally confirmed by the party and enshrined in its charter. This policy to develop a "socialist market" had important implications not only for China's economy, but also for the social sphere and the media.[31] As China becomes marketized, the Chinese economy has been developing at a rate of more than 7 percent per year up to 2004. The corresponding development of advertising is even more impressive, boasting a double-digit growth rate in the same period. Given the monopoly of the Chinese media in the administrative regions to which they are assigned, many of them can make a profit without state subsidies.

The withdrawal of state subsidies started a chain reaction that created the internal drive for media commercialization. With profit-making as the bottom line, players in the media market strove to create economies of scale through the integration of resources, avoidance of redundant investment and rationalization of management practices. To respond effectively to market demands, the media wanted to have higher autonomy in

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[29] Shengmin Huang, "The Demise and Revival of China's Advertising Industry," in Joseph Chan, Leonard Chu and Zhongdang Pan, eds., *Mass Communication and Market Economy*, (Hong Kong: Lufeng Press, 1997), pp. 347-358.

[30] Huailin Chen and Yu Huang, "Uneven development of mass media commercialization in Mainland China: the case of the press," J*ournalism Studies*, 1996: 53: 192-208. (In Chinese).

[31] Chan and Qiu "China: Media Liberalization Under Authoritarianism," in Monroe Price, Beata Bouzumilowicz and Stefaan Verhulst (eds.), *Democratizing the Media, Democratizing the State*, (London: Routledge, 2002), pp. 27-47.

decision making. This, in turn, put pressure on media regulators to introduce reforms to deepen commercialization.

This internal drive for commercialization is also fueled by the political economy of mass media at the global level. Like other transnational corporations, global media have long coveted "the China market" whose potential has, rightly or wrongly, drawn widespread appeal.[32] The presence of transnational corporations is often first felt in advertising because of their heavy investments in that area. Transnational media corporations carry special appeal because of their outstanding content libraries, capital, marketing know-how, and technology. Most importantly, they are waiting for opportunities for China to open up its media market.

Considering China's socialist history, the country has made significant movement in opening the media market over the last two decades. While it had to first live with the spillover of radio and television signals from Hong Kong in the 1980s,[33] China now allows Hong Kong television, STAR TV and Phoenix TV, among others, to be carried by its cable networks in Guangdong Province.[34] In the case of Guangdong, competition with Hong Kong media is often cited as a justification for more liberal media reforms.

More often than not, foreign media have served as a source of inspiration for institutional innovations and content creation. Industrial reforms, such as media conglomeration and the separation between production and exhibition in broadcasting, are viewed as characteristic of a more advanced communication system and worthy of imitation.[35] The format of reality television and magazine entertainment programs are also copied.[36] In short, competition, joint venture, and exchange with trans-border media organizations have provided the Chinese media with prototypes for media commercialization. While it may be premature to claim that China's accession to the World Trade Organization

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[32] See Colin Sparks, "Are the Western Media Really that Interested in China?" *Javnost-The Public*, 2003, 10:4, pp. 93-108. Also see Joseph Chan, "Crying Wolf for Domestic Liberalization: WTO and TNMCs in the Academic Discourse on Chinese Media Reforms." Paper presented at the Conference on "Transnational media corporations and national media systems: China after entry into the World Trade Organisation," Rockefeller Conference Center at Bellagio, Italy, 12-16 May 2003. Lee, Chin-chuan, "The conception of Chinese journalists: Ideological convergence and contestation." *Perspectives: Working papers in English and Communication*, 2004: 16(1), available at http://www.cityu.edu.hk/en.

[33] Joseph Chan, "Media internationalization in China: Processes and tensions." *Journal of Communication*, 2004, 44:3: 70-89.

[34] Joseph Chan, "Transborder Broadcasters and TV Regionalization in Greater China: Processes and Strategies." Chapter in Jean Chalaby (ed.). *Transnational Television World: Globalization and Transnationality in the Media*, (London: I.B. Tauris, 2004).

[35] Michael Keane, "Send in the Clones: Television Formats and Content Creation in the People's Republic of China," in Stephanie Hemelryk Donald, Michael Keane and Yin Hong (eds.), *Media in China: Consumption, Content and Crisis*, (London: Routledge, 2002), pp. 80-90.

[36] Chan 2004.

(WTO) will open a floodgate for transnational media corporations, its entry is destined to further enhance the opportunities in the Chinese media sector for such corporations.

The advancement of information technology combines with the aforementioned forces in affecting media commercialization and liberalization. The more traditional media of cassette tapes, compact discs, VCDs, satellites, and cable television, have all rendered China's media system more open to the world and freer from the monopoly of the party-state.[37] The liberalizing power of the Internet is enhanced by its accessibility, channel capacity, interactivity, and decentralized structure. To harness the power of the Internet, the Chinese government introduced measures such as the registration of users, access, and service providers; it established a national firewall to prohibit access to certain information or websites; and it began to utilize Internet surveillance technologies.[38] Although these control measures are confining in many regards, the liberalizing power of new technologies should not be underestimated. No technical innovation can completely wipe out the nation's system of media control overnight. But, compared to traditional mass media, the Internet's relative openness, accessibility, interactivity, and international connectivity mean greater autonomy and content diversity. It is not easy to predict whether the liberalizing impact of the new media will be absorbed or whether it will force authorities to give up on exerting strict control over the Internet. If the past speaks for the future, technological developments such as the Internet and satellite television will help boost media liberalization in China.[39]

Patterns of Media Commercialization

A striking pattern of media commercialization in China is its uneven development, which has favored non-party media, urban centers, and more affluent coastal regions. Naturally, advertisers follow areas of consumer growth, which are heavily concentrated in China's metropolitan areas. For the metropolitan media, the target audience is more homogeneous and well-defined, rendering them easier to appeal to through advertising channels. In contrast, the target audience for the provincial media is diffused, including both the rural and urban populations.[40] The non-party media, as subsidiaries or spin-offs of the official

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[37] Chan 1997.

[38] Philip Sohmen, "Taming the Dragon: China's Efforts in Regulating the Internet," *Stanford Journal of East Asian Affairs*, 1 (2001): 1-26.

[39] This paragraph is condensed from Chan and Qiu, "China: Media Liberalization Under Authoritarianism," in Monroe Price, Beata Bouzumilowicz and Stefaan Verhulst (eds.), *Democratizing the Media, Democratizing the State*, (London: Routledge, 2002), pp. 41-42.

[40] See Zhao, *Media, Market and Democracy in China*, (Urbana-Champagne: University of Illinois Press, (1998) and Zhao, "From commercialization to conglomeration: The transformation of the Chinese press within the orbit of the Party state" *Journal of Communication*, 50:2, (2000). Also see Chan and Qiu 2002, "China: Media Liberalization Under Authoritarianism," in Monroe Price, Beata Bouzumilowicz and Stefaan Verhulst (eds.), *Democratizing the Media, Democratizing the State*, (London: Routledge, 2002). Huailin Chen, "On the Uneven Development of Chinese Newspaper Market," In Zhou He and Huailin Chen (eds.), *Chinese Media*, (Hong Kong: Pacific Century, 1998) (In Chinese), pp.194-211. Zhongshi Guo

party organs, are allowed to distance themselves from the party line and publish stories on social news and entertainment. Like media elsewhere around the world, this "soft" approach has proven to be more popular than the more traditional orthodox editorial line. The subscription, sales, and advertising of these non-party media soar at the expense of their official counterparts. In China, the gap has become so severe that the party press must rely on "cross subsidies" from the non-party papers for financial support!

The commercialization process varies according to the type of media and type of content. Liberalization is most advanced in the movie sector, which is considered to be an entertainment medium. As promised by the WTO agreement, China will extend the annual import quota of movies from 20 to more than 40 over the span of a few years. Many of these imports originate in Hollywood. Through the Closer Economic Partnership Arrangement (CEPA), Hong Kong movie companies are allowed to make movies for the Chinese audience if they are produced domestically. Print media, especially metropolitan dailies and weekenders, have more latitude in reporting what they deem appropriate. Innovation and experimentation from these less official outlets is sometimes rewarded with economic benefit or professional acclaim such as in the cases of the *Beijing Youth Daily* and *Nanfang Metro Daily*. However, the less fortunate sometimes receive penalties of reprimand, forced resignation, legal charges, or even imprisonment.

Controlled competition is another feature of media commercialization in China. The Chinese authorities realize that competition will help promote media reforms. However, such competition is subject to administrative control. Competition is reduced by restricting media organizations of a given administrative status to serve assigned functions and regions, resulting in a virtual media monopoly by these actors within their administrative region. Administrative monopoly over television has become increasingly difficult as technologies such as satellite television and cable television make provincial satellite television accessible around the country, thereby posing competition to the once national monopoly of CCTV. However, the administrative status that CCTV holds means that it still enjoys an unrivalled position as the only official national television station and benefits from the huge financial resources that go along with this status. In a locality where two media outlets are competing with each other, coordination at a higher level of authority is sometimes warranted when competition flares up. For instance, the competition among two television stations in Shanghai, the Shanghai Television and Eastern Television, as well as that between *Southern Metropolitan News* and *Shenzhen Special Zone Daily*, was subject to coordination of this kind.

Media commercialization has been accompanied by a shift in media functions, content diversification, and channel multiplication. The entertainment function of the media, suppressed during the puritanical era, has been allowed to develop. Once considered to be nothing but the promoter of socialism and an agent of the party-state, the Chinese media now has more freedom to inform the public of what is most relevant to it. From a systemic perspective, it is *not* true that entertainment and information have replaced

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and Huailin Chen, "China's Media Content Under Commercialism," *Mass Communication Review*, 1997, pp. 85-101. (In Chinese).

ideological indoctrination and political mobilization; what *is* taking place is that the old and the new co-exist, as embodied in separate publications, programs, or channels. For instance, the aforementioned "soft" approach is taken more often with evening dailies, weekenders, and metropolitan newspapers, whereas the traditional approach is associated with the party organs at various levels.

The increasing importance of "the audience" necessitates the provision of content to meet their tastes. As a whole, the media system has produced more diversified content to meet the diverse needs of the public.[41] To accommodate these needs, communication channels in print media, radio, and television have been multiplying at an unprecedented speed.[42] While controllability remains a factor in determining the number of communication channels at any given point, the identification of a niche not currently being filled by other media outlets is increasingly recognized as an adequate justification for launching a new media outlet.

A constant theme paralleling media commercialization in China is its tension with ideological control.[43] Reforms in China are largely planned and proceed in a more or less controlled manner. Under some circumstances, the desire for profit tends to push the media beyond the party's ideological boundaries and into a realm of experimentation and innovation. For instance, cable television stations, in their attempt to lure subscribers, are eager to carry foreign television programs at will. However, this desire conflicts with the quota limit set by the state. Similarly, many editors would like to be autonomous enough to write their own editorial lines, whether to make a profit or to fulfill journalistic ideals. Having said this, the profit motive is not always incompatible with political control. It is observed that the media can make a profit and serve the CCP's ideological activities by publishing supplements.

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[41] Tsan-Kuo Chang, "The State, Market, and TV Regulation in China: Decentralization, Depoliticization and Legal Rationality," Chapter 2, *China's Window on the World: TV News, Social Knowledge and International Spectacles*, (Cresskill, NJ: Hampton, 2002), pp. 27-56.

[42] See Wu, Guoguang, "One head, many mouths: Diversifying press structures in reform China" In Chin-Chuan Lee (ed), *Money, Power, and Media: Communication Patterns and Bureaucratic Control in Cultural China*, (Chicago: Northwestern University Press, 2000), pp. 45-67. Also see Lee, Chin-Chuan, "Chinese Communication: Prisms, Trajectories, and Modes of Understanding," in Chin-Chuan Lee (ed.), *Power, Money and Media: Communication Patterns and Bureaucratic Control in Cultural China*, (Chicago: Northwestern University Press, 2000), pp. 3-44.

[43] See Chan, "Commercialization without Independence: Media Development in China," in Joseph Cheng and Maurice Brosseau (eds.), *China Review 1993*, 25: 1-19 (Hong Kong: Chinese University Press, 1993). Also see Lee, Chin-Chuan, *In search of "audience": Press models in modern China*, paper presented at the international conference on Chinese Audiences across Time and Space, City University of Hong Kong, Hong Kong, April 1-2, 2000. Lee (1994) "Ambiguities and contradictions: Issues in China's changing political communication," In C.C. Lee (ed.), *China's Media, Media's China*, (Boulder, CO: Westview Press, 1994), pp. 3-23. He, Zhou (2000), "Chinese Communist Party Press in a Tug-of-War: A Political-economy Analysis of the Shenzhen Special Zone Daily," in Chin-Chuan Lee (ed.). *Power, Money and Media: Communication Patterns and Bureaucratic Control in Cultural China*, (Chicago: Northwestern University Press, 2000), pp. 112-151. Zhao, 1998.

From the time that he began initiating reforms, Deng appeared to be acutely aware of the tensions between economic liberalization and political control. He devised what might be considered a disjunctive approach to cope with the issue, separating economics and politics as two distinct spheres of activities. This approach, while allowing the introduction of liberal economic measures considered to be capitalist, insists on the unchallenged rule of the CCP. This disjunctive approach is even more marked in media reforms because the CCP still holds effective control over the media in general (achieved through the appointment of key party personnel, licensing, and giving out propaganda orders). Consequently, media reforms are confined mainly to non-political areas. Although the mediation of politics remains firmly in the hands of the party-state, the media are given greater relative autonomy in the release of social news, general information, and entertainment. The Chinese media also have increased coverage of negative news such as disasters and scandals, social problems, and criticism of institutions and individuals. A good reflection of the attempts of the media to test ideological boundaries is the rise of investigative reporting, which originally appeared on CCTV, on television, around the mid-1990s. Despite the rise in critical coverage, it is only fair to say that media commercialization has left politics and the CCP's ultimate control over the media virtually untouched.

Separating economic liberalization from political control has created a duality in various reform measures. One such example is that of conglomeration, an issue that has drawn a great deal of attention in recent years. Conglomeration in a capitalist system is a natural response to the need to take advantage of economies of scale and to reduce risk. It can be viewed as an integrated part of media commercialization. However, in China, conglomeration is more of a result of an administrative policy, which is motivated primarily by the need to control the unlimited multiplication of communication channels and to streamline the line of political control. Conglomeration is effective in putting minor media outlets under the umbrella of larger media groups. Economically, it serves to provide financial support for media outlets that fail to prosper in the market, and to increase the resources at the disposal of media groups. To the Chinese authorities, conglomeration is also a shift that will enable the Chinese media to face the inexorable challenge posed by transnational media corporations that are, after all, conglomerates in their own countries.[44] Viewed from this perspective, conglomeration is not merely an economic behavior on the part of the media; it represents a form of governmental control as well.

Striking a balance between political control and liberalization is a daily challenge in China's media commercialization process. The demand for more autonomy in running media operations is very strong, especially in those outlets that are thriving and those that have high hopes of economic gains. However, new liberal measures always stop short of jeopardizing the CCP's ultimate hold on power. For instance, calling the media an industry has been problematic in China because the word "industry" is associated more with economic activities that are considered to be non-ideological in nature and from which the Party would prefer to distance itself.

[44] Chan, 2004.

To the Chinese government, an "industry" is run more like an enterprise and has little to do with the CCP's political mission. The compromise thus far has been to allow the media to be run as enterprises and therefore recognize them as political entities.[45] Whatever compromises are made, the CCP maintains ultimate control in the following areas:[46] (1) the right to make the key personnel appointments in the media system; (2) the power to oversee the reporting of politics; (3) the right to revoke a media outlet's license to operate; (4) the right to dispatch propaganda directives administratively; and (5) the power to punish delinquent players. With these powers readily in place, the Chinese media system can, to a large extent, achieve its purpose by relying on the practice of self-censorship; cadres and media workers at various levels often know where the boundaries are and take care not to step beyond them.

Like the economic reforms, media reform is characterized by alternating periods of progress and retrenchment, "oscillating between left and right as political struggles take sudden turns."[47] Thus, the relatively relaxed media environment created by the truth criterion debate (which encouraged "seeking truth from facts" and first opened the doors to media reform) was interrupted by the "Anti-Spiritual Pollution Campaign" in 1983. Likewise, the 1987 Anti-Bourgeois Liberalization Campaign quelled the momentum of liberalization. In conjunction with a backtracking on economic reform measures that were causing inflation, the CCP leadership shifted from encouraging media openness to encouraging the media to paint a positive picture, bolstering confidence among the people, and creating an environment of "stability and unity."[48] During the 1989 pro-democracy movement, independent voices were published, talks between protesters and party leaders were broadcast live, and the national propaganda machine was temporarily paralyzed. Brief as the period was, China's media have never been so close to freedom and independence. However, this period was quickly followed by the harshest of media crackdowns.

Media development in China has thus closely mirrored the dramatic leftward turn of national politics in general, and, as we can see from the above examples, reforms have hewed closely to the swing of the political pendulum.[49] Press freedom has gained ground when economic reform surged ahead, but lost momentum when it retreated. Overall,

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[45] See Zhao 1998. Also see Chan and Qiu, "China: Media Liberalization Under Authoritarianism," in Monroe Price, Beata Bouzumilowicz and Stefaan Verhulst (eds.), *Democratizing the Media, Democratizing the State*, (London: Routledge, 2002).

[46] Interviews with various Chinese journalists and media scholars.

[47] Chan, "Commercialization without Independence: Media Development in China," in Joseph Cheng and Maurice Brosseau (eds.), *China Review 1993*, 25: 1-19 (Hong Kong: Chinese University Press, 1993).

[48] Judy Polumbaum, "The tribulations of China's journalists after a decade of reform", in C. C. Lee (ed.) *Voices of China: The Interplay of Politics and Journalism*, (New York: Guilford Press, 1990).

[49] Willy Lam, "The Media: the Party's Tongue and Throat Defend the Faith," in Hsin-chi Kuan and Maurice Brosseau (eds). *China Review 1991*, (Hong Kong: Chinese University Press, 1991).

however, when we survey the state of media in China today, it is clear that the gains outweigh the losses. The magnitude of the political-ideological oscillations appears to have been decreasing over the years.[50]

The mode of media regulation in China has taken a legalistic turn in tandem with commercialization. This is an extension of China's effort to establish the rule of law as part of its reform package. In the relative absence of laws and rules, media regulations were subject to the dictates of individual leaders and policies of the moment. More rules and laws have been legislated and promulgated for everyone to follow. The power of specialized governmental regulatory agencies, such as the State Press and Publication Administration, has been consolidated in a more standardized and predictable manner.[51] This contrasts with the use of traditional and less predictable control mechanisms exercised in the finalization of day-to-day documents produced and approved by the sole authority of CCP's Central Propaganda Department.[52] Technocrats, rather than ideologues, are becoming increasingly important in the process of media regulation. The rules of the game in the media system have been gradually standardized, reflecting the rationalization of the state bureaucracy in the Weberian sense. These changes are positively related to liberalization because the new rules, albeit politically conservative, are shaped, at least in part, by market logic. Having said this, it should be pointed out that the influence of individual leaders and ad-hoc policies are still important. In the year before Hu Jintao assumed power in 2003, media reforms came to a virtual halt, with everyone waiting to see whether the political wind would change direction as a result of the power reshuffle in the top leadership.[53] The trend toward legal control will also likely be hastened by China's entry into the World Trade Organization, which requires its member countries to be transparent in making rules that may have an impact on economic exchanges.

Media professionalism is a product of liberal communication systems.[54] It is reasonable to examine whether or not media commercialization has given rise to changes in the way media practitioners conceptualize their jobs. Surveys of journalists reveal that journalistic culture is in a state of flux. New journalistic paradigms, as characterized by their

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[50] This paragraph is condensed from Chan and Qiu, "China: Media Liberalization Under Authoritarianism," in Monroe Price, Beata Bouzumilowicz and Stefaan Verhulst (eds.), *Democratizing the Media, Democratizing the State*, (London: Routledge, 2002), pp. 35-36.

[51] See Huailin Chen and Joseph Chan "Bird-Caged Press Freedom in China," in J. Cheng (ed.) *China in the Post-Deng Era*, (Hong Kong: Chinese University Press, 1998). Also see Chan and Qiu 2002.

[52] Judy Polumbaum, "Striving for predictability: the bureaucratization of media management in China," in C. C. Lee (ed.) *China's Media, Media's China*, (Boulder: Westview Press, 1994).

[53] Interviews with various Chinese television operators.

[54] See Schudson, *Discovering the News*, (New York: Basic Press, 1978). Also see Herbert Gans, *Deciding What's News: A Study of CBS Evening News, NBC Nightly News, Newsweek, and Time*, (Vintage: N.Y.: 1979); S. D. Reese Pantheon, "The news paradigm and the ideology of objectivity: A socialist at the *Wall Street Journal*," *Critical Studies in Mass Communication*, 1989 volume 7: 390-409.

adherence to Western media exemplars such as the BBC and the *New York Times*, began to emerge.[55] In another instance, programs such as *60 Minutes* have been known to serve as the source of inspiration in China for investigative journalists working in the tradition of *News Probe*. Meanwhile, the partisan journalistic paradigm continues to apply to many journalists. Indeed, journalists holding the traditional view find their jobs more satisfactory, presumably because they experience less cognitive dissonance (with regard to what/how they *want* to report and what/how they actually *do* report) and are more often rewarded (for reporting in an officially sanctioned manner).[56] The emerging picture of reporting in China is therefore complex—reflecting the ambiguities and contradictions of Chinese media reforms.[57] As the Chinese media system becomes more open and commercialized, journalists have begun to borrow from various symbolic resources to articulate and re-define working paradigms. These symbolic resources include traditional Chinese culture, the journalistic practices that prevailed in China before 1949, socialist press ideology, and media professionalism imported from the West.

Evolutionary Institutional Innovations

Unlike Eastern Europe, where the media system was radically transformed as its political systems were revolutionized, the Chinese media system has taken an evolutionary path marked by the accumulation of piecemeal changes over a span of more than two decades. This evolutionary development stems from the fact that China's power structure has not been radically reconfigured. The reforms introduced constitute what Douglass North would have described as institutional innovations arising from the bottom up or being directed from above as policies.[58] Media commercialization has created some room for media practitioners to exploit the resources at their disposal—including social capital such as personal networks—to circumvent traditional constraints. When enough people adopt this approach, it may be formally recognized and turned into policy by regulators. It is thus more appropriate to conceive of improvisation and bureaucratization as interconnected. It goes without saying that few people will risk their career by taking drastic measures in the name of reform or deviating too far from established traditions. However, if a grassroots level experiment is economically successful and politically

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[55] Zhongdang Pan and Joseph Chan, "Shifting journalistic paradigms: How China's journalists assess 'media exemplars,' " *Communication Research*, volume 30 (2003): 649-682.

[56] Joseph Man Chan, Zhongdang Pan and Francis L. F. Lee, "Professional aspirations and job satisfaction: Chinese journalists at a time of change in the media." *Journalism & Mass Communication Quarterly*, 2004.

[57] See Lee, "Ambiguities and contradictions: Issues in China's changing political communication," in C.C. Lee (ed.), *China's Media, Media's China*, (Boulder, CO: Westview Press, 1994), pp. 3-23 and Lee, "The conception of Chinese journalists: Ideological convergence and contestation," *Perspectives: Working papers in English and Communication*, 2004: 16(1), available at http://www.cityu.edu.hk/en. Also see Zhongdang Pan and Ye Lu, "Localizing Professionalism: Discursive Practice in China's Media Reforms," in Chin-Chuan Lee (ed.), *Chinese Media, Global Contexts*, (London: Routledge Press, 2003), pp. 215-236.

[58] Douglass North, *Institutions, Institutional Change and Economic Performance*, (Cambridge: Cambridge University Press, 1990).

tolerable, it is more likely to be institutionalized at a higher level of the media system.[59, 60]

It is simply wrong to assume that the CCP introduces new policies without ever consulting the media operators. The policy-led changes directed from above are mostly the result of interactions between operators and regulators. They represent the central regulators' response to demands from below, or a response based on individual cases. Sensitive to the central authorities' need for control, regulators usually exhibit strong inertia in introducing new measures. Yet the overarching disjunctive approach to media reform necessitates that regulators make compromises as they go along.

The vested interests of the existing players in the Chinese media add to the inertia of media reforms. For both regulators and media operators, their primary interests are in maintaining the political status quo and in maintaining their monopoly in a given administrative region. Therefore it would be inaccurate to assume that all Chinese media practitioners are eager to open up "the China market" to the world. It should come as no surprise, then, when top media operators in Southern China were asked if they want to open the Chinese media market to the world, they replied that they would prefer to keep the Chinese media market closed. What they did want, however, was the freedom to compete across types of media and geographic regions and to form conglomerates without administrative restrictions. Their major concern was to prevent transnational media corporations from destroying the nascent Chinese media market before it had the chance to grow to maturity.

The gradual nature of change in the Chinese media market is also the result of the interconnected nature of personnel involved in institutional innovation.[61] Media practitioners may become the regulators, and vice versa, after institutional reorganization. So it is often the case that very few people are willing to take drastic measures that could hurt the interest of their colleagues so severely that they might run the risk of burning bridges that could be useful in the future. To survive in this crisscrossing web of political relations, gradualism is the norm.

Ideological legacy is another factor that moderates media commercialization. Although ideology is eroding and being replaced by pragmatism, it is still influential. Ideological consideration was particularly acute in the 1980s and 1990s. Even concepts such as the

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[59] Chan and Qiu 2002, "China: Media Liberalization Under Authoritarianism," in Monroe Price, Beata Bouzumilowicz and Stefaan Verhulst (eds.), *Democratizing the Media, Democratizing the State*, (London: Routledge, 2002).

[60] The notion of improvisation is borrowed from Pan (2000) who applies it to the innovative practices of journalists, referring to the way in which "journalists design, implement, and justify their non-routine journalistic practices that are functioning to weaken, circumvent, and erode the hegemony of the commandist system associated with the communist ideology." Improvisation is usually "micro-situational, opportunistic, short-sighted, and ideologically localized or particularized."

[61] Interview with a television manager in Shanghai.

"audience" and the "media industry" had to be cleared ideologically before being adopted. The audience was defined as the "masses" (*qunzhong*, 群眾), a term denoting the subordination of readers and viewers to the CCP.[62] The term "audience" was legitimized only after academics and practitioners took efforts to overcome ideological resistance in their discourse. Their cause was aided by the development of the advertising industry, which cannot function without the concept of an "audience." By the same token, in 2000, and for several years afterward, the Propaganda Department prohibited the use of the term "media industry," fearing that such a label would bring with it assumptions that the media was less subject to the party-state's control. The authorities relented on use of the term only after more and more people took to the notion of media industrialization.[63] Since the CCP has not formally rejected socialism, orthodox ideologies will continue to slow down the rate at which innovations are generated and adopted in the media sector.

Concluding Remarks

To conclude, media commercialization in China is an evolutionary process initiated by the commodification and marketization of its economy as the country has changed from a state of permanent revolution to modernization. The Chinese government has partially fulfilled most of the indicators of media commercialization, which include the emergence of the market as the arbiter of competition, the replacement of state subsidies with advertising as the revenue source, the advancement of the profit motive, the commodification of media content, the inclination toward concentration and private ownership, and the expansion across regions.

It is my contention that media commercialization, as an extension of economic reforms, should be viewed against the larger political economy at the national and even international levels. The withdrawal of state subsidies starts a chain reaction that creates the internal drive for media commercialization. Fueled by the political economy of mass media at the global level, this drive is tied to commercial logic. Transnational media corporations and the media system they cherish readily become objects for emulation. Advancement of information technology likely will also help boost media liberalization in China.

A striking feature of media commercialization is its uneven development favoring non-political information, entertainment, non-party media, urban centers, and more affluent regions. A constant theme paralleling media commercialization in China is its tension with ideological control. The general approach to resolving this dilemma has been to follow a disjunctive path that confines reforms to the non-political spheres. Striking a balance between political control and liberalization will be an ongoing part of media commercialization in China for the foreseeable future. Media reform is characterized by alternating periods of progress and retrenchment. As commercialization has deepened,

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[62] Yong Zhang, "From masses to audience: Changing media ideologies and practices in reform China," *Journalism Studies*, 2003:1: 617-635.

[63] Interview of Shengmin Huang, the advocator of the concept of "media industrialization."

the mode of media regulation has taken a more legalistic turn. What first accounts for the evolutionary nature of Chinese media commercialization is the absence of power restructuring. The vested interests of existing players in the Chinese media and the ideological legacy of the Chinese system exacerbate the inertia of media reforms.

Casting media reforms in China as an evolutionary process should not be construed as indicative that China will necessarily move toward a fixed goal, such as eventually transforming its communication system into a private one. The future of China's press system is not predetermined, and we should not assume that all societies with diverse conditions will necessarily move toward the same goals.

Media commercialization in the West served to enable the media to be independent from the government and political parties. The replacement of state subsidies with advertising as the Chinese media's main source of revenue, however, has not resulted in its independence. This contradiction in development has no parallel in the West where control follows ownership. The extent to which the CCP can maintain its control as the Chinese media undergoes further commercialization is an empirical question. The extant signs indicate that there is still room for the CCP to maneuver before it reaches the yielding point. This is especially true if the economy continues to grow at the current rate, which is enough to provide a steady supply of advertising dollars for the media and adequate economic benefits to keep people satisfied with the status quo.

Media commercialization has not resulted in press freedom in China—or at least not yet. China's situation illustrates that economic development has been an impetus for the liberalization of its socialist communication system. The multiplication of media outlets and the tremendous growth of social information and entertainment are results of the transformation of China's media from an industry focused on propaganda and dedicated to the service of the party-state to an industry serving multiple social functions. As the relative autonomy of the Chinese media grows, the question of whether or not media commercialization will eventually lead to press freedom continually resurfaces. It is sobering to realize that the development of a well-commercialized media industry and advanced economy (as in the case of Singapore) can still be divorced from the development of press freedom. It demonstrates that media commercialization and economic growth are not always sufficient conditions to foster the growth of press freedom. What does seem to be the key factor is the pattern of power distribution in a given society, with press freedom being associated more often with an equitable power distribution. Political power in China is still highly concentrated in the CCP. It is unrealistic to expect that media commercialization will lead to press freedom in China without corresponding political reconfiguration.

Chapter 3: Globalization, State Capitalism, and Press Conglomeration in China

By Chin-Chuan Lee

In China, agents of the party-state propaganda apparatus, media elites, and academic analysts have been chanting in unison, "We must make our media conglomerates bigger and stronger in order to meet the challenges of western hegemony." This kind of seemingly "globalist" discourse was not in vogue until a decade ago, but since then it has been strengthened by the likely prospects of global media competition following China's accession to the World Trade Organization (WTO). In this chapter, I set out to examine the presumption of links between press conglomeration and global competition—or to put it more theoretically, the process of media negotiation between the party-state and the forces of globalization (including the institutions of global capitalism) —with a vivid historical memory of China's denunciation of western media conglomerations. How does the party-state justify its own policy contradiction? Couched in ideological orthodoxy, its spokesperson maintains that China's media conglomerates are "different," for they serve the vanguard party under state control, and are hence devoid of "rotten capitalist trappings." These links between press conglomeration and global competition are still being worked out, but they appear to be much weaker than I had anticipated.

I would argue that press conglomeration is a weak response to global forces, but a strong response domestically for consolidating political control and reaping economic profit. To support this argument, three points are in order. First, the United States, as the world's hegemon, has tried to orchestrate a globalized neoliberal order in the post-Cold War era by seeking to maximize the determining forces of market mechanisms with minimal mediation of non-market factors (including state power). This claim is firmly held despite Washington's flagrant use of state power to engage in certain protective and anti-competitive behaviors.[64] On the other hand, China's party-state is moving closer to a system resembling what Latin Americanists call a "bureaucratic-authoritarian" regime,[65] and sees in the world market many emerging opportunities for gigantic gains ripe for exploitation (presumably, as Immanuel Wallerstein would argue, at the expense of other semi-peripheral and peripheral countries in the world system). In so doing, China has selectively absorbed core assumptions of the international capitalist system. It has softened anti-imperialist and anti-U.S. discourse (primarily in trade, but increasingly in the political arena as well) while defining membership in the WTO as providing a step up

[64] Alice H. Amsden, "Why are Globalizers so Provincial?" The *New York Times*, January 31, 2002, op-ed page.

[65] G. A. O'Donnell, "Reflection on the Pattern of Change in the Bureaucratic-Authoritarian State," *Latin American Studies* 8 (1978): 3-38.

on the world ladder. The agendas of the United States appear to have become compatible, even overlapping, with those of China in this regard.

Second, while the neoliberal global order has engendered unprecedented worldwide media expansion of global conglomerates, the impact of the new order on world media penetration into the Chinese market has so far remained uneven and ambiguous. A bureaucratic-authoritarian regime tends to separate explicit ideology from economic pursuits to the extent that the motivation for profit does not challenge the established power. In fact, the party-state takes a corporatist approach whereby significant elite clients are incorporated by the party-state patron into its orbit of power with offers of political and economic benefits in exchange for media loyalty. China is intent on sheltering the media sector from the rules and norms of international trade arrangements, for the media represents the party-state's indispensable ideological apparatuses as well as its windfall profit base. More specifically, the party-state seeks to maintain a distinction between technological "hardware" and cultural "software." To be embraced into the global capitalist system, China has to make concessions. It prefers to allow the flow of international capital investment into the "hardware" (such as infrastructure) areas, but under no circumstances would it relinquish "software" such as editorial power. How will technological concessions ultimately cross the boundary into ideological concessions? This is a question that China does not have to grapple with—yet.

Third, the trajectory of press conglomeration in China has evolved from the 1980s and the 1990s in responding to dire financial and bureaucratic imperatives of the party-state.[66] In the late 1990s, alongside China's entrance into the WTO—itself a symbol of globalization—there emerged a globalist rhetoric that called for the media economy to preempt the challenges of foreign competition by making media conglomerates "bigger and stronger." However, making things "bigger" by administrative fiat does not necessarily make things "stronger." As many Chinese media commentators have chided, "Can hundreds of sampans be stitched together to make an aircraft carrier?" (Incidentally, even this kind of military metaphor jibes with the language of global capitalism.) My fieldwork reveals that Chinese press managers are not very concerned about the alleged foreign competition, but instead, are more eager for cross-media ownership and cross-area expansion. The collusion between the party-state and press conglomerates is "aimed at enhancing political control on the one hand and facilitating press capitalization on the other."[67] Globalization is, at best, a façade for closed-door monopoly, a phenomenon that one of my interviewees put forth as evidence of "socialist superiority."

[66] Yuezhi Zhao, "From Commercialization to Conglomeration: The Transformation of the Chinese Press within the Orbit of the Party State," *Journal of Communication* 50:2 (2000): 3-26; Tang Xujun, *Baoye jingji yu baoye jingying* (*Press Economics and Press Management*) (Beijing: Xinhua Press, 1999).

[67] Zhao, "From Commercialization to Conglomeration."

Globalization

The end of the Cold War marks the beginning of what is touted as the era of globalization, even if Wallerstein would claim that the globalization process had proceeded with the rise of a world capitalist system for five centuries.[68] Current globalization discourses have offered various romantic postulates ranging from "the end of geography" and "the end of history" to "the demise of nation states." However, careful analysis reveals that multiple structures of political, economic, and cultural domination and subordination have not only persisted but actually been consolidated: the United States is the undisputed global center.[69] Globalization does not mean global inclusion; media operation, whether globalized or national, is susceptible to the uneven laws of power and money. News and entertainment flow continue to be unbalanced, and nations do not speak as equals. International news is domesticated through national prisms (as informed by the power structures and dominant values of the home country).[70]

For China to be welcomed into the global capitalist system, managing its relationship with the United States is of paramount importance. The media have played a significant role in shaping the images, discourses, popular consent, and ideologies germane to the shifting bilateral relationship. Dating back to the ideology of Manifest Destiny, the twin pillars of the overall U.S. foreign policy have been democracy and capitalism. These two goals have often marched forward hand-in-hand, but sometimes not aligned neatly together. During the Cold War era, the leader of the "free world" often subordinated its policy aims of promoting capitalist democracy and modernization to the overarching anti-Communist objectives; Washington found itself frequently supporting right-wing dictatorships while championing democracy as a secondary agenda within its sphere of influence.[71] The United States perceives itself as "a righter of wrongs around the world, in pursuit of tyranny, in defense of freedom, no matter the place or cost."[72] The center of recent policy and media disputes between the United States and China was, in sum, how to manage the tension between capitalism (trade) and democracy (human rights) in Washington's quest to influence China.

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[68] Immanuel Wallerstein, *The End of the World As We Know It*, (Minneapolis: University of Minnesota Press, 1999).

[69] Colin Sparks, "What is Wrong with Globalization Theory?" paper presented at the symposium on "Transnational Media Corporations and National Media Systems: China After Entry into the WTO," Bellagio, Italy, May 17-21, 2004; Annabelle Sreberny, "The Global and the Local in International Communication," in *Mass Media and Society*, eds., James Curran and Michael Gurevitch (London: Arnold Press, 2000), pp. 93-119.

[70] Chin-Chuan Lee, Joseph Man Chan, Zhongdang Pan, and Clement Y.K. So, *Global Media Spectacle: News War over Hong Kong* (Albany, NY: State University of New York Press, 2002).

[71] Chin-Chuan Lee, "Beyond Orientalist Discourses: Media and Democracy in Asia," *Javnost/the Public* 8:2 (2001): 7-20.

[72] Edward W. Said, *Culture and Imperialism* (New York: Pantheon, 1993), p. 5.

The United States is "bound to lead," to quote Joseph Nye's revealing book title.[73] U.S. leadership is adorned with "its redolent self-congratulation, its unconcealed triumphalism, and its grave proclamations of responsibility."[74] The end of the Cold War has undermined China's strategic alliance with the United States against the Soviet Union. What's more, the United States regards China as the last remaining Communist giant that presents a major obstacle to the "new world order." The Chinese side saw a surging tide of "statist nationalism," fused with populist nationalism to express resentment and wounded pride.[75] The Chinese state launched campaigns against "peaceful evolution" to prevent external forces from instigating changes from within the Communist system itself. This was followed by a series of alarmingly virulent academic and journalistic discourses that appeared in the United States, ranging from Fukuyama's "End of History" and Huntington's "Clash of Civilizations," to Bernstein and Munro's bellicose theme of "The Coming Conflict with China."[76] These writings both coincided with and clashed violently with equally strident, nationalistic and even hysterical anti-American writings in China.

In the post-Cold War milieu, the United States has attempted to promote the proclaimed core values of capitalist democracy worldwide, and has ushered in an international regime of market globalization, with momentum to push for a single global market through deregulation, free trade, and the spread of new communication technologies to promote "peaceful evolution" within Communist countries. The formation of the North American Free Trade Agreement (NAFTA) and the WTO are two defining examples. The goal to capture a large share of the rapidly growing China market, including that of the media and telecommunications sectors, may not always harmonize with the United States' longstanding political and religious impulses to change the Middle Kingdom or Communist China. In the wake of the Tiananmen crackdown, the United States reverted back briefly to the policy of "containing" China politically and economically. Later, in the mid-1990s, considerations of national interest, coupled with the failed containment policy, necessitated Washington to seek "positive engagement" with Beijing, advocating a prudent and effective application of rewards and punishments, particularly over whether to grant China the Most-Favored-Nation trade status. President Clinton further rationalized a policy of global integration to co-opt China into participation in a "civilized" world that nonetheless revolved around Washington's agenda. Global integration was seen as a strategy of not only balancing but also integrating the vital political and economic interests of the United States in China. Moreover, globalized market mechanisms were believed to be the most effective forces to undermine, if not

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[73] Joseph S. Nye, Jr., *Bound to Lead: The Changing Nature of American Power* (New York: Basic, 2002).

[74] Said, *Culture and Imperialism*, p. xvii

[75] Harry Harding, *A Fragile Relationship: The United States and China since 1972* (Washington, D.C.: Brookings Institution Press, 1922); Yu Huang and Chin-Chuan Lee, "Peddling Party Ideology for a Profit: Chinese Media and the Rise of Nationalism in the 1990s," in *Chinese Political Communication*, Gary Rawnsley and Ming-yeh Rawnsley, eds. (London: RoutledgeCurzon, 2002).

[76] Francis Fukuyama, *The End of History and the Last Man* (New York: Free Press, 1992); Samuel Huntington, "The Clash of Civilizations," *Foreign Affairs* 71: 3 (1993): 22-49; Richard Bernstein and Ross H. Munro, *The Coming Conflict with China* (New York: Knopf, 1997).

dissolve, China's authoritarian regime.[77] President George W. Bush tried briefly to redefine China as a "strategic competitor" rather than a "strategic partner," but the subsequent war on terrorism muted policy controversy over U.S.-China relations.

On the other hand, having lost its political legitimacy in Tiananmen, China has had to embrace selective features of party-state capitalism in order to preserve the power and ideological structure of socialism (particularly since 1992). In other words, economic growth and nationalism have formed the *raison d'être* of the regime's legitimacy, replacing bankrupt Communist ideology. Even as it is locked into antagonistic relations with the United States, China's eagerness to join the WTO and to sponsor the 2008 Olympic Games symbolizes a national yearning to cross the threshold into the elite power club of global capitalism. There is nothing new in such a yearning, but it has taken a fresh form in the post-Cold War, neoliberal world order. Despite (or because of) deep-seated suspicion of U.S. motives to subvert China through "peaceful evolution," China came to believe in the late 1990s that global multilateral mechanisms might be more than simply a way for America to advance its interests—they also might be a way to keep the United States from acting unilaterally.[78]

China depicts joining the WTO as providing many vital opportunities to enhance its international status, to sustain its economic growth through foreign investment, and hence, to consolidate its legitimacy. The media portray China as a winner in the globalization process and as a nation that is on its way up, via the WTO, in the world's pecking order.[79] Joining the WTO, along with sponsoring the Olympics, goes far beyond matters of economic cost and benefit; it is also part and parcel of global identity politics over national face, pride, and dignity. The official media make no apology about China's about-face to embrace global capitalism, nor do they provide any explanation about the country's break with its socialist past. The Chinese media also construct "a mirage of consumer paradise" based on the assumption that any adverse consequences wrought by party-state capitalism upon Chinese workers and peasants (who were traditionally the regime's support base) in a new world context may simply be inevitable prices to pay.[80]

Furthermore, China is now a "world factory" that nonetheless relies on the United States as its primary export market. It has given up the goal of contesting the United States for world leadership and has instead acknowledged America's global supremacy and its regional presence. As China pledged to play a "more responsible international role," the

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[77] Chin-Chuan Lee, "Established Pluralism: U.S. Media Discourse on China Policy," *Journalism Studies* 3 (2002): 383-397 [also included in Chin-Chuan Lee, ed., *Chinese Media, Global Contexts* (London: RouteldegeCurzon, 2003)]. The *New York Times* editorially enumerated a litany of thirteen overlapping reasons, at various levels of abstraction, arguing why China should be granted WTO membership.

[78] David Shambaugh and Robert S. Litwak, "Common Interests in a Hazardous World," The *New York Times*, October 17, 2001, op-ed, p. A31.

[79] Banning Garrett, "China Faces Debates, the Contradictions of Globalization," *Asian Survey* 41:3 (2001): 409-427.

[80] Yuezhi Zhao, "Enter the World: Neoliberal Globalization, the Dream for a Strong Nation, and the Chinese Press Discourses on the WTO," in Lee, ed., *Chinese Media, Global Contexts*.

United States has abandoned its policy of containing China and granted China a broader (albeit secondary) role on the world stage.[81] In a parallel domestic development, China has reversed its longstanding antagonism toward capitalists (read: former class enemies) and allowed them to join the Communist Party. One-third of the private enterprises in China have sent their leaders to do just that, and many financially strapped local party units have welcomed the dues paid by these wealthy new members. To take this step, former President Jiang Zemin had to ward off internal challenges to his policy by suppressing ideological foes who accused him of betraying Communism. Moreover, Jiang's so-called "Three Represents" theory (*sange daibiao,* 三个代表) and protection of property rights have been formally written into the Constitution, legitimizing the Communist Party as more than just a party for workers and peasants.

Global Media in China

This evolving transformation of the new U.S.-China relationship has resulted in part from efforts to accommodate the forces of globalization. The implications of media globalization are profound. McChesney notes that media systems had been primarily national before the 1990s, but a global commercial system has emerged since the 1990s.[82] The emergence of global media conglomerates, he maintains, is closely linked to the rise of a significantly integrated neoliberal global capitalist system: rich countries have adopted deregulatory policies, institutions of capitalism (WTO) have helped create global markets, and new digital and satellite technologies have enabled worldwide operation of media giants. These media empires are composed of vertically and horizontally integrated layers of companies across the entire spectrum of media forms—encompassing film, radio, television, cable, sports, music, home video, publishing, magazines, and multimedia—which blur the traditional lines between news and entertainment. The U.S. media market (the world's largest) is split in three ways: the Big Three (AOL Time Warner, Walt Disney Company, and Viacom), 30 percent; four nominally "foreign" conglomerates (Vivendi-Universal, Bertelsmann, News Corporation, and Sony), 30 percent; and all other U.S. companies combined, 40 percent.[83] For conglomerates, news is but another industrial product no longer insulated from the full pressure of profit-making. But, from a profit perspective, the entertainment branches of these corporations dwarf other news branches in importance. Serious journalism has increasingly been "McDonaldized" and trivialized, whereas "info-tainment," gossip, and reports on scandals have broadened their market share, catering to the instant gratification of mass consumers. Furthermore, media moguls both compete and cooperate in sometimes

[81] For example, Beijing had insisted that the United States has no right to interfere with the Taiwan issue because it is part of internal sovereignty. Since 2004, however, Beijing has been increasingly trying to strain Taiwan's separatist tendencies through Washington's intervention.

[82] Robert McChesney, *Rich Media, Poor Democracy* (Urbana: University of Illinois Press, 1999), p. 78.

[83] Jeremy Tunstall, *The Anglo-American Media Connections* (New York: Oxford University Press, 1999), p. 64.

unusual mixes: they set up cross-ownership, produce revenue sharing and joint ventures, engage in co-production and co-purchasing, and swap local outlets.[84]

Media globalization may be seen as a thinly veiled form of Americanization. The United States is the only genuinely global exporter of a range of media. Britain's global media presence is narrowly confined to news, whereas other larger western European countries (France, Germany, Italy, and Spain) have rather modest global media accomplishments.[85] Moreover, most global media empires are U.S.-based; even the nominally "foreign" ones have to secure a strong base in the world's largest market: the United States. Even though Time Warner and Disney reap the lion's share of their revenues from the domestic market, most conglomerates have projected the international markets as their major source of revenue in the future. They have made plans and cut deals in order to cash in on the WTO as a key to integrating China into global capitalism. Ironically, while media giants have flexed their political muscle (with U.S. state backing) to unlock China's market, they paid negligible attention to China throughout the 1990s when it underwent rapid and vast economic transformation. It is hard not to concur with McChesney when he decries, "Rich media, poor democracy."[86]

All six global media conglomerates have been trying to make inroads into China's market through a variety of means: cultivating relationships with authorities, cutting deals with local partners, and exploring market potential. It is sometimes tempting to mistake self-congratulatory "corporate speak" and PR hoopla for real market accomplishments. In the 1960s, ABC-TV boasted the prospect of creating a satellite Worldvision to connect Latin America, Asia, and Africa, only to discover there was too little profit in the venture.[87] Forecasts about China's media market potential are again wildly optimistic. A moment's reflection would prompt us to ponder if some of the above-listed global media giants are truly "global" or "giants:" for example, Vivendi-Universal was on the verge of collapse and hardly the "aircraft carrier" it was portrayed as. The IT bubble forced AOL-Time Warner to drop AOL from its corporate name, falling far short of the promised synergy. Many of these companies grew so massive and seemingly "global" not because of increased cultural production, but primarily through greedy corporate behaviors including mergers, takeovers, and leveraging. The most determined mogul to crack the China media market has been none other than Rupert Murdoch; but even the small market gain of his News Corporation, after more than sixteen years of various activities in China, is not commensurate with the political praises heaped on him by the Chinese authorities. No wonder Sparks questions if western media companies are *really* interested in China.[88]

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[84] Ibid, pp. 64-66.

[85] Ibid, p. 2.

[86] McChesney, *Rich Media, Poor Democracy*.

[87] Jeremy Tunstall, *The Media are American* (New York: Columbia University Press, 1977).

[88] Colin Sparks, "Are the Western Media Really that Interested in China?" *Javnost/the Public* 10 (2003): 93-108.

China's scale of operation has remained modest: advertising revenues, despite phenomenal growth, are only twice those of tiny Hong Kong, and the prospect of profitability for western media companies in that environment is largely uncertain and unstable. Lurking in the backdrop is always the uneasy awareness that the authoritarian Chinese party-state, even if weakened, still holds substantial and arbitrary power to level with foreign corporations.

The road to a measure of dominance by western media companies, Downing concurs, is "often very rocky and confused rather than serene and omnipotent;" western media companies are not "poised to ride roughshod over the PRC."[89] Instead of overstating the presumed prowess of global companies in China, Downing cautions against neglecting the role played by regional companies (Japanese, Taiwanese, and Korean), especially in the lower and midstream sectors of the telecommunications industry. It is also important to note that global media companies have deliberately chosen different strategies and focused on different markets in China. According to Shen: Viacom emphasizes exporting music and children's TV programs to local stations, News Corporation pursues its satellite TV strategy, Time Warner concentrates on the motion picture market, and Disney develops theme parks as well as cartoon and sports programs.[90] The press does not figure most prominently in their business landscapes. To conclude, global media companies probably do not find vast profitability in China's media market, at least not in the immediate future, yet they feel compelled to wait on the sideline lest they lose out on any opportunities that may arise.

China's Policy Logic[91]

Most governments, including those of China and the European Union, would prefer to exempt culture, information, and media from the governing norms of international trade arrangements. The WTO agreement provides an exclusionary clause for the state to exercise cultural exemption. The party-state of China had always resented and coveted U.S. media's global influence, while it is extraordinarily sensitive to western-style "spiritual pollution" and "bourgeois liberalization" that may threaten its ideological legitimacy. The party-state has so far managed to rein in domestic media with combined strategies of market liberalization (cum incorporation), regulatory restrictions (such as licensing and capital formation), and political suppression. However, it is much more complex, painstaking, and compromising to negotiate with major institutions of global capitalism, such as the WTO and western states, on the terms of opening which markets and to what degree.

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[89] John Downing, "Global Media Corporations and the PRC," paper presented at the symposium on "Transnational Media Corporations and National Media Systems: China After Entry into the WTO," Bellagio, Italy, May 17-21, 2004.

[90] Sheng Li, "International Cooperation and Change of Mass Communication in China," paper presented at the symposium on "Transnational Media Corporations and National Media Systems: China After Entry into the WTO," Bellagio, Italy, May 17-21, 2004.

[91] Adapted from Chin-Chuan Lee, "The Global and the National of the Chinese Media: Discourses, Market, Technology, and Ideology," in Lee, ed., *Chinese Media, Global Contexts*, pp. 9-15.

The first Chinese official strategy has been one of taking a "wait and see" attitude, which is consistent with the ad hoc, instrumental, experimental, and short-term visions of China's reform program, best captured by Deng Xiaoping's vivid dictum of "crossing the river by feeling the stones." If market opening should become inevitable, then: (1) let it be geographically contained; and (2) get a good deal in return. For example, China allowed the Hong Kong-based channel, China Entertainment Television (CETV), to provide Mandarin signals to cable channels in Guangdong province in exchange for Time Warner to distribute the English-language CCTV-9 on cable to New York, Houston, and Los Angeles. Even though CETV was sold to the Hong Kong-based Tom.com, Time Warner has continued to distribute CCTV because it has other interests in China.

Besides, China has approved thirty other foreign channels into Guangdong, making it a trial province for the nation. The transmission of all foreign signals is encrypted and centralized on a single, Chinese-owned satellite. They offer no sex, no violence, and *definitely* no news.[92] This contradicts some of the romantic and self-serving U.S. media prognoses depicting multinational [media] companies as agents of democracy that spread the virus of freedom to authoritarian countries.[93] On the contrary, capitalists have shown a strong record of colluding with authoritarian rulers, at least in China, to cultivate or protect economic interests. Take Rupert Murdoch for instance: despite his vow to topple China's authoritarian regime with satellite communication, he has fulfilled the desires of Chinese leaders through censorship and self-censorship of content. He co-owns Hong Kong-based Phoenix TV, a satellite channel heavy with Chinese capital, which reaches 44 million (or 16 percent of) television households in China.[94] Global media companies have overall made more business *attempts* than real *accomplishments* in China: CNN, another outfit of Time Warner, is launching a production center in Hong Kong with China in mind; Viacom has been active too; Disney has built Hong Kong Disneyland in Hong Kong as a gateway to China, while Bertelsmann is expanding its readers' club in Shanghai.

As a second strategy, China seems to be making a distinction between "hardware" and "software." Even though the boundaries between technology and ideology may ultimately be intertwined, the party-state is not yet seriously concerned with the ideological impact of technology. The sectors most likely to bear the brunt of post-WTO foreign competition (according to an informed analyst[95]) are: telecommunications,

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[92] Mark Landler, "AOL Gains Cable Rights in China by Omitting News, Sex, and Violence," The *New York Times*, October 29, 2001.

[93] See, for example, Lee, "Established Pluralism."

[94] Ji, Ning, *Meijie xin dongxiang* (*New Trends in Media*) (Shenyang, China: Shenyang Press, 2001), p. 16.

[95] Li, Jiangfan, "Jiaru WTO dui disan canye de chongji tuidong yu duiying silu" (On the Impact of Joining the WTO and Responses to it), in *Jingji quanqiuhua de zhengzhi jingjixue fenxi* (*A Political-Economic Analysis of Economic Globalization*), ed. Wang Zhenzhong (Beijing: Social Sciences Documentation Press, 2001), pp. 284-296.

finance, and insurance. State monopolies have reaped significant profits from these capital and technology-intensive industries despite their low quality of service. In the 1990s, the telecommunications industry registered a profit margin of 33 percent per year, compared with 24.6 percent of the tertiary industries' average. The next market tiers to be affected will be the advertising, motion picture, publishing, tourism, and information services industries, all of which have great market potential but lower profit levels (8 to 19 percent). The doors to the mass media and television markets will remain tightly shut.

Table 1 outlines the terms of China's concession to open up the media and telecommunications markets as part of the conditions for its entry into the WTO. Formulating specific laws and regulations compliant with WTO agreements will be highly contested. The Chinese authorities have to balance the goals of harnessing new media technologies and economic growth with those of protecting their own ideological power. Foreign investment in information infrastructure, service provision, and technological knowledge is to be welcomed as compatible with the regime's economic agendas. The seemingly "non-ideological" content is negotiable: Disney's ESPN and Viacom's MTV have made their way to inland cable channels, while CCTV sports has made Michael Jordan the most admired American in China. The WTO will open the door for foreign capital to invest in media advertising and management. But, under no circumstances will the party-state relinquish its editorial authority.

Table 1. Impact of the WTO on Foreign Investment in China's Media and Telecommunications Industries

Sector	Foreign investment	Policy change
Publishing	Medium	Fashion/leisure publications will be allowed.
Advertising	Medium to high	Restrictions on ads will be lifted in 3-4 years, after which the U.S. may establish solely invested branches.
Cable	Medium	Restrictions on foreign investment in infrastructure (but not the content) are likely to be eased.
Motion picture	Medium to high	Imports of Hollywood blockbuster movies will be increased from 10 to 20 per year. (The figure will go up to 50 films per year by 2005, with both sides sharing the profits for 20 of them.) Foreign capital will be allowed to invest in building or renovating Chinese cinema houses and to own up to 49% of their shares in three years. Restrictions on distribution (transportation, retail & post-sale services) will be lifted in three years. Film, VCR, VCD coproduction will be permitted.
Information technology	Medium to high	Tariff for imported semi-transistors, computers, computer equipment, telecommunication equipment and other information technology will be lowered from 13% to zero before 2003.
Telecommun-ication Services	High	From the day that China enters the WTO, foreign suppliers shall be allowed to take up to 49% of the shares in telecom service companies, and the percentage can rise to 50% in two years.
Internet	High	U.S. corporations will be allowed to invest in Internet companies (including the business of content supply). Content should be lawful. They are not to be linked to overseas websites or to carry their news information. Stock listings will be granted upon state approval.
Newsprint	Low	Import tariffs of timber and paper will be reduced from 12-18% and 15-25% respectively to 5-7.5% before 2003.
News media	Low	Not open to foreign ownership or operation under the WTO's "preferential treatment to developing countries" clause.
Television	Medium	Investment in local TV, but not central (national) TV, may be allowed. Imported television news will continue to be available in tourist hotels and foreign quarters.

Sources: Chin-Chuan Lee, "The Global and the National of the Chinese Media: Discourses, Market, Technology, and Ideology," in Chin-Chuan Lee, ed., Chinese Media, Global Contexts (London: RoutledgeCurzon, 2003), p. 13.

News media and television, as the last propaganda strongholds of the party-state, are off limits to foreign competition. These monopolies are China's last windfall enterprises—in which advertising revenues grew throughout the 1990s (to U.S. $10 billion in 2001), averaging 35 percent annually. As foreign media giants are waiting to swoop in on China's lucrative media and television market, the party-state seems intent upon keeping a strong hold on it. CCTV will maintain its dominant position and dig an advertising gold mine in the 2008 Olympics.

The film industry will be a victim of stiff foreign competition. When China committed itself in 1995 to importing ten Hollywood blockbuster movies per year, the policy was generally greeted as a boon for creative artists and directors who could gravitate toward cultural liberalization. However, the arrival of Hollywood blockbusters has coincided with, if not directly caused, the rapid erosion of China's once active film industry.[96] After entering the WTO, Hollywood import quotas will increase from ten to twenty and finally to fifty films per year. In addition, foreign capital will be used to build and maintain ownership of China's movie theaters. The number of film imports may be a moot point because most Chinese do not watch Hollywood productions in the theater; they watch pirated VCDs and DVDs upon film release in the U.S. market. Pirating hurts U.S. film merchants in the short term, but it may help them in the long term by shaping the cultural tastes of Chinese audiences for generations to come.

The main battlefronts in China will be drawn around the Internet and telecommunications markets. While the propaganda departments control the media, telecommunications in China have primarily been managed by economic and financial bureaucracies. The U.S. Department of Commerce characterizes China as being the world's second-largest telecommunication market, likely to surpass the United States as *the* largest telecommunication market in the next several years. China has actively encouraged foreign investment and technology transfer in telecommunications equipment design and manufacturing (such as cellular infrastructure), yet it has retained its monopoly over the highly lucrative services.[97] Both the telecommunications and Internet markets seem braced for phenomenal growth, and foreign competitors will robustly contest the state's dominance in providing technology and services.

Despite its market potential and rapid growth, China's telecommunications infrastructure remains seriously underdeveloped. China has tried to strengthen state-owned and other domestic entities through restructuring and controlled domestic competition. In anticipation of entry into the WTO, in the year 2000 alone, the state issued a series of seven decrees on the Internet to reaffirm its own authority in approving Internet services and BBS, while warning that the Internet must not carry unlawful (read: critical of the government) information or have links with foreign websites. It is a conscious state

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[96] Yuezhi Zhao and Dan Schiller, "Dancing with Wolves? China's Integration into Digital Capitalism," *Info* 3:2 (2001): 137-151.

[97] Kenneth DeWoskin, "The WTO and the Telecommunications Sector in China," *China Quarterly* (2001): 630-654.

policy to "colonize" cyberspace by filling it up with a preponderance of government and enterprises websites. Major portals are owned by politically well-placed entrepreneurs and state media outlets.[98] Global media conglomerates have been trying to explore various joint ventures and business deals with local telecom firms, and the pace is only expected to accelerate.[99] Despite little clarity on how regulations will comply with WTO agreements to provide for foreign investment, joint ventures, and stock listings in the telecommunications sector, technological changes will continue to pressure China toward liberalization and pricing reform.

Press Conglomeration as Part of State Capitalism

China's third strategy to meet the challenge of globalization has been to "attack poison with poison" —competing on transnational media giants' terms by organizing state media conglomerates to stimulate "managed competition." Various accounts have put forth the trajectory of the formation of press conglomerates.[100] Suffice it to say that there are a few points pertinent to this discussion. First, the media primarily had been defined as serving a "social function," a euphemism for state propaganda and ideology, with the party-state footing all of the bills for budgets and expenditures. But at the outset of the reform era, in 1978, the party-state began to acknowledge financial hardship facing party organs, finally allowing them to operate as profit-making units (*qiy*e, 企業) within the parameter of party propaganda. It took almost another decade for media advertisement to be officially legitimized. The advertising market was too small in the 1980s to structurally alter press dependence on state subsidies, but state subsidies were too scanty to meet the skyrocketing costs of printing and postal delivery charges. Under intense pressure to generate income, party organs sidestepped official restrictions to publish editorially soft and profitable companion supplements (such as "weekend editions").

Second, Deng Xiaoping rekindled the drive toward marketization in 1992 (partly to rescue party legitimacy from the Tiananmen debacle), consequently stimulating an enormous boom in business enterprises and media advertising. That year, the party-state decided to sever state subsidies to the media, expecting them to achieve financial self-sufficiency. As a way of encouraging the press to cultivate outside income, the press was allowed to retain a part of its own profits to enhance employee benefits or improve newspaper equipment. In the short span of four years (1992 to 1996), the total volume of newspaper advertising revenues in China jumped almost five times—from 1.62 billion yuan to 7.77 billion yuan! Mounting dependence on advertising revenues, in lieu of state

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[98] Ibid. See also, in this volume, Yongming Zhou, "Proactive Experiments: The Internet as an Alternative Media Outlet."

[99] . Zhou, Wei, ed., *Meiti qianyan baogao* (*Media Update*) (Beijing: Guangming Daily Press, 2002).

[100] Hualin Chen and Chin-Chuan Lee, "Press Finance and Economic Reform in China," in *China Review, 1997*, ed. Joseph Cheng (Hong Kong: Chinese University Press, 1998), pp. 577-609; Zhao, "From Commercialization to Conglomeration;" Tang, *Baoye jingji yu baoye jingying* (Press Economics and Press Management); and Cao, Peng, *Zhongguo baoye jituan fazhang yanjiu* (A Study of the Development of Chinese Press Conglomerates) (Beijing: Xinhua Press, 1999).

subsidies, has led to the decline of the party organ and the rise of the mass appeal press. The *Guangzhou Daily* was authorized to organize the first press group in 1996; others soon followed. The impetus to these press groups might have come from the financial and bureaucratic imperatives of the party-state to manage the ramifications of the state's severance of media subsidies. As Chen and Lee commented:

> The state seeks to reincorporate the core and wealthy outlets into the state system and then shift part of its own financial responsibility by asking them to subsidize publications that are considered socially important but financially unprofitable. It is also hoped that, with their rich professional experience and financial strength, these core outlets will crowd out or take over a chaotic array of "small papers" that have repeatedly defied state orders. The "core" newspapers, on the other hand, hope to promote the speed and scope of capital accumulation and, furthermore, to profit themselves from takeover and merger.[101]

Third, newspaper licensing is a centrally controlled scarce resource; many government units, enterprises, and work units competed to publish so-called "enterprise newspapers," or small-scale internal circulations whose survival relied on compulsory subscription imposed by the authorities. From 1992 to 1996, the total number of papers rose from 1,666 to 2,163. In the next three years (1996-1999), the party-state launched a project to tackle the alleged problems of fragmentation (*san*, 散) and chaos (*luan*, 亂) of the press structure. During this time, no new licenses were issued. An estimated 15 percent of the total publications, many of them enterprise newspapers, were to be closed down or merged into press groups. Press groups, with party organs as the core, either saw this as an opportunity for expansion or as a political duty to absorb failing operations.

Fourth, the imagined lure of press conglomeration proved irresistible. Cao notes that in the anniversary publications of more than twenty newspapers, each devotes a special chapter to highlight overseas visits taken by its top leaders. Likewise, the *Chinese Journalism Yearbook* lists such foreign trips as important items.[102] These newspaper officials, having visited western media conglomerates, have echoed the official slogan that only by making their own press groups "bigger and stronger" can China compete successfully with western media. During the course of my fieldwork, many media managers cited examples of western media conglomerates (frequently out of context) to justify why cross-media and cross-regional ownership should be allowed. Having long scorned western media conglomerates in the not-too-distant past, China suddenly rationalized that state media conglomerates, if armed with sufficient economies of scale, could preempt post-WTO foreign challengers. Now, China boasts of having thirty-eight press groups, eight radio and television groups, six publishing groups, four circulation groups, and three motion picture groups. The state policy is moving unmistakably toward

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[101] Chen and Lee, "Press Finance and Economic Reform," p. 600.

[102] Cao, Peng, *"Xinwen gaige de tupo: cong baoshe dao baoye jituan"* (A Breakthrough in News Reform: From Newspapers to Press Groups), http: //www.chuanmei.net, May 28, 2002.

further media consolidation. As an astonishing example, the China Radio, Film and Television Group (CRFTG) was hastily put together in 2000 by merging various state resources that run the gamut from film and radio, to cable television and the Internet (with the planned installation of nationwide optical fiber). Whether this gigantic superstructure will be able to produce synergy is an open question.

The media industry is in many ways a microcosm of state capitalism at work. The state is the largest, if not the sole, capitalist stakeholder that controls—even monopolizes—the majority of resources, authority, and policy making. Only the party-state is allowed to run media operations; all media workers are, at least nominally, state employees. In non-media sectors private enterprises are becoming more important to state enterprises. These private enterprises cannot thrive without state sponsorship, patronage or approval; they are liable to the state's often abusive, arbitrary, and erratic changing political winds as well as its attempts to settle political accounts through legal or financial smoke screens. The state's monopolistic control over the media is beyond challenge. The state creates an integrated web of preferential privileges (ranging from taxes, resource allocation and utilization, to political and monetary rewards) to protect, benefit, and control its "socialist media enterprises," making sure they toe the party line.[103] This patron-client relationship, through various forms of capitalist practice, has existed in other countries (such as martial-law Taiwan and Korea), but with a notable difference: the state patron in the latter had to negotiate with significant non-state, private media clients, whereas in the Communist-cum-capitalist China, both patrons and clients are inseparable parts of the party-state system.[104] Under this extremely asymmetrical relationship, as long as the media profit enormously from a protected, distorted, and anti-competitive market, they have no reason to challenge the party-state's supremacy. The media capital market has favored the rising constituencies of the affluent "buying" population—that is, the survivors in the economic challenge for "survival of the fittest" —composed of urban, professional, and educated classes. This ideological reorientation increasingly matches the logic of global capitalism and deviates unequivocally from the old Communist rhetoric of serving the proletariat.

Media conglomerates differ from their non-media counterparts in several key respects. First, media conglomerates' economic interests are subordinate to their propaganda mission. Only by serving the party-state's ideological interests would they be granted economic privileges. Non-media conglomerates' ideological function is less overt or prominent. Second, media conglomerates are editorially and managerially controlled by

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[103] A 1993 regulation states that publications only pay value-added taxes, not business taxes; party organs do not even have to pay value-added taxes. Income tax for propaganda and culture units is exacted at 33 percent. They do not pay other taxes that are required of non-propaganda units. A 1994 regulation mandates returning part of the taxes they pay.

[104] For comparison, see Chin-Chuan Lee, "State, Capital, and Media: The Case of Taiwan," in *De-Westernizing Media Studies*, ed. James Curran and Myung-Jin Park (London: Routlege, 2000), pp. 124-138; Chin-Chuan Lee, "Liberalization without Full Democracy: Guerrilla Media and Political Movements in Taiwan," in *Contesting Media Power*, ed. Nick Couldry and James Curran (New York: Roman & Littlefield, 2003), pp. 163-176.

the party committees, and are not (or not yet) open to private or foreign investment. Non-media conglomerates are characterized by some degree of separation between management and the party, and most of them are listed on the stock exchange to attract private and foreign capital. Third, the core mission of media conglomerates is to disseminate propaganda and ideology. They can run other non-media businesses on the side, but under no circumstances should they deviate from the ideological goal. Media conglomerates are localized in their operation, whereas their non-media counterparts are not geographically constrained.[105]

In the media sector, the state policy clearly rewards conglomerates over non-conglomerates. As recipients of the state's preferential treatment in tax, infrastructure, and resources, press conglomerates are entitled to expand through takeovers and to venture into non-media businesses. The state has frozen the total number of publication licenses. However, press conglomerates are given additional licenses through takeovers or mergers, all in the name of the state's announced macro policy to "improve the press structure."[106] A typical press group consists of a party organ, an evening paper, a metro daily, and several magazines—in addition to non-media related businesses. Within the press group, the party organ is politically central but often financially marginal, whereas evening and metro dailies are politically peripheral yet financially lucrative. The party organ exercises its ideological function often with the financial support of evening and metro dailies.

Even though China's media advertising revenues are small by developed market standards, they rose twenty times to 80 billion yuan in the 1990s—or an annual growth of 35 percent—making investment in the Chinese media more profitable than in tobacco![107] The extraordinary profits of Chinese press conglomerates have been the result largely of the "courtesy" of state protection, not free market competition. But can China's media conglomerates handle the competition from international capital? *Can* sampans be stitched into an aircraft carrier? Is one plus one greater than two? Most observers seem rather pessimistic. For example, Yu argues that the huge size of China's media conglomerates represents "scale management" rather than "scale economy," producing nothing but waste, inefficiency, duplication of efforts, and cost burden.[108] For example, the seemingly enormous CRFTG is a composite of conflicting bureaucratic interests and may be fraught with rancorous fights within and between competing bureaucracies. There is little change in control; the state merely reshuffles the holdings. Internal discord does not, however, stop the press group from stifling any potential external competition.

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[105] Cao, *Zhongguo baoye jituan fazhang yanjiu* (A Study of the Development of Chinese Press Conglomerates), pp. 93-94.

[106] Ibid, pp. 92-93.

[107] Guoming Yu, *Jiexi chuanmei bianju* (Analyzing Media Changes) (Guangzhou: Southern Daily, 2002).

[108] Guoming Yu, "Zhongguo chuanmeiye de touzi qianjing" (The Prospect of Media Investment in China), *Ming Pao Monthly* (April 2002): 25-27.

Conclusion

This paper reflects China's disjointed rationalization of press conglomeration in globalist terms. The globalist claim provides a spurious but self-serving justification for press groups to prosper from market monopoly and for the party-state to facilitate ideological and administrative control. The overall goals of the party-state are highly overlapping with the interests of press groups, but it is the party-state that decides that press groups should be among "the first to get rich." Facing competition from foreign newspaper or television organizations appears to be a remote concern, notwithstanding the seemingly urgent and genuine rhetoric on the topic.

Global media empires speak the language of *capitalism*, not the language of *democracy*. It is little wonder, then, that global media companies have tried to curry favor from the Chinese authoritarian regime, and that the Chinese party-state has not been genuinely anxious about "cultural imperialism" of foreign media. The party-state is more apprehensive about overt ideological challenges to its power than about foreign impact on the "indigenous culture" of China. The party-state seems more ready to yield some economic, but not ideological, ground to multinationals, thus continuing to shield press conglomerates from foreign intervention. The Chinese media, meanwhile, have spoken of the dream of "globalization" — "to be on the same international track (*jiegui*, 接軌)" — much more loudly and eagerly than they have spoken of the risk of "cultural imperialism." This is, of course, a far cry from the Maoist line of self-reliance and seclusion. Chinese media elites aspire to a highly selective definition of "international track:" they covet the global reach of foreign media giants but have no intention of surrendering the state-protected monopoly. To the extent that "cultural imperialism" is mentioned, it always appears as part of the presumed imperatives to expand domestic media conglomerates, in size and scope, as a way to counter western hegemony. But this is another façade for self-interest, never stated with real conviction.

In China, the theme of globalization has met with diverse responses from Chinese intellectuals. The old left opposes globalization as capitalist restoration that betrays Maoist and Communist idealism, whereas the new left's opposition to globalization starts with a fundamental critique of capitalism and extends to China's articulation into the globalized capitalist structure. The fact that liberal-leaning intellectuals endorse China's "internationalization" may seem to suggest their alliance with official goals, but their position stems precisely from the opposite objective.[109] They perceive globalization as an emancipatory power to bring the authoritarian regime into alignment with internationally accepted norms such as rule of law and policy transparency.[110] These intellectual discourses, regardless of ideological stance, tend to be couched in highly nationalist and protectionist terms.[111]

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[109] For example, Xupei Sun, *Zhongguo chuanmei de huodong kongjian* (*The Space of Movement for the Chinese Media*) (Beijing: People's Press, 2004).

[110] Lee, "The Global and the National of the Chinese Media," pp. 19-24.

[111] Joseph Man Chan, "Crying Wolf for Domestic Liberalization: WTO and TNMCs in the Academic Discourse on Chinese Media Reform," paper presented at the symposium on "Transnational Media

The relationship between capitalism and democracy is tenuous: in the long run, capitalism (or in a weaker sense, the market) is a necessary but not sufficient condition for democracy.[112] If this is to be taken as a valid empirical and historical generalization, then the outcome of capitalism would depend on what comprises a "sufficient" condition. For China, the following conditions will be vital: a reasonable state-society relationship, more equitable distribution of wealth and power, the rule of law, and an established national position in the global structure. In the short run, however, it would be futile to romanticize the democratizing role of global media conglomerates. They collaborate with the party-state for economic gains, but also bring in business practices that are hopefully based on open and fair norms. In sum, China's domestic media conglomerates have been using post-WTO competition to rhetorically justify their own market monopoly and ideological conformity.

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Corporations and National Media Systems: China After Entry into the WTO," Bellagio, Italy, May 17-21, 2004.

[112] Peter Berger, *The Capitalist Revolution* (New York: Basic, 1986).

Chapter 4: Media, Public Opinion, and Foreign Policy

By Xiong Zhiyong

Since the reform policy was adopted more than twenty years ago, Chinese society has gone through a period of great change. This change is reflected by media reports on international affairs and foreign policy, which have become more varied and colorful. The reporting on these topics shapes public opinion while offering space for different types of opinions. This change is an achievement of the government's reform policy and, in turn, has given the government the space and momentum to adjust its policies further. This paper seeks to explore the changes in media reporting on international affairs and foreign policy. It will discuss changes in news reports, changes in the timeliness of information, and the growth of public opinion.

Changes in news reports

Before the 1980s, types of media and access to media were limited. Foreign news was mainly reported by several newspapers managed by the central government, such as the *People's Daily Renmin Ribao*, *Guangming Daily*, *PLA Daily*, and some major provincial newspapers. In addition, the magazine *World Knowledge* and China Central Television (CCTV) provided international coverage. News reports on foreign affairs were mainly about meetings of Chinese leaders with foreign guests, anti-imperialist struggles, and international events (coverage of which was strictly chosen by the Xinhua News Agency). Only two newspapers provided news reports from foreign media, and these were only circulated throughout the government. The first of these newspapers was *Reference News* and the other was *Reference Materials* (which could be read only by officials at the bureau director level and above). Today, China's newspaper stands host to numerous types of media that include reports on a multitude of topics and coverage of the latest significant developments in international and domestic news.

A Flood of Information

The expansion in the number and type of media outlets and the types and quantity of news coverage has been quite evident in recent years. In contrast to the limited number of periodicals discussed above, in 2002, 2,111 newspapers and 8,889 magazines were published! Additionally, 93.9 percent of the population over four years old, or 1.115 billion people, watched TV. The average time spent watching TV a day was 174 minutes. Of that audience, 57.7 percent used cable TV. On average, twenty-four channels could be received in cities and eleven channels in the countryside. Of the audience watching, 75.4 percent watched entertainment programs, and 57.6 percent watched international and national news programs.

Accompanying this expansion in sources, there has been an increase in specialization of topics addressed by periodicals and a focus on appealing to a certain type of audience.

For example: the *Economic Daily* provides mainly economic news and information and is read in the business community; *China's Environment* is an important paper for environmental protection, which appeals to environmentally conscious readers; and *Fashion*, which focuses on fashion styles for women with expendable income, is popular among professional women. Other media outlets have taken different approaches in trying to differentiate themselves from the many other alternatives. Phoenix TV, broadcast from Hong Kong, has attracted an audience because its news reports and analyses have been more open and penetrating than other sources. The *China Daily* is an English-language paper that publishes many articles on Chinese culture and issues of concern to foreign readers. About thirty foreign TV companies now provide programs to hotels and residential areas mainly populated by foreigners.

Most newspapers and magazines cover international news and foreign affairs to some extent, and at the very least they cover sports news and fashion. Major economic, political, social, and cultural news in foreign countries are all covered by the Chinese media. Even a small evening paper in a remote western city, such as the *Lanzhou Evening News* offers a page of international news. Taking the United States as an example, developments in American domestic politics, governmental policies, foreign relations, as well as occurrences of serious accidents, natural disasters, and many other newsworthy events find their way to Chinese readers. According to one research project, the volume of reports on America provided by Chinese newspapers is four times greater than that of reports on China provided by American newspapers.[113] Although Chinese newspapers do report on crime and violence in the United States and criticize America's hegemonic policy, the overall tone of their reports is positive. Chinese readers are impressed with the United States because it is a rich, modernized, open, and democratic country.

Without doubt, some information cannot be found in Chinese newspapers, for example, the activities and propaganda of Falun Gong (a spiritual movement banned by the Chinese government), arguments and opinions of dissidents, claims of separatists, and news that may have a negative impact on relations between China and other countries. The censorship system still functions, but its control is diminishing.

There has been a series of breakthroughs in news reporting since the early 1980s. One was in economic news. In the economic arena, *information* is stressed over *propaganda*. Reports about economic developments multiplied and became more objective. The media also started to show more detailed positive images of western countries. In the 1990s, there was a breakthrough in entertainment news and financial news. Articles about movie and sports stars began to take up increasing amounts of space in newspapers (the flip side of this is that, driven by commercial benefits, some media have often published overly erotic and violent reports). In the financial realm, government financial policy was reported and discussed so that the Chinese public was closely informed on the current financial situation.

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[113] Guo Ke, "How Chinese and American newspapers report on the other country," *University of Journalists*, Summer Issue, 2000.

In recent years, reports on political news and current affairs have also progressed. Journalists have had a certain amount of freedom to report news that is critical of policy or of Chinese governmental agencies. The media has begun to take on the role of a supervisor over the government. An editor of the famous newspaper, the *Southern Weekend*, disclosed his three principles on respecting the government's limits on media serving this function: 1) do not publish any articles that challenge socialism, however, discussion of its theory, construction, and implementation is allowed; 2) do not publish any articles that challenge the Communist leadership, however, discussion of the Party's work, supervision, construction of a clean and honest administration, and discussion of the implementation of government policies is allowed; 3) do not publish any articles that criticize major economic projects that have been chosen by the government, however, discussion of the pros and cons of a project before the government has made its final decision is allowed.[114] Additionally, any news that has nothing to do with China *can* be reported, but when news touches upon government affairs reporters should be more cautious and official lines should be followed.

The series of breakthroughs described here barely scratch the surface in illustrating the scope of changes in Chinese media coverage. They do, however, illustrate two recent trends in news coverage. The first of these trends is that the freedom to publish news that is critical of developments in China is still limited, and the second of these trends is that the freedom to publish "soft" news has sometimes been abused by various parties.

News is provided as soon as possible

When the World Trade Center in New York was attacked on September 11, 2001, the Chinese media moved very slowly to report the event. However, on March 20, 2003, the Xinhua News Agency reported ten seconds *ahead* of other major global news agencies that war had broken out in Iraq. Audio and video dispatches were provided simultaneously. Immediately following the dispatches, CCTV provided detailed reports about the war through channels one, four, and nine, using materials from CNN, Reuters, the Associated Press, and Al Jazeera. During this period, the ratings of these three channels increased by ten, twenty-eight, and six times, respectively. Radio stations also canceled some regular programs in order to provide direct reports on the war.[115] According to a survey from April 2003, 50.7 percent of the people who were interviewed spent one hour a day watching news on the Iraq War, and 30.3 percent spent more than one and a half hours each day watching the news. In Beijing, as many as 41.8 percent of the interviewees spent two hours or more watching news reports and discussion programs. This illustrates that now, people in China can get the latest breaking news nearly as fast as people in other developed countries.

On the other hand, sometimes the increased pace of news reaching the Chinese audience can have a negative effect. For example, on the morning of March 29, 2003, (Beijing Time), the *China Daily* website announced that the chairman of Microsoft, Bill Gates,

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[114] www.cddc.net

[115] *TV Studies*, No. 8, 2003.

was assassinated and killed when he participated in a charity event in Los Angeles. The report was broadcast in accordance with a CNN news report on March 28 (local time). The news spread immediately to all of the major networks in China. Thirty minutes later, the story proved to be a rumor that was untrue. All of the networks that had reported the story had to cancel it and clarify the facts. Nevertheless, the report of an unsubstantiated rumor in the Chinese news incited deep concern among the IT industry and the general public in China.

The Internet links the whole country to the world

The Internet is a great scientific revolution. For the Chinese, it is not only a new type of media that provides more and faster information to the public, but also a forum that makes free discussion possible among its users. In addition, the public can get more information about the world and reach more international media through the Internet. The websites of the *New York Times*, *Washington Post*, CNN, *South China Morning Post* and other major news media are accessible to the Chinese public, while websites of dissidents and *Voice of America* are blocked because they directly challenge the rule of the Chinese Communist Party. According to a survey, 59.1 million people were using the Internet in China by the end of 2002. The figure rose to 68 million by mid-2003.[116]

Growth of public opinion

Before the late 1970s, "public opinion" was in fact another term for "the party line." This is no longer the case; the Chinese public is much more informed through a variety of channels now, and public opinion has become diverse and numerous.

The public is very concerned with international affairs

Since China is ever more closely linked to the world, the Chinese people are increasingly interested in global developments and changes. A survey conducted by the Chinese News Studies Center shows that the most influential newspaper in the field of news reporting is *Southern Weekend*, and the most trusted newspaper is the *Global Times*.[117] Both of these papers are seen as providers of the best international news. The *Global Times* is a paper that specializes in international affairs reports. *Southern Weekend* often publishes thoughtful and insightful articles on international affairs. If one wants to find out the policies and position of the Chinese government on foreign affairs, it is better to read the *People's Daily*, the *PLA Daily*, and watch the program of news reports called *News Broadcast* provided by CCTV. Meanwhile, discussion columns (in the *Global Times* and the *International Herald Leader*) and television interview programs feature both government policies and the individual viewpoints of authors and experts. For example, the columns "Speech" and "International Forum" in the *Global Times* present different arguments and opinions, which are sometimes quite diverse. Academic journals are mixed in this regard. For example, the journal *International Studies*, edited by a research

[116] http://www.peopledaily.edu.cn/GB/14677/21963/22065/2272001.html

[117] www.cddc.net. The survey does not include the party's newspapers.

institute under the Foreign Ministry, sticks to official policies. The journal *Contemporary International Relations* is more academic. Similarly, the *American Studies Quarterly* and other area studies journals mainly publish academic articles. *World Economics and Politics* is a scholarly journal. Subscriptions to *Reference News*, mentioned above, are now open to anyone, and *Reference Materials* can be found in universities and research institutes.

As a case study about the Chinese public's interest in international affairs, one can look at the results of a survey that the Continental Zero Investigation Company did in three cities—Beijing, Shanghai, and Guangzhou—in mid-October 2000 during the American presidential election campaign. The survey showed that 75 percent of the general public paid close attention to the reports on the campaign. For forty days, beginning on November 7, 2000, thirty-one major newspapers in provinces and big cities continuously provided much coverage on the election and electoral disputes. No other single event had ever been reported on consistently for such a long time. These newspapers published a total of 1,367 articles on the subject. Among these were 1,149 news reports, ninety-eight commentaries, ninety-nine comprehensive reports and twenty-one feature articles. In addition to the reports, there were 569 photos and ten charts. These reports covered the voting and election disputes and electoral law. They also offered objective wide-ranging information about the United States' society, religions, parties, culture, and economic condition.[118] The efforts of the Chinese media helped their readers have a comprehensive understanding of this important electoral event. This example shows the Chinese public's interest in world affairs and significant domestic events in other countries.

Public opinion is varied and colorful

The Chinese media is not only a provider of news and information, but also is a forum for public opinion. In particular, the Internet plays a crucial function in the formation and exchange of public opinion. Official policies are often discussed in the media. For example, China's current foreign policy follows the low-profile principle and non-alignment orientation. Some scholars have published articles in the *International Herald Leader* arguing that "China's diplomacy should not be limited by the low-profile principle" and that "it is not necessary to insist on the non-alignment policy."[119] Some scholars have even suggested that the multi-polar strategy should be revised. One of the most influential BBS forums is the *Strong Nation Forum* on the *People's Daily* website. Here, one can find news and diverse viewpoints from different sources. Although this web forum is administered by the Party's newspaper, it permits arguments that differ from official policies and positions. Freedom of speech is partly realized by the flexibility of management. A series of recent media events help illustrate how the Chinese public has sought out information and how information and public opinion forums have affected the views and exchanges of the Chinese public.

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[118] Jiang Xiuzheng, "Impacts of Globalization of Information Transmission Upon International Transmission of China's Media", from www.cddc.net

[119] *International Herald Leader*; January 1, 2004.

After a collision took place between an American airplane and a Chinese fighter in 2001, the Chinese public was angry, but very few details were released on the incident by the Chinese media. As a result, the readers had to find news from international media sources and then disseminate it through the forum. This is one example of how Chinese public opinion has been shaped by foreign media as well as by Chinese media. It also demonstrates that information is accessible from a variety of channels more than ever before. For example, a survey shows that there were 80,000 registrations with the *Strong Nation Forum* in July 2001. Seven to ten thousand users posted notes or comments on the forum every day. During peak times, as many as 20,000 people were logged in taking part in a wide range of discussions.

A second example of Chinese public opinion being shaped by media is evident in the coverage of the U.S.-Iraq War in 2003. The Chinese government did not support the U.S. invasion of Iraq. The government held that it was not in the interest of either side to solve the Iraq issue by force and that, instead, the issue should have been solved through political measures within the United Nations. The Chinese media generally reported the war from a negative perspective, giving more attention to anti-war movements in the world, resistance in Iraq and the difficulties facing American troops. However, a number of Chinese people defended the war. They collected signatures online in order to support the American troops. They sharply criticized CCTV for portraying Saddam Hussein in a positive manner.[120] Competing arguments also were published in newspapers. Someone commented that it was right for the United States to launch a war against Iraq because "Saddam exercises an autocratic rule at home and carries out a hegemonic policy abroad." Another held that there was no sense in opposing the war blindly.[121] An interesting viewpoint was that the war was a continuation of the Gulf War, in which a *world* hegemonic power, the United States, punished a *regional* hegemonic power, Iraq. However, more people believed that the war was an invasion that was against international law and that the United States was an aggressor. Under the control of the government in China, although there were not any anti-war demonstrations, a lot of people condemned the war.

A third example of the media-public opinion feedback loop took place in September 2003, when the magazine *Fashion* published a series of pictures of Ms. Zhao Wei, a famous Chinese movie star. In one photo, the design of Zhao's dress resembled the Japanese navy's flag. The photo spread quickly to the *Strong Nation Forum* and *Sina* homepages (and other websites), where it attracted a lot of attention in early December 2003. The picture incited a hot debate. Most people condemned the dress, the magazine, and even Zhao herself. Initially, the magazine denied all charges. Magazine spokespeople said that the design was not that of a Japanese navy flag, but that it was simply a geometrical pattern. Finally, under pressure from public opinion, the magazine agreed to apologize for the incident. On December 9, 2003, the assignment director of the magazine resigned and Ms. Zhao made an apology. The conflict in public opinion of the incident was stark.

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[120] bbs.southern.com

[121] *Global Times*, April 4 and 18, 2003.

Some people tried to defend Ms. Zhao, saying she was "innocent" and the discussion was meaningless. Some people attempted to stop the debate, and others took a hard-line stance. The hard-liners suggested boycotting Ms. Zhao, which made more people ask her to make an apology to the public. The fierceness of this debate demonstrates the anger and sensitivity that the Chinese youth feels toward Japanese militarism and how the youth have been caught up by nationalist sentiment in recent years.

The nature of the nationalism being displayed during this incident sparked serious debate about Sino-Japanese relations. Mr. Ma Licheng published his article "New Thoughts on the [Chinese] Relationship with Japan: Worries of Non-governmental Chinese People and Japanese People" in 2002. He was very critical of "the nationalism arising [in China] in the 1990s, which is obviously negative in two respects." He says that these two negative aspects of recent Chinese nationalism are its arrogant attitude and its anti-foreign sentiment. Ma stressed that China should show tolerance as a great country and as one of the victors of World War II. "It is not necessary to treat Japan harshly," he stated, "[w]e should not get alarmed [by] Japanese effort[s] to become a [major] military and political [power], for example, its dispatching [of] Japanese troops to take part in peace-keeping activities abroad."[122]

Professor Shi Yinhong shared Mr. Ma's position. He advocated a major change in policy toward Japan in his article "A Closer Relationship between China and Japan and Diplomatic Revolution."[123] It seemed to him that if a close link could be established between these two neighbors, China would be in a better position to deal with the United States. He regarded his suggestion as revolutionary and thought that the current policy should be changed significantly. The viewpoints of these two authors were widely criticized and opposed. These two articles were condemned at a conference on Sino-Japanese relations held at the Japanese Studies Institute of the Social Science Academy of China in September 2003. Meanwhile, Mr. Feng Shaokui also published a series of articles on the issue of Sino-Japanese relations.[124] He was critical of the attitude of the Japanese government toward the War of Aggression while he emphasized that China needed to take an objective and realistic attitude toward Japan.

To sum up, it is clear that in general, all of the important events and hot issues have their own discussion forums on the Internet.

Two-way traffic between the government and the media

The media used to be regarded as the mouthpiece of the Party and the government. Its main function was to shape public opinion in the correct direction under the leadership of the Party. Before the 1970s, the Chinese media mainly reported on the negative aspects of

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[122] *Strategy and Management*, No. 6, 2002. Although Mr. Ma worked in the *People's Daily*, his viewpoint in this article is thoroughly his own.

[123] *Strategy and Management*, No. 2, 2003.

[124] *Strategy and Management*, Nos.4, 5 and 6, 2003.

the western world because of the Party line of anti-imperialism and anti-hegemony. This situation continued until 1978, when, owing to the opening up and reform policy initiated by Deng Xiaoping, reports on world affairs became more objective and colorful (especially after the 1980s). Deng once said:

> In order to win relative superiority over capitalism, socialism should courageously absorb and learn from all civilized achievements created by the human society, absorb and learn from advanced methods of administration and management that reflect the modern pattern of socialized production in the current world, including those developed capitalist countries.[125]

For this purpose, the media started to report all the information it believed to be useful for China. Although it was another way of following the Party line, the media was given more choice in reporting from then on. Nowadays, the relationship among the government, the media and the public is totally different from that of twenty years ago.

New policy toward the media

In recent years, the Chinese government has become more and more tolerant toward the media because it recognizes that openness is needed to accomplish in-depth reform, democratic decision-making and to create a stable society. Without a doubt, the media must still follow some basic government regulations. For example, a regulation issued by the National Administrative Office of Press and Publication in 2000 stipulates that:

> When articles involving foreign affairs, minorities, religious policy, national security, military, and defense construction are published, the integrated demands of the [P]ublicity [D]epartment of the [P]arty [C]ommittee must be observed and the [related] government regulations must be obeyed.[126]

The People's Daily, the Xinhua News Agency, and five other presses administered by the central government laid down the Joint Self-Censorship Pledge in November 2003. In December 2003, the media in Beijing also drew up a Self-Censorship Pledge, ensuring that the policy and leadership of the Party and the government would be followed forever and that public opinion would be tightly guided in the right direction. Despite this, the media have a lot of flexibility to operate in their daily work. For example, books on China's foreign affairs must be sent to the Foreign Ministry and subjected to standard examinations by the departments concerned before they are published in order to make sure that the policies are not misinterpreted and misrepresented. However, when China's foreign policy is discussed in newspapers, journals, and online, the media can make publishing decisions by themselves. Particularly at a time when media are facing tougher

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[125] Deng Xiaoping, *Selected Works by Deng Xiaoping* (Beijing: The People's Publishing House, 1993) Vol. 3, p. 276.

[126] www.cddc.net

competition, the media often try to introduce news and viewpoints that are less mainstream to their readers in order to attract more customers.

Former Vice Premier Qian Qisheng gave a lecture at Beijing University on major issues in the study of international relations at the end of the last century. In his talk, he mentioned the work of overseas media after China joined in the WTO. He pointed out that the timeliness of Chinese news releases should be improved because with overseas media the public was able to get a lot of information as soon as an event took place. Vice Premier Qian said that "[n]owadays, we often say 'no comment' when a question is raised. This is really a method to deal with a problem, but [saying] 'no comment' cannot solve the problem at all." At the turn of the century, other high-ranking officials and officers in charge of foreign trade repeatedly stressed that in order to meet the challenge of globalization, the Chinese economy should follow the same track as the world economy. At the same time, the Chinese media should follow the trend of globalization of the global media.[127] Today the spokespersons of the Foreign Ministry rarely say "no comment" at a news conference. Normally, they promise to give an answer after they check their facts.

When former premier Zhu Rongji spoke on "*Focus*," a program aired by China Central Television (CCTV) in October 1998, he stated his hope for the central TV station to be "a supervisor [for] the public opinion, a mouthpiece of the mass[es], an advisor for the government, and a vanguard of reform." He did not repeat the traditional principle that the media was the mouthpiece of the party.

In early 2003, Mr. Li Changchun, a member of the standing committee of the Chinese Communist Party (CCP) Central Committee who is in charge of the publicity and ideology work, repeatedly stressed that:

> The publicity work should serve the Party's will and people's wish at the same time, and should have clearer targets and become more effective, attractive, and influential by great efforts…The final standard to measure cultural and spiritual products is whether people [are] satisf[ied] with them and whether people like them…All [of] the concepts and thoughts [that hinder] cultural development should be given up thoroughly. All [of] the measures and regulations [that fetter] cultural development should be changed. All [of] the shortcomings of the system [that hamper] cultural development should be reformed."[128]

Since the government has adopted these new ideas, the functions of the Chinese media have multiplied. As a provider of information, the media are not only an instrument of publicity for the government, but also a bridge between the government and the public.

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[127] www.cddc.net

[128] http://www.peopledaily.edu.cn/GB/14677/21963/22065/2272001.html

Increased contact with the public

The Chinese government regards the establishment of news websites as both a new approach of external publicity and a closer link between officials and citizens in China. By 2004, about 700 presses were online. A three-level structure of networks has been established. In the first level, the national level, there are five leading networks: websites of the *People's Daily*, Xinhua News Agency, China Radio International (CRI) (formerly Radio Beijing), *China Daily*, and the China Internet Information Center (china.org.cn). The second level is made up of the websites of other nationally circulated newspapers and provincial presses. The third level is made up of the websites of professional newspapers and journals. The Internet works as an important channel for people to express their opinion and desires and for the government to gather public opinion. Many government departments appoint staff to collect information from the Internet and provide it to the officials in charge. President Hu Jintao and Premier Wen Jiabao can go online themselves to read public opinion. *Southern Weekend* once reported that President Hu told a doctor who took part in Severe Acute Respiratory Syndrome (SARS) prevention that the doctor's suggestions had been very good and that Hu had read them online. When Premier Wen visited Beijing University in April 2003, he told students that he had "read and been moved by what [they had] written online. [They had] become more and more confident in the government."[129]

Other types of media also have modified their programs in order to attract a greater audience. For example, CCTV has changed or revised contents, columns, and the arrangement of programs on its eight channels since 1999. Channel Four (CCTV-4) is a Chinese language channel mainly for overseas Chinese. It broadcasts twenty-four hours a day. Its Chinese news program was modified *ten* times to increase information flow and meet the demands of its audience. Channel Nine (CCTV-9), an English language channel, was added in 2000 to address changes in the audience due to increasing globalization. It provides both domestic and international news.

Meanwhile, the government has been proactive in making its policies and decisions known to the public. For example, a news release system was established after the SARS crisis throughout the country in 2003. Some ministries of the central government and offices of local governments have even appointed media spokespeople as part of this system. An example of the news release system at work was the time a man forced his way into the Beijing office of *Reuters* with suspicious explosive materials at 10:30 A.M. on March 12, 2003. At 12:55 P.M., the spokesperson of the Beijing Public Security Bureau held a news conference on the spot, announcing that all of the people had been evacuated from the building and the case was being managed properly. This kind of news release is novel for the Chinese public.

Because of the novelty of the system in China, training spokespeople became an urgent priority. In September 2003, around 100 spokespeople from sixty-six institutions of the central government received diplomas from the head of the Press Office of the State

[129] http://www.peopledaily.edu.cn/GB/14677/21963/22065/2272001.html

Council after taking part in a five-day workshop. A second workshop of this kind was held in November 2003. Participants included representatives of local governments from all over the country. Mr. Zhao Qizheng, director of the Press Office, stressed that a perfect news release system will promote the openness and transparency of administrative information, establish an effective channel and close link between the government and the public, benefit social stability, and play a crucial role in advancing economic development.[130] Today, most government offices have their own spokespeople and hold news conferences on a regular basis.

A case study—the Foreign Ministry and the public

Years ago, "no comment" was a common response from the spokespeople of the Foreign Ministry, but now they always try their best to answer journalists' questions. Previously, reports on news conferences were only a few lines long. It was very difficult for an ordinary person to know what the Ministry was doing and how it viewed a given situation. Diplomacy was a mystery for the public. Now, records of news conferences can be found on the Ministry's website. All officials in charge are required to take time to introduce and explain China's foreign policies to the public. Since 2003, department directors have met netizens online and answered their questions. On December 23, 2003, Foreign Minister Li Zhaoxing was interviewed by the public online. The event was hosted jointly by the "Chinese Foreign Affairs Forum" of the Ministry's website and the "Development Forum" of Xinhua News Agency's website. Over the course of two hours, 20,000 people logged in and about 2,000 questions were asked. Minister Li presented a brief introduction of diplomatic work in 2003 and replied to approximately forty inquiries. He even answered a question about his appearance.[131] Commenting on this change in approach to diplomacy, Ms. Fu Ying, former director of the Foreign Ministry's Asia Department, offered her explanation:

> It is well known that China's position [has] strengthened in the world and China's relations with other countries [have] generally improved in the past few years. However, I have heard some critical opinions. As China [has] developed [rapidly] and [become more] prosperous and strong in recent years, Chinese diplomacy [experienced] a transition period. Meanwhile, public attention and expectation[s of] foreign affairs increased after Chinese people['s quality of life increased] and [they] became more knowledgeable and more educated. During this transition, [the emergence] of certain discontent and resent[ment] is understandable. In any countr[y, the] support of public opinion is a foundation [for] foreign polic[y]. Our Foreign Ministry has [the] responsibility and [the] duty to improve contact with the public and seek their understanding and support when we follow the diplomatic thinking and [direction] of the central government.[132]

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[130] http://www.china.org.cn/chinese/zhuanti/fyr/450469.htm

[131] http://www.xinhuanet.com/zhibo/wjb/wz.htm

[132] Ms. Fu said this when she was interviewed online. http://bbs.fmprc.gov.cn/board.jsp?bid=22

Whenever an issue arouses the public's attention, diplomats are always prepared to present China's policy. For example, the Chinese and Indian governments decided to appoint special representatives to discuss border issues in 2003. The Chinese public was very concerned about this topic because there was a long history of border disputes between these two neighbors. A wide variety of comments were published with regard to the issue. Subsequently, Mr. Zhou Gang, former Ambassador to India, was invited by the Forum of Foreign Affairs to exchange his views with the public online in June. He explained the decision and clarified misunderstandings. In November, Mr. Cheng Ruisheng, another former Ambassador to India, published his opinion in the *Global Times*. He argued that:

> India will certainly improve its relations with the United States. However, I don't believe that India will join hands with the United States to deal with China because it is in the best interests of India to have a good relation[ship] with China. Therefore, the relation[ship] between China and India is not influenced by the relation[ship] between India and the United States. [R]elations among China, India and the U.S. [will] move toward [a] balance.[133]

Also in 2003, several events took place involving relations between China and Japan. Some people published radical speeches about Japan. When a journalist interviewed Mr. Yang Zhengya, former ambassador to Japan, the ambassador stressed the importance of maintaining a sound relationship with Japan. He pointed out, "We should try our best to avoid [any] negative impacts of historic issues on [today's] friendly exchanges [on both sides]. Unhealthy nationalist sentiment should be prevented."[134]

The *International Herald Leader* published eighteen New Year's greeting letters to the public from Chinese ambassadors living abroad. Most of letters highlighted the ambassadors' host countries' conditions, their internal and external policies, and China's policy toward these countries. For example, Ambassador Liu Guchang gave an objective assessment of his host country, Russia. He said, "In the last year, Russia has been stable politically, maintained fast economic growth, and continued to carry out an omni-bearing foreign policy to keep balance between the eastern and western world in order to defend her national interests flexibly and practically."[135]

In order to improve contacts with the public, a special office, the Office of Public Diplomacy, was established in the Foreign Ministry on March 19, 2004. Its basic function is to strengthen links between the Foreign Ministry and the public in order to guide the public and earn the public's understanding and support for China's foreign policies.[136]

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[133] *Global Times*, November 21, 2003.

[134] *Chinese Youth*, December 20, 2003.

[135] *International Herald Leader*, January 22, 2004.

[136] *Beijing Evening News*, March 21, 2004.

Several department directors of the Foreign Ministry were interviewed by the magazine *Oriental Outlook* early this year. All of the directors confirmed that they went online daily in order to be aware of the interests and needs of the public as soon as possible. A deputy director told the reporter the following story. While transiting through a foreign country, some Chinese citizens were subjected to illegal searches. As soon as the Foreign Ministry received word of these searches, it took measures to address the incident and inform the public about the case. Later, the Ministry found around 400 comments on the handling of the incident online, none of which were negative.[137]

The link between the government and the public is a two-way street. As the Chinese people become more educated and informed, their opinion will definitely impact the policymaking process, including foreign policymaking.

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[137] http://news.sina.com.cn/c/2004-03-30/15253077058.shtml

Chapter 5: The Birth of Sophisticated Propaganda: The Party State and the Chinese Media in Post-Reform Politics

By Wu Guoguang

This chapter discusses change and continuity in the relationship between the Chinese party-state and the mass media in China's post-reform era. While Chinese reforms over the past decades have mainly focused on the transformation of the state-planned economy to a market economy, political reforms have been essentially absent.[138] In this chapter, "post-reform" refers to the political-economic situation in which political authoritarianism sets the boundaries for the operation of the market, while state repression co-exists with the development of individual negative freedom, the absence of barriers or constraints on individual choice.[139] This chapter therefore seeks to examine how the party-state and the mass media interact with each other under post-reform political and economic conditions in today's China.

China is in an era of media commercialization.[140] Given the change in political and economic conditions in China, one can ask several key questions. For example, is it possible for the Chinese government to conduct a state propaganda campaign well, given the socioeconomic background of a quarter-century of profound marketization reforms? Given today's Chinese society, does the party leadership have the will to use commercialized media to shape the political landscape? Do different political authorities in China have the means to use the media for their own agenda? To what extent is the Chinese media still the "mouthpiece" of the Communist Party? To what extent is the Chinese media serving as an agent, intended or not, of party-state politics? To what extent is the party-state itself pulling back from its previous total control of the media? Does party policy now allow a sphere of autonomy in which media managers can make content or editorial decisions without direct intervention by the party? To what degree are media playing a role in shaping the leadership's agenda? Does the media effectively reflect, and even carry out, internal policy debate? What differences are there, if any, in *changes to* or *control over* the media in different sectors, such as civilian vs. military, or economic and social vs. political and foreign policy?

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[138] Merle Goldman and Roderick MacFarquhar eds., *The Paradox of China's Post-Mao Reforms* (Cambridge, MA: Harvard University Press, 1999); Joseph Fewsmith, *China Since Tiananmen: The Politics of Transition* (New York: Cambridge University Press, 2001); Minxin Pei, *China's Trapped Transition: The Limits of Developmental Autocracy* (Cambridge, MA: Harvard University Press, 2006).

[139] Guoguang Wu, "From Partial Liberty to Minimal Democracy: Political Agenda of Post-Reform China in Debate," *Contemporary Chinese Thought*, Vol. 34, No. 4 (Summer 2003), pp. 57-74.

[140] Joseph Man Chan, "Commercialization without Independence: Trends and Tensions of Media Development in China," in Joseph Cheng and Maurice Brosseau eds., *China Review 1993* (Hong Kong: Chinese University Press, 1993).

The argument of this paper is straightforward: the party-state still powerfully dominates, penetrates, and manipulates mass media in post-reform China, but the mechanisms of control have changed over time. Citing Hannah Arendt's distinction between indoctrination and propaganda, this paper suggests that currently the Chinese party-state possesses rich political and economic resources to subtly control mass media and to skillfully disseminate propaganda, but it also has given up the Maoist revolutionary method of political indoctrination. Political propaganda in China has thus become "sophisticated." The term "sophisticated" is meant to describe the complicated state of mass communications in post-reform China where state domination in political communication co-exists with increasing autonomy and openness of media management in journalism, and the mechanisms of political control over the media have been adjusted to reflect the rise of societal pressure and technological progress to be indirect rather than state-planned. This change has occurred in parallel to the transformation of the role of the state in economic and social life. In particular, the term "sophisticated propaganda" indicates a situation in which limited liberalization of mass communications is often subtly turned into masterful manipulation of the media by the party-state, to include improvements of propaganda *skills* and therefore propaganda *effects*. Although there has been a rise of the semi-independent media in China, and journalists have not ceased to struggle for freedom of the press, their challenges to Communist journalism have often turned, intentionally or not, to making propaganda more sophisticated. Their efforts have not been directed toward spoiling or subverting state propaganda as the authoritarian framework through which the party-state handles its relationship with the mass media.

To illustrate this argument, this chapter first presents a general picture of how the party-state has made various efforts to adapt to China's new socioeconomic environment and to establish its new mechanisms of media control. It will outline the new landscape of media in post-reform China, highlighting the rise of political peripheries in the media industries. Economic, administrative, and social reforms have been joined in the past decades by technological change to bring about commercialization and localization within the Chinese media, which were accompanied by the rise of social and professional autonomy, foreign linkages, and interactive communication. A new milieu of state-society relations has formed, and this is also reflected in state-media relationships. As the above-mentioned changes have made the traditional totalitarian model of the "propaganda state" ineffective to control the media, a new mechanism, termed here as "sophisticated propaganda," has risen in China and so far successfully functions to keep the media as the "mouthpiece" of the party-state under the post-reform political economy.

Second, the chapter looks at the link between policy debates as reflected in the media and political struggles within the party-state. It briefly describes several cases, some of which have been regarded as successful examples of media influence in governmental policymaking, including the SARS crisis and the Sun Zhigang event. While acknowledging the positive impact of autonomous journalism coverage on policymaking in both cases, this chapter extends its review of the cases to examine the other side of the stories: how the party-state manipulates the mass media for its political purposes. Such manipulation also occurs in the Chinese media's coverage of foreign affairs, which is a

sub-topic of the last section of the chapter before the conclusion. Through analysis of Chinese reporting of the Iraq War in 2003, the last section examines how international resources have been used to support China's domestic propaganda efforts.

The Market for Politics: Media Commercialization, State Control, and Sophisticated Propaganda

Marketization reform of the Chinese economy has profoundly changed the landscape of the Chinese media, which was once under totalitarian control of the Communist Party in the pre-reform era.[141] Some scholars emphasize structural changes like localization, marketization, and socialization that have emerged in the Chinese press, noticing the rise of political peripheries in mass communication.[142] Other scholars highlight the role autonomous journalists have played in media reform and the day-to-day practice of journalism, having found that "improvisation" beyond institutional constraints may significantly expand freedom of the media and dynamically reconstruct institutions in return.[143] Although reasonable people may disagree on the depth or significance of the transformation, most observers agree that since the 1980s the Chinese media have experienced various changes that have challenged, at least potentially, the capability of the party-state to control the media. They often view the development of Chinese journalism since then as a series of struggles by journalists and their media organizations, stimulated either by commercialization, professionalization, political idealism for reform, or a combination of those forces, against political control imposed by the communist party-state. Therefore, all of the above trends (particularly commercialization and professionalization), are widely regarded as forces that could reduce, or even subvert, state control and political propaganda.[144]

This model of the "market against the state" is perhaps a correct reading of the dynamics of change in the relationship between the party-state and the Chinese media in the 1980s and even the early 1990s. Recent developments in Chinese journalism, however, go

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[141] The term "totalitarian" is used here in its classic meaning, as illustrated in Carl J. Friedrich and Zbigniew K. Brzezinski, *Totalitarian Dictatorship and Autocracy* (Cambridge, MA: Harvard University Press, 1956).

[142] Guoguang Wu, "From Partial Liberty to Minimal Democracy: Political Agenda of Post-Reform China in Debate," *Contemporary Chinese Thought*, Vol. 34, No. 4 (Summer 2003), pp. 57-74.

[143] Guoguang Wu, "One Head, Many Mouths: Diversifying Press Structures in Reform China," in Chin-Chuan Lee ed., *Power, Money, and Media: Bureaucratic Control and Patterns of Communication in Cultural China* (Evanston, IL: Northwestern University Press, 2000), pp. 45-67.

[144] Daniel C. Lynch, *After the Propaganda State: Media, Politics, and "Thought Work" in Reformed China* (Stanford: Stanford University Press, 1999); Yuezhi Zhao, *Media, Market, and Democracy in China: Between the Party Line and the Bottom Line* (Urbana: University of Illinois Press, 1998); Joseph Man Chan, "Commercialization without Independence: Trends and Tensions of Media Development in China," in Joseph Cheng and Maurice Brosseau eds., *China Review 1993* (Hong Kong: Chinese University Press, 1993); Chin-Chuan Lee, "Ambiguities and Contradictions: Issues in China's Changing Political Communication," *Gazette* 53:1-21.

beyond this liberalist perspective, as the Chinese party-state has already adapted to the new political economy and successfully established new mechanisms in which the marketization and professionalization of the media are made to serve authoritarian politics. Several significant measures the party-state took in the post-reform Chinese political economy have helped this adaptation.

The Chinese Communist Party (CCP), first of all, has never given up its insistence on control over the mass media. Rather, it has learned great lessons from the 1989 Tiananmen event and the collapse of communism in East Europe and the Soviet Union, namely that even limited liberalization of the media can be a cause of "instability," a term that, to Chinese communists, implies either regime change or attempted regime change. According to Xu Guangchun, a vice director of the Central Propaganda Department of the CCP, the major viewpoints and policies of the Party with regard to Chinese mass media emerged against the historical background of Tiananmen and the worldwide collapse of communism, which reminds us once again that the Party's control over the mass media is vital to the survival of the regime.[145] In a recent attempt to conceptualize the so-called "Jiang Zemin thought of journalism," Xu, as Jiang's political protégé, explicitly lists "mouthpiece theory" as the foremost theory of Jiang Zemin and the CCP under his leadership in dealing with journalism in the period since 1989.

Though some scholars regard terms like "class spirit" and "Party spirit" to be key words for understanding pre-reform Chinese journalism,[146] I have actually found that, while these terms are seldom used in current academic studies on journalism, they are commonly found (especially the term "Party spirit") in current Party documents regarding mass media, and in leaders' speeches on journalism. At the same time, the national leadership makes every effort to use these ideas to educate and train the editors and managers of the Chinese media, disciplining them with principles like "the Party's leadership in the media" and "keeping consistency with the Party center in journalism." For example, the Central Party School has, in the past decade, organized training classes for media leaders. A recent class was jointly sponsored by the Central Organization Department, the Central Propaganda Department, and the Central Party School to train the major leaders of national and local media to study the "three represents" and Marxist journalistic viewpoints. In a speech he delivered to this class, Ji Bingxuan, the Executive Vice Director of the Central Propaganda Department, stated that "the leadership of public opinion concerns the Party's rise or decline, survival or death," and "our Party has constantly emphasized that the leadership of journalism and public opinion should be firmly controlled by the Party and persons who are loyal to the Party and to Marxism."[147]

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[145] Xu Guangchun, "Yi sange daibiao zhongyao sixiang wei zhidao jinyibu gaohao dang de xinwen gongzuo," *Zhongyang dangxiao baogao xuan*, no.238 (no. 10, 2003), pp. 1-27.

[146] Qin Zhixi, "Xinwenxue guanjianci de duiyan ji wenhua neihan," [Journalism Keywords: Evolution and Cultural Meanings], *Wuhan daxue xuebao: Renwenkexue ban* [Journal of Wuhan University: The Humanities Edition], no. 3, 2001, pp. 365-370.

[147] Ji Bingxuan, "Zai xinwei meiti gugan xuexi sange daibiao zhongyao sixiang jinxing Makesi zhuyi xinwenguan jiaoyu peixunban kaiban shi de jianghua," *Zhongyang dangxiao baogao xuan*, no. 237 (no. 9, 2003), pp. 1-16. The citation is from p. 4.

Ji strongly criticized viewpoints that do not treat the media as the mouthpiece of the Party, that do not recognize "Party spirit" as a principle in journalism, and that deny the Party's leadership and management of the mass media.[148] To those who are familiar with the traditional language the Party used to manage mass media in the Mao era, Ji Bingxuan's speech could have been delivered from decades past rather than recent times. It is clear that the Party has never tried to pull itself back from political control over the media, at least through the post-Tiananmen period.

The Party has tried methods of strengthening such control, and this has inevitably added something new to the political landscape of the state-media relationship under the new socioeconomic circumstances. Structurally, the regime initiated "industrialization" (*chanyehua*, 产业化) of the mass media in the mid-1990s, reorganizing the media industry to establish some leading "media groups" with a Party organ as the core or the umbrella of every group. The first press group was established in 1996 by the *Guangzhou Daily*. In the year 2004, there were already sixteen media groups in China that were all part of a Party media organ.[149] It is said in China that one of the most important things that media organizations can learn is the leadership system (*lingdao tizhi*, 领导体制) of these selected media groups, which "effectively strengthens the leadership of the Party in the media" while allowing the groups to "maximize the benefits of marketization."[150] This organizational structure combines Party control over the media as political mouthpieces and the profit-making functions of the media as an "industry." The Party organ politically controls other media within the group, while the media under the Party organ's umbrella help the Party organ in terms of financial revenues and by increasing the media's market share. The subordinate media within the groups are commonly called *zibao zikan* (自报自刊), the descendant journals. They are not "independent" per se (at best, they are "semi-independent"), as they are under tight control of the Party organ, which controls the ownership, personnel appointments, management guidelines, and daily journalism of subordinate media. Ji Bingxuan concludes, "The descendant journals are also a new, important force of the Party [at the forefront] of propaganda and public opinions."[151]

Through party-controlled media groups, state control is well extended to those media working in the "soft" dimensions of social life, such as evening newspapers and

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[148] Ibid.

[149] Zeng Peixin, "Woguo baoye jituanhua jingying de queshi he duice," *Xuexi yu shijian*, No. 3, 2001, pp. 48-50. The sixteen media groups are: Guangzhou ribao, Yangcheng wanbao, Nanfang ribao, Guangming ribao, Jingji ribao, Wenhui xinmin lianhe baoye, Dazhong baoye, Beijing ribao, Jiefang ribao, Sichuan ribao, Zhejiang ribao, Liaoning ribao, Henan ribao, Shenyang ribao, Haerbin ribao.

[150] Bi Yiming, "Guanyu xinwen chuanmei jituan de diaoyan baogao," *Zhongguo guangbo dianshi xuekan*, no. 6, 2001, pp. 23-26.

[151] Ji Bingxuan, "Zai xinwei meiti gugan xuexi sange daibiao zhongyao sixiang jinxing Makesi zhuyi xinwenguan jiaoyu peixunban kaiban shi de jianghua," p. 16.

periodicals specializing in economics, medical and health issues, retired life, children, and even arts and entertainment. This structure also helps the Party organ to powerfully reach the newly developed IT media, namely, the Internet.[152] The efforts in this regard, which go beyond the direct control of the Party to make the media the mouthpiece, are not only defensive in nature (as the regime meets post-Tiananmen challenges), but are also a crucial aspect of the strategy the regime has undertaken to construct more sophisticated state propaganda. The party-state for the most part has given up ideological indoctrination in this wide arena of propaganda, but it now pays much more attention to ensuring its communication is carried out to the audience. Informed by Hannah Arendt, we know there is a distinction between indoctrination, or "political education," and propaganda.[153] This chapter argues that the distinction is still valid and helps one understand the current relationship between the Chinese party-state and the mass media. The party-state and the media in China today are not bound together by communist ideology to make the latter serve the former; rather, both try only a little to persuade the audience to accept and believe their principles. The party-state works hard to persuade people to accept its monopoly on state power, and the mass media have played a major role in this political enterprise as the network of Maoist thought-work collapsed after reforms.[154] Formerly, with the "great course" of the proletarian revolution, communism and its Chinese practice were featured with the ambition to "educate" people to become "new men and women," and the mass media operated to construct a communist "public mentality." Post-reform propaganda carried by the commercialized media under political repression, however, does not channel people's energies toward the resolution of pressing public concerns. Having rid itself of ideological constraints to a large extent, particularly in the management of those "descendant journals," the party-state allows the media more space than in the past to develop professional propaganda, and the formerly rigid, dogmatic efforts of indoctrination have given way to flexibility and better management of propagandizing the Party lines.

The Party organs also are striving to be well-received by the audience. Since the Mao era, this "marketing" effort has constantly occupied the CCP's agenda of propaganda management, but, generally speaking, the regime has failed to develop sophistication in its political communication with the audiences at home and abroad. The regime has not surrendered, however. It still struggles with this effort and has made progress in "improving propaganda." For example, Ji Bingxuan proudly mentioned some examples in which the regime has showed its "lifted level of propaganda," including the Chinese media's coverage of the Iraq War (this will be discussed in detail later in this chapter). *News Front*, a magazine for professional journalists published by the *People's Daily*, has dedicated many pages to discussing methods for improving the quality of Party propaganda. Each of its first four issues in 2004 devoted a special section to the possible means of improving the quality of party propaganda, including sections entitled "news on

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[152] Wu Feng, "1995-2000: Zhongguo wangluo meiti fazhan baogao," *Xiandai chuanbo*, no. 3, 2001, pp. 43-48.

[153] Hannah Arendt, *The Origins of Totalitarianism* (San Diego: HBJ, 1948/1979), p. 343.

[154] Lynch, *After the Propaganda State*.

problems" (*wenti xing xinwen*, 问题性新闻), "topical news, commentaries, and pages" (*huati xing xinwen pinglun banmian*, 话题性新闻评论版面), "interactive reporting" (*hudong baodao*, 互动报道), and the "combination of ideology and politics with knowledge and readability."[155] It indicates that the party-state also is now concentrating on the sophistication of its propaganda because it fully realizes the limits of its reach in society, which has been pluralized and, one may say, externalized to the party-state through reforms. According to Arendt's insight, "[w]henever totalitarianism possesses absolute control, it replaces propaganda with indoctrination and uses violence less often to frighten people." And "the greater the pressure on totalitarian regimes from the outside world—a pressure that even behind iron curtains cannot be ignored entirely—the more actively will the totalitarian dictators engage in propaganda."[156] If we agree that pre-reform China was a society where there was deep penetration of the state, where there was almost no autonomous societal spheres,[157] and where reforms witnessed the institutional ambiguity between the state and society,[158] we will easily find a post-Tiananmen phenomenon in China's social change where society becomes more and more intrinsic, if not necessarily autonomous and independent, to the party-state. The media, just as Arendt predicts, transforms from its previous functions of "command communication" within the system,[159] to an industry of propaganda for the dictators to deal with both the socially and nationally outside worlds.

Besides the structural and operational efforts to control the mass media and to improve state propaganda, the Chinese regime has done a lot to rebuild its human resources in the profession of journalism. It is in the making of more sophisticated Party propaganda where the interest of the party-state and that of journalists converge, and the combination of political repression and economic opportunity provides the fundamental environment in which this convergence is possible. The combination of economic opportunity and political repression not only institutionally induces the media industry to indulge in profit-making rather than to function as public opinion; it has also reshaped the mentality of individual journalists, who were, in the 1980s, among the most enthusiastic groups advocating reform and testing the state's bottom line politically. The interplay of political repression and media commercialization creates a certain space in which Chinese journalists tend to be professional in some ways, but are also able to help their media organizations to make profits within the limits set up by the party-state. It therefore is not

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[155] *News Front*, nos. 1-4, 2004.

[156] Arendt, *The Origins of Totalitarianism*, pp. 341, 343-4.

[157] Franz Schurmann, *Ideology and Organization in Communist China* (Berkeley: University of California Press, 1968), enlarged ed.

[158] X.L. Ding, "Institutional Amphibiousness and the Transition from Communism: The Case of China," *British Journal of Political Science*, 24 (1994), pp. 293-318.

[159] For the concept of "command communication," refer to, Guoguang Wu, " Command Communication: The Politics of Editorial Formulation in the *People's Daily*," *China Quarterly* No.138 (June 1994), pp. 194-211.

a surprise that the propaganda authorities of the Communist Party are now very satisfied with "our troops of journalists,"[160] in sharp comparison with the regime's complaints and criticism of the mass media. Is this because today's Chinese leadership is more tolerant and easygoing than that in the 1980s? The answer is obviously "no." To Chinese journalists nowadays, professionalization means self-discipline,[161] and this is different from self-liberalization before 1989.[162] According to Xu Guangchun: "The fourteen years since the Fourth Plenary of the Thirteenth Party Congress have been the most healthy period in terms of public opinion in our country."[163] Everybody knows what "healthy" means here: public opinion follows the Party, and the regime doesn't need to worry about those who work in the mass media.

Of course there are still troubles for the Party. However, the Party is relatively tolerant and easygoing if one doesn't challenge its core principles. Ji Bingxuan, the Party propaganda tycoon, admits "that it is impossible to have no errors in our propaganda given the tremendous size of the media industry currently and the huge content of newspapers, but we must try our best to avoid big errors, and particularly to avoid errors concerning politics, policy, and public opinion guidance."[164] To some extent, we may simply regard the recent "liberalization" phenomena as "minor errors" in state propaganda that is otherwise well-managed by the Chinese party-state and carried out well by Chinese journalists. In this context, these "minor errors" just add decoration to the iron chains, or increase the sophistication of the dictatorship. Otherwise, one cannot understand the fact that in fifteen years of post-Tiananmen Chinese politics nothing happened in the Chinese media to, also in Ji's words, "negatively influence our overall situation of reform, development, and stability, and negatively influence our hard-earned excellent situation."[165] Tiananmen is long gone; long live the "Jiang Zemin thought of journalism!"

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[160] See, for example, Ji Bingxuan, "Zai xinwei meiti gugan xuexi sange daibiao zhongyao sixiang jinxing Makesi zhuyi xinwenguan jiaoyu peixunban kaiban shi de jianghua," p. 10.

[161] Liu Yu and Luo Aiwen, "Meiti xianzhuang huhuan congye renyuan de zhuanyehua," *Guangxi daxue xuebao*, a special issue, 2001, pp. 109-111.

[162] Minxin Pei records "the self-liberalization of China's mass media" in, Minxin Pei, *From Reform to Revolution: The Demise of Communism in China and the Soviet Union* (Cambridge, MA: Harvard University Press, 1994).

[163] Xu Guangchun, "Yi sange daibiao zhongyao sixiang wei zhidao jinyibu gaohao dang de xinwen gongzuo." Citation is from p. 6.

[164] Ji Bingxuan, "Zai xinwei meiti gugan xuexi sange daibiao zhongyao sixiang jinxing Makesi zhuyi xinwenguan jiaoyu peixunban kaiban shi de jianghua," p. 13.

[165] Ibid.

Policy Debates and Political Struggles: Plural Participation or Media Manipulation?

In terms of state-society relations, we cannot be convinced that the Chinese media has become a societal or independent public sphere in which the state is not able to employ the media to perform its will. Rather, the party-state in China has already developed its subtle ways to control the mass media in various aspects, ranging widely from legal punishment of members of the media who dare to cross the political line, to creating a nationalistic atmosphere in which the media consciously follow the party-state in the name of defending China's national interests. Within a party-state system that has never been monolithic and is becoming more and more fragmented and even pluralistic, can we find some indicators in the media to reflect the internal policy debates or power struggles among the leaders and their associates? As we know, in Chinese politics "[t]he most important way in which cultural debates become linked with politics is in their effect on competition between politicians for control over the propaganda apparatus."[166] Can we now find the evidence of such competition in post-reform Chinese media?

There is some evidence to support an affirmative answer to these questions. Some experts have found that public opinion helps demarcate a space within which the leadership has relatively wide latitude to operate;[167] these experts have argued that a kind of plural participation has occurred in policymaking in China.[168] A lot of evidence exists, at the same time, to support the counter-argument, revealing the other side of Chinese reality that, in policy debates, the party-state often manipulates the mass media for its own purposes, and "plural participation" is thus deliberately channeled and even directed by the policymakers as a show of public relations sensitivity or even "democracy." As we have read sentences like "comments on central policies are not allowed under any circumstances" and "opinions against the spirit from the Center are definitely not permitted to be published" in all central documents and leaders' speeches concerning media management,[169] we may only regard those "plural" comments and opinions about

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[166] Carol Lee Hamrin, "Conclusion: New Trends Under Deng Xiaoping and His Successors," to Merle Goldman with Timothy Cheek and Carol Lee Hamrin eds., *China's Intellectuals and the State: In Search of a New Relationship* (Cambridge, MA: The Council on East Asian Studies, Harvard University, 1987), p. 284.

[167] Joseph Fewsmith and Stanley Rosen, "The Domestic Context of Chinese Foreign Policy: Does "Public opinion" Matter?" in David M. Lampton ed., *The Making of Chinese Foreign and Security Policy in the Era of Reform, 1978-2000* (Stanford: Stanford University Press, 2001), pp. 151-187.

[168] David M. Lampton ed., *The Making of Chinese Foreign and Security Policy in the Era of Reform, 1978-2000* (Stanford: Stanford University Press, 2001).

[169] For example, see Ji Bingxuan, "Zai xinwei meiti gugan xuexi sange daibiao zhongyao sixiang jinxing Makesi zhuyi xinwenguan jiaoyu peixunban kaiban shi de jianghua;" Xu Guangchun, "Jiang Zemin xinwen sixiang de hexin neirong," *News Front*, no. 2, 2004, pp. 4-6; Ji Bingxuan, "Xinwen xuanchuan yao ba hao guan ba hao du," *News Front*, no. 3, 2004, pp. 4-9; Wang Chen (the publisher of the *Peoples' Daily*), "Zongjie jingyan, renqing xingshi, tongyi renshi, jianding xinxin, nuli zuohao xin shiji diyinian de xinwen chuanxuan gongzuo," *News Front*, no. 3, 2001, pp. 4-8; Yuan Zhifa (the editor-in-general of the *Guangming Daily*), "Quebao yulun daoxiang zhengque de zhiben zhi ce," *News Front*, no. 4, 2004, pp. 7-8;

central policies as either accidental "errors" in propaganda, as Ji Bingxuan mentioned above, or as outlets designed by the central leaders for certain purposes.

A story stated by a correspondent of the *Peoples' Daily* offers a window through which to look at how the central leadership and the government use the media to handle economic policy issues. It also clearly indicates how the mass media, at least sources such as the *People's Daily*, continues to work as the mouthpiece of the central leadership as it has in the past. The story reads: In late November 2003, the central leaders (not identified in the story) directed the Commerce Ministry and the Central Propaganda Department to "correctly guide public opinion" on the issue of international trade conflict. After several discussions between the leaders of the Ministry and the Department, on November 28 a deputy minister of Commerce, Ma Xiuhong, summoned the correspondent Gong Wen from the *People's Daily* and asked her to write this article. The correspondent finished the draft on November 30, and sent it in to the deputy minister for censorship (*songshen*, 送审) on December 1. "After asking for instructions, the article was to be published the next day."[170] The correspondent then told the *People's Daily*, and the newspaper arranged the publication of the article. The Xinhua News Agency reprinted the article on the same day, and many other media outlets also reprinted it. Later, in December, at the national conference of commerce, Wu Yi, a vice Premier and the CCP Politburo member, spoke highly of the article and its author and suggested that all participants at the conference read the article. Ms. Wu met the correspondent after the conference, and "encouraged" her personally.[171]

It is easy to see that media manipulation, or management as in this modest case, is still "natural" for the Chinese party-state; such stories were also normal in Chinese politics of both Mao and post-Mao eras. I cannot find any difference in this story from, say, my own experiences as an editorialist for the *People's Daily* during the 1980s, and the study I have conducted to analyze how the central leadership instructed the writing of commentaries through the selection of topics, the initiation of basic ideas, the censorship of drafts, and the decisions about final publication.[172] Surely the process greatly involves policy issues, but no process exists for bottom-up participation in policymaking—from either the media industry or the commercial industry. Rather, it is a process of top-down "guidance" of policy explanations and implementation. According to the author of the

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Jiang Shaogao (a deputy editor-in-general of the *People's Daily*), "Xin xingshi xia zhuliu meiti de daoxiang zuoyong," *Kexue shehui zhuyi*, no. 1, 2001, pp. 41-46.

[170] I quote this sentence because it indicates, first of all, an authority higher than the deputy minister was involved into the case, although the author doesn't identify what that authority was, and, second, with the statement that followed, it tells the fact that the decision to publish the article was not made by the newspaper editor, but by the unidentified authority, probably Wu Yi, a vice Premier and the CCP Politburo member.

[171] Gong Wen, "Dangbao shuping dayou kewei," *News Front* [News Front], April 2004, pp. 33-34. The article mentioned in the story was found in Gong Wen, "Yi pingchangxin kandai maoyi moca," *People's Daily*, December 2, 2003.

[172] Wu, "Command Communication."

story, the article did, ironically, help clarify the understanding of trade policies for the pertinent bureaus. But *how* could the newspaper know more than the pertinent governmental bureaus on trade policies? The answer is clear and straightforward: because the newspaper *is* the mouthpiece of the leadership and the bureaus are merely part of the bureaucracy subordinate to the leadership.

Some may cite the recent performance of the Chinese media during the SARS crisis as evidence to support the argument that the media can now influence public policymaking in China. Indeed, some journals, such as *Caijing*, boldly published investigative stories during the SARS crisis about the poor situation of the public health system in, for example, Shanxi Province. In later articles, people saw that the central government *did* take measures to remedy the problem. This case may support the argument that there are some "fringe media" in China, and that "these fringe media are less controlled by government; these independent publications enjoy more autonomy than mainstream media and rely on the market for financial support," and "their viewpoints are less influenced by the government propaganda machine."[173] However, there is no evidence to show that the viewpoints of these fringe media publications have, in turn, influenced the government. Rather, both Ji Bingxuan and Xu Guangchun, respectively an alternative and a full member of the CCP Central Committee (who are supposed to know about the policy process within the central government), never mentioned the role the mass media played in helping the government to identify the SARS issue. At the same time, Ji and Xu praised the Chinese media's performance during the anti-SARS campaign to propagandize the central leadership's "correct decision" and the model achievements of Party members in fighting against SARS. They listed the anti-SARS propaganda campaign, together with the Chinese media's coverage of the Belgrade bombing event, crackdown over Falun Gong, and the Iraq War in 2003, among some others, as the most successful stories of the regime's propaganda in recent years.[174] Are they merely praising themselves? Who, between the Chinese regime and the so-called "independent media," was the real victor that gained from propaganda during this SARS crisis? If the "independent media" really worked almost freely to cover SARS in China (and their opinions influenced policymaking in Zhongnanhai), why can they not report more details of, for example, frequent mine accidents in China? And, when independent media *have* reported some vague news about such tragedies, why has the government done almost *nothing* to effectively reduce the problem as it was said to have done for SARS?

Regarding the death of Sun Zhigang, a young man who wandered the streets of Guangzhou and was, in March 2003, beaten to death by police because he didn't carry his identification card, it is often acknowledged that public opinion, expressed via the Internet after the incident, played a crucial role in urging the government to take action against abuses of power by the Chinese police. Slowly responding to the intense

[173] Sun Yu, "Lessons from SARS Coverage," *Nieman Reports*, vol. 57, no. 4 (Winter 2003), pp. 91-93.

[174] Ji Bingxuan, "Zai xinwei meiti gugan xuexi sange daibiao zhongyao sixiang jinxing Makesi zhuyi xinwenguan jiaoyu peixunban kaiban shi de jianghua," p. 10; Xu Guangchun, "Yi sange daibiao zhongyao sixiang wei zhidao jinyibu gaohao dang de xinwen gongzuo," p. 6.

discussion on the Internet of this event, Premier Wen Jiabao chaired a State Council meeting on June 18 to abolish the *shourong* (收容) system; a system allowing police to detain those persons they believe to be suspect.[175] Wen's humanitarian measure was widely regarded by domestic and overseas Chinese media as a major step in the so-called Hu-Wen New Deal (*Hu-Wen Xinzheng*, 胡温新政). This is only part of the story, however. Intentionally or not, the Chinese media simply ignored another State Council meeting held on September 26, and also chaired by Premier Wen, which again discussed the issue of *shourong*.[176] Why did the State Council discuss the same issue twice in this short period time? There has been no official explanation, nor any journalistic investigation. My speculation is that Wen surrendered to pressure from the Central Political and Legal Affairs Committee and the Public Security Ministry (the leaders of the police force), and changed his earlier decision to abolish the *shourong* system. During the two State Council meetings, police were nearly on strike, particularly in Guangzhou, Shenzhen, and other southern Chinese cities, as they complained that without the power to detain suspects they could not stop burglaries and other minor crimes. It was said that whenever a policeman asked anyone the question "what is your name?" during street inspections, they got the answer "my name is Sun Zhigang."[177] In late September, just days before the second State Council meeting to discuss the *shourong* problem, about a dozen policemen had a small-scale demonstration in front of Zhongnanhai. The demonstration was extremely unusual, and, all the more notable because the policemen wore their uniforms during the protest.[178] It is not difficult to find the shadow of a power struggle in this story. One may argue that the latter half of the story is indicative of the participation of the police force in the central policymaking process. But, the point is that the mass media was simply manipulated by the government—the government let the media cover the publicly popular policy while it hid the subsequent policy change from the media. A moderate conclusion is that popular participation through the media and the party-state's manipulation of the media coexist in today's China and that the latter has the advantage over the former.

Legitimizing Political Lies: International Resources of Domestic Propaganda

As China's interdependence with the outside world is rapidly growing, the Chinese party-state has adjusted its foreign policy and, accordingly, its international media strategies. On the one hand, Beijing identifies Western democracies as being among the foremost "hostile forces" that are plotting to subvert the Chinese communist regime, and therefore tries hard to control the media, which is regarded as a major battlefield against "Western

[175] *People's Daily*, June 19, 2003.

[176] *People's Daily*, September 27, 2003. But the news reports of this meeting only uses less than ten characters to mention this agenda, burying it in the lengthy report about other issues discussed at this State Council meeting.

[177] Interview of a Chinese police officer, Hong Kong, August 17, 2003.

[178] *Human Rights in China*, September 25, 2003: http://www.huaxiabao.org/articles.asp?Issue=3&ArtNb=5.

penetration." At the Central Party School, for example, communist cadres are educated with the viewpoint that (as a cadre student explicitly put it): ideology is the field where China fights against penetration by Western countries to foment change in China. The Western media is the main tool of this penetration, which is aimed at making China collapse.[179] China's participation in Western-led globalization is, therefore, in the words of a local Party propaganda official who contributed his observation to a publication edited by the Central Party School, "dancing with the wolves," and, he added, this is particularly true for the situation the Chinese media faces in the era of globalization.[180]

On the other hand, international forces have also made Chinese state propaganda "sophisticated." First, legitimacy of the state no longer rests on communism. Rather, nationalism, capitalism, and their strange mixture now offer legitimacy to the Chinese state at different levels and for different groups of people. And, what is essential to our analysis is that both capitalism and nationalism thrive in an environment where China is trying to be independent of internationalization and globalization; and yet both of them have to draw from international society to support domestic discourses on political legitimacy of the current regime. Capitalism is, of course, international by nature. Chinese nationalism, ironically, is also dependent on China's globalization, because globalization provides a backdrop against which the regime can construct propaganda to defend itself and its political institutions.

Chinese coverage of the 2003 Iraq War is a prominent example of how the Chinese media cooperated with the party-state to utilize nationalism to construct opposition toward the United States in order to justify political authoritarianism at home. Yes, the Chinese media was relatively open in reporting the war and showed genuine concern over the events. Reflecting the change in media reporting, a journalist in Beijing at the time observed that "it does not [even] look like Chinese media." "People in China were astonished at how quickly and intensively CCTV, China National Radio—the state-run television, and radio stations—and many newspapers provided news about the Iraq War."[181] It was reported that "[o]n the war's first day, special news programs about the war began to be [broadcast] on CCTV-1 immediately when it started, and the coverage continued for about five hours." Some CCTV channels concentrated on the war for as many as twenty hours a day, seven days a week! And the printed press was not far behind. For example, a newspaper run by Xinhua released sixteen pages of a "War Special" in the early afternoon of March 20, 2003, just two hours after the first American bombs were

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[179] Dong Haizhou, "Dizhi xihua de genben liliang shi fazhan shehui shengchanli" [The Fundamental Force against Westernization is the Development of Social Production Force], *Zhongyang dangxiao baogao xuan*, no. 225 (No. 9, 2002), pp. 32-36. The author is director of the State Security Bureau of Tianjin.

[180] Zhao Hongsheng, "yi chuangxin jingshen zuohao xin xingshi xia de xuanchuan sixiang gongzuo" [Do Good Jobs of Propaganda and Ideology with Creative Spirituality under the New Situation], *Zhongyang dangxiao baogao xuan* [Selected Reports of the Central Party School], no. 237 (no. 9, 2003), pp. 38-41. The author is the propaganda head and a standing committee member of the CCP Committee of Heihe City, Heilongjiang Province.

[181] Yuan Feng, "War Coverage in the Chinese Media," *Nieman Reports*, vol. 57, no. 2 (Summer 2003), pp. 98-99.

dropped. The *Reference News*, also affiliated with Xinhua, published a special supplement at three o'clock that afternoon, after the publication of its regular morning publication in order to cover the war on its first day. Seven other newspapers in Beijing, Shandong, Guangdong, and Hunan also published supplements the same day for the same reason. One newspaper in Hunan Province even published five issues in twenty-five hours.[182]

The Iraq War seems to have given the media in China many opportunities to demonstrate their professionalism. This was not just true for live broadcasts of television news; CCTV also devoted a great deal of studio time to interviews with military and foreign affairs experts to analyze and illustrate what was happening in Iraq. It was reported that CCTV's ratings increased twenty-eight-fold nationally and even more steeply in Guangdong and Shanghai,[183] two areas where the audience previously had been more attracted to Hong Kong television broadcasting (in Guangdong) and local news channels.[184]

Those are not the only reasons for which the Chinese media gained admiration from the Central Propaganda Department during that time period. Several others indicators of the Chinese media's performance in reporting the Iraq War are equally deserving of attention and analysis. First of all, the intense coverage of the Iraq War occurred at a time when the media *didn't* pay equal attention to domestic news in China that might have been more relevant to the Chinese people. This was a subtle, intentional design by the central propaganda authorities, which later proved to be successful.[185] While speaking openly that "the war has unleashed the Chinese media and let them release their long-constrained impulses to act as real news media," one author of an article on Chinese media coverage of war also admits that "[r]eporters here have not been able to report in this way on stories about mine explosions or food poisonings (which happen quite often), or, until mid-April, about the SARS epidemic. Nor are they able to report on the nation's change in leadership or political topics."[186] Worse, in March 2003 (the same month the Iraq War began) the chief editor of *Southern Weekend* was replaced, and the *21st Century World Herald* ceased printing because these publications tried to report on domestic events. This is another example of how the party-state is sophisticated enough to "guide" the mass media, and turn journalism into political propaganda, accompanied, of course, by political repression and constructed market opportunities.

The second reason to take the cheers of openness and professionalism of the Chinese media's coverage of the Iraq War with a dose of caution comes from the following facts:

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[182] Ibid.

[183] Ibid.

[184] Joseph Man Chan, "When Capitalist and Socialist Television Clash: The Impact of Hong Kong TV on Guangzhou Residents," in Chin-Chuan Lee, *Power, Money, and Media*, pp. 245-270.

[185] Conversation with a visitor who is a Beijing politics insider, Hong Kong, September 25, 2003.

[186] Feng, "War Coverage in the Chinese Media."

although the audience could listen to local experts in international and military affairs, these experts were reportedly following guidelines issued by the propaganda department of the Communist Party.[187] Footage from Arab TV stations was frequently shown on CCTV, but no major alternative media existed in China, and major foreign radio signals and websites were jammed or blocked during the time as usual. Ordinary people in China have no access to the broadcasting of even Phoenix TV,[188] based in Hong Kong and often called CCTV Channel-N to refer to its dubious relationship with the Chinese government. U.S. President George W. Bush was described in the Chinese media as an imperialist war maniac, and Saddam Hussein was described as a national hero who stood out against imperialism. CCTV broadcast funeral music when some Iraqi civilian residences were mistakenly attacked by American and British forces.[189] This coverage echoes the harsh criticism of the United States for its actions by high-ranking Chinese party-state officials, who stated, "[t]his Iraq War fully revealed the true face of [U.S.] "freedom of the press," as all the news favors the United States and the American [troops], and the unfavorable news is killed. In [broad daylight] they even shoot those journalists who unmasked their crimes."[190] So, we are to understand that only in China is there "true freedom" of journalism.

Could audiences in China get to know the truth through such "freedom of the press" as illustrated by the Chinese media's "full" coverage of the Iraq War? I performed a small experiment to test this. On the evening when coalition forces occupied Baghdad (April 10, 2003), I was watching the Phoenix TV news channel, which is based in Hong Kong but widely known as a news organization sponsored by the Chinese government as mentioned above (only selected audiences can access Phoenix TV's broadcasting on the mainland). The information I received from it was that the American troops were encountering powerful resistance; there was not a single sentence that reported what was really going on there. The next day when I read the headline news in local newspapers about the American victory in Baghdad, I was understandably shocked. It prompted me to phone several friends in Beijing to see if they had gotten the same information. Their response was a joyful discussion about the Iraqi military's successful resistance and defeat of the American soldiers' attempts to occupy Baghdad. This was a discussion that continued for the following two or three *days* after coalition forces controlled Baghdad. When I told them what had actually transpired in Baghdad, their typical reply was: "[i]t is impossible. I watch TV all the time, and the TV covers all the stories about Iraq!" Some of them told me that they relied on Phoenix TV for news and that they trusted that Phoenix TV was impartial and more professional than CCTV. They simply didn't believe that Phoenix TV would miss such breaking news.

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[187] Ibid.

[188] Ibid.

[189] *Ming Pao Daily*, February 3, 2004, p. D5.

[190] Ji Bingxuan, "Zai xinwei meiti gugan xuexi sange daibiao zhongyao sixiang jinxing Makesi zhuyi xinwenguan jiaoyu peixunban kaiban shi de jianghua," p. 3.

The author cited below on the Chinese media's coverage of the Iraq War amusingly confirms my personal experience. The author writes, "If we use April 10[, 2003] as an example [the day the American troops arrived in Baghdad], if Chinese people had relied on CCTV-1, *People's Daily*, and other state-run conventional media, they would have had a more difficult time figuring out that the turning point of the war was coming. [Those channels'] news reports only mentioned that U.S. forces claimed they controlled part of the capital city and showed President Bush [in a state of distress] that the war [had] not [yet] finished." Meanwhile, the media emphasized Iraq's resistance and predicted that it would go on. However, according to this author, on the news pages of commercial websites (such as http://news.sina.com.cn) pictures were being shown of the huge statue of Saddam being torn down. Her basic conclusion is: "what the Chinese public still cannot hear is what the authorities dislike or don't want them to know," and "what they do read or watch or hear is still limited and filtered."[191]

Conclusions

Through the above examination of the relationship between the Chinese party-state and the post-reform mass media, this chapter argues that in Chinese politics there has been a birth of sophisticated propaganda since the mid-1990s, and that the party-state now utilizes its resources domestically and abroad to develop various methods for media control and journalism manipulation. Although individual freedom has increased in China through marketization and socioeconomic liberation, the mass media fundamentally remains a political tool in the hands of the Communist Party. Regarding the questions raised at the beginning of the paper, the answers that have emerged from the investigations are clear: marketization *per se*, without political liberalization, has not changed the intention of the Communist Party to control the mass media; despite that, the party's capability of doing so is seriously challenged. After Tiananmen and the worldwide collapse of Communism, the Chinese communist regime made great efforts to defend against liberalization of the media, and so far it has successfully developed new mechanisms of controlling, manipulating, and utilizing the media, despite possible differences in the media's institutional affiliation to the party-state.

For those traditional media enterprises owned and directly run by the party-state, it is still natural to serve as the mouthpiece of the party-state. The semi-independent media now enjoy a growing audience, but they are even less influential than the party-state media over government policymaking. The exception to this is the occasional case in which widespread discontent over an issue is reflected in the media and catches the attention of national leaders, as in the case of Sun Zhigang. Moreover, the media that are part of the Party organ have already started their structural and organizational experiments to encroach on the territory of the semi-independent media. The former are aided in this effort because the latter are being put under the party-state's tighter control politically while they help the Party organs to increase market share and financial revenue. At worst, the existence of the semi-independent media and its limited freedom in covering "soft" topics are subtly used to the advantage of the current political institutions, assisting the

[191] Feng, "War Coverage in the Chinese Media."

party-state in convincing Chinese citizens that the Chinese communist regime is honest in its pursuit of reforms and humanitarianism, while the regime never actually tries to step back from controlling the media. As policy debate and sometimes even power struggles occur within the leadership, leaders will surely try their best to subtly use the media to serve their own political interests. But this is an old political game that has been played for decades. Political authorities at different levels still have few outlets of their own in the mass media for their differentiated agendas, despite localization and departmentalization of media structures. To a large extent, the Chinese media are still the "mouthpiece" of the Communist Party, as changes have only occurred in the new political economy of a media that are still structured with "one head [and] many mouths,"[192] and operationally, the communist mouths now often speak softly. Overall, the media are still the tools for party-state propaganda, but they are seeking to create more sophisticated propaganda and, in doing so, they have done quite well in many respects.

What we have not touched upon, but which features prominently among the critical resources the party-state possesses and wields for media manipulation, is control through legal and judicial means; especially the use of legal and judicial means against "rebel" journalists and their media organizations (as the 2004 legal dispute over *Southern Metropolitan News* and its editors has shown). It seems that all the measures and institutions that have developed in the past decade have worked well so far to make the Chinese media cooperate with, rather than against, state power, resulting in the emergence of "sophisticated propaganda" and a revitalization of the traditional communist functions of mass media for propaganda purposes.

There is a story praising Premier Wen Jiabao that has widely circulated on the Chinese websites. This story states that Wen only agrees to partially color his hair while choosing to leave the hair on his temples gray. The story reveals that almost all Chinese leaders color their hair black, but Wen feels that it is an obviously fake image for a man in his 60s or even 70s to have totally black hair and therefore he is not comfortable with it. I personally admire Wen's aesthetic taste as reflected in this story, and think that this story is revealing about our perception of today's Chinese media. People may doubt that an older man would naturally have black hair, but how would they react to an image of an older man with mostly black hair but gray hair at his temples? Would they believe that the rest of his hair is naturally that black? If the answer is "yes," then perhaps the reader is being, in the words of Chairman Jiang, "too simple, and sometimes naïve." The situation is similar to that of my friends who were watching CCTV in March 2003 and similar to my own story of relying on Phoenix TV for news about Iraq. As media coverage in today's China *seems* so energetic, intensive, liberal, and open, the Chinese audience *thinks* it is fully informed about what it wants to know and, therefore, that its judgment about the world is informed. But the broadcasting is simply misleading, and propaganda works gently but even more powerfully. Chairman Jiang is right: this is a question about sophistication.

[192] Wu, "One Head, Many Mouths."

Chapter 6: The Silent but Salient Impact of Web Media in China

By Junhao Hong

Introduction

Web-based media in China has had only a short history, but in the last several years it has undergone vigorous and multi-faceted development. As of 2004, there are around 170 licensed web media services in operation, along with countless unlicensed websites involved in news operations. In the meantime, the number of Chinese Internet users has reached 80 million, and more than 80 percent of these "netizens" are frequent consumers of web media news. Despite the fact that there are still many constraints and restrictions on web media, it has silently begun to yield an unprecedented and profound impact not only on people and society, but also on the political system, Communist ideology and China's transition toward political civilization and democratization.

In 2003, China celebrated the tenth anniversary of its first connection to the international Internet. Additionally, in the past ten years, the Internet has been developing at a remarkable speed in China. According to the China Internet Information Center, the number of Internet users has risen from 62 million in 1997 to 79.5 million at the end of 2003, with 55,900 new netizens entering the net space each day.[193] The majority of Internet users are young and have an education at the high school level or above, with 29.3 percent having a high school degree, 27.4 percent having a three-year college degree, and 27.1 percent having a four-year Bachelors degree.[194]

The influence of web media on Chinese people and Chinese society is increasing, though it is less noticeable on the surface. The average time spent by users on the web is 13.4 hours per week, or almost two hours per day. Certainly such massive exposure to the web brings up concerns about the influence of the Internet, and in particular the influence of web media, on individuals and society. Obtaining information, especially news, is the primary reason for accessing the Internet: 46.2 percent of the users use the Internet for gathering information, followed by 32.2 percent of users who use it for entertainment purposes. Not surprisingly, online news is therefore the most frequently used service, with 59.2 percent of netizens using the Internet to read news and 18.8 percent of them logging on for accessing Bulletin Board Services (BBS) or net forums. In just ten years, the Internet has become the main tool for many Chinese to obtain information, with 99.8 percent of users saying they would use the Internet first when they needed information, and 70.9 percent saying the most searched for "information" is news. In parallel to the growth in number of Internet users, the number of websites in China has grown rapidly.

[193] China's Web Business Has A Promising Future, *China Press*, March 11, 2004, p. A2.

[194] China's Internet: Behind the Attractive Statistics, Xinhua News Agency, January 17, 2004.

As of 2004, domain names registered under ".cn" reached 340,040, and the number of websites including ".cn," ".com," ".net" and ".org" have reached 595,550. The majority of Chinese web users still prefer Chinese websites to overseas websites. Among the online information searchers, 81.6 percent of them go to domestic Chinese websites, with 24 percent of adult users and 40 percent of younger users sometimes also visiting overseas websites.[195]

This chapter examines four interrelated issues regarding web media in China: 1) the development and current situation of China's web media; 2) the government and Party policies, regulations, and control mechanisms for web media; 3) the characteristics of web media and the problems associated with web media; and 4) the impact of China's web media on Chinese society. The data and research materials used in this study were collected from the author's field research in China. Given that little research on web media in China has been done, this chapter shall hopefully shed some light on the implications about the less visible but profound impact of web media on the future of China.

Three Stages of Web Media Development

Web media in China did not emerge as a kind of completely new and independent medium but were derived from traditional media—newspapers, magazines, and radio and television stations. In the mid-1990s, a few traditional media organizations started launching online versions of their resources. The first web media service was the online version of the magazine *Chinese Scholars Abroad*, which was launched on January 12, 1995. This web magazine is a weekly digest that provides news and information gathered from dozens of leading newspapers and magazines, and it is mainly targeted at the hundreds of thousands of Chinese students studying abroad. The first web newspaper was the online version of *China Trade News*, which was launched on October 20, 1995. This web newspaper provides trade information to foreign companies around the world. In 1996, Guangdong Radio Broadcasting Station launched the first web radio site, and several months later China Central Television (CCTV) opened its online service. By the end of 1995, there were about ten online news services with websites, but all of them were electronic versions of traditional media. Meanwhile, there also were numerous unofficial (either commercial or individual) websites that involved news operations.[196] The advent of online news services symbolized a turning point and a new era of China's media development. Web media as a medium based on new information technology finally emerged in the country.

The ten-year development of web media during the 1990s can be analyzed in three stages: the years from 1995 to 1997 can be regarded as the initial stage, during which web media grew relatively quickly. By the end of 1997, around 60 leading news organizations had launched their web versions, including *People's Daily*, *Stock Market*, *Economic Daily*,

[195] W. Bai, *Analysis of the Netizens* (Beijing, China: Beijing University Press, 2003a).

[196] *The Chronicle of Web Development in China* (Beijing, China: CNNIC, 2003).

Finance Daily, *China Consumer News*, *International Business Daily*, *Farmer Daily*, Popular Movies, Tourism, *China Youth Daily* (CYD), and *Beijing Review*. In addition, China's wire news services—Xinhua News Agency and China News Service (CNS)—launched their online versions. Moreover, China Web, the first government website oriented toward external propaganda, was launched by the State Council Information Office.[197] However, compared with a total of more than 2,000 newspapers and nearly 8,000 magazines available at that time, less than 1 percent of traditional print news organizations launched online services by the end of 1997.

A number of problems were common among web media services in this stage. They were almost all electronic versions of traditional media; they lacked financial resources, reliable technology, and well-trained web media professionals; and, among mainstream influential web media services, none were commercially or privately owned websites. Moreover, many of the websites were of low quality, did not provide much information, were not updated for long periods of time, or were simply out of service frequently. Not surprisingly, the number of web media users was small and the impact of web media was initially insignificant.[198]

The years 1998-2002 can be considered the second stage of China's web media development. In this stage, in addition to the continuous launching of web versions of leading news organizations (such as *Guangming Daily* and China Radio International, or CRI), the most significant progress was made with the unveiling of several large commercial websites that were allowed to be involved in news services. Sina, Sohu, and NetEase were launched on December 1, 1998, quickly becoming the largest commercial Chinese language websites in the world. A total of 400,000 people visited Sina the first day it opened, surpassing the number of visitors to Yahoo's Chinese version website.[199] In the wake of Sina's opening, Sohu and NetEase were also launched. Even though these licensed but non-official websites were stripped of the right of "independent news coverage," they immediately became very successful in attracting a massive number of readers as soon as they were launched. The strategies these commercial web services used included providing abundant news coverage, updating news regularly, covering real-time stories, providing continuous news coverage, and furnishing users with background information on newsworthy events. In addition, they also utilized "discussion forums," user-friendly news selection, and a sensational column layout to compete with the official web news services for web media users.[200] Ever since these commercial web media services emerged, their broader news coverage, faster pace of information updates, appealing human-interest oriented approaches, and more relaxed news format, have made

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[197] Z. Wang, "Build the Web with Chinese Characteristics," *The Computer World*, January 15, 2001: 18-20.

[198] J. He, "The Current Status and Future Development of News Websites in China," *Journalism Frontier*, No. 9 (2001): 28-36.

[199] W. Bai, *On the Web Media* (Beijing, China: Qinghua University Press, 2003b).

[200] L. Chen, *The Immature Web Media Communication* (Center for China Journalism Research, Beijing, China, 2003).

official web media services pale in comparison. In one sense, this is a reflection of the fact that, compared with official traditional media and official web media, the *commercial* web media services are freer and somewhat more independent.

During this second stage of Chinese web media development, thousands of local media organizations—at the provincial, regional, municipal, and even county levels—launched online services as well. By the end of 2002, the total number of official web services of both print and broadcast media had reached into the several thousands. It is estimated that by that time about one-third of China's 2,100 newspapers, 9,000 magazines, and 700 radio and television stations had launched online services.[201] Perhaps an even more meaningful change is that many of the web media services were no longer just electronic versions of traditional media, but had departed content-wise from their "parent" services. So, instead of primarily posting news copied from the traditional media on the web, some web media services started providing their own news coverage and commentaries, and some even started providing other kinds of consumer-oriented services, such as weather, stock, and tourism information. Another important change was the use of BBS by the web media. China's first news BBS, was launched by the *People's Daily* web service (*People's Daily Online*) on June 19, 1999, after the United States bombed the Chinese Embassy in Yugoslavia.[202] Although the initial purpose of opening the service, *Strong Nation Forum*, was to give the public a venue to criticize the United States and to express patriotic emotion, the use of BBS also provided the public with an opportunity to interact with news providers much more quickly, easily, and directly than they ever had. Very soon, the BBS were widely and extensively used by the public to post their own news, information, comments, ideas, and criticisms of the Party and government.

Since 2003, web media development can be viewed as having entered the third stage. One notable point of progress that occurred during this stage is that, even in the most underdeveloped areas such as Xinjiang and Tibet, web media has emerged. Another point of progress is that the development of web media has become more "rational."[203] Instead of seeking only quantitative growth in web services, the quality of web media services has risen to the top of the agenda. There have been mergers of small local web media services to form larger, more competitive regional or national web media services with more financial resources, better trained professionals, and superior IT technologies. For example, nine leading local web media services in Beijing merged to form Qianlong Net, and eleven leading web media services in Shanghai merged to form EastDay.com.[204] Both of these websites provide a variety of services but with the main focus on news service. They are now among a handful of the most popular and influential web media

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[201] Y. Zhao, "A Brief History of China's Web Development," *China Culture and Information Net*, May 18, 2003.

[202] The Chronicle of Web, 2003.

[203] D. Ming, Interview with D. Ming, Research Fellow of Journalism and Communication Institute, Chinese Academy of Social Sciences, Beijing, March 2004.

[204] M. Williams, *A Brief History of the Internet in China*, IDG News Service, May 17, 2004.

services in China. In this stage, the overall web media development has been affected in two primary ways. The first is that web media have been becoming more like corporations than Party propaganda agencies, and the second is that web media have been subject to much more regulation.[205] Although the majority of web media were derived from traditional media—and institutionally many of them are still part of traditional media organizations—they have, to varying degrees, been successful in trying to depart from the traditional media as much as they can, ranging from departures from the fundamental concepts about reporting to daily operations. Web media have been exploring a model suitable for survival in the Chinese context, especially in the Chinese political and cultural environment. After mergers and consolidations, the number of official web media services has now been reduced from the thousands to a couple of hundred larger organizations. Nevertheless, in spite of the mergers and consolidations, the most popular, influential, and perhaps most powerful websites are still the three commercial sites—Sina, Sohu, and NetEase.[206] One interesting trend is that while Sina, Sohu, and NetEase have been trying to become more news-oriented in order to make themselves more *influential* among the public, the official web media have instead been trying to become more commercialized in an attempt also to make themselves more *popular* among the public. The two opposite approaches have the same basic purpose, which is to compete for more users and greater market share. In this competition, so far commercial web services are well ahead of official web media services. It is important to note that Sohu has publicly proclaimed that it utilizes a value system for news selection, which focuses on the humanist element of a story social responsibility and the credibility of the media. These claims reflect a brand-new type of media philosophy that has emerged in China, serving-people-and-society-oriented rather than serving-party-and-government-oriented. Such a shift is bold because it resembles a more Westernized type of media philosophy.

Already, a multi-level and multi-system web media infrastructure has been established. Of the 170 or so licensed websites that are involved in news services, the majority are official, state-owned, non-commercial web media services, and only a small portion are privately owned or non-official commercial web media services. However, the small number of commercial web media services attract the most users, followed by middle-level government web media services, and then by central-level government web media services. Web media have not just penetrated the lives of many of the 80 million Internet users, but they also have penetrated the lives of a much larger number of people—hundreds of millions of mobile phone users. The number of Chinese mobile phone users has, as of 2004, reached 250 million, and many of them are also subscribers of web news services enabling them to check news via the web on their mobile phones.[207] This feature

[205] X. Xie, & X. Zhou, *Theories and Practices of Online Communication* (Beijing, China: Beijing University Press, 2004).

[206] See "The Top 100 Most Popular Websites in China," *Feifan Net*, March 9, 2004. Also see "The Top Ten Most Popular Websites in China," Beijing, China: CNNIC, 2004.

[207] J. Liu, "China Has Nearly 600,000 Websites," *People's Daily*, April 2, 2004, p. 4.

alone makes web media services accessible to a much larger number of people from all circles in society.

China's web media have become increasingly influential in general and especially so among young people. The Internet provides a variety of ways for the public to obtain news, and many users are taking advantage of these options by accessing news online in multiple ways. For instance, while 89 percent of web users go to web media sites for news, below are a few other statistics:

- 43.8 percent of users also get news through BBS
- 17.8 percent get news from e-mails
- 12.3 percent get news from news groups
- 9.6 percent get news from chat rooms
- 2.7 percent get news from mobile phone short messages (or text messages)
- 1.4 percent also get news from blogs.[208]

The five most popular web media sites are Sina, Sohu, *People's Daily Online*, Xinhua, and China Central Television; of these five sites, the first two—Sina and Sohu—account for 70 percent of the total number of web media users. Most users go online primarily to seek out international and domestic political news.[209] The impetus for this is that both international and domestic political news coverage is either (or both) heavily censored by the official media or reported with strong political or ideological biases. Therefore, web media (mainly the non-official commercial web media) provide an irreplaceable alternative source for the public to access unreported and less-biased international and domestic political news. An interesting but contradictory trend has emerged in the reporting of other kinds of international and domestic entertainment and sports news, where even content of questionable taste or quality is rarely censored and widely available, yet a great deal of political news coverage remains forbidden. This gives web media unique opportunities for growth, potential, and impact.

The Split and Sway Policy

Web media regulations, policies, and laws have already undergone three phases of development. The first phase took place prior to 1997 and was marked by a complete lack of regulations, policies, and laws specifically designed for web media. Although the Internet became available in China in the early 1990s, the first regulations on the Internet were not established until February 1996, let alone regulations on web media.[210] As a

[208] "The Online Battle of Chinese Websites," *China Net*, May 10, 2004.

[209] Z. Chao, "Four Web CEOs On Characteristics of Web Media," *China Journalism Technology Net*, December 21, 2004.

[210] Ming, 2004.

result, before the State Council Information Office issued its first regulations on web media in March 1997, many websites across the nation had already been involved in news operations, and the majority of them were operated by small commercial companies or individuals.

The second phase took place from 1997 to 1999 and was marked by government issuance of a few regulations and policies. However, most of these regulations/policies were either too general (and thus ineffective), or lagged behind the developmental pace of the web media (and thus meaningless). For instance, despite the government's issuing of regulations forbidding commercial and individual websites from operating news services, many commercial and individual websites continued to use various methods to conduct news operations. Additionally, due to the lack of specificity in the regulations and the lack of capability to enforce the regulations, the web media environment was rather chaotic. Fake news and copyright violations were very common during this time.

The current phase, the third phase, is post-2000, during which a number of specific regulations, policies, and laws have been established and effectively implemented. In the year 2000 alone, a total of nine regulations on web media were issued. In particular, on November 7, 2000, the State Council Information Office and the Ministry of Information Industry jointly issued *The Temporary Act on Websites Involving News Operation*, which is the country's first specific policy touching on legal issues with regard to web media. On July 15, 2002, the State Council Information and Publishing Office and the Ministry of Information Industry jointly issued another government act, *The Temporary Act on Websites Involving Publishing*.[211] Thus, a relatively complete set of policies and regulations on web media has been established and implemented. These policies and regulations have had two primary effects on web media: on the one hand, the chaotic situation of web media and content has improved, but on the other hand, web media in general have been much more controlled.

The most important and unique characteristic of China's web media policy is that it has two contradictory goals, one of which is to enhance information exchange, and the other of which is to restrict information exchange. In principle, the Chinese Communist Party (CCP) and the Chinese government strongly encourage the development of web media. In 1999, then General Secretary of the CCP Jiang Zemin called on the traditional media to take the advantage of the Internet to launch online versions in order to maximize the scale, speed, and effects of their news services. The Propaganda Department of the CCP Central Committee and the External Propaganda Department of the State Council ordered all leading central media organizations to launch their online versions as soon as possible. Meanwhile, they also ordered each province and major cities to set up an influential web media service to make the news services more targeted, timely, and effective. In 2000, Jiang Zemin again called on Party committees and government agencies at all levels to fully recognize the importance of the Internet and web media, but he shifted the emphasis from the development of the Internet to the "safe administration" of the Internet, a

[211] "Regulations on Web News Service Established," *China Journalism Technology Net*, December 21, 2003.

euphemism for exerting more control.[212] The relevant Party committees and government agencies later issued a number of directives to warn their members of the negative impact of the Internet and web media. In 2001, the Party leaders put forth a new initiative for developing the information industry as part of the country's Tenth Five-Year Plan. The initiative once again emphasized the importance of the Internet and web media but called for its "healthy development." It particularly stressed the necessity of regulating the Internet and web media and implementing the existing regulations and policies.[213]

As a result of these contradictory guidelines, many of the more specific regulations and policies that exist tend to be constrictive or restrictive rather than open and supportive. The constraints stem mainly from concern about web media's political and ideological content rather than out of concern for web media's sexual or violent content. The regulations require all websites to obtain a license from the State Council for operating a news service. However, in order to obtain such a license, in addition to meeting all of the political criteria set forth by the Party and government, such as "no content should be against the CCP's 'Four Cardinal Principles,' "no content should be endanger the state security," and "no content should contain national or ethnic discrimination," the website also must meet a number of professional standards, such as the need to have "the necessary news editing organization, sufficient financial resources, and up-to-date IT equipment and offices." Moreover, the website must also have a group of "experienced senior news professionals."[214] The effect of these harsh and unreasonable requirements is that only the official traditional media services or government/Party agencies, along with a very small number of large commercial web services, qualify to obtain such a license. It is unclear whether or not this is what the Party and government intended to happen, but it is what *has* been happening. As a result, the recent regulations have completely changed China's web media landscape. Now, only a handful of non-official commercial websites have obtained news service licenses, while countless numbers of commercial or individual websites exist illegally. These websites could be charged or punished at any time once they have crossed the Party's political line. The regulations further prohibit licensed commercial websites from producing news on their own, with the exception of the occurrence of major news events and with special permission on a case-by-case basis. Such licensed commercial web media services are limited to selecting news gathered from traditional media services or other domestic web media services and posting it on their sites. The selection excludes news from websites outside of China, unless the State Council Information Office grants permission on a case-by-case basis.[215]

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[212] "Speech of Jiang Zemin at the Law Seminar of the Central Committee of CCP," *The People's Daily*, June 12, 2001, p. 1.

[213] C. Sun, Y. Zheng, & Z. Yi, *Security Law for the Web*, Changsha, China: Hunan University Press, 2002.

[214] "The Temporary Regulations on Web Media Services," Center for China Journalism Research, Beijing, China, 2002.

[215] W. Yan, "Analysis of the Current Laws on China's Web," *MediaChina Net*, December 15, 2003.

Therefore, although China now has the second-largest number of Internet users in the world (behind the United States), the CCP's willingness to develop and use the Internet and web media have done nothing to dispel its ambivalence toward it.[216] In other words, China's leaders' attitude toward the Internet and web media is split, and it sways between: a) a recognition that the Internet and web media are a critical tool for China's economic development and modernization and b) a desire to control what information is available online for public consumption. When the Internet emerged in China, the Party had been warned by its senior consultants that opening China up to the Internet would unleash an uncontrollable flood of information that may eventually lead to the collapse of the Communist regime. In the last decade the Party has demonstrated that it can both censor and, to some degree, tolerate the flow of information over the Internet. Thus, China's leaders see that the Internet and web media can be powerful and popular channels for both the authorities and the public to hear and to be heard. They want to use the Internet as a new tool for their political and economic motivations and are willing to pay the price of tolerating a certain amount of complaints and criticisms.[217]

The Chinese government media has utilized a number of control mechanisms on web media. First, as discussed earlier, commercial websites are not permitted to gather and release news—particularly political news—independently. They are only allowed to post news stories provided by the official traditional media or other approved web media services. Second, website content is monitored by specially established government agencies, known as the "web police," of the security bureau at all levels.[218] When news crosses the line politically or covers a topic that is off limits, the report is censored or deleted by the web police, and the person who posted the information may face criminal charges with potential prosecution of a life sentence. Third, the government blocks the public's access to thousands of international and domestic websites run by dissidents, human rights groups, and some Western ("right") news organizations. Fourth, the government also uses firewalls and other mechanisms to suppress information and messages related to sensitive topics on the Internet. More recently, the government has been closely monitoring chat rooms, BBS, and other online venues used increasingly by web users to vent frustration and to air criticism.[219] However, commercial websites have done a better job of marketing their sites and content to users through a combination of user-friendly strategies of selection of stories, repackaging of the information, and laying out available news content in an appealing manner. As a result, commercial websites are much less propaganda-oriented and much more human-interest-oriented than official

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[216] "China's "Netizens" Log On To Parliament," *Taipei Times*, May 14, 2004, p. B1.

[217] X. Li, *The Internet's Impact on China's Press*, Paper presented at Asian-Pacific Journalists Meeting, Beijing, October 26-28, 2001(b).

[218] "China Establishes Web Police," *United Morning*, July 25, 2002, p. B3.

[219] See C. Chiu, "Chinese Net Protestors Face Continued Government Censorship," *Chinese Internet Research*, May 17, 2004. Also see J. Yu, "On Freedom of Speech and the Internet in China," Speech at the University of Chicago, April 30, 2004.

news websites. Moreover, with the interactive elements of e-mail, ICQ[220], and discussion forums, millions of users actively exchange, forward, publish, and verify news among themselves. These types of information exchanges often peak when official media are silent on certain issues or lose their credibility during the course of reporting on a social crisis (such as SARS) or a politically sensitive social event.

Since 2003, fearing the possibility of public "dissent" via the Internet and web media, the government has become increasingly concerned about these methods of information exchange. Consequently, the government has been tightening control on web media, especially during politically sensitive periods, such as the anniversaries of the June 4, 1989, Tiananmen Square pro-democracy movement.[221] In 2003, a Reporters Without Borders investigation of content filtering by Chinese websites showed that, over the course of a month, 60 percent of messages posted to discussion forums appeared online. That number fell to 55 percent for messages that contained content deemed controversial by the censors. Of that 55 percent, more than half were subsequently removed by webmasters tasked with overseeing the online forums. Although the level of filtering varied from site to site, discussion forums run by commercial sites are generally more open than official websites. The report noted that no messages submitted criticizing the Party or the government were posted to the discussion forums of China's official online news services, such as the Xinhua News Agency and the *People's Daily*. By comparison, 50 percent of messages criticizing the Party or the government appeared on the discussion forum run by Sina.[222]

The rationale of the Party's split and sway policy is this: Chinese leaders realize that providing the public with a method to 'blow off steam' is beneficial because it serves as a release valve for discontent. It thereby prevents the build up of discontent to a level where it might explode, and, as long as the public does not make the Internet and web media a platform for anti-Party or anti-government activism, expression of discontent can be tolerated to a certain degree. Therefore, even the official website of the *People's Daily* operates the discussion forum *Strong Nation Forum* for the public to vent its frustrations and express light criticism. Not surprisingly, many people take advantage of this freedom and express their dissatisfaction with the Party's control-oriented regulations and policies.

Characteristics and Problems of the Web Media

China's web media possess a number of unique characteristics, but two in particular stand out as the most important and exceptional of these. First, while web media services in China have been growing rapidly (so far there are around 170 major licensed web media services that contain thousands of media websites), very few of them are independent

[220] "ICQ" is an acronym for the instant messaging service I Seek You.

[221] Y. Wang, "Mixing Three Kinds of Freedoms: Criticism on the Temporary Regulations on Web Media Services," Center for China Journalism Research, Beijing, China, 2004.

[222] W. Shen, "The Law Related Issues of China's Web Media Development," *Journal of Chinese Academy of Social Sciences*, No. 2 (2004): 36-44.

from the political system. The majority of these 'virtual media' are online or electronic propaganda arms of the Party and government. Web media as a whole are monopolized by the state and under the absolute control of the party. The Party and government pay a lot of attention to the development of web media, but the fundamental purpose of this attention is to ensure that web media serves the needs of the Party and government. In the Party's view, web media, like all other kinds of media, are just another part of the overall political machine and nothing else. In fact, most web media services do not provide the public with the news it really wants. Mainly, web media sites just post news gathered from traditional media with some modifications. Therefore, China's web media as a whole is still far from being considered free and independent.

Second, an even more important and unique characteristic of China's web media, is the emergence of the numerous anonymous "public reporters" and "public editors" that provide users with news that is otherwise unreported by the government's traditional news services and online media services. Since individuals are not allowed to operate web media services, the unknown, uncountable, and, to some degree, untouchable, "public reporters" and "public editors" use BBS and other online methods to post news that they either wrote themselves or downloaded from overseas sources. As a result, many web users search for news not from the official web news services but from the BBS and other online tools, forming a new trend in mass communication in China.[223] In this sense, Chinese BBS comprise an informal public space for the public to engage in civic discussion and political communication and get around official news restrictions/policies.

As Chiu (2004) observes, thousands of such news messages are posted on BBS every day.[224] These messages are not all subversive, but they are not all available from the official media. Therefore, BBS and other online venues are now not only an indispensable part of China's web media, but they have also become an increasingly important news source of the public. For example, the *People's Daily Online* launched *Strong Nation Forum* with the intent of giving the public a platform to react to news stories, but many web users have used this forum not just to comment on the news, but also to post news that is unreported by the official media. In so doing, China's BBS constitutes one of the most distinguishable features of Chinese Internet development—unlike online newsgroups and message boards popular on the English Internet, Chinese BBS and chat rooms have evolved into a unique platform of both information dissemination and public discussion. For decades, the Chinese media have not been a forum where real public discussion and information sharing/exchanging took place. But the advent of BBS and chat rooms has now provided people with a channel for some semblance of a free flow of information. A powerful BBS can enable the synchronous connection of over 2,000 users, providing a capability for massive participation in online discussions that was previously nonexistent.

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[223] L. Shao, & Y. Wang, *Media in the Information Age* (Chengdu, China: Sichuan People's Press, 2000).

[224] Chiu (2004).

Technologically, the government is unable to *prevent* individuals from posting news on discussion forums. They can only delete it *after* the news is posted. Thus, net forums give the public a kind of freedom of speech, although the news may not reach a wide audience and could be deleted as soon as the web police become aware of it.[225] Despite this, a national survey shows that 2.4 million people are frequent users of BBS for posting new information.[226] Thus, a unique, "quasi-news medium" has emerged. In China, all major portal sites and websites host multiple net forums with topics ranging from politics, finance, military, sports, health, and lifestyle issues. A typical net forum usually features a threaded discussion format that is similar to online newsgroups, but email addresses (IPs) of those who post comments are automatically publicly visible. The participants are identified only by their user-generated names.

This unique "quasi-news medium" has several distinguishable attributes. First, it provides an alternative and supplemental source of information beyond the official traditional and online media. There is a large quantity of information that is generated and passed along over the Internet. Yet on average, information originating from the traditional media accounts for less than 30 percent of total information passed through the Internet! So, the Internet is not merely a dissemination channel for traditional media organizations.[227] Individual users' posts are a major piece of the information circulation puzzle in net forums and chat rooms. Second, net forums are a collective medium of information production and dissemination. Each forum could be considered a specific discursive community that sets its own topic agenda and political preferences. Every piece of information is posted and re-posted by individual users with their own intention and interpretation. These diverse and unpredictable postings create a channel and a platform for netizens to exchange information, put forth discussion topics, advocate causes, consolidate positions, and so on. The majority of people who participate in net discussions are at the grassroots level. Therefore, net forums provide a venue for millions of "public" reporters, commentators, and political activists to articulate what is on their mind. Nevertheless, this "public sphere" also functions as a channel for information collection and dissemination. It has been an alternative milieu where ordinary participants seek information, form opinions, and consolidate positions through their communicative actions. In many cases, this "public sphere" is fertile ground for cultivating disenfranchised identities and interpretations.[228] In this way, a new pattern of political communication has emerged, which is decentralized, widely participated in, and anonymous. As a result, uncensored news and discussions often sneak into net forums. Since some net forums do not have tight filtering systems (like those of official media

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[225] Y. Cheng & L. Shen, "The Impact of Internet on Chinese Television News: A Case Study of CCTV during SARS the Outbreak." Paper presented at ICA 2004 Annual Convention, May 27-31, New Orleans, U.S.A.

[226] "The Thirteenth Statistical Survey on the Internet Development in China," (Beijing, China: CNNIC, 2004).

[227] D. Ming, "Where Does the Influence of Web News Sites Come from?" *People Net*, December 18, 2001.

[228] B. Qu, "Will the Internet Be A Public Sphere?" *MediaChina Net*, February 17, 2004.

organizations), postings originating from overseas can often be seen as less important and as a result be subject to less monitoring in net forums.[229] This is consistent with the Communist model of information control: the more important a media organization is, the more control it is put under. So, in a tightly controlled system, there are still a wide variety of uncensored information sources; and these net posts, originally considered marginal or trivial, gradually enter into the mainstream media.

A number of problems (some obvious and some not-so-obvious) are associated with China's web media and several of them are worth noting here. First, despite the fact that the country's netizens have reached 80 million and that for every nine netizens in the world one is Chinese,[230] China's overall Internet development is still in a relatively nascent stage. There is a huge gap between the number of users in China and the average number of users in the world. Only 6.2 percent of China's population uses the Internet—50 percent less than the average global level. More problematic still, is that the proportion of users in smaller cities and in the countryside is even lower than 6.2 percent. Additionally, netizens are primarily young and male.[231]

A second issue that has arisen is that participating in net discussions can be an unsafe or even risky activity because posting content or ideas that cross the Party and government line can lead to legal action by the government. The majority of users employ pseudonyms to protect themselves, especially when posting politically sensitive messages.[232] Although the issue of Internet censorship, including the government's attempts to block access to some websites and to censor discussion groups, is routinely met with harsh criticism from human rights groups and Western countries, it is still a controversial issue domestically that is far from being settled. A 2002 study conducted by Harvard University on the Internet and society found that 18,931 websites (out of more than 200,000 websites tested) were inaccessible from two different proxy servers in China on two different days. While many of the sites that were blocked were sexually explicit, the list also included websites that offered news, entertainment, health, and educational information.[233] However, the Party's inability to completely censor online information is significant. In fact, web users are often able to access politically sensitive information despite the censors' best efforts. Users are often aware of the type of information contained on websites blocked by censors, thus reducing the significance of the Party's censorship efforts. In addition, web users who post content online or participate in discussion groups are generally savvy enough to know what topics test the

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[229] S. Lemon & M. Williams, "Finding Freedom Behind China's Great Firewall," IDG News Service, May 17, 2004.

[230] "Global Web Users Will Reach 655 Million," *FPA*, November 20, 2002.

[231] China's Internet, 2004.

[232] See F. Rodriquez, "Burning the Village to Roast the Pig-Censorship of Online Media," No. 11 (2002). Also see Z. Yu, "China's Netizens Reach 68 Million" *United Morning*, July 22, 2003, p. B3.

[233] C. Liu, "On Obstacles to China's Web Development," *China Culture and Information Net*, August, 12, 2003.

government's tolerance for free discussion. Accordingly, they may temper their remarks (consciously or subconsciously) resulting in self-censorship. Consequently, most web users do not ever directly challenge the Communist ideology of the Party or the central government's policies.

A third problem that exists vis-à-vis China's web media is that information on the web, especially online news, remains an area with which web users are most unsatisfied. A national survey shows that 25.2 percent of web users are unsatisfied with web news, second only to the dissatisfaction rate of 31.1 percent regarding availability of e-books. The main reason for user dissatisfaction with online news is content and credibility, particularly if the news is posted on BBS or chat rooms.[234]

Impact and Implications

Web media in China already have a comprehensive system and advanced infrastructure. The impact of web media has been significant in at least three areas: its impact on traditional media as a competitor or a threat, its impact on society as both a public voice and societal surveillance force for the ruling political Party and government, and its impact in promoting/catalyzing China's transition toward political civilization and democratization.

Web media has shaped the traditional media environment in various ways. First, it has brought some freedom from press controls. The Internet and web media, at least in theory, have eliminated one of the last obstructions to the free flow of information, though technically, the authorities still exert control over the flow of information.[235] Nevertheless, an unprecedented new media environment has taken shape in recent years. Non-official, commercial, and overseas counterparts have knocked official news outlets out of the realm of competition. The resulting relatively free flow of information has great potential to influence the official media. In the past, the government was easily able to control and manipulate public opinion by limiting public media access to official information sources. In the days of single-source news, the public had no way to verify the information they received. As Li (2001a) indicates, for many years China's propaganda authorities effectively controlled the news sources, outlets, and flow of information; but in the Internet age, the state media system has been facing major challenges from news supplied by other sources.[236] Indeed, during the SARS period in 2003, the Internet and web media were the most important sources for the public to get information about SARS: while a total of 38.8 percent of the public used the traditional media for news about SARS—9.9 percent used newspapers and magazines and 28.9 percent used radio and television—57.8 percent of the public used websites to get news about SARS. Given that more than 90

[234] Q. Zhao, "The Current Situation and Future Trends of China's Web News Development" *Journalism Frontier*, No. 2 (2003): 1-5.

[235] N. Hachigian, *The Internet and Power in One-Party East Asian States*, The Washington Quarterly, 2002, Vol. 25:3, pp. 41-58.

[236] X. Li, "The Real Challenges from Virtual Cyberspace," *People Net*, December 18, 2001(a).

percent of Chinese households have access to the traditional media, but fewer than 5 percent of them have access to the Internet, the above-mentioned figures are very meaningful.[237] The figures are indicative of a kind of change that poses serious challenges to the current media system and policies. Furthermore, after September 11, 2001, and the SARS crisis in China, web media have become the first source of news for many Chinese about big events. The outbreak of SARS in particular marks a turning point, with 50 percent of urban residents having increased their use of the Internet and web media since then.[238] More importantly, many web users no longer rely on official information sources to form their opinions. Instead, with the onset of a major news event, users compare, analyze, and weigh information obtained through different sources. The propaganda authorities seem to be losing the battle to control information and free expression on the web. Chinese leaders can no longer expect that topics they would like to draw attention to in the official press will become the public's main focus and priority. In particular, net forums and chat rooms are posing a threat to the official press by revising and reconstructing the Party's agenda.[239] For many years, the official media effectively set the Party's news agenda for the public, but now this situation is changing drastically.

The second way that web media has shaped the traditional media environment is by providing not only an alternative venue for the flow of information, but also functioning as a public forum in which citizens of a closed society can discuss politics and other forbidden topics. The Internet and web media have opened a two-way line of communication on such issues, which contrasts with China's longstanding, indoctrination-oriented propaganda system. Thus, the Internet and web media have become a public medium or forum for people to exchange ideas and viewpoints. This public forum may already contain some key elements of a "public sphere."[240] One of the most important social and political functions of political discourse on the Internet is the creation of the "public sphere." According to Habermas (1996), the public sphere is the social space generated in communicative action.[241] The free flow of information and public political communication are essential elements in the formation of democracy; thus, the formation of the public forum by China's web media has profound importance to the country's transformation and political democratization. The development of the Internet and web media has brought much more access to information and many more diverse voices into Chinese society, creating a venue of public political communication that was impossible in the past. And this venue of public political communication,

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[237] Cheng and Shen, 2004.

[238] Y. Zheng, & D. Jiang, "Web Media and Their Impact on China's Political Democratization," *MediaChina Net*, January 30, 2004.

[239] Zhang Chaoyang, "On Web's Responsibility," *Economic Observation*, January 5, 2003, p. 2.

[240] See Ming, 2004. Also see C. Zhang, "The Window of Public Opinion," *United Morning*, January 19, 2004, p. B3.

[241] J. Habermas, *Between Facts and Norms: Contributions to A Discourse Theory of Law and Democracy* (Cambridge, MA: MIT Press, 1996).

although still in its nascent stages, makes it possible for people to form a "public community" that is able to criticize the legitimacy, scrutinize the validity, and vindicate the objectivity of the official media's representations of news events and society.[242] Now, web users can: provide desired information anonymously, have an equal opportunity to speak their ideas, discuss unlimited and uncensored topics, and say whatever they want to say or to read whatever they want to read (which is not necessarily what the government wants them to say/read). Censors are not capable of keeping pace with the information posted on web media; and, people's attitudes are being shaped more by the information available via non-official web media (including net forums and chat rooms) rather than by the official media.[243]

It is estimated at the time of writing that there are 300,000 web columns and blogs in China.[244] They cover subjects from politics to pop music, and most are simply the personal ramblings and musings of some of the country's 80 million Internet users.[245] But in a country where expression is limited, the impact of such changes cannot be overestimated. As Li (2001b) points out, because of China's unique political environment, web media have a unique significance that they may not have in other countries; they give the public freedom of expression and a tool for public political communication that enables people to search for information, ideas, truth, and trust.[246] Before the Internet and web media, Chinese were accustomed to the so-called "freedom" and "democracy" granted by the Party and government. Now, they have begun to experience a new type of "freedom" and "democracy" sought out by and owned by the public itself.

A third way that web media has shaped the traditional media environment (one that is equally important, if not more so than the first two), is the manner in which online public communication and discussion have begun to influence the decision-making procedure of the Party and government, especially with regard to public policies.[247] In fact, web media have even resulted in changes to several important public policies or laws. One example of such change occurred during the SARS outbreak. It may be too optimistic to speculate that this shift in decision-making procedures will extend to all decision-making processes in the future (and even extend to all other fields in the society); however, given that the online "public sphere" in China is growing so vigorously, and that the country will have to either choose to or be forced to become more open, public pressure on the Party's decision-making will only increase.[248] For instance, the year 2003 was hailed as the "year

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[242] Cheng and Shen, 2004.

[243] Li, 2001a.

[244] J. Bosco, "Weblogs in China," *Chinese Internet Research*, May 13, 2004.

[245] Z. Yu, 2003.

[246] Li, 2001b.

[247] "China's 'Netizens,'" 2004.

[248] J. Yu, 2004.

of protecting civil rights on the Internet" by web users in China. The hottest issues included the "death of detainee Sun Zhigang," the "BMW car accident," and the "re-sentencing of Shenyang mafia godfather Liu Yong." All of these issues were considered "negative news" by the traditional media and received very limited coverage. By contrast, web media coverage of these events turned them into issues of common knowledge. At first, this fomented a wave of expression of strong public opinion, it then resulted in a push for traditional media to follow the trend, and finally it led to more formal involvement by the Party and government that resulted in amendments to relevant policies and laws.[249] Because of the massive exposure these news events received on the web, they became concerns of the public and a focus of society. The public's strong reaction online has, for the first time in China's history, pressured the Party and government to revise relevant policies and laws. The public's criticism of the Party and government on the web, and the pressure exerted via public opinion on the web have both been significant new societal forces. A number of government ministers and high-ranking Party officials have communicated with the public online, answering their concerns or providing explanations about certain issues. Even top leaders such as President Hu Jintao and Premier Wen Jiabao have publicly claimed that they routinely log on to the web to hear the public's voice and to stay informed about public opinion.[250] The *People's Daily Online* and other major news websites, such as Xinhua News Agency and CCTV, all have sections on their homepages dedicated to "Netters' Posts." There is no doubt that these interactions between the leaders and the public are helpful to China's transition toward political civilization and democratization. To a certain degree, this kind of interaction itself may be viewed as a sign of democracy, at least in the case of China. Realistically speaking, this type of democracy is probably the only type of democracy Chinese people can experience at present. Despite that, the power of online public opinion seems to be making a profound impact on China's longtime totalitarian political system.

Conclusion

China's media have been under the control of the Communist propaganda authorities for more than eighty years—since the establishment of the Communist Party. Nevertheless, today, in addition to the thousands of party-run newspapers, magazines, radio, and television stations, almost 600,000 official and non-official websites (combined) exist.[251] Chinese people now have access to more news and information from websites than they do from traditional official media. Web media have in some ways opened the door to freedom of information for the public. The BBS and chat rooms have provided the public with a space for exchanging information and ideas freely and anonymously.

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[249] J. Kloet, "Weblogs in China," *Chinese Internet Research*, May 13, 2004.

[250] J. Yu, 2004.

[251] "The Thirteenth Statistical Survey on the Internet Development in China," 2004.

From an optimistic perspective, the Internet and web media have become a source of political democratization, offering a virtual public space for civic discourse,[252] and embodying some characteristics of a public sphere. From a pessimistic perspective, the Party and government have institutionalized the Internet and web media into a mechanism for control by successfully implementing various legal or not-so-legal regulations and policies, and by effectively configuring the systems to filter a large number of overseas websites.[253] Regardless of which lens one uses, the Internet and web media in China are increasingly gaining a silent but salient influence and yielding a silent but salient impact as well. The Internet and web media are playing an important role as an alternative source of information and a venue for the public to express opinions. They are providing the public with different voices and are creating a public community capable of interpreting reality on their own. Many discussions in cyber communities already reflect a democratic nature and the dynamics of social transformation. With the number of Internet users expanding by millions each month, Chinese as a whole have an unprecedented opportunity to receive uncensored information, to express their views, and to have their voices be heard by millions of fellow citizens.[254]

The Party's concern over the Internet and web media is not baseless. Political discussion seldom ends without attempting to affect social change; very often, informal discussion groups are thresholds for organized political actions. Suggestions, petitions, and signature collections for certain activities are already regularly seen on many net forums, and these net forums can easily be a locus for larger political movements. Additionally, controlling the Internet and web media effectively has become increasingly difficult, if not impossible. As Li (2001a) comments, in today's China, the most, or even the only, effective way to stanch the flow of information would be to assign a policeman to every computer in the country—however, one would need to be certain that the policemen themselves were not corrupt.[255] In addition, there is another reason that the Party's control over the Internet and web media has become increasingly difficult. Despite the fact that the Party and government can still legitimately control traditional media, it will gradually become more and more difficult for it to legitimately control the Internet and web media, which belong to the IT industry. As a member of the World Trade Organization (WTO), once international businesses begin to invest in China's IT industry—including the Internet and web media—it will become more difficult for the propaganda authorities to control the flow of information online for purely political or ideological reasons.[256]

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[252] C. Meng, "The Development Tends of China's Web Media Forums," *People Net*, December 13, 2001.

[253] Rodriquez, 2002.

[254] Chiu, 2004.

[255] Li, 2001a.

[256] "WTO and the Development of China's Digital Media," *STUDA Net*, February 19, 2004.

Probably in light of these difficulties, the Party and government have recently tried to adjust their control mechanisms and have adopted a new approach. Under the guidance of the State Council Information Office, more than thirty leading web media services have formed the China Web Media and Information Service Association.[257] Although this organization does have an official background, it is not technically a Party or government unit. This organization will be responsible for drafting and implementing self-regulating policies and bylaws to ensure that all web media services fully obey government regulations, policies, and laws, and that they accept the "public's monitoring." The Association calls on all web media services to refrain from posting "dirty and poison[ous]" material and information, and to make sure all content meets the requirements of the Party, government, and public.[258] This new approach shows a kind of policy shift and change in the control paradigm; that is, a change from the Party and government's exerting direct control to a model where indirect control and self-regulation are the norm. This comes as a result of the Party realizing the increasing ineffectiveness and difficulty of wielding absolute direct control and instead searching for an updated, more effective control mechanism.

Doubtless, the impact of China's web media is already reflected and has been felt by increasing numbers of people. In the last several years, the close and complex relationship between web media, people, society, and politics has gradually surfaced. Despite the fact that there are still many constraints and restrictions on this relationship, that the web media are still far from being considered as an independent social institution, and that, in China, the public sphere or virtual democracy may never become a reality as long as the Communist political system is in place, the Internet and web media have not only paved the way for expanded economic activities, but also have silently yet saliently altered the way people think, *particularly* the way people think about public surveillance and democracy. The impact may not be revolutionary and overt; but instead, it may manifest itself in ways that are cultivated and covert. Still, the Internet and web media have begun serving as an impetus for and accelerator to China's historical transformation.[259] While it is true that in China nothing is certain about the future, one thing is certain about the Internet: it will continue to gain freedom. As Lemon (2004) concludes—the Internet in China will at the very least be freed up not because the authorities desire democracy, but because it makes good business sense.[260]

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[257] Ming, 2004.

[258] P. Liang, "Four Net CEOs on Web's Responsibility," *China Journalism Technology Net*, December 21, 2003.

[259] S. Lemon, & S. Lawson, "Networking A Place in Chinese History," IDG News Service, May 17, 2004.

[260] S. Lemon, "Chinese Internet Users Work To Make Knowledge Free," IDG News Service, May 17, 2004.

Chapter 7: Proactive Experiments: The Internet as an Alternative Media Outlet

By Zhou Yongming

Dual Role of the State

It is safe to say that the Internet has attracted more attention by observers of contemporary China than any other recent technology. The development of the Internet in China is followed closely, and the increasing number of Internet users is periodically reported. Any government regulations on Internet use are scrutinized, and any applications of technologies to censor and police information flow on the net are protested. Government crackdown on activities that voice dissent in cyberspace is condemned, and details of each case are gathered and made public both online and through the traditional media. The United States Congress and human rights groups hold hearings on the topic of the Internet in China. In addition to the attention generated by journalists' reports and activist organizations' efforts, the development of the Internet in China has spawned an increasing number of academic studies on the topic, making the Internet a new and growing intellectual field that is as busy and active as what it reports on—cyberspace.[261] If we take a closer look at extant reports and studies on the Internet in China, it becomes even clearer that the real focus of attention has been on the issue of the Chinese government's efforts to control the Internet by blocking the free flow of information and suppressing political dissent online.

This attitude toward the Internet in China reflects what I call the "monster complex," which is shared by many observers of China. These observers first see the Internet as a benign monster that will break through the authoritarian Chinese political system with incessant waves of free-flowing information that will engulf the legitimacy of the current regime. At the same time, observers assume that the Chinese communists perceive the Internet as an evil monster that, if not totally controlled, could pose the greatest danger to their rule. Nonetheless, observers also think that the Chinese leadership's efforts to control the Internet will be in vain because the Internet, which lacks a central organizational structure and hierarchy, is uncontrollable and will change Chinese society, anyway. It has turned out that this prediction is just another case of political fortune-telling, as is so often encountered by researchers on contemporary Chinese politics. The benign monster is not as powerful or omnipotent as thought, and worse still, in the past several years, the Chinese state has successfully achieved phenomenal Internet growth without losing much control. Extending this line of thinking, some observers have since shifted their attention to how the Chinese state has tightened its control of the Internet,

[261] For example, a list-serve for scholars interested in studying the Internet in China (chineseinternetresearch@yahoogroups.com) has nearly 200 subscribers since its inception in November 2000. Personal communication with Randy Kluver, May 24, 2004.

and the Chinese state has been depicted as a monster that is intent on destroying the Internet in China.

While much discussion of the Internet in China has focused on the government's efforts to control this new technology, it is less frequently mentioned that the Chinese government has been an active promoter of the Internet, based on its conviction that this new technology could be an engine for economic and technological development. By all standards, Internet growth in China has been phenomenal. From 1997 to 2003, China saw an explosive increase in the number of Internet users. As shown in the statistics by the China Internet Network Information Center (CNNIC), the number of Internet users increased from a mere 620,000 in October 1997 to almost 80 million by the end of 2003.[262] In less than half a dozen years, China has developed the second-largest population of online users in the world.

In fact, the official response to the Internet was a continuation of the extant policy that emphasized the importance of the information industry adopted in the early 1980s. Both Deng Xiaoping and Jiang Zemin had stressed the crucial role of the development of the information infrastructure to China's goal of achieving the "four modernizations." Developing information technology was listed as a priority in both the National Strategic Plan of General Development of Science and Technology of 1983 and the "863" High Tech Plan of 1986. The task of the "informization" of the economy was once again emphasized in the Ninth Five Year Plan (1996-2000).[263] As far as the Internet is concerned, the Chinese government seems to be very confident that the positive aspects could outweigh the negatives. This is revealed in China's general principle of the Internet, which states that, with regard to the Internet in China, Chinese should focus on "Developing it actively, strengthening its management, seeking advantages and avoiding harmfulness, making it serve our purpose."[264] This reflects the ideal scenario the state wants to pursue, which is to promote active development and take full advantage of new technology, while strengthening the technology's management and avoiding its negative effects.

Observers of the Chinese Internet may have paid too much attention to the political role of the web-based media. It seems that even though Chinese policymakers have realized that the Internet could bring potential political challenges to the regime, they did not think it was fundamentally different from newspapers, radio, and TV stations. Each of these types of media has undergone rapid development and become more commercialized in the reform era, but nonetheless each still remains under the tight control of the

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[262] China Internet Network Information Center (CNNIC), "Semiannual Survey Report on the Development of China's Internet (1997-2003)," http://www.cnnic.net.cn/en/index/0O/02/index.htm.

[263] Chen Yan, *Internet gaibian zhongguo* (The Internet changes China), (Beijing: Beijing University Press, 1999), p. 80.

[264] Zhou Baoxin, Zhongguo Hulian Wang De Xianzhuang, Yu Weilai "Chinese Internet: Current Conditions and Future Development," in *Guangbo Dianshi Wangluo Jishu* (Technologies of Broadcasting, Television and Networking), 2001, p. 18.

government. For example, the number of Chinese newspapers has increased from 186 in 1978 to 2,111 in 2002, and the total number of Chinese journals had reached 8,889 in the same year.[265] Nevertheless, each newspaper or journal has to have official sponsorship and submit to official supervision in order to receive publication permission. And, while the increased degree of commercialization has certainly expanded the scope of news coverage for the press, the state still has a firm grasp on the current censorship system. So far, the Chinese state has taken a proactive policy toward the Internet by not focusing only on controlling the Internet, but by trying to utilize and integrate web-based media into the existing system of propaganda and censorship.

Proactive Policy Toward the Internet

One aspect of the proactive policy taken toward the Internet is that the state has moved to deliberately occupy this emerging cyberspace. Besides harnessing it as a means of developing the economy—thus serving the aim of enhancing the legitimacy of Communist rule—the state also uses the Internet for its own political advantage. In addition to the Golden Bridge project focusing on economic information, in 1999 the state launched an e-government project that aimed to use the Internet to improve the efficiency of government service as well as the image of government transparency. By the end of 2000, the goal of the project was that 80 percent of state organs would have a website. Though far from satisfactory, e-government made more information available to the general public than at any time previously in Chinese history.[266] In addition to actions taken at the national level, a close look at the grassroots level reveals that, in fact, the government has used the Internet to serve the Party line, sometimes very creatively. In a volume compiled by the people involved in political indoctrination, several dozen cases were presented to show how the Internet can play a large role in indoctrinating youth with Party ideology, ranging from setting up online "Youth Communist Schools" to online "psychological assistance." These "red websites" target university students, government employees, and foreign-owned company workers, as well as social science researchers.[267]

The state also has made efforts to use the Internet to revolutionize traditional forms of media. In January 1995, *Chinese Scholars Abroad*, a magazine sponsored by the Ministry of Education, became the first online Chinese journal. At the end of the same year, *China Trade News* became the first online Chinese newspaper. By June 1999, the number of online newspapers had reached 273, or 13.2 percent of the total newspapers in China. Six

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[265] Zhongguo Xinwen Yanjiu Zhongxin (China Journalism Research Center), "2002-2003 Zhongguo Baoye Faxing Xianzhuang Yu Qushi" (Current Status and Future Trends of Newspaper Circulation in China, 2002-2003), http://www.cddc.net/shownews.asp?newsid=4813

[266] For details, see Junhua Zhang, "A Critical Review of the Development of Chinese e-Government," *Perspectives* Vol. 3, No. 7 (December 31, 2002) http://www.oycf.org/Perspectives/19_123102/eGovernment.htm.

[267] Xie Haiguang. *Hulianwang Yu Sixiang Zhengzhi Gongzuo Anli* (Cases of the Internet and Political Thought Work) (Shanghai: Fudan University Press, 2002).

months later, there were nearly 1,000 online Chinese newspapers.[268] Even though the development was explosive, most of these online newspaper websites served only as a "copy" of their print editions, and a great deal of "news" online had been "recycled" through different websites, thus making many online newspapers less credible to their audience.

The state took initiatives to deal with this situation. First, it limited online news to only a few portal websites, and central and provincial level news organizations. It also invested heavily to establish online outlets for the most influential media organs in China, including websites for the Xinhua News Agency, the *People's Daily*, China Central Television (CCTV), China National Radio, and China Radio International (CRI, formerly Radio Beijing). In the meantime, comprehensive new online media websites have also been established; Qianlong Net, based in Beijing, and EastDay.com.cn, based in Shanghai, are the two most influential regional online news networks. Both of these outlets saw huge quantities of investment from government and media organizations.

In a society where information (especially political information) has been subject to rigid control, the Chinese government has also moved quickly to regulate the Internet, aiming to minimize the feared side-effect of a free flow of information. In 2000, the state issued the Telecommunication Regulations, which listed nine kinds of information forbidden to be issued, copied, or disseminated through the telecommunication networks. The types of information include:

- Information that is against the basic principles established by the Constitution;
- Information that endangers national security, reveals state secrets, undermines state sovereignty and injures national unity;
- Information that harms national dignity and interest;
- Information that provokes hatred and discrimination among nationalities and injures national solidarity;
- Information that undermines state religious policy, and advocates cult and feudal superstitions;
- Information that disseminates rumors, disrupts social order, and injures social stability;
- Information that disseminates obscenities, pornography, gambling, violence, murder, and terrorism;
- Information that defames or slanders others, or impinges on the legal interests of others; and,

[268] Tian Zhihui and Huang Chuxin, "A Study on the Development of Web-Based Press in China, 1995-2001," http://academic.mediachina.net/xsqk_view.jsp?id=656.

- Information that is otherwise prohibited by the law and administrative regulations.[269]

The state also put stringent limits on who can publish news on websites. Only those websites of central- and provincial-level news organizations have this privilege, thus effectively excluding the vast majority of websites from publishing news on their own. The regulations on the BBS are more revealing about the state's concern about the manageability of the vast and fluid flow of seemingly intractable information in cyberspace. To enforce the aforementioned rules that the nine kinds of inadmissible information are indeed absent on the BBS, Articles 13-15 of the regulations require the BBS providers to: 1) remove any inadmissible content immediately, and keep a record of it and report it to the relevant authority; 2) record the information posted on BBS and the time it was posted, as well as the Internet address or the domain name of the posting (these records should be backed up and kept for sixty days, and, upon request, the records should be shared with relevant authorities); and 3) maintain records of the time at which users log-on, the user account number, the Internet address or domain name, the phone number of the caller, and other such information (again, the records should be kept for sixty days and should be provided at the request of relevant authorities).[270]

By forming policies that promote the Internet and control it at the same time, these actions reflect the fact that the state has a proactive plan to dominate Internet media, as it has done with other traditional media. Yet as we will see, the state has had to adopt new strategies to achieve its goals. Using the Internet with the aim of serving Party goals is one matter; the actual accomplishment of the goal is another. No matter how numerous the official websites are, these websites will be forgotten if they follow outdated propaganda methods. In fact, few officially sponsored websites or chat rooms have attracted a wide public following in Chinese cyberspace, with the *Strong Nation Forum* on the *People's Daily Online* being a rare exception.

The "Strong Nation Forum": A Refined Control Case

Perhaps few politically conscious Chinese netizens have not heard the name "*Strong Nation Forum*," which is a forum that is run by the *People's Daily Online*. By far, it is one of the most influential political BBSs in Chinese cyberspace. The BBS was set up in May 1999, but the *People's Daily* has an even longer online history. In fact, on January 1, 1997, the *People's Daily* became the first major newspaper in China to go online. It later added English and Japanese editions online, reflecting the Chinese desire to use this new medium to exert its influence on the outside world. Considering that the number of Chinese Internet users was still very small at the time, one might conclude that the actual effect of the *People's Daily Online* ought not to be very great. However, the appearance

[269] Telecommunication Regulations of the People's Republic of China, September 2000, http://www.cnnic.net.cn/policy/.

[270] Administrative Regulations on Electronic Bulletin Board Services, October 2000, http://www.cnnic.net.cn/policy/.

of the *People's Daily Online* at such an early point in the evolution of the Internet showed that the central authority realized the importance of positioning the Party media organ in the emerging Internet space.

The establishment of the *Strong Nation Forum* greatly helped to enhance the influence and popularity of the *People's Daily Online*. The forum's establishment was sparked by the May 8, United States-led NATO bombing of the Chinese Embassy in Belgrade, Yugoslavia. The *People's Daily Online* issued the first Chinese report on the event. The next day, a BBS named "Protesting NATO's Barbarous Action Forum" was established, which was immediately flooded by angry messages from Chinese Internet users denouncing the main culprit, the United States. According to the webmaster, from May 9 to June 19, more than 90,000 messages were posted on the protesting forum. By late August, the total number surpassed 200,000. On June 19, the *Protesting NATO's Barbarous Action Forum* was renamed the *Strong Nation Forum*. The name change not only reflected the shifting focus of forum messages (which ranged from angry denouncement to more sober analysis), but it also reflected the purpose of the agenda set by the *People's Daily Online*. Grasping the fact that many online participants of the forum were motivated by patriotism, the webmasters chose *Strong Nation* as the name for the forum that was devoted to a broader discussion of political affairs. The new name proved to be a truly popular choice.

The unexpected initial success brought the *Strong Nation Forum* great name recognition and concurrently enhanced the influence of the *People's Daily Online*. Delighted high authorities in turn put more resources into the online version of the newspaper. The first time I visited the office headquarters of the *People's Daily Online* in October 1999, the *Strong Nation Forum* had only two office rooms jammed with about a half-dozen webmasters. The next summer, when I visited again, its offices were relocated to a much larger space. In the summer of 2001, I was shocked to see that the newspaper's entire online operation had moved into a new building with a huge hall full of cubicles. In addition, the *Strong Nation Forum* had its own ultra-modern online broadcasting studios. In the second half of 2000, the *People's Daily Online* expanded with www.people.com.cn as its new domain name, signaling that the authorities wanted to transform it into a portal news site. As Jiang Yaping, chief architect of the *Strong Nation Forum* pointed out, the *People's Daily*, the largest circulating Chinese newspaper with established name recognition and support from the government, aimed to make *People's Daily Online* the most comprehensive Chinese news website. By that time, there were more than 140 people working for the *People's Daily Online*. People.net had websites in Chinese, English, Japanese, French, and Spanish. Russian and Arabic websites were added in 2001.[271]

What has been described above shows us one side of the proactive policy the state has adopted in dealing with the Internet. The other side is of equal importance, which is how to control the Internet and prevent it from becoming a threat to the state. This picture is

[271] Administrative Regulations on Electronic Bulletin Board Services, October 2000, http://www.cnnic.net.cn/policy/.

equally complex, because in dealing with something as novel as online space, the state has had to come up with new strategies for immediate implementation; much like learning how to swim by actually swimming. As far as the *Strong Nation Forum* is concerned, the task of control basically lies in the hands of webmasters, who monitor the flow of messages in *Strong Nation Forum* constantly. The lack of experience and expertise was immediately evident after the success of the *Strong Nation Forum*. Jiang Yaping admitted in August 1999 that his biggest headache was that he needed "at least ten webmasters who [were] competent at working online, [had] sound political judgment, [were] enthusiastic about the work and at the same time [were] responsible to the forum participants. It [was] very difficult to find them and [the company was] working on it diligently."[272] Difficult as it was, nonetheless, it seemed that the *Strong Nation Forum* was able to establish a relatively stable team of webmasters shortly thereafter.

The methods and degree of control have also undergone constant change. One day in 1999, when the *Strong Nation Forum* was still located in the two-room office, I was chatting with the lead webmaster. While talking with me, he kept monitoring the screen and found two inadmissible messages and immediately removed them. Answering my question about what his criteria were, he explained to me that even though the criteria were not as rigid as they were in print editions of the *People's Daily*, certain content and actions would not be allowed under any circumstances. The two messages he deleted were removed not for their content, but because of the online personas their posters adopted. He showed me that one used Li Hongzhi and the other Zhu Rongji. The former was the name of a prohibited cult leader, and the latter was the name of China's then premier. No matter what content they carried, these two posts had to be removed. This was later made clear in the regulations of the *Strong Nation Forum*.[273]

Several months later, the *Strong Nation Forum* changed its monitoring method from allowing messages to be freely posted online in real time and then subject to the webmaster's censorship, to having them read by the webmasters first and then allowing them to appear online if they pass the screening. This policy change drew participants' criticism and protest. On April 5, 2000, one participant with an online persona South Sea Monk declared that he would "temporarily" stop participating in the *Strong Nation Forum* after his postings were repeatedly removed by the webmaster.[274] Another participant named Kangaroo issued an "open letter" to the *Strong Nation Forum*, lamenting that more and more original, enthusiastic forum members had left because of the increasingly stringent monitoring policy. The author did not conceal that he had been a big fan of the *Strong Nation Forum* from the beginning and he had hoped that the forum would always remain as open as it was then; however the subsequent changes in what was considered admissible entries were making him consider quitting the forum.[275]

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[272] Min Dahong, "On Electronic Forums by Chief Editors of *People's Daily Online* and Zaobao Online, http://www.peopledaily.com.cn/wsrmlt/1stannual/mtp1/2.html.

[273] http://bbs.people.com.cn/gltl.htm.

[274] http://www.chinese-military.com/cgi-bin/mychinacounter.p1?number=2420.

[275] http://www.chinese-military.com/cgi-bin/mychinacounter.p1?number=2421.

Obviously, such an appeal did not have much influence on the decision-makers of the *People's Daily Online*, as more censorship technologies (including IP tracking, blocking and keyword filtering) have since been implemented by the *Strong Nation Forum*. As stated in the regulations of *Strong Nation Forum*, "the forum has the sole right of administering web pages and online persona names," and during politically sensitive times/events censorship is tightened. For example, on May 20, 2000, the day of the Taiwan presidential inauguration, more than 12,000 messages were posted, but more than a quarter of them were deleted by the monitors.[276]

Nonetheless, compared with the print edition of the *People's Daily*, which has been subject to rigid control by the highest Party authorities, the *People's Daily Online* and the *Strong Nation Forum* represent a "loosened up" space that would have been inconceivable were it not for the arrival of the Internet. On the one hand, political news and information that usually could not have made it into the print edition, such as the whole text of George W. Bush's State of the Union address of 2003, was put on the web edition, with follow-up comments.[277] On the other hand, the *People's Daily Online* sometimes publishes "tabloid-type" social and cultural news aimed at attracting a greater audience and competing with commercial news portal sites such as Sina.com.cn.[278] Even with the control mechanisms mentioned above, if put into perspective, any casual visitor to the *Strong Nation Forum* would certainly be surprised by its unprecedented degree of openness and tolerance in the online discussions on politics. First, with a broad theme of "strengthening-China," the *Strong Nation Forum* sets virtually no limits on the scope of discussions. The content of the forum is extremely rich, ranging from breaking news around the world, critical comments on current Communist and state policies, nationalistic outcries on Sino-American and Sino-Japanese relationships, views on the Taiwan issue, the suffering of laid-off workers, corruption of local officials and expressions of individual grievance, to rumors and personal attacks. Though the webmasters make agenda-setting attempts from time to time by listing "today's focus-points," generally speaking, the *Strong Nation Forum* participants have the right to post messages on nearly any topic of their own choice.

In addition, the *Strong Nation Forum* webmasters have to walk a fine line to carry out their job. They appear to be very conscious of maintaining the openness of the forum on the one hand, and maintaining censorship on the other hand. Monitoring cyberspace also has caused subtle changes in the censorship practices of the *Strong Nation Forum*. Because of the interactivity of the Internet, the webmasters have faced more direct challenges to their censorship from forum members, and these protests seemed to have caused revisions to webmasters' monitoring tactics. The webmasters cannot simply delete

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[276] Statistical data collected in fieldwork.

[277] http://www.people.com.cn/GB/guoji/22/86/20030129/916576.html.

[278] The *People's Daily Online* often adopts and reprints such reports from other sources. A good example of this is the continuing interest generated by any reported extra-marital affairs involving Bill Clinton. The latest one appeared on June 25, 2003. See http://www.people.com.cn/GB/yule/1082/1933927.html.

messages; they often have to explain to the posters *why* they deleted them. This interactive relationship between the people being censored and the people censoring is new for both parties. The *Strong Nation Forum* has made efforts to improve the sometimes contentious relationship between webmasters and forum members. The interactions between the webmaster and online participants have generally remained civil, with the webmaster often taking a friendly posture. Since different monitors' criteria for interpreting regulations vary, some forum members are more inclined to post "sharp" (i.e., more contentious or provocative) messages when their perceived "soft" (i.e., more lenient) webmaster is on duty. In addition, ordinary forum members have adopted other strategies and methods, both practical and rhetorical, to deal with censorship. These include using false names to register online, inventing new terms only understood by fellow participants, and using metaphors, satire, and mockery to make the writing more poignant yet "admissible." It is the efforts on both sides that have made the *Strong Nation Forum* the most influential political BBS in Chinese cyberspace.

The unexpected popularity of the *Strong Nation Forum* quickly caught the attention of observers both inside and outside of China. In an analogy to special economic zones, where market economies have been allowed to emerge in the last two decades, a commentator writing on Singapore's *Zaobao.com.cn* labeled the greater degree of freedom and tolerance on expressing political opinions on the forum a "special zone online." Exclaiming that the *Strong Nation Forum* represented a rapidly changing China, the author concluded that in light of a BBS forum that encompasses open and multiple political positions and ways of thinking, the traditional method of free expression through posting "big character posters" had become "outdated." Acknowledging that the *Strong Nation Forum* has its censorship system, the commentator also noted that other media forms are also subjected to censorship and that the regulations set down for censorship of the *Strong Nation Forum* were not that stringent. In conclusion, he stated that the *Strong Nation Forum* had become China's much-needed "special zone of expression" and appealed for openness and tolerance from authorities, and understanding and cooperation from netizens, to make this "special zone of expression" more prosperous.[279]

The success of *Strong Nation Forum* illustrates the state's efforts to enter the domain of web-based media, and highlights that the state had good reason to do so. According to the latest CNNIC survey, more than 59 percent of Internet users in China listed "watching news online" as one of the activities they engaged in when surfing the net.[280] While the majority of officially run Chinese newspapers have online editions, as a whole they remain less significant sources of information for many people. Thus, most online newspapers do not represent competition to major commercial portal news websites. If we compare the *Strong Nation Forum* with other "non-official" BBS sites, its much-hyped achievement becomes less impressive. As one member pointed out at the fifth anniversary of *Strong Nation Forum* in May 2004, its status as an "officially-run" BBS has put constraints on more open and freer exchanges, thus making it difficult to attract

[279] Du Ping, "Zhongguo de 'Wangshang Tequ.'" wysiwyg://12//http.zaobao.com/y1/y10011.html.

[280] http://www.cnnic.net.cn/html/Dir/2004/02/05/2118.htm

more participants. Though by May 2004, the *Strong Nation Forum* had 280,000 registered members, this commentator pointed out that the "non-official" *Tianya BBS* website, which was also set up in 1999, had attracted *1.3 million* members, more than four times the number of *Strong Nation Forum*.[281] Since web-based media is a new area for authorities, we can expect that they will employ new tactics and methods to accomplish their goals more efficiently. An interesting development in the state's effort to occupy and control the web-based media is that it has also instituted new practices that have blurred the line between "official" and "non-official" media, by subcontracting out government projects to "private" and "independent" organizations. The case of *Century China* is quite representative.

Century China: Indirect Control

If the *Strong Nation Forum* targets politically conscious participants who have diverse backgrounds, *Century China* targets a much narrower audience by identifying the site as an "intellectual" (*xueshu sixiang*, 学术思想) website. The term refers to those Chinese websites that focus on academic, critical, and theoretical discussions on diverse political, cultural, and intellectual topics. These websites usually have three major parts: a "webzine" for electronic publications, a BBS forum for the improvised exchange of ideas, and a digital academic archive for the effective dissemination and retrieval of scholars' works. Webzines can be seen as online editions of regular magazines, in which articles are selected and published by web editors whose editorial criteria are often reflected in differences in journal style, position, and degree of sophistication. Each BBS provides a platform for web surfers to engage in a more improvised discussion and a place for people to publish articles that may not be palatable to the webzine editors. Most Chinese intellectual websites were established after 1998 and therefore have very short histories of operation; however, they have become popular outlets for many Chinese intellectuals to voice their opinions on a variety of issues concerning China in academic matters in particular, and also general matters.

As far as the state is concerned, however, this new development is a challenge for controlling the press and media. The state is trying to catch up to the rapid pace of Internet development, gradually devising an effective policy to deal with intellectual websites. The closing down of one first-generation intellectual website, the *Realm of Ideas*, illustrates the state's early concern over the problems posed by an uncontrolled electronic press, but the frequency of the closing down of intellectual websites is generally much lower than the frequency of new sites being set up. It seems that the state has resorted to a more refined control mechanism than that used against the printed press, allowing a greater degree of tolerance to website editors.[282] Faced with an increasing number of intellectual websites, the state has mostly opted to exert pressure on website

[281] Ibid.

[282] This tolerance is further shown by the fact that Li Yonggang, the editor of the Realm of Ideas site, did not suffer direct disciplinary action from Nanjing University and was subsequently granted permission to go to the Chinese University of Hong Kong as a visiting scholar in early 2001.

editors to conduct self-censorship rather than attempting to close down the sites outright, even though the latter course of action is always an option if the state chooses to do so.

Since its inception in July 2000, the *Century China* website (www.cc.org.cn) has arguably become the most influential intellectual website in China. It has four major components. *Century Weekly* is a webzine publishing original scholarly articles. *Weekly Digest* has scholars as its editors and publishes a collection of articles centered on a theme chosen at the editors' discretion. *Public Platform*, also monitored by the editors, provides an open space in which scholars can publish their works (new or previously published) online. Finally, *Century Salon* is a BBS forum for improvised discussions. *Century China* seems to have quickly gained popularity among Chinese intellectuals. By March 2001, only eight months into its existence, the number of weekly hits on its web pages reached 194,125; a very impressive number for the intellectual websites.[283]

It is no accident that the *Century China* site has been able to achieve this status in such a short time. Compared with most Chinese intellectual websites, it enjoys unrivalled financial and academic resources. The *Century China* website is sponsored by CSDN (China Social Development Network) Information Technology Company (hereafter CSDN Company) and co-sponsored by the Institute of Chinese Studies at the Chinese University of Hong Kong (which is in charge of editing the website). The website's co-sponsor provides a partial answer to its quick success. Anyone familiar with contemporary Chinese intellectual life may know that the Institute has been publishing the magazine *Twenty-First Century* since 1990. The established reputation of the institute and the publication contributes to the quick name recognition of *Century China*.

It would be surprising, however, if many online readers of *Century China* know much about its chief sponsor, the CSDN Company. Indeed, it took me some time to find out how a seemingly commercial establishment became involved with this website. In fact, CSDN stands for China Social Development Network, one of the main projects in the Chinese government's effort to use information technology to promote social development. Authorized by China's State Development and Planning Commission, CSDN was established on July 19, 2000, in Beijing. With a stated purpose to "develop people, serve people, and protect people," CSDN is a very ambitious project. According to Chinese officials, the network covers areas as diverse as population, labor and employment, culture, education, public health, social welfare, radio and television, publishing, cultural relics, archives, tourism, politics and law, and civil administration. The net includes a number of portal websites, such as *China Medical Net*, *China Labor and Employment Online*, *Chinese Net for Continuing Education*, and *Chinese Legal Service Net*.[284] *Century China* is thus only one of numerous projects that comprise this huge government endeavor.

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[283] Editorial note by the webmaster on March 16, 2001, see http://www.cc.org.cn/zhenggao/index.htm.

[284] "Shuxie ershiyi shiji de shidai zhuti" (Writing the Time Theme of the Twentieth First Century), *People's Daily*, overseas edition, August 16, 2000, http://www.people.com.cn/GB/paper39/1237/188562.html.

What makes CSDN unique from other government Internet-related projects is that it is a contemporary version of "private business under official supervision," which first appeared in the Late Qing. It is a "private business" because CSDN is not funded by government investment; rather, it operates on private funding obtained through market mechanisms. A number of independent companies have even been set up to execute individual projects. On the other hand, it is "under official supervision" because the government is responsible for (1) making a general plan, (2) setting up standards, and (3) establishing coordination and evaluation systems. It is clear that CSDN Company, as sponsor of *Century China*, is a business venture funded with private capital yet set up under the supervision of the government to carry out the China Social Development Network plan. The Institute of Chinese Studies at the Chinese University of Hong Kong was then "invited" by CSDN Company to edit *Century China*.

Thus *Century China* is not an ordinary Chinese intellectual website. It is a part of a grand government information technology project, supported by private capital, hosted by a business venture, and subcontracted out to an established cultural institution outside of mainland China. This background, combined with ample financial resources, well-established intellectual authority, transnational elite editorial personnel, and the publication of material through both traditional and cyber media, are all key features that have made *Century China* a special intellectual website in Chinese cyberspace.

"So theoretically the CSDN Company has the final say on editorial decisions?" This was the key question I wanted to ask during a telephone interview in October 2001 with Xu Jilin, a well-known Shanghai-based scholar who has been in charge of *Century Weekly* and *Century Salon*. "You could say so. But they rarely interfere with our editorial job," answered Xu, who was then a visiting scholar at Harvard. "How come?" I pressed further. "Well, it all depends on the tacit understanding both sides have reached. We have known each other for some time, and the other side knows our record." Xu then claimed that the issue was quite subtle and that it was not possible to clarify it fully over the phone.

I met Xu again one year later in Shanghai after he had returned to China. When I raised the old question of how he monitored discussions on *Century Salon* and decided the admissibility of postings that touched on sensitive issues, his answer was as subtle as the one given a year earlier. "Well, it all depends on your feeling (*ganjue*)." He didn't give a definition of what "feeling" was, but did emphasize that the "feeling" was context-and case-specific, fluid, and changed under different circumstances. Using the admissibility of discussions as an example, Xu elaborated on the multiple layers of censorship that have emerged in the context of contemporary China, and is worth quoting at length:

> The question of what can be published and what cannot is extremely complicated today. Something that cannot be published by official Party newspapers (*dangbao,* 党报) may be published by evening newspapers (*wanbao,* 晚报). Items that cannot be published in newspapers may be published in journals. Scholarly journals can publish articles that cannot be published in general journals. Some material may not be admissible in

> newspapers and on television, yet it is publishable online. Some material cannot be posted on portal news websites (such as sina.com.cn), but can be put on other websites. Something that is not suitable to be put on news websites *can* be put on the BBS forums. Something that [is] not admissible on the BBS forums run by the *People's Daily* may be admissible on other BBS forums. In summary, the admissibility question is very complex. I wish the government could tell me what is acceptable and what is not; but to our dismay, there is no such definite stipulation. That is why we can only make our judgments based on our feelings.

Xu's statement reveals the daunting task Chinese webmasters face on a daily basis. Webmasters need to have a strong grasp of the current political atmosphere in order to make sound judgments. For example, immediately before the Sixteenth Party Congress in November 2002, sensitive writings became less admissible. The most skillful webmasters often test limits by posting writings that are close to the line of admissibility yet do not quite cross it.[285] Xu admitted that one has to change one's "feelings" according to changes in the political atmosphere and one must often try to get a sense of where the "forbidden areas" are. This is a skill that requires experience accumulated over years in Chinese politics, and there was no doubt that Xu was very confident of himself and his colleagues' abilities on this front.

Compared with other Chinese intellectual websites, *Century China* sets a new standard and has elite status. This elitism inevitably decreases the degree of active participation by intellectuals. Though the website does not oppose the discussion of current social and political affairs, it encourages discussion of these issues from "academic and theoretical" (*xueli*, 学理) perspectives. As a result, visitors to the website will encounter more theoretical and abstract discussions on current affairs than the spontaneous and direct responses that often displease the official censorship. During my interview with Xu Jilin, he acknowledged that initially the webmasters of *Century China* had no clear aim to make it an elite intellectual website, but that it gained this reputation over time. The reason is that many participants have stopped patronizing the site after their postings did not obtain the expected responses, or after their writings were declined because they did not meet the standard of scholastic merit established by the webmasters.

Nominally part of a government sponsored project, and based on mutual trust between a business functionary and an established academic institution, *Century China* and its webmasters are strategically positioned in the "elite" sector of today's Chinese intellectual landscape. After all, keeping a certain distance from current politics and limiting discussions to the elite is a safe position to keep the website in, and one likely to be sanctioned by both the sponsor and the editors, because both sides would stand to lose if *Century China* were to attract uninvited political censorship from state authorities. The

[285] There are, however, always dangers involved. A notable example is Frontier Forum, another well-known intellectual website, which was shut down by the authorities after it published articles that opposed the speech given by Jiang Zemin on the eightieth anniversary of the CCP on July 1, 2001, in which Jiang called for private entrepreneurs to be allowed to join the Party.

website, however, still continues to promote cutting-edge intellectual exchanges and trend-setting theoretical inquiry, and thus represents an expansion of the existing space of freedom of discussion in China. In so doing, however, it also excludes the voices of the majority of politically conscious Chinese citizens who do not belong to elite intellectual circles.

Conclusion

Given the short history of the Internet and its rapid technological development, it is very difficult to say what will come out of the current state policy toward the Internet. It is likely that the Chinese state will continue to engage the Internet in proactive ways. In June 2004, the chief of the Party Propaganda Department, Liu Yunshan, reiterated that Chinese news media should actively "occupy" and "dominate" the Internet.[286] The successful cases of the *Strong Nation Forum* and *Century China* show that the state is taking proactive steps to establish a *relatively* controlled public space on the Internet by selectively opening up some previously *totally* controlled space and then trying to channel political discourse in these spaces in the direction it desires. Though the control of the Internet remains a main concern of the state, the process has become more flexible and the state does not always play a straightforwardly repressive role. In this new practice, the state is taking initiatives that should not be seen as merely manipulative, but also as experimental.

The main shortcoming of the current discussion on web-based media in China is that it tends to cast the Internet as an independent entity, separate from other information carrying media. The proactive policy taken by the state toward web-based media has already been applied to other types of media in the reform era. Besides the specific technological means used to control the Internet, the control mechanism used by the state is in essence no different from the one that controls newspapers, journals, radios, television, and satellite TV. The control of the Internet is an integrated part of a censorship system that functions to ensure that the power of the Communist state is not being challenged.

[286] http://news.sina.com.cn/c/2004-06-11/20112782232s.shtml.

Chapter 8: New Trends at CCTV

By Jie Lin

Introduction

At a time when the government is promoting the concept of "ruling the country by law," *China Legal Report*—a daily program designed to educate people about the rights a citizen is granted by law—has been welcomed by both the government and the general public. *China Legal Report* aired its first story on January 1, 1999, and four years later ranked fourth nationwide among more than 300 China Central Television (CCTV) programs. Functioning as a means for the government to voice its policies as well as an outlet for the general public to seek justice, *China Legal Report* has become one of the most illustrative examples of both programming and institutional change taking place at CCTV. Moreover, it represents a new trend in the Chinese TV system.

It is already a well-known fact that since the late 1970s, economic reforms have transformed China's once planned economy into a market economy, and at the same time the reforms also have introduced market logic into China's media system. The rapid development of the media and economic marketization has created a great challenge to the government's capability to fully finance media operations, which in turn constrains the media system's overall development. To get rid of the endlessly inflating financial burden without harming the media's development, the government realized that the best strategy would be to push the media into the market. While still owned by the state, the media was commercially operated and became another example of the "socialism with Chinese characteristics" model. By the mid-1980s, this state-owned-and-commercially-operated method was widely adopted among China's major print and broadcast media.

With a rapid expansion occurring within just a few years, CCTV, the largest national TV network in China with fifteen channels,[287] has moved beyond being just financially self-supporting. In 1993, government financing of CCTV ended and CCTV began paying roughly 25 percent of *its* advertising revenue each year to the state. The figures of CCTV's advertising earnings were RMB 6.3 billion yuan in 2002 and RMB 7.5 billion yuan in 2003. The expected advertising revenue of CCTV in 2004 is RMB 8 billion yuan (roughly $1 billion U.S.), which means that, in 2004, the state will benefit from RMB 2 billion yuan (roughly $242 million U.S.) from CCTV's commercial operations.[288] However, the revenue CCTV pays to the state is not called "tax revenue" (because TV

[287] CCTV-1 Assemble Channel, CCTV-2 Economic Channel, CCTV-3 Entertainment Channel, CCTV-4 International Channel, CCTV-5 Sports Channel, CCTV-6 Movie Channel, CCTV-7 Military and Agriculture Channel, CCTV-8 TV Drama Channel, CCTV-9 English Channel, CCTV-10 Education Channel, CCTV-11 Chinese Opera Channel, CCTV-12 Western Channel, CCTV-13 News Channel, CCTV-14 Children's Channel, CCTV-15 Music Channel.

[288] This data comes from the CCTV Development Department.

stations are still considered government organs, and not entirely private enterprises). Instead, the revenue is paid in the name of an education fund or development fund.

As government financing has played a less significant role in the media operating system, the media's survival and development has depended more on advertising earnings. Advertising earnings, however, depend on the media's acceptance by the public, since no advertiser or investor is willing to risk money in programs that are not attractive to people. Therefore, attracting a larger audience in order to attract more advertisers became one of the major goals of many media outlets. For the past several years, CCTV has exercised a "curve" policy, which requires the producers of the three TV programs with the lowest ratings to step down. Since 2002, CCTV has developed a "black list:" each channel's lowest-ratings program would be "washed out" and the second-lowest-ratings program would be giving a warning that they are an "elimination candidate" and are required to improve in the following year. A "bid" method also has been tested on a few programs that needed to reach comparatively higher ratings than in the past. Instead of just promoting or appointing a new producer to the program, the "bid" method allows anyone who has promising plans to increase ratings to become the producer for the show. Although the number of producers who have actually leapfrogged from a lower position to a higher position as a result of a successful bid has yet to be documented, this appealing competitive form has signaled a new step in the media's employment system.

News Content and Ratings

As one of the flagship programs on CCTV's primary channel, CCTV-1, *China Legal Report* has been a pioneer in media operation reform.

China Legal Report was one of the top ten most-welcomed TV programs based on ratings and did not seem to have any problems in attracting advertisers. The key for the future, however, is to maintain high ratings. In most cases, the advertising revenue from a particular program goes to CCTV as a whole rather than the specific program itself. However, higher advertising profits is still one of the most important factors when CCTV management decides which programs will receive increased financial support and which programs will be further developed or even expanded. For example, a program may shift from a weekly program to a daily program, from a "graveyard" time slot (referring to late evening, after midnight, or during daytime hours)[289] to a prime-time slot, or may be given the chance to do bigger news event coverage or special editions. At the same time, for a program that has attained high ratings, its rating history may pose a challenge to the program in the future, since surpassing or even maintaining record-high ratings in many cases becomes a mission impossible.

Being consistently ranked as the fourth-best rated show among more than 300 CCTV programs, *China Legal Report* views ratings as the key criteria in its reporters' work performance evaluation system. For its monthly and quarterly prize competitions, only

[289] See Li Xiaoping, "Significant Changes in the Chinese Television Industry and Their Impact in the PRC: An Insider's Perspective," Paper presented at the Center for Northeast Asian Policy Studies at the Brookings Institution in Washington, D.C., August 2001.

those stories that have gotten the best ratings are qualified for nomination. Usually, every month four stories with the highest ratings compete for the monthly first-place prize (one winner) and second-place prizes (two winners). In addition, nine out of ninety stories aired during a three-month time period automatically become candidates for the quarterly golden prize competition. These nine finalists are guaranteed to be the high-ratings achievers. Although factors such as the significance of the story's topic, its influence on policymaking and its social impact finally decide the golden prizewinner, ratings are the first hurdle that stories must pass before entering into the candidate pool. Pursuing high ratings has often raised questions about program quality; however. Interestingly enough, in a sample of the years 2001-2003, the stories that received the highest ratings in most cases were "investigative reporting" stories that exposed China's social and legal problems. The following table illustrates the pattern.

Table 1. *China Legal Report*'s Quarterly Golden Prize Winners[290]

Publication Quarter	Title of Story	Synopsis of Story
2001 Q3	Yang Haofei's Death	A little boy was allegedly killed in a traffic accident, and the official report concluded that no one was liable for his death. The reporter's investigation revealed that many parties should have taken either legal or moral responsibility but they all escaped blame.
2001 Q4	Murder of the "White Angel"	A cancer patient murdered the doctor who had been taking care of him. The killer was then sentenced to death and executed. The reporter's investigation dug up facts that the doctor, as well as the state-owned hospital, had been testing unsanctioned high-priced medicine on numerous cancer patients, and many of them died much earlier than expected.
2002 Q1	N/A	
2002 Q2	Double Tragedy	Fifteen fishermen died at sea, and the family members were to be compensated by the liable fishing company with a total of RMB 1.4 million yuan. No families received money. The reporter's investigation revealed that local government officials had forged the names and signatures of the fifteen families on documentation and had taken the money themselves. (After the story was aired, the local government returned the compensation money to the families.)
2002 Q3	Sigh of the Evidence	A simple civil lawsuit turned into a complicated penal case because the plaintiff had connections in local legal bureaus. The reporter's investigation showed that important evidence had been purposely ignored by the local legal bureaus so that the case would be ruled in favor of the plaintiff, who should have had no place to file a penal lawsuit.
2002 Q4	Who Is Protecting the Fake Medicine?	Hundreds of gallstone patients discovered that their symptoms were getting worse by taking a nationally recognized medicine. A professional test proved that these medications were actually fake and contained health-damaging ingredients. A further investigation revealed that for years the local government had been protecting the company that produced and sold the fake medication.

[290] *Legal Report* started the quarterly prize competition in the third quarter of 2001.

Publication Quarter (continued)	Title of Story	Synopsis of Story
2003 Q1	Blanket That Kills	A teenage girl was killed by a poor-quality electric blanket, and the court ruled that the factory responsible should be shut down and the girl's family compensated. However, the family didn't receive any compensation because the factory filed for bankruptcy and the court didn't conduct a foreclosure hearing. The reporter's investigation found out that under the protection of the local government, the factory had simply changed its name and continued producing and selling the dangerous blankets.
2003 Q2	Right of Education	Low-income migrant workers couldn't afford the expensive school fees required for children without urban residency status, while many self-established schools were forced to close because they were considered "illegally-founded schools." Without the city's permanent residency status, hundreds of thousands of migrant children were deprived of the right of schooling, which is granted by law.
2003 Q3	Crime under Sunshine	A college student had been treated as a hepatitis patient by a state-owned hospital for five years. He discovered that he did not have, and never had hepatitis. The reporter's investigation revealed that the case was not one of accidental misdiagnosis. The state-owned hospital had leased its clinics to non-licensed physicians who coaxed healthy people into paying high prices for medication to treat their alleged diseases. The physicians were never questioned because they were assumed to be doctors of the state-owned hospital. The hospital had allegedly been sharing the profits from these medicine sales with the unlicensed physicians.
2003 Q4	N/A	

As Yu Guoming has noted, investigative journalism is a "derivative companion" of the development of a market economy.[291] The marketized environment has resulted in a competition for ratings, and it requires that media professionals give more of a voice to the general public. Therefore, investigative reporting, aimed at exposing social problems and appealing to the general public's concerns, has attracted more viewers than reporting, which is propaganda-oriented.

To encourage reporters to go for hard-topic stories, which usually refer to those stories that expose government officials' corruption and abuse of the law and are difficult to research, *China Legal Report* has come up with a "hard topics special encouragement policy." Since such topics are more likely to be aborted under the current censorship system, reporters who are determined to pursue such stories will receive more financial support and higher evaluations on work performance at the end of the year. This policy has been executed on a case-by-case basis.

As long as the hard topics are not serious enough to bring about social instability and are kept within certain limits, the government does have a degree of tolerance for reporting on them. On the other hand, as the general political framework remains unchanged in today's China, the media is still overtly known to be the "mouthpiece of the government," and media professionals must accept the Party line as their own guiding ideology. Propagating the Party's directives and policies is still one of the major tasks for the Chinese media. To maintain this fundamental principle in a marketized environment, the government has adopted "soft-style propaganda"[292] instead of the indoctrination that had been normal during previous years. Thus, the media's role of being the government's mouthpiece has not changed, but the tone of that voice has changed dramatically. For instance, when the newly revised Marriage Law took effect in April 2002, *China Legal Report* followed up with a week-long series of reports on issues covered by the new law. Rather than just explaining how the new law had changed and what new rights were protected, the series discussed seven significant and illustrative individual cases regarding the consequences of widely existing problems, including having second wives, women and children's rights in divorce, and domestic violence. To the general public, these cases didn't look like propaganda but were more human interest stories. To the government, its message was delivered to the audience in an effective way. To media professionals, they fulfilled their mandatory tasks without harming the ratings. To a certain extent, soft-style propaganda has brought about a win-win-win situation for the government, the media, and the general public.

As for hard topics, most cases are limited to coverage of comparatively lower-level officials. To local government, the media's role has changed from being the "transmission belt" of the government into being the "watchdog" of the government. To

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[291] Yu Guoming, "*yu lun jian du—yi jing zuo de he ying gai zuo de* (Watchdog Function: Things Have Been Done and Things Should Be Done)," *zhong guo guang bo dian shi (China Radio and Television)*, Vol. 1, 1999, pp. 7-9.

[292] Qian Wei, *zheng zhi, shi chang yu dian shi zhi du* (*Politics, Market and Media)*, (Zhengzhou: Henan People's Press, 2002), p. 100.

top-level government, however, media is another means through which it can disseminate propaganda at a time when the central government is trying to show the general public that it is serious about solving corruption problems and cleaning up government. In this sense, the term "propaganda" does not necessarily carry a negative connotation. Most importantly, in the eyes of the general public, the low-level officials whose wrongdoings have been exposed on TV are still people with power. The TV audience receives the message that social justice is now better safeguarded, compared with the past when the screen was flooded with government officials' political activities. To producers, editors, and reporters of *China Legal Report*, one of the fundamental tasks is to find a perfect intersection or area of overlap in their work between the interests of both the central government and the general public. In other words, how to balance the "two olds" (*er lao*, 二老), referring to old party cadres (*lao ganbu*, 老干部), and the general public (*lao baixing*, 老百姓) becomes one of the most important skills for a qualified *China Legal Report* professional.

Corporatization Experiment at CCTV

Many China watchers have recognized the gradualist approach that the Chinese government has adopted in its economic reforms, and the overall assessment of China's gradual reforms is strongly positive.[293] Since reforms in China are fraught with uncertainties about eventual outcomes, a gradualist method in Chinese economic reforms is regarded as "a superior strategy,"[294] and its success appears to depend on a number of China-specific conditions.[295]

This is also the case with media reform. The Chinese scholar Li Xiguang theorizes that "[g]reat sound makes no noise;"[296] and reforms in the media field have been carried out in a similarly quiet and covert manner, sometimes known only to a few insiders. This does not mean that media reformers are confident that they have a long-term plan or strategy in mind when they try out new approaches. As a matter of fact, policy often lags far behind actual practices and is applied in many ways in response to challenges posed to further media development. Although media reformers are eager to learn and even borrow ideas from the advanced Western media system, figuring out how to fit them into a Chinese context is still a process of "crossing the river by feeling the stones"—a well-known statement uttered by Deng Xiaoping during the early stage of China's economic reform.

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[293] Mathias Dewatripont and Gerard Roland, "The Design of Reform Packages under Uncertainty," *American Economic Review* 85, No. 5 (December) 1995: 1207-23.

[294] Ibid.

[295] Huang Yasheng, *Selling China: Foreign Direct Investment During the Reform Era*, (New York: Cambridge University Press, 2003), p. 336.

[296] Li Xiguang, "Great Sound Makes No Noise—Creeping Freedom in Chinese Press," The Joan Shorenstein Center on the Press, Politics and Public Policy Working Paper Series, John F. Kennedy School of Government, Harvard University, 1999.

Since the law in China still strictly prohibits the privatization of the media, corporatization has been tried out as an alternative, as it has in many state-owned enterprises. As early as 1984, CCTV established the China International Television Corporation (CITVC), which has become the largest national TV group corporation in China, with its business mainly focusing on TV programs' production, TV technical services, information services, and advertising. In 1997, CITVC went public. It was the first IPO in China's media industry and gave CITVC a better chance of becoming a competitive international media group in the future. Since 2001, CCTV has experimented with corporatization for all of its channels. In 2001, in response to the central government's call to develop China's relatively underdeveloped western region, CCTV launched its twelfth channel, China Central Television West (CCTV-12), which mainly covers issues regarding western China. Under the corporatization plan, CCTV-12 was completely operated as an enterprise of CITVC, and CCTV only held final control over its programming content. Currently, CCTV is hatching plans for the corporatization of a sports channel, China Central Television Sports (CCTV-5), and an entertainment channel, China Central Television Variety (CCTV-3). The first step in the plan for the latter channel was an announcement that ten CCTV prime entertainment programs were selected to form a program production company.

In fact, the corporatization of CCTV-12 is not a sudden change but is rather a logical outcome of decade-long actual practices. Most CCTV programs have already adopted a corporatization-style operation system for a long time. A close look at the *China Legal Report* program will help illustrate how such a corporatization-style operation works within most CCTV programs.

Under such corporatization-style management, individual programs have begun to have autonomy in hiring and firing their employees. In the case of *China Legal Report*, among its 107 employees, less than 7 percent are assigned by the CCTV Human Resource Department and are considered to hold "formal" CCTV positions that are referred to as "official staff." *China Legal Report* itself hires the remaining 93 percent, with the executive producer generally having the final say on employment. These program-based employees are usually referred to as "temporary personnel," but the term "temporary" doesn't have a time limit since many employees have been holding such a "temporary" status for as long as five years. The table below shows the breakdown of the number of official and temporary staff positions, as well as what positions they hold.

Table 2. CCTV *China Legal Report* Employee Placement in 2003[297]

Position	Official Staff	Temporary Personnel
Executive Producer	1	0
Producer	2	1
Chief Editor	2	2
Reporter	0	47
Editor	0	6
Anchor/Host	1	2
Technical Support	0	30
Service	1*	12
Total	**7**	**100**

* This person holds a management position as the head of accounting.

China Legal Report management has the autonomy to hire and fire its "temporary personnel" but not its "official staff." The official staff's salary comes directly from the payroll of CCTV, while program-based employees' salaries are considered part of the program production costs. Usually an employee's performance determines the level of his or her income, depending on how much work he or she has done and how well the work is performed. The income gap between the employees is viewed as fair by employees and usually becomes the impetus for employees to work harder.

As with many cases in China's economic transition, reform often occurs prior to the issuance of legislation, and it takes time to get the new measure unified and normalized. In 2001, when the official announcement came that CCTV-12 was to be operated as a corporation, only the major management positions were assigned to "official staff"—most of whom still held CCTV executive titles at the same time. For example, the head of CCTV-12 was also the chief of CCTV Social and Educational Affairs Center. As a result, members of the management team of CCTV-12, have, on many occasions, been confused about whether they should act as political figures or professional managers.

Compared with the old employment system, the new corporatization-style method has been more effective in stimulating competition among employees since their evaluations are based solely on their work performance. However, problems remain. The top management at CCTV has recognized the fact that program-based employees have not

[297] This data comes from the author's personal sources. The figure in this table is good for year 2003 and is subject to change.

been protected by a system that includes benefits such as health insurance, life insurance, a retirement program, etc. Another problem that management recognized is that since program employees' income is categorized as part of the operating costs and depends solely on merit-based performance, it is hard to relate income taxes to operational cost. Therefore, for quite a long time, employees have been confused about how much income tax they should submit to the state. It can be predicted that in the next phase of CCTV corporatization, longstanding problems such as employee benefits and income tax issues will be given first consideration as important factors in media corporatization reform. The key to resolving these longstanding problems once and for all is to clarify the media's role as an "enterprise" and establish a modern enterprise system in the media field.[298] Media reformers have viewed corporatization-style practices as a halfway house toward media corporatization, and conditions are now ripe for a rectified and normalized (*gui fan hua*) modern media enterprise system.

Subscription[299] Cable Services and Media Content in the Future

Is "socialism with Chinese characteristics" actually capitalism? No one can give a definite answer to such a question since the current economic system in China is indeed uniquely Chinese. Similarly, will media reforms, originally intended to be limited to the media management field, end up with the Western format of free press in China? No one can affirmatively answer this question for now, either. Indeed, current media reform taking place in China does have its "Chinese characteristics." Western scholars have categorized such a media system as a "fusion of Party control and market forces" and a "propagandist/commercial model of journalism."[300] The content and management of the media, to a certain degree, have been successfully separated. While the government has gradually cut off its financial ties to the media, it still holds ultimate control over the media's content.

In both Western and Chinese eyes, China's media reform has not yet blossomed into a Western-style free press. According to Zhao Yuezhi, "If 'a Western, liberal model of the press' is defined by such characteristics as independent news media ownership, legally sanctioned press freedom, and formal institutional independence from the state, it is clear that current developments do not hold much promise for the emergence of such a model in China."[301] Western scholars still see the Chinese media as an "unpredictable, high-

[298] In July 2003, with only a few exceptions, print media were required by the government to sever their financial ties with their government organs and re-register as state-owned enterprises. Broadcast media's role as enterprises is still not officially clarified.

[299] The author's original text used the term "pay cable." The closest equivalent would be either subscription cable or pay-per-view cable, however subscription cable seemed to better capture the author's meaning.

[300] See Zhao Yuezhi, *Media, Market, and Democracy in China: Between the Party Line and the Bottom Line* (Chicago: University of Illinois Press, 1998).

[301] Ibid., pp. 151-2.

stakes" environment.[302] Not completely free from political control, Chinese media are "discouraged from playing a quasi-oppositional role against the government and top leadership."[303] At the same time, however, both Western and Chinese witnesses agree that Chinese media are exercising more and more freedom in media coverage. The next step in development will pose even greater pressure on media content.

Under the new plan, which was set during the National Mobilization Meeting on Digital TV Experiment (held on July 3, 2003), China would launch 150 subscription cable channels by 2010, one-third of which would be aired by CCTV and the rest of which would be aired by provincial-level TV stations. The goal was to have 128 million cable subscribers by 2010 and RMB 100 billion yuan market share.[304] Six CCTV subscription cable channels—CCTV Movies, CCTV Drama, CCTV Football, CCTV MTV, and CCTV Opera—started trial broadcasts on September 1, 2003, in thirty-three major cities across the country.

"[Subscription] cable means quality and choice," and media professionals have realized that content is king in an era of digital TV and [subscription] cable.[305] According to a 2003 *China Digital TV Report* (published by CVSC-Sofres Media and Beijing Broadcast Institute), 77 percent of media organizations in China are most concerned with media content in the context of subscription cable development.[306] Since subscription cable generates profit from subscribers instead of from advertising and the audience has total autonomy in subscription, content thus becomes the number one factor in subscription cable's survival.

The central government has never declared that its propaganda effort would be relaxed. As Elizabeth Rosenthal of the *New York Times* observed, Chinese media liberation is applied unevenly.[307] Weekly meetings are still held at CCTV to review the instructions passed along from the Central Propaganda Ministry and the General Bureau of Broadcasting and Television, and the focus of these instructions is still "to stick to the correct guidance of public opinion." Producers and reporters still experience, from time

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[302] Ellen Hume, *The Media Missionaries: A Report for the John S. and James L. Knight Foundation*, 2004, p. 85.

[303] Li Xiaoping, "Significant Changes in the Chinese Television Industry and Their Impact in the PRC: An Insider's Perspective." Paper presented at the Center for Northeast Asian Policy Studies at the Brookings Institution in Washington, D.C., August 2001.

[304] "*1000 yi fu fei dian shi shi chang ru he zhuan wei zhen jin bai yin* (How Does 100 Billion *yuan* Pay Cable Market Turn into Real Gold and Silver)?" http://news.xinhuanet.com/newmedia/2003-11/14/content_1178752.htm, November 14, 2003.

[305] Sun Yusheng, "*fu fei dian shi yi wei zhe shen mo* (What Does Pay Cable Mean)," http://cul.sina.com.cn/s/2003-11-12/45654.html, November12, 2003.

[306] See CVSC-Sofres Media, *China Digital TV Report 2003-2004*, 2003.

[307] Elizabeth Rosenthal, "Chinese Freer to Speak and Read, But Not Act," The *New York Times*, February 12, 2003.

to time, their stories being "gunned down" at the final stage because they "might stir up social instability."[308] There are still quite a few totally forbidden topics such as press law, which even a TV program dealing with legal issues is not allowed to touch. Those who don't know clearly where the line is and try to push the limits of control to expose the country's deep-rooted social problems still pay a price and risk their careers. At the same time, however, TV practitioners can decipher subtle changes in a seemingly unchanged propaganda framework. It would be a mistake to expect drastic change overnight after the new leadership takes power, and it is equally wrong to be overly pessimistic about the future. The old media system had decades to soak into the social, political, economic, and cultural fabric of the country. A new concept may take just as long. Chinese media professionals today are more realistic and have realized that, for this era, lasting, real change depends on the slow, steady transformation of culture and institutions. *China Legal Report*, for instance, has been airing reports on hard topics such as corruption during the annual National People's Congress for the last several years. In the past, such so-called "negative coverage" would not have been able to appear in the media during such a politically sensitive period. During the Party's Sixteenth National Congress in November 2002, *China Legal Report* had to replay some old shows with "soft" topics to replace all the "hard-topic" stories. The "correct guidance" at that specific period of time was that even "crying faces" were not allowed to appear on screen. During the National People's Congress the following year, after the new leadership took power, *China Legal Report* was able to air stories about serious environmental issues, a mass poisoning case, and a local government's protection for illegal production (see the comparison between Table 3 and Table 4).

[308] The phrase "might stir up social instability" has been used as a general, though vague, explanation by top reviewing team at CCTV when deciding not to air a story.

Table 3. ***China Legal Report*** **Stories Aired during the Party's Sixteenth National Congress in 2002**

Date	Topic of the Story
Nov. 8th	An older couple who had remarried was seeking legal protection for their marriage, which was not supported by the children of both parties.
Nov. 9th	Weekend Special Edition
Nov. 10th	A lottery winner tried to find other evidence to collect his prize after his lottery ticket had been gambled away by his friend.
Nov. 11th	Two best friends ended up going to court to settle the above-mentioned dispute over a 50,000 yuan lottery prize.
Nov. 12th	There was a lawsuit over whether an employee has the right to take his research project with him when quitting a job.
Nov.13th	An older couple disowned their daughter after she refused the marriage they arranged for her. They took the husband-to-be as their son, anyway, but ended up having a dispute with him over financial and property matters.
Nov. 14th	There was a lawsuit between a businessman and a department store over which party had the right to be compensated after the businessman tore up the contract between the two parties in a rage when he found an error.
Nov. 15th	A moneylender tried to find evidence to prove that a borrower owed him money after the borrower purposely destroyed the IOU.
Nov. 16th	Weekend Special Edition
Nov. 17th	Doctors made efforts to find the mother of a baby dumped at a hospital.
Nov. 18th	A woman found out that she could have had a better life path if the local registration bureau had not made errors on her household registration.
Nov. 19th	A father and son were fired by the hospital where they both worked after they reported a mistake that the hospital made to a higher authority.
Nov. 20th	A husband dumped his wife after her face was damaged in a fire accident.
Nov. 21st	A group of women workers filed a lawsuit against a diamond company after it conducted a strip-search of the women for a lost diamond.

Table 4. *China Legal Report* Stories Aired during the 2003 National People's Congress

Date	Topic of the Story
Mar. 5th	Migrant workers fought to get back ten months of back salary owed to them by a construction company.
Mar. 6th	A new legal policy helped a villager get justice after dealing with an unjust verdict.
Mar. 7th	Eighty-four villagers were poisoned by meat sold in a market due to local food inspection officials' negligence.
Mar. 8th	Weekend Special Edition
Mar. 9th	A woman won financial compensation when she divorced her husband, who secretly had a second wife.
Mar.10th	Through a democratic election, a villager was successfully elected the village financial supervisor (despite the opposition of village officials) and then exposed the village officials' abuse of public funds.
Mar.11th	A two-year-old girl died at an unlicensed clinic, and an investigation revealed that illegal medical practices had long been a nationwide problem.
Mar.12th	A residential building's heating system was broken, but no parties would take responsibility due to a flawed contract.
Mar.13th	An illegally run coal mine collapsed and resulted in eleven deaths while the coal mine managers tried to hide the story by buying off the dead people's families.
Mar. 14th	Mass poisoning took place on a farmland where the water was polluted by a nearby paper production factory.
Mar. 15th	Thirty-two junior high school students were hospitalized due to the painting material used for the classrooms. The material contained large quantities of poisonous chemical ingredients.
Mar.16th	A local government protected a factory to enable it to continue producing and selling dangerous electric blankets that had already killed a teenage girl (part I).
Mar. 17th	A local government protected a factory to enable it to continue producing and selling dangerous electric blankets that had already killed a teenage girl (part II).
Mar. 18th	Due to the lack of a public funding system, a villager who was hurt while saving another villager's life ended up going to court to get compensation from the person she saved.

Still a process of "crossing the river by feeling the stones," Chinese media reform is at a point of no return, as is the case with reforms in China's economic realm. The new leadership has realized that reform in institutional structure is among the most important and urgent in developing culture. Li Changchun, the Central Politburo Standing Committee member who is responsible for cultural development, has recently promoted a "Three All" theory: all philosophical boundaries that pose impediments to advanced cultural development should be broken through; all measures and stipulations that bind advanced cultural development should be changed; and all institutional barriers that hinder advanced cultural development should be eliminated.[309] To a Westerner, this might sound more like lip service than a coherent policy regarding the overall scheme for the media's reform and effective strategies for its implementation. Chinese media practitioners, however, are self-trained to be able to read between the lines. Although it is unknown how far away the other side of the river is in terms of Chinese media reform, and it is likely unknown where the Chinese media is heading after "crossing the river," many Chinese media professionals have been convinced, by looking at how far they have come till today, that the river *will* eventually be crossed. One can optimistically foresee that there will inevitably be a breakthrough in the Chinese media world, and that, as a result, media organizations will have more and more autonomy, space, and freedom in both their management processes and content selection.

[309] Li Changchun, "*yao gai jin xuan chuan fang fa, bao dao you xin wen jia zhi de shi qing* (Improving the Method of Propaganda, Reporting on Newsworthy Events)," http://www.Chinanews.com.cn/n/2003-04-16/26/295013.html, April 16, 2003.

Chapter 9: Who Comes First, the Party or the People? The Media Policy of Beijing's "Mass-based Administration"

By Willy Lam

Most Chinese officials, including members of the Fourth Generation leadership, are dismissive of former Soviet Party chief Mikhail Gorbachev's political reform in the late 1980s. Chinese Communist Party (CCP) cadres think that Gorbachev, and later Boris Yeltsin, made a big mistake by first tackling political, and not economic, liberalization. Beijing's reservations about Soviet-style reforms notwithstanding, it is noteworthy that one of the first initiatives of President Hu Jintao and Premier Wen Jiabao was a high-profile advocacy of Chinese-style *glasnost'* or transparency.

While Deng Xiaoping kicked off the reform era more than twenty-five years ago, it is perhaps deplorable that central units such as the CCP Publicity Department (CCPPD), the State Press and Publication Administration, and to a lesser extent, the State Council Information Office, still exercise tight control over the political content and management of media and publishing units. Thus while phenomena comparable to Chairman Mao Zedong dictating *People's Daily* editorials may have become rarer, the practice of senior Politburo members—and to some degree, provincial leaders—exerting heavy influence over the editorial policy and contents of TV stations and newspapers is by no means uncommon. For many cadres, the traditional role of the media as the "throat and tongue" of the Party remains valid.[310]

As part of their so-called "new administration" (*xinzheng*, 新政) the Hu-Wen team has indicated that the media should above all serve as a tool for the popular supervision of the government. This would tally with the Fourth Generation leadership's new idea of *yiren weiben* (以人为本) or "putting people first." The idea of media supervision of the government is not new. For example, it was set forth with much gusto by former premier Zhu Rongji. In a memorable visit to CCTV studios in 1998, Zhu laid down a sixteen-character dictum: "Exercise media supervision and be the tongue and throat of the people; be the pioneer for reform and the mirror of the government."[311] Premier Wen pretty much repeated Zhu's exhortation in a message to the station six years later.

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[310] For a discussion of the orthodox dictum of the media being the "throat and tongue" of the Party, see, for example, Willy Wo-lap Lam, "The Media: The Party's Throat and Tongue Defend the Faith," in Hsin-chi Kwan and Maurice Brosseau, (eds) *China Review 1991* (The Chinese University Press of Hong Kong); Li Xiaoping, "'Focus' and the changes in the Chinese television industry," *Journal of Contemporary China*, Vol. 11, No. 30, February 1, 2002.

[311] Cited in "Premier Zhu Rongji visits CCTV studios," *People's Daily* (Beijing), October 8, 1998. For a discussion of the liberalizing trends in Chinese journalism in 1998, see for example, Li Xiguang, "Great sound makes no noise—Creeping freedoms in the Chinese Press," Working Paper No. 7, 2000, The Joan Shorenstein Center on the Press, Politics and Public Policy, Harvard University; http://www.ksg.harvard.edu/presspol/Research_Publications/Papers/Working_Papers/2000_7.PDF

Actually, particularly after the country's convoluted struggle with Severe Acute Respiratory Syndrome (SARS) in the first half of 2003, the Hu-Wen team went further by unveiling a new ethos of truth telling. And for several months hopes were running high among the intelligentsia that forward-looking changes in the media sector would spearhead the country's overall political liberalization.

In the past two years, media units at both the central and regional levels have, in selected fields, acquitted themselves reasonably well in being the voice of the people. TV stations and publications have run in-depth reports of large numbers of corruption cases as well as abuses ranging from environmental pollution to the profusion of tainted food and medicine. However, it is also clear that the Hu-Wen administration has fallen short of expectations in a variety of areas where state control remains tight. These sensitive, so-called "forbidden zones" range from political liberalization to issues relating to Taiwan and Tibet. Quite a few journalists and scholars have suggested that while adopting a generally more liberal line over non-core matters, the Hu-Wen team is hardly different from previous administrations in insisting that the media must help the CCP maintain the proverbial goal of "long reign and perennial stability." This paper will examine the veracity of this critique—and explore the prospects for further media liberalization in the new "mass-based administration."

Glasnost' With Chinese Characteristics

To better facilitate "popular supervision" of the government, the Hu-Wen administration has taken sizeable steps to liberalize the management of the mass media. Major mouthpieces such as CCTV were told to devote less airtime to the routine activities of Party and state leaders and to generate more publicity for issues and phenomena that are of concern to the masses. A Politburo meeting was held in early 2003 to discuss ways to improve journalistic work. "There should be less coverage of officials and more of the people," the Politburo concluded. "The camera should be after the grassroots; newspaper pages should be reserved for the masses." It added that, in the words of the official Xinhua news agency, media units should "render reporting closer to reality, closer to the masses, and closer to [everyday] life." This became known as President Hu's "three close-to dictums" (*san tiejin*, 三贴近) on the media.[312]

Speaking as a representative of Hu, Politburo Standing Committee (PSC) member Li Changchun held a series of meetings in early 2003 with senior officials running major TV and newspaper outlets. Li, who had quite a conservative reputation when he was Party boss of Guangdong from 1998 to 2002, tried to project an image of openness. "We should use the language of the masses, cite examples close to the life of the people, and

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[312] "Party authorities have decided to provide less coverage on officials, more on the people" China News Service, March 28, 2003; for a discussion of the early stage of media reform under President Hu and Premier Wen, see, for example, Jiang Xun, "The Hu-Wen administration pushes media reform," *Asia Week*, January 20, 2003.

use formats that are liked by the masses," Li said. The senior cadre tried to ease the editors' fear about the phenomenon of ideologues or commissars "brandishing the big sticks" against errant or politically incorrect journalists. The PSC member said that a newspaper would not be penalized just because of one or two offensive articles; nor would a printing press be closed down after a couple of books it had published were deemed too critical of the Party.[313]

By the spring of 2003, it was clear that change was in the air. For the first time in its history, CCTV began detailed, sometimes around-the-clock coverage of a major foreign event: the Iraq War. In an unprecedented move, there was liberal use of footage from foreign TV stations such as CNN and BBC. CCTV was also planning a separate 24-hour news channel. And there was a slight degree of relaxation on the reporting of domestic news. Until recently, all newspapers had to use Xinhua news agency dispatches as the "standard report" (*tonggao*, 通稿) for the speeches and activities of state leaders or Politburo members. Other than policy statements made by senior cadres—in which case the *Xinhua tonggao* still has to be used—provincial and municipal papers finally had more leeway in filing "color" features on these leaders' activities while traveling in individual regions.[314]

There was little doubt that the SARS outbreak contributed to the new regime of transparency. April 20, 2003, would go down in the history of Chinese journalism as the day when two senior cadres—Health Minister Zhang Wenkang and Beijing Mayor Meng Xuenong—were sacked, in part for covering up true figures about this major socio-political phenomenon. Earlier, Premier Wen had vowed that there would be no "delayed reporting, under-reporting or hiding of facts" relating to the outbreak of the disease. Orders were given to all central and regional-level officials to observe scrupulous standards about "accurate, timely and honest reporting" concerning the epidemic.[315]

During the period of the outbreak, instructions also were given to provinces and cities to stop interfering with efforts by media units within their jurisdictions to cover "negative" or politically embarrassing news. In May 2003, the State Council published a set of Contingency Regulations Regarding Accidents in the Public Health Sector, which required governments of all levels to set up an information dissemination system to

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[313] Wang Jinchang, "Loosen up the straitjacket of culture," China News Service, June 9, 2003; Liu Kang, "Li Changchun: Strengthen the improvement of propaganda and ideological work," Xinhua News Agency, April 15, 2003.

[314] Compared with mainstream morning papers, evening tabloids (as well as economic or financial papers) have more leeway in the reporting of political news that may be deemed sensitive. For example, the liberal Guangzhou-based *21st Century Business Herald* raised eyebrows when it published a story on July 1, 2004, insinuating that the son of Premier Wen, Wen Yunsong, had received bribes from the boss of a major insurance company.

[315] "Officers who hide SARS information will have to shoulder legal responsibility," *Wen Wei Po*, April 16, 2003.

publicize related news in a timely manner.[316] The official media cited the Hangzhou city government as a paragon in the accurate and speedy dissemination of news. This extended to news on other subjects as well. For example, in late March, an explosion took place near a primary school, injuring twelve students. The local government arranged a press conference on the subject within four hours.[317]

Forward-looking cities, such as coastal Guangzhou and Shenzhen, have adopted the Regulations on Open Government Information that are in some ways similar to the Freedom of Information Acts in Western countries. For example, Guangzhou and Shenzhen have appointed specific government spokespeople who were required to divulge important information (for example, occurrences of major traffic or industrial accidents) within twelve hours of their having taken place. In late 2003, the Shenzhen municipal authorities rushed through legislation stipulating that officials who withheld information from or misled reporters would be penalized.[318] By mid-2004, most regional and municipal governments had established a system of government spokespeople to handle public affairs and public relations functions.

Has the new regime of relatively more openness and transparency produced results? At least for a time—and occasionally, even regarding matters deemed sensitive or embarrassing to the administration. In May 2003, the world was taken aback when Beijing announced an accident involving Submarine 361, a Ming-class vessel off the Yellow Sea, in which all seventy officers on board perished.[319] It was the first time since 1949 that CCP authorities had voluntarily come clean on a major military accident. In the wake of the SARS epidemic, relevant government departments, as well as the media in general, have been more forthcoming with news about AIDS and other epidemics. Until late 2003, simple data such as the number of HIV-carriers and other related information were considered "state secrets."

The Impact of Commercialization

It is unlikely that Beijing will, in the first half of the decade, lift the ban on the formation of non-Party-controlled or private media—the prerequisite for real press freedom. However, there are signs that commercialization will be a potent force and catalyst for pluralism in the media, if not yet for media liberalization.

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[316] "Establishing a news dissemination system for accidents in the public health sector," *People's Daily*, May 21, 2003.

[317] "Hangzhou government publicizes accidents without delay," China News Service, April 3, 2003.

[318] Xiong Junhui, "It is illegal for Shenzhen's news spokesmen to refuse to answer questions," *Wen Wei Po*, July 14, 2004; Wu Limin, "Shenzhen to introduce regulations on [the government] accepting media supervision," China News Service, July 15, 2004.

[319] Anthony Kuhn, "Chinese submarine accident kills all 70 aboard," *Los Angeles Times*, May 2, 2003.

Take the print media for example. In 2002, China boasted 9,029 magazines and 2,137 newspapers. Of the papers, 212 categories were considered "national" and 771 "provincial" in nature. Due to the sheer number of publications on the market, it is quite obvious that these publications were faced with cutthroat competition—and that quite a few were on the point of bankruptcy. The financial burden of the media was exacerbated by the fact that, starting from the late 1990s, subsidies to publications run by Party and government units or state-owned enterprises had dropped consistently. In mid-2003, a key source of income for many national and provincial papers—mandatory subscription by government departments and employees—also came to an end. The CCP Publicity Department (CCPPD) issued instructions forbidding state papers and magazines from soliciting obligatory subscriptions from official units.[320]

Because papers and magazines have to support themselves, they have to stake out turf and compete for readers by publishing often times racy and sensationalist content. These media units also have to hire the best and the brightest journalists, who are usually in their late 20s to 40s.[321] Beijing media observers have pointed to a tendency by some papers to copy the style and even layout of popular Hong Kong media publications, such as the *Apple Daily*, which is famous for colorful reporting of social news. And as long as they stay away from politics and concentrate on "social and cultural news," these new media units are usually left alone.

To break even, traditional state behemoths have also had to "change their mind-set" and publish more exciting sidekicks. Thus, staid Party mouthpieces have started running lively afternoon or weekend offshoots to make extra income. Take, for instance, the *People's Daily*, whose circulation has slumped from 5.2 million to a little over 2 million in 20 years. In 2001, *People's Daily* came out with the reader-friendly *Beijing Times*, which had more lively news and feature items—and much more commercial potential. And the Xinhua news agency's tabloid, the *Reference News*—which offers a mixture of major foreign news as well as updates on miscellaneous interesting happenings in different parts of the world—boasts a circulation of more than 2 million.[322]

Perhaps in an attempt to restore order to the media market, central and provincial administrations have, from the mid-1990s onwards, been nurturing large news conglomerates. On the one hand, this corresponds with the economic and industrial policy of fostering umbrella state-owned enterprises along the lines of the Japanese and Korean *zaibatsu* or *chaebol*. On the other hand, it is also easier for such huge news

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[320] Nailene Chou Wiest, "Ban on forced paper-buying bolstered," *South China Morning Post*, July 25, 2003; "Restructuring of Chinese papers and publications has attained early-stage results," Xinhua News Agency, March 15, 2004.

[321] Jiang Xun, "40,000 journalists to lose their jobs," in *Asia Weekly*, August 31, 2003.

[322] For a discussion of the offshoots of well-established media units, see, for example, Paul Mooney, "Breaking the news," *Newsweek* Asia Edition, July 28, 2003.

groups to come under the control of the Party and government, which are in a position to appoint the senior executives as well as chief editors.[323]

Usually, the predominant TV station or newspaper in a city—usually the oldest Party-run station or paper—is encouraged and often given financial help by CCP or government authorities to form a conglomerate. Li Changchun pointed out in early 2003 that, for the sake of efficiency and economies of scale, more media groups should be formed through a series of mergers or takeovers. Li noted that there should be "five unities" within a news conglomerate. Thus all of the units of the umbrella group can use one library or information bank, one distribution system, one system of financial management, one personnel network, and one set of management.[324]

Despite China's accession to the World Trade Organization (WTO), Beijing has consistently refused requests by foreign TV stations or newspapers to set up news-related joint ventures in China. As of late 2004, Beijing had only permitted a select number of foreign media companies to publish magazines or broadcast TV programs that were of a non-political nature. For example, there are Chinese editions of several well-known American and European magazines specializing in fashion, high technology, and business. However, Beijing indicated in 2003 that Chinese editions of news magazines such as *Newsweek* and some business magazines such as *Forbes* and *Harvard Business Review* would be barred from the Chinese market.[325]

Beijing also has allowed a couple of American TV networks to broadcast entertainment programs run by their subsidiaries in the Pearl River Delta area in Guangdong, which is sometimes dubbed a "special media zone." However, officials made clear in 2003 that it was unlikely that these multinational companies would get nationwide licenses, *even* for purely entertainment programming. Moreover, joint-venture news operations would remain an impossibility in the foreseeable future. And in the few instances where joint-venture media organizations—notably Phoenix TV, a hook-up between the News Corp's Rupert Murdoch and Liu Changle, a savvy Hong Kong-Chinese businessman with a military background—are given sizeable access to the Chinese market, Beijing has made sure that the Chinese partners are politically reliable.[326]

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[323] By the time the Wen Jiabao cabinet was sworn in (March 2004), plans were afoot to reduce all State Owned Enterprises nationwide to 180-odd elite companies. These would include several media-related concerns, although the long-term blueprint is still to convert them into shareholding firms that will be floated on the stock market.

[324] Cited in Lin Ying, "Li Changchun urges structural reform in five areas," *Wen Wei Po*, May 29, 2003.

[325]For a discussion of Beijing's treatment of Chinese editions of Western media, see, for example, "China editions of three American magazines barred from the mainland," *Ming Pao*, March 30, 2003.

[326] Hui Yuk-min, "China blow to foreign TV hopes," *South China Morning Post*, February 24, 2003; for a discussion of the prospects of foreign media breaking into the China market, see Zhou Wei, *Report from the Media Frontline*, (Beijing: Guangming Daily Press, 2003), pp. 104-150.

Limitations on Media Liberalization

The Censors Fight Back

By early 2004, however, it was clear that while the media had become more lively—and timely—with the news, Beijing had yet to relax its tendency to censor or tone down politically incorrect reporting. According to the New York-based Committee to Protect Journalists (CPJ), forty-one journalists were in jail in China in 2003, making China the worst offender in infringement of media freedom for five years in a row.327 Given the country's fast-growing economic strength, the leadership is also spending record sums of money to hire staff or erect electronic firewalls to ensure the cleanliness and rectitude of the media.

In mid-2003, organizations such as the CCP Publicity Department disseminated clear-cut instructions to media not to venture into a number of taboo areas. These included the "political significance" of the SARS outbreak; political reform in general; the revision of the constitution; factional intrigues within the Party; as well as more "traditional" taboos such as the June 4 crackdown, the fate of former Party chief Zhao Ziyang, and the exploits of the Tiananmen mothers. In late 2003, the reputedly conservative and obtuse Vice-Chief of the department, Ji Bingqian, cited as many as twenty-five "forbidden zones" that were off limits to reporters.[328]

Liberal intellectuals were particularly frustrated with the ban on the public discussion of the revision of the 1982 Charter, which took place at the National People's Congress plenary session in March 2004. They argued that, since the Constitution included principles and ideals that affected the lives of every Chinese, there should be unfettered discussion and debate on the subject in the media.[329]

As in the *ancien régime* of Jiang Zemin, news that touched on CCP factional dynamics was considered too sensitive for the eyes and ears of the masses. Take for example, the scandal surrounding Zhou Zhengyi and his Nongkai Corp. (as well as several other big bosses and companies in Shanghai). These rags-to-riches businessmen were said to have close ties with members of the so-called "Shanghai Faction," led by ex-president Jiang Zemin. Beijing imposed a ban on coverage of Zhou and related figures in Shanghai soon

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[327] For a discussion of the threats facing Chinese journalists, see Sophie Beach, "In China, new journalism and new threats," paper released by the Committee to Protect Journalists, New York, August 24, 2004.

[328] For a discussion of the "forbidden zones" and censorship in general in China see, for example, He Qinglian, "Media Control in China," Human Rights in China (New York) occasional papers, No. 4, 2004, http://iso.hrichina.org/download_repository/2/a1_MediaControl1.2004.pdf

[329] Author's interview with Cao Siyuan in Beijing, December 2003. Cao is a noted reformer who organized a "private" seminar on constitutional reform in Qingdao in the summer of 2003. Cao, who was harshly criticized by the Party for his radical reform ideas, also suggested that the new constitution should enshrine the people's "right to information."

after Zhou's detention in mid-2003.[330] Even such a prestigious magazine as the *Caijing* was upbraided by the authorities for running a cover story on Zhou in June that year. And the influential publication *China Business* was reprimanded in September for running a story entitled "84 percent of projects in Shanghai suspected to be against regulations."[331]

Moreover, Hu and Wen have hardly tackled serious institutional and ideological barriers to press freedom. The editors of major electronic and print media owe their jobs—and promotion prospects—to central and local-level publicity departments. And central and regional ideological or propaganda units often appoint doctrinaire bureaucrat-commissars to media organizations deemed to have fallen out of line. This was the case with the liberal Southern Weekend Group (SWG) of newspapers in Guangzhou. After closing down the *21st Century World Herald* (a publication that was a member of the SWG) for publishing a no-holds-barred interview with liberal Party elder Li Rui, the Guangdong provincial committee named a conservative bureaucrat from its Publicity Department, Zhang Dongming, as a Deputy Chief Editor of the group. After this, reporting in the *Southern Weekend* and its sister publications has become generally less "provocative."[332]

In effect, the censors have been resorting to ever more ingenious methods to penalize freethinking editors and reporters. One is to zero in on the alleged "economic misdeeds" of journalists in management positions. The hefty sentence imposed on the general manager and chief editor of the muckraking Guangzhou *Southern Metropolitan News*, respectively Yu Huafeng and Li Minying, was a case in point. In March 2004, Yu was sentenced to twelve years in jail and Li was sentenced to eleven years in jail for alleged corruption and embezzlement. (Owing to vigorous lobbying by intellectual groups as well as foreign watchdogs, the jail terms were reduced to eight and six years, respectively, three months later). For a number of observers, including Chinese lawyers and international human rights watchdogs, however, this looked like an official vendetta against the paper's publication of a series of politically incorrect articles about corruption and public health. The colleagues of Yu and Li said that the two had merely taken bonuses awarded to them in recognition of the paper's commercial success.[333]

Beijing has also been cracking down on efforts by dissidents and intellectuals to use new media—particularly the Internet and mobile phone text messaging—to spread information deemed hostile to the government or politically destabilizing. The years 2003

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[330] Staff Reporter, "Avoid graft case, journalists told," *South China Morning Post*, June 16, 2003.

[331] Ni Weizhen, "Shanghai media penalized for untruthful reporting," *Wen Wei Po*, September 26, 2003; Xu Guojie, *China Securities News* (a Chinese financial newspaper) "The media have difficulty finding out about the Zhou Zhengyi case," June 4, 2003; Ling Huawei, "The rise and fall of Zhou Zhengyi," *Caijing* magazine, June 20, 2003.

[332] Richard McGregor, "China moves to control liberal paper," *Financial Times*, May 4, 2003.

[333] Elaine Kurtenback, "Chinese experts urge retrial of editors," Associated Press, April 9, 2004; "Jail terms for Guangdong paper chiefs reduced," *Ming Pao*, June 16, 2004.

and 2004 saw the detention of dozens of "illegal" webmasters and site operators as well as intellectuals who had posted politically risqué articles and messages on the net.

The New York-based Committee to Protect Journalists (CPJ) noted in its 2004 report that "the arrest of prominent and outspoken commentator Du Daobin in late 2003 sent a clear message to all Internet writers that free expression online will not be tolerated." In mid-2004, Du was given a three-year jail term for allegedly subverting socialist order. While by traditional Chinese standards the punishment meted out to Du—as well as that given to another Net dissident, "stainless steel mouse" Liu Di several months earlier—was considered light, the persecution of liberal opinion constituted yet another blotch on the record of the Hu-Wen administration.[334]

From an institutional perspective, the Fourth Generation leadership has covered no new ground. The long-awaited law of journalism is nowhere near completion or promulgation.[335] The establishment of media-censoring units of different levels, such as the CCPPD, has remained intact despite the Hu-Wen team's intention to further streamline the Party and government bureaucracy. It is true that Hu and Wen drastically curtailed the number of journalists traveling with senior Politburo members during their overseas visits. Since the late 1990s, Beijing has vastly expanded so-called "Internet police forces" to prevent the Net from becoming a channel for subversion. Cyber-cops have also spent lavishly on commissioning and importing firewall software from the United States and Europe both to prevent Chinese from accessing forbidden websites and to trace the authors of politically objectionable Net postings.[336]

The Party leadership also has retained age-old practices about media control that run counter to the new principle of the media supervision of the government. Take, for example, restrictions imposed on media exposure of the corruption and economic crimes of officials. The longstanding protocol—that Beijing's permission must be sought before the media can reveal anything about the misdemeanors or dereliction of duty of cadres at or above the level of vice-minister—still holds true.

Liberal Journalists and Scholars Have Their Say

Buoyed by at least the initial openness of the Hu-Wen team—as well as by Beijing's commitment to transparency in the later part of the SARS period—quite a number of

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[334] "Light sentence for subversion crime given to Hubei dissident," *Hong Kong Economic Journal* (HKEJ), June 12, 2004.

[335] First drafts of a law on journalism were presented to officials as early as the mid-1980s; however, the Party authorities have continued to drag their feet despite lobbying by liberal editors. For a discussion of this issue see, for example, Zhou Ruijin, "Expectations for the early introduction of a Law on Journalism," *Wen Wei Po*, August 22, 2004.

[336] For a discussion of the establishment of "information police" and "cyber-cops," see for example, "Media supervision subject to interference," *Ming Pao*, September 19, 2003; Staff Reporter, "Fears grow of clamp on Internet freedoms," *South China Morning Post*, December 19, 2002; Mark Magnier, "China authorities battle hard to tighten the web," *Los Angeles Times*, January 13, 2004.

journalists and scholars made bold calls for genuine media reform. One such noted figure was the former deputy chief editor of *People's Daily*, Zhou Ruijin, who played a key role in popularizing Deng Xiaoping's reforms in the mid-1980s. Writing in the liberal journal *Caijing*, Zhou pointed out in early 2003 that "an open media environment, in addition to a cadre responsibility system, could be the catalyst for political reform." He also urged that "a new kind of system that tallies with the characteristics of a modern society," be established between the government and the media. The relationship between the two, Zhou said, should be like that between friends as much as like that between teachers and students.[337]

Journalists are also more forthcoming about the obstacles they meet—including those that originate from conservative officials. CCTV editors have openly groused about having met with different sorts of interference in exercising "media supervision of the government." According to anchor Jing Yidan, more than 45 percent of all TV programs in 1998 could be said to fulfill the function of media supervision. The figure had fallen to 17 percent by 2002. Jing claimed that parties that were the butt of criticism had mobilized both official and unofficial means to suppress "negative" programs. Editors working for the award-winning program "Focus" have complained that administrations of different levels are either uncooperative or downright hostile toward their news crew.[338]

Perhaps the most frontal attack on the business-as-usual attitude of media czars and cadre came in the form of an open letter written by a young Peking University journalism professor, Jiao Guobiao. In his 14,000-character article blasting the conservative, retrogressive ways of the CCPPD (which was posted on the Net in March 2004), Jiao said that the department had stifled the voice of the righteousness of the people as well as the legitimate functions of the media "under the ostensible pretext that 'upholding stability is the overriding task [of the central authorities]'." "The media could have done 10,000 good things for the nation," Jiao said in his statement. "Yet owing to the CCPPD's backward and benighted mentality as well as its dictatorial working style, 9,999 of the [potential] good deeds were stopped." The journalism scholar also criticized the "unprofessional" manner of the censors. To avoid public censure or legal action, the commissars have shied away from issuing written proscriptions. Very often, they just call up a certain newsroom or publishing house to pass messages about, for example, the banning of a certain article or author. While Jiao received a warning from his university, his petition elicited widespread support from the nation's hard-pressed journalists.[339]

Another bombshell was lobbed at the authorities by well-known *China Youth Daily* (CYD) reporter Lu Yuegang in mid-2004. In an internal memo that was subsequently posted on the Net and featured by Western publications, Lu scolded the No. 2 of the

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[337] Zhou Ruijin, "The media has a big responsibility in pushing forward open access to information," *Caijing* magazine, June 20, 2003.

[338] "Program anchor tells Premier Wen of interference in media supervision of the government," *Ming Pao*, September 17, 2003.

[339] Jiao Guobiao, "Blasting the Publicity Department," *Asia Weekly*, April 18, 2004.

Communist Youth League Central Committee, Zhao Yong, for trying to tone down coverage of political news by the CYD and its subsidiary paper, *Youth Reference*. "The Communist Youth League Central Committee can place trash cans in the CYD, but it cannot turn the CYD into trash," Lu said. The courageous reporter's petition attracted wide attention because it was generally assumed that, owing to its connection with President Hu (a former Communist Youth League leader), the CYD would be given more favorable treatment by the censors.[340]

The Impact of Factional Intrigue on Media Policy

The apparent lack of progressiveness in media policy has been exacerbated by CCP factionalism. Much has been written about the tug-of-war between the Hu-Wen group and the so-called "Shanghai Faction" led by ex-president Jiang Zemin and Vice-President Zeng Qinghong.[341] While the bulk of this internecine wrangling is taking place under the table—and it is often difficult to pinpoint hard and fast evidence of the power struggle—the impact on media policy and practice is palpable.

Regarding the division of labor within the top echelons of the Party and government, media policy belongs in the portfolio of Politburo Standing Committee member Li Changchun as well as Liu Yunshan, who is the Politburo member in charge of the CCPPD. Although in terms of their past careers and affiliations both Li and Liu would seem to be closer to the Shanghai Faction, they are also anxious not to run afoul of the Hu-Wen team.[342] Indeed, at least in the first half of 2003, Li was most conscientious in helping Hu spread the message about media transparency. Journalists and academics in Beijing have pointed out that as long as it is uncertain which dominant faction will come out on top, cadres in the propaganda establishment would rather err on the side of caution—and conservatism.

The Zhou Zhengyi case is a good illustration of the factional dimension of media policy. Soon after news about Zhou's detention spread in mid-2003, Shanghai officials took pains to prevent out-of-town newsmen from reporting on the scandal. The municipal media itself gave minimal exposure to what certainly was one of the most seminal Shanghai stories of the year. The same was true of local coverage of the plight of lawyer Zheng Enchong, who acted on behalf of the many residents in the downtown Jing'an District who were forced to leave their homes to make way for Zhou's urban-renewal

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[340] Nailene Chou Wiest, "Journalist slams Party for 'taming' paper," *South China Morning Post*, July 10, 2004; "Reporter slams Party authorities for looking for 'obedient servants'," *Ming Pao*, July 15, 2004.

[341] For a discussion of the power struggle between the Jiang Zemin and Hu Jintao-Wen Jiabao factions, see for example, Willy Wo-Lap Lam, "A house divided: Contentious politics within the CCP," *China Briefing*, The Jamestown Foundation, Washington D.C., www.jamestown.org, August 5, 2004. However, there are no major disagreements between Jiang and Hu on the treatment of journalists despite the latter's generally more open attitude toward the role and functions of the media.

[342] For a discussion of the relationship between Hu and Li Changchun, see, Qiu Ping, "Power struggle within the Fourth Generation leadership," (Hong Kong: Xia Fei Er Press, 2004), pp. 86-92.

projects. In general, Shanghai TV stations and newspapers gave fairly perfunctory treatment to initiatives that could be identified with Hu and Wen, for example, their exhortations about "putting people first" as well as chasing after unpaid salaries for migrant workers.[343]

It is also interesting to note the frequency with which ex-president Jiang's vaunted "Theory of the Three Represents" is covered by different media categories. Not surprisingly, the military press, including the main mouthpiece, the *PLA Daily*, has given the most exhaustive and upbeat coverage on this "important" theory even after Jiang ceased to be Party chief and state president. Indeed, the PLA media has remained a propaganda base for extolling the CMC chairman's contributions to not only military modernization but also other aspects of national life. Analysts have been struck by the fact that, for a few months after Jiang's retirement from the Politburo in November 2002, the *PLA Daily* was still running articles aplenty citing the need to "resolutely heed Chairman Jiang's instructions at any time and under any circumstances."[344]

Not surprisingly, given their anxiety to project the image of a close-to-the-masses cadre, both Hu and Wen are eager to boost their control over media management. Among senior media executives, the head of the Xinhua news agency, Tian Congming, is probably closest to Hu. The president got to know Tian well when Hu was Party secretary of Tibet and Tian was a Xinhua correspondent in the Western autonomous region.[345] It is believed that through their control over Party and government appointments, the Party chief and premier have, since late 2002, appointed more protégés to important media management positions.

Conclusion: Media Reform vs. the Party Leadership's Views on History and Modernization

Largely due to factors such as still-potent censorship and factional politics, the media's function as the voice of the people has yet to be fully developed. As of late 2004, the media has left perhaps the deepest impression on Chinese and foreigners as a whistle-blower on the thousand upon thousand of fake and often dangerous products—food, baby formula, liquor, garments—that have flooded the Chinese market. While the phenomenon

[343] See, for example, Susan V. Lawrence and Kathy Chen, "China is cracking down on its state-run sector while opening markets," *Asian Wall Street Journal*, June 25, 2003.

[344] For example, an article in the December 2, 2002, edition of the *PLA Daily* ("All officers and soldiers in the Army and PLA study the Report of the 16th Party Congress") said officers from various PLA and PAP units had vowed that they would "resolutely heed the instructions of the Party central authorities, the Central Military Commission, and Chairman Jiang at any time and under any circumstances."

[345] For a discussion of the relationship between Hu Jintao and Tian Congmin, see, for example, Su Li, *The Crown Prince of the Chinese Communist Party*, (Hong Kong: Xia Fei Er Press, 2002), pp. 209-311.

of counterfeit goods is hardly new, it is due to the diligent work of journalists that these malpractices have been exposed.[346]

In the wake of the Hu-Wen team's advocacy of "the scientific approach to development," the media has also exposed transgressions against the new administration's standards of balanced, coordinated, and sustainable economic growth. For example, there have been in-depth and well-executed reports about "the dark side of society," ranging from dilapidated schools in the Western provinces to substandard, pollution-generating sweatshops in boom towns along the eastern coast. The media has also been instrumental in popularizing the idea of a "cadre responsibility system," whereby an official has to take political responsibility for mishaps, including industrial accidents or major fires, in his or her area of jurisdiction. The vastly popular "Netizens' corner" of the *People's Daily* website has furnished readers with a venue to air grievances against officials. A recent complaint pointed out that while more than 7,000 vehicles in Shanxi Province were deemed "too luxurious" for cadres, only twenty-six officials were penalized for overspending and other irregularities![347]

There also are indications that, if only to gain more readers (and advertisers), the limited but still-significant muckraking work done by the younger generation of journalists will become more widespread. The beneficial aspects of commercialization will be fully realized when more news organizations have become companies listed on the stock market. The relatively liberal *Beijing Youth Daily* was due to be listed in late 2004, to be followed by the *China Daily* some time in 2005.[348] It is understood that quite a number of senior cadres close to Hu and Wen (for example, Head of the State Commission on Economic Development and Reform, Ma Kai), have suggested that, under the principle of the separation of Party and business, a media organization that has been transformed into a shareholding company should no longer be controlled by the CCPPD. If this new thinking is transformed into policy, the censors in the CCPPD may lose a lot of power.

However, it is also clear that, in general, the seamier aspects of Chinese society are exposed in the press only after the leadership has given the requisite green light. This is true for stories about the illegal eviction of urban and rural households for real-estate development, or efforts by migrant workers to chase back salaries owed them by unscrupulous employers. And until Premier Wen's now-famous handshakes with AIDS patients in late 2003, there was practically no reporting on the plight of these social outcasts.[349]

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[346] National and local media was very active through 2004 reporting on all sorts of fake products, ranging from non-nutritious milk powder to counterfeit currency. Coverage of the fake milk powder produced in Fuyang city, Anhui province, led to the dismissal of several Fuyang officials in the middle of the year.

[347] For a discussion of the "cadre responsibility system," see, for example, Wang Ke'an, "Who is responsible for more than 7,000 illegal vehicles," *People's Daily*, June 15, 2004.

[348] "*Beijing Youth Daily* may be listed on the Hong Kong stock market soon," HKEJ, August 16, 2004.

[349] For a discussion of China's cover-up of AIDS, see, for example, "Locked doors: the human rights of people living with HIV/AIDS in China," by Human Rights Watch, New York, 2003,

Why has the Beijing leadership failed to push forward its early 2003 initiatives in media liberalization? Perhaps the most serious impediment to changes in this crucial arena is the tendency of the Hu-Wen leadership to see the process of modernization in watertight compartments. In other words, aspects of reform that may vitiate the CCP's ruling-Party status can be postponed or adulterated. Thus it is okay to focus on rendering the economy market-oriented. Yet political liberalization and media reform can apparently wait—and time-honored methods of spin doctoring and controlling the media can still be used with impunity.

Over the long term, the Hu-Wen team has yet to rectify the CCP's time-honored tradition of regarding information as a political tool to sustain ironclad political control. As Bao Tong, a senior aide to disgraced Party chief Zhao Ziyang, pointed out in a 2003 article on SARS, the politicization and manipulation of news and information began with the CCP's first-generation leadership. This so-called "noble heirloom" of the Party, Bao said, was a major instrument for preserving stern one-Party dictatorship.[350] It is notable that in his message to the staff of the "Focus" TV program in April 2004, Premier Wen played up the "sameness" of "being responsible to the Party and being responsible to the people." The premier added that the media must at the same time "make propaganda for the Party's objectives and reflect the people's opinions."[351]

Of no less import are the leadership's views on whether, again for the sake of prolonging the CCP's mandate of heaven, a cover-up should continue to be imposed on ugly and embarrassing events in recent history. Whether Beijing has the courage to face up to—and give a full account of—the CCP's aberrations over the past decades is critical to the future of media reform. These mishaps range from the famine of the late 1950s to early 1960s to the Tiananmen Square crackdown, the details of which have never been divulged. It is interesting that while the authorities suppressed an account of the massacre given by PLA surgeon Dr. Jiang Yanyong in 2004, they also discouraged the publication of the 1989 events as told by former premier Li Peng. While Li's account is understandably self-serving, its public appearance might at least have stimulated debate on the subject.[352]

According to a Beijing-based Party historian, many blunders and disasters of recent decades are still cloaked in secrecy and lies because venerable CCP leaders or retired

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http://www.hrw.org/reports/2003/china0803/2.htm.; see also Anatoaneta Bezlova, "SARS jolts Beijing into action on AIDS," *AsiaTimes* Online, November 14, 2003.

[350] Cited in "Interview: Bao Tong on human rights in China," *Epoch Times* (a U.S.-based Chinese language paper and website), March 13, 2004.

[351] "Wen Jiabao writes letter to *Focus*," Xinhua News Agency, April 21, 2004.

[352] For a discussion of Li Peng's apparent efforts in 2004 to put the blame of the June 4, 1989, crackdown on Deng, see, for example, "Li points finger at Deng for Tiananmen," AFP, August 18, 2004; Jonathan Watts, "China's Li blames Deng Xiaoping for Tiananmen," *The Age* (an Australian newspaper), August 20, 2004.

senior cadres are involved.[353] For example, he said, late patriarch Deng Xiaoping played a sizeable role in the infamous Anti-Rightist Movement of the 1950s, which led to the disgrace and death of tens of thousands of cadres and intellectuals. Apart from Deng, a number of newly retired cadres took part in the fateful decision to order soldiers to fire on students and civilians the early hours of June 4, 1989.

The historian said giving a full disclosure of what—and who—was behind these debacles and scandals would help immeasurably to establish new norms about speaking the truth, including media coverage. While it is unlikely that Fourth Generation leaders such as Hu or Wen would dare touch historical taboos in the short term, fast-changing circumstances such as globalization and other aspects of integration with the Western world may force them to bite the bullet sooner rather than later. To further consolidate its legitimacy—and international standing—the Hu administration needs to do something concrete to address the credibility crisis that the CCP still faces at home and abroad. And a courageous act such as coming clean on the Party's mistakes in 1989 could go a long way toward earning the international community's faith in Beijing's commitment to "seek truth from facts."

[353] Author's interview with a retired Communist Party historian, Beijing, December 2003.

Chapter 10: China's New Media Milieu: Commercialization, Continuity, and Reform

By John Pomfret

In 2002, a Chinese company bought a majority stake in a down-at-the-heels calculator and pager manufacturer in Hong Kong called Sino InfoTech Holdings Limited, thereby ensuring itself a place on the Hong Kong Stock Exchange.

The backdoor listing of the firm that identified itself as SEEC Media followed a road paved by dozens of other Chinese companies seeking access to foreign capital. Like many of the firms that did backdoor listings, SEEC was incorporated in the Cayman Islands and its leadership boasted a high level Communist pedigree. What was unusual about SEEC's listing was that it marked the first time that a Chinese media company had placed its shares on a foreign stock exchange. While the firm that was listed dealt only with advertising and distribution of several influential magazines and newspapers collected under the Beijing-based conglomerate, the listing was viewed as a major breakthrough for a political system that had long opposed foreign investment in China's media.

The listing of SEEC Media on a foreign stock exchange is emblematic of major changes taking place in the ownership of China's media. Through a variety of methods—the use of private and foreign investments, and stock-market listings—China is extending the market-based reforms that have transformed other sections of its economy to one of the last bastions of Communist control—the media industry. China's stated goal is to establish its own media titans, similar to Time Warner Inc. or News Corp. But at the same time China does not seek to create a free media. These contradictory aims—of establishing successful media conglomerates and maintaining control over content—are the makings of fireworks, as the demands of the marketplace clash with the demands of the one-Party state.

Spearheaded by Politburo Standing Committee member Li Changchun, the reform, which began in 2003, has moved furthest with China's print media. Under a broad plan proposed by the State Press and Publication Administration, all print media are registering as companies, responsible for their own profits and losses. The plan has opened the door to foreign and domestic private investment in publications not specifically earmarked as speaking for the Communist Party, with a maximum allowable 49 percent equity stake for private investors. Local propaganda bureaus were also instructed to close hundreds of unprofitable county-level newspapers.

Government officials also want to end the so-called "mandatory subscriptions" of many smaller official newspapers and other publications, but this reform seems to have run up against serious opposition from local propaganda bureaus, which get a percentage of the

profits of such publications. Forced subscriptions account for a major source of the revenue of such publications—as much as a third of total subscriptions, Tang Xujun of the Chinese Academy of Social Sciences told *The Wall Street Journal* last year.

It is significant to note that these changes are not being forced by foreign competition or by China's agreements under the terms of its accession to the World Trade Organization. A range of foreign titles—including *Cosmopolitan*, *Elle*, and *BusinessWeek*—have Chinese editions, but Chinese-owned companies publish them under license. And China's commitments to the World Trade Organization call only for the liberalization of retail and distribution of media, not liberalization of media content. "We aren't feeling much pressure from outside, because this sector will be opened only very slowly," He Li, editor-in-chief of China's *Economic Observer* newspaper, recently told *The Wall Street Journal*.

China's media has changed enormously over the past few decades. The range and depth of topics that are regularly explored in the pages of China's press, on its airwaves, and on TV, has increased substantially since 1978 when Deng Xiaoping set about reforming China's economy and opening the country up to the outside world. Social issues like pre-marital sex, homosexuality, AIDS, domestic violence, corruption, illegal land sales by Communist Party functionaries—which were all taboo in the past—can now be explored with unprecedented candor. China's foreign policy now can be debated, and writers can advocate change in Beijing's foreign stance—something that had been banned for decades. Scandals in one province often can be revealed by newspapers in another province because local propaganda departments increasingly do not care what a newspaper reports about other areas as long as it does not report bad news about its hometown. The advent of the Internet in China has brought more information faster and more accurately into the hands of more Chinese than ever before.

However, there remain numerous roadblocks to China's shift to a media that is truly independent from the state, and I think those who predict that simple marketization will inevitably lead to a freer media are too optimistic. For example, the current bout of reforms and experiments in the ownership of China's media is coinciding with a significant tightening of government controls on the press. The advent of the Hu-Wen government has brought no breath of fresh air to the substance of China's media. Chinese reporters and editors say the current media clampdown is the most serious since the fall of 1998 when the Party moved to end what *Newsweek* called a "Beijing Spring," shuttering several periodicals, banning several leading liberals from publishing in China, and tossing a dozen members of the China Democracy Party in jail.

Chinese reporters and editors say that, in recent months, the number of documents banning reports on a variety of subjects issued by the Ministry of Propaganda has skyrocketed. And whereas in the past the warnings often were verbal because embarrassed cadres did not want to leave a paper trail, nowadays propaganda Minister Liu Yunshan and his minions are apparently writing down the rules. China remains one of the worst offenders of press freedom, putting more journalists in prison annually than any other country in the world. In its 2002 report on global press freedom, the Paris-

based Reporters Without Borders ranked China 138th out of 139 countries, with North Korea at the bottom.

Another impediment to a freer media is that, in today's China, there remains scant commitment to the special responsibility of the press toward society, what is called in the United States a "public trust." This creates a second problem. Private capital can just as easily dumb-down the media as it can question authority, especially when dumbing-down is both lucrative and safe and questioning authority often leads to imprisonment. SEEC's array of magazines is unusual in China because they have been both financially successful and politically daring. However, most of China's other media have opted to offer readers, listeners, and viewers a saccharine diet of starlets, cheesecake and Hollywood-style love affairs seasoned with wacky stories about donkeys raised by dogs.

There is also a less-clear but, perhaps in the long run, more invidious issue. Given the first two problems, if you let a Chinese private business invest in a media company, it is going to think synergy—and synergy of the worst kind. If it's an electronics manufacturer, you're going to get a lot of plucky stories about refrigerators. This is already happening in Chengdu and Nanjing, two cities that are experimenting with private participation in China's state-run press.

SEEC's flagship is a magazine called *Caijing*, which today is China's leading financial weekly, something of a *Forbes*, *Fortune*, and *BusinessWeek* combined, but with an investigate edge that makes it hard to categorize.

Caijing focuses most of its energy on charting the crony capitalism widespread in China, but occasionally it takes bigger risks such as its in-depth and influential coverage of the SARS epidemic last year. Thanks to the deep pockets of its parent, SEEC, *Caijing* boasts the country's biggest editorial budget per journalist. This means journalists are paid well enough to avoid the normal practice among Chinese reporters of accepting a payoff in return for a favorable write-up.

Caijing was the only major media outlet in China to publish a profile of Jiang Yanyong, the whistle-blowing doctor who accused Chinese authorities of lying about the extent of the epidemic. It was the only media outlet that took a serious look at how the epidemic spread to Shanxi province and the incompetence that led to dozens of deaths there.

"We want to influence decision-makers, not reflect what they think," *Caijing's* editor, Hu Shuli told *The Economist* in 2004. "That makes us very different from the official papers that write what they are told to and the commercial papers, which pander to readers. We suggest solutions."

Like all Chinese media, *Caijing* routinely pulls its punches. The Tiananmen Square crackdown and Falun Gong are off-limits. Also, during the SARS epidemic, the magazine killed a major investigation into the failure of Guangdong's Party secretary to deal with the disease when it first erupted in November of 2002.

A degree of self-censorship is the only pragmatic way to operate in China today. But, as *The Economist* wrote in a recent piece, it does raise questions about how deep *Caijing's* independence goes. *The Economist* suggested that *Caijing* was being tolerated as a "safety valve," a window-dressing used by Communist authorities to give the impression of a society freer and more open than it really is. *Caijing* can report about the scandals and corruption cases that the public is already aware of and angry about, while it lets "the really big fish off the hook." If so, *The Economist* opined, *Caijing* may be contributing to the maintenance of a system it says it is trying to change.

While editor Hu, who has spent two years in the United States, including a stint at Stanford University, is the public face of the operation, the power behind *Caijing* rests with its publisher, Wang Boming. That SEEC could succeed in its plan to hive off its advertising wing and list it abroad must be credited to Wang, his street smarts and family background. That *Caijing* could succeed in pushing the envelope of China's tightly controlled media must also be credited to Wang.

Brilliant, hard-working, and with all the garrulousness of a rumpled city editor, Wang hails from Communist Chinese aristocracy. His father, Wang Bingnan, a deputy foreign minister, worked closely with then-Premier Zhou Enlai and was the main interlocutor during China's secret talks with the United States in Poland in the late 1950s. Wang's father knew China's former premier Li Peng well, a relationship that has proved critical to SEEC in the past.

Educated at Columbia Law School, Wang helped found SEEC alongside such figures as Zhou Xiaochuan, now governor of the People's Bank of China (the central bank), and Gao Xiqing, now vice-chairman of the National Council for the Social Security Fund. Wang and Gao formed the group after returning to China in the late 1980s with the aim of using it to start China's first stock exchanges—in Shanghai and Shenzhen. Wang and Gao presented proposals to leading Chinese officials, such as Bo Yibo, and by the early 1990s, exchanges in both cities were opened.

With the stock exchanges started, Wang set about transforming SEEC into a media and investment group. On paper, it remains government-owned, connected to the State Council. But in reality, because of Wang's connections to inner Party circles, he has been able to keep its operations and ownership somewhat independent from the state. SEEC currently publishes five magazines and newspapers. Wang has predicated that SEEC will become China's leading magazine group within three to five years when the group expands its magazine portfolio from the existing five titles to between thirty and fifty. One of its most profitable titles is a real estate magazine that has profited mightily from China's boom in housing prices and renovation revenue.

The rise of SEEC to the top of China's media pile has not been without hiccups. In late 2001, China's government came close to shutting down one of its flagship publications, *Securities Weekly*, the most popular financial publication serving China's ever-expanding pool of stock market investors.

A look into that scandal provides a window on the challenges facing China's media reform today—and a lesson for the new complexities in reading Chinese media. In the November 24 edition of that year, the magazine ran an article under the headline "Mysterious Huaneng International." The piece stated that Huaneng Power International Inc. was a good stock to buy because the company, which is supposed to be mostly state owned, had been turned into a business of the family of the then-number two figure in the Communist Party, Li Peng. Huaneng was described as "like a ship," with one of Li's sons, Li Xiaopeng, at the "tiller" and his mother, Zhu Lin (Li Peng's wife), as the "captain."

The article suggested that the Chinese government allowed the firm to list on the New York, Hong Kong, and Shanghai stock exchanges because of its excellent connections inside China's government. The article was viewed as a challenge to Li Peng, around whom corruption allegations have swirled for years. It came out at a particularly sensitive time for the Party—the run-up to the Sixteenth Congress of the Communist Party that was held the following year.

The Party's first step constituted a bizarre rejoinder to the piece. The Party's propaganda department ordered a glossy magazine called *China's Talents*, famed for its puff pieces on the country's rich and famous, to run an interview with Zhu Lin. In it, Zhu revealed the secrets of her healthy looking skin and chatted about her favorite colors: red, because it symbolizes family values; white, because it shows you don't love money; and yellow, because it symbolizes integrity. Then she denied being involved in any businesses and opined that what she hated most was "those who hurt people in the dark, who shoot from the darkness, who gossip and who make a big story out of nothing."

According to sources familiar with the incident, Li Peng ordered an investigation. At the time, then-President Jiang Zemin favored shutting down the publication and leaving it at that. Li, however, wanted to be more thorough. Li knew that SEEC had been home to several senior officials who had worked with Zhao Ziyang, the former Party general secretary purged following the Tiananmen Square crackdown. It was also known that the writer of the piece was a member of the People's Armed Police. Li was concerned that the security forces were somehow teaming up with China's pro-Zhao forces to attack him, according to sources familiar with the affair. Li ordered Wang Qishan, then head of the State Committee on Restructuring the Economy, which had responsibility for SEEC, to investigate.

The results were presented to the Standing Committee of the Politburo in December 2001, after a senior Party meeting on financial issues. The then-seven man Standing Committee spent four days discussing this case. In the end, it was decided that the publication of the story on Huaneng had actually been a mistake and that the SEEC would not be punished. Wang Boming's family ties to China's leadership no doubt played a key role in that decision.

I reported this story at the time and did not believe that it was a mistake. How could something so explosive be a mistake in Communist China—a country with thousands of

censors pouring over millions of words? But over time, as I learned more about the scandal and how the state and SEEC dealt with it, I became convinced that the piece's appearance was not part of a broader plot to go after Li Peng. The editor who made the decision was not fired; he was just forced to undergo lengthy political study. The writer, however, was sentenced to ten years in jail by a military court.

Caijing is not the only publication to be allowed to experiment with changing, or at least diversifying, its ownership. *Titan Sports* is the biggest sports daily in China. (It started as a weekly in the early 1990s and went to a daily format on June 7, 2004.) The periodical boasts a circulation of more than 1 million an issue and, at twenty, the greatest number of foreign correspondents of any Chinese media outlet except for the *People's Daily* and the *Xinhua News Agency*. The paper's most popular sections focus on China's love affair with European soccer and American basketball. *Titan* is also the first Chinese publication to legitimately boast that it scooped the world on a major international development. It was the first paper to report that soccer legend David Beckham was moving to Real Madrid.

On paper, *Titan* is owned by the Sports Committee of Hunan Province. In reality, it has been run for more than a decade by Qu Youyuan, the mastermind behind *Titan's* domination of China's sports media market. Forty percent of the company's stock is owned by a group of investors, including Qu. But the problem is that the majority owner, the government, hasn't done anything for the firm. It adds no value to *Titan Sports*. It does not sell ads. In a recent interview Qu said the government had helped create a good "policy environment" for his media group but he couldn't point to a single example. The government does not contribute to circulation, and it forces *Titan Sports* to deliver thousands of free copies of each issue, which it often re-sells, pocketing the money. It is completely parasitical.

Another problem is that technically the Sports Committee has the power to remove Qu at any moment. Under the current rules, the Party's organization departments appoint at least the chief editor (and often all of his/her deputies) of newspapers or periodicals publishing on their turf.

The issue for *Titan*, and for other transitioning Chinese media, is that this kind of partnership severely limits *Titan's* ability to grow into a real media titan. But without this kind of partner, business is impossible. Qu is seeking investment from a foreign or domestic partner, but would only want to use that money to dilute the state's share in his media group. But the current reforms limit private ownership to less than 50 percent. Qu says that without the freedom to completely privatize his company he does not think he will be able to develop it into the sports publishing powerhouse he dreams of. "How can I operate when the Party committee above me might remove me if they suddenly don't like me for whatever reason?" he asked. "We want a normal relationship with the Party and the state. We will pay taxes and follow the laws, and be careful when we report. But we cannot grow if the state interferes in day-to-day business."

Other newspapers at the frontline of the transition have other issues. The eastern city of Nanjing is the site of the first experiment in allowing a private Chinese company to publicly take a big piece of a major Chinese daily. A Chinese electronics and IT company called NJSVT was allowed to invest $8 million in the *Nanjing Morning News*, the city's most popular morning paper. The investment, which is expected to be the first of several batches, has already roiled the waters of China's media. Soon after it was announced, the *Nanjing Morning News* quadrupled the salaries of its reporters and editors and began luring the best of China's journalists to Nanjing.

What has happened to the *Nanjing Morning News* is that its coverage has gotten flashier. It is emphasizing sex, crime, and racy stories about the random couplings of China's stars and starlets. And, significantly, its business pages churn out a positive story related to the parent company almost every day. This combination of dumbing-down of news and synergy with the parent company is an important model for the emerging marketized media giants in China. It is a challenge to more serious crusading publications (like *Caijing*) and it does not bode well for the development of a freer Western-style media in China. (Indeed, *Caijing's* circulation of 80,000 is flat, and imitators are nipping at its heels.) It simply means that the government, running out of its own resources, is seeking a way to painlessly tap private capital to run China's newspapers.

A second problem can be seen in the southwestern city of Chengdu, where all of the city's eight major daily newspapers are secretly invested in by private capital. On one hand, reporters in the city say, anything that dilutes the state's ownership is good. But because such ownership is still technically illegal, private businessmen are beholden to the state. If they want to invest in the content-side of the media, they are breaking the law. But because state capital is scarce, they are allowed to do so under the table. The government, which needs their capital, has them over a barrel. If they push the envelope—let's say with content—they can be easily nailed for economic crimes.

A version of this scenario unfolded earlier in 2004 in the southern city of Guangzhou. In March of 2004, Yu Huafeng, former general manager of the popular *Southern Metropolis News*, was sentenced to twelve years in prison for allegedly taking $200,000 of the company's money and allegedly paying a $125,000 bribe to Li Minying, a former director of the newspaper's parent group. Li has been jailed for eleven years. The paper's former editor-in-chief, Cheng Yizhong**,** who was arrested in March, has gone on trial recently, also charged with embezzlement.

Prosecutors accused the trio of corruption, but the payments were actually dividends, according to defense lawyers and other sources close to the case. The problem is that, because private ownership of content-providing media is technically illegal, the distribution of profits to private individuals who serve as corporate officers is also against the law—on paper—even though it happens all the time. Yu, Li, and Cheng were caught in a convenient trap.

The real reason the men were prosecuted is widely believed to have been connected to the tabloid's muckraking style of journalism. *Southern Metropolis News* has become very

popular in recent years for its aggressive investigative reporting on social issues and wrongdoing by local officials. The paper broke the news that college student Sun Zhigang was beaten to death in March 2003 while being held in police custody in Guangzhou for the simple crime of not carrying his identity card. Public outcry over Sun's death led to the arrest of several local government and police officials. It also, significantly, led to the cancellation of year-end bonuses for thousands of Guangzhou police officers, which naturally turned the newspaper into a target for police and local officials.

The paper also broke stories about the SARS epidemic. Indeed, chief editor Cheng had been detained once before. On January 6, 2004, authorities interrogated Cheng for eight hours about the paper's financial activities. Journalists at the newspaper said that Cheng's detention then was linked to the newspaper's reporting about SARS. On December 26, 2003, the paper reported a suspected SARS case in Guangzhou, the first new case in China since the epidemic had died out in July 2003. The government had not yet publicly released information about the case when the newspaper's report was published.

Government sources said that on December 26, 2003, Provincial Party Secretary Zhang Dejiang spoke about the SARS case at a meeting of Party leaders, and said that it remained secret. He was laughed at, the sources said, because the newspaper had already revealed the news in its morning editions. A few days later, security officers interrogated Cheng. Zhang is known to bear grudges. While he was a senior official in Zhejiang province, *Southern Weekend*, another leading Guangzhou publication, wrote several articles critical of Zhejiang. One of Zhang's first missions after coming to Guangdong was to remove senior editors at *Southern Weekend* and replace them with officials from the provincial Propaganda Department.

Nevertheless on June 15, 2004, the Intermediate People's Court in Guangzhou reduced Yu's sentence from twelve to eight years and Li's sentence from eleven years to six.

The Chinese government has said that its media reforms are designed to create successful media conglomerates: companies that will be successful in China and companies that will successfully present a new image of China to the rest of the world. But a close look at the above problems facing China's nascent media giants underscores a key issue in China's media reforms—and one that is not just confined to the media. The rise of any Chinese media conglomerate depends on political patrons that offer protection. The system might be able to create a sprinkling of corporate successes, but it will also force media moguls to compete on their political connections, not their business acumen.

Conclusion

In a sense, the Chinese government is changing its tactics but not its strategy as it approaches media control. It retains the old lever of government fiat that can stop publication of any unwanted article. But it has added a new lever–market access. The price for that is loyalty.

The optimistic view on Chinese media reforms is that with time and the intense competition that is present in China's media market today, China's censors will have to give more and more leeway to the press. Indeed, because the censors have an economic interest in many of the newspapers, TV, and radio stations, it makes sense for them to give more leeway. Less censorship means higher circulation, which means more viewers and listeners, and thus more profit for the government bureaus owning a stake in the media groups. More competition also means more pressure on censors to lighten up. City-level censors may ban reporting on events in that city, thereby hurting newspapers that fall directly under their control. But provincial-level censors may give the green light, figuring that their newspapers would profit from a more relaxed environment. Censors in one province may allow aggressive reporting of events in another province, and so on.

But the pessimistic view is that while China's media is becoming freer, it is doing so within an elastic cage that has been carefully constructed by Party propaganda chiefs. While the bars can bend, they remain extremely strong. Newspapers and magazines are still regularly shuttered or "rectified." In early June 2004, China's Business Watch was closed after it ran an unflattering article on Dai Xianglong, the former president of the Bank of China and current mayor of Tianjin, who has brought Tianjin to the brink of a financial crisis with a humongous development scheme backed by loans forced from state-run banks. In 2003, authorities stopped the June 20 issue of *Caijing* from reaching the newsstands because it featured a cover story about a scandal involving a Shanghai property tycoon who is believed to have bribed senior Party officials.

Chinese reporters and editors worry that *Caijing*'s crusading journalism is the exception to the rule for China's media and that the overall direction is toward a dumbing-down, an aggressive search for profits, and growing conflict-of-interest issues as private capital seeks to use the media to sell its products and lobby for its own interests. It may sound like the media in present-day America or even more like the yellow press at the turn of the twentieth century. But we need to remember that then and now in media circles in the United States there was and remains a strong sense of public good. In today's China, those courageous few in the media who possess such a sense are rare birds. And they get scant support from a government and economic system devoted to regime maintenance and "guanxi" capitalism.

Chapter 11: Analyzing Chinese Media in an Era of Sex, Money, and Power

By Alice Lyman Miller

The Chinese Media: Now and Then

It is no surprise that Western students of contemporary Chinese affairs have doubts about the continuing utility of traditional methods of media analysis. Today, students of contemporary Chinese leadership politics and foreign policy encounter a diversity of sources and avenues of analysis. Thanks to Beijing's acceptance into the international community in the early 1970s as the legitimate government of China, to the normalization of U.S.-China relations in 1979, and the sweeping changes in Beijing's approach to economic and other international interactions in the post-Mao period, Western analysts have gained routine access to many of the institutions that interact in the PRC political order. Access to Chinese academics, diplomats, think-tank researchers, mid- and sometimes high-level bureaucrats, and some leaders frequently provides direct insight into the perspectives of participants in China's political processes that were not feasible (at least to Americans) in the first three decades of the PRC. The information that this access has provided is valued because it seems unencumbered by the screens of the secrecy and censorship that inform the PRC media and because the personal perspectives of the informants lend a realistic feel to the dynamics of Chinese politics that intuitively enhances its credibility.

Perhaps the most visible manifestation of this access has been the vastly expanded community of Western reporters in Beijing and elsewhere in China working for major wire services, newspapers, and television networks since the 1970s. Their reporting now provides a steady stream of information that attests to the energy with which they have exploited the enhanced access Beijing has permitted the international community. Perhaps the most dramatic index of this development may be the scant reporting on the April 1976 Tiananmen Square demonstrations and their suppression as compared with the voluminous, minute-by-minute reporting—with vivid television footage—of the April-June 1989 Tiananmen demonstrations and the massacre that followed. In the old days, during the Cultural Revolution, Western analysts relied on Japanese reporters going out late at night and wearing coalminers' lighted helmets to read and copy Red Guard wall posters denouncing the latest leadership victims of Mao's animus. Those days are long gone.

A second important channel of information has been the reporting on current affairs by the independent Hong Kong media. Hong Kong has long been an important China-watching venue—before the 1970s, it was the center for such work—and Hong Kong's independent press was always a source of insight into the PRC's politics. In the late 1970s, however, a new array of China-watching magazines emerged to supplement longstanding sources like the *South China Morning Post*, *Kaifang*, and *Ming Bao*. Magazines such as *Contending*, *The Nineties* (*Qishiniandai* later *Jiushiniandai*), *Trends*,

Wide Angle, *The Mirror*, and others carried a steady stream of "inside stories" on Beijing politics derived from the writers' contacts in Beijing and elsewhere. Always tantalizing in their intimate detail, these stories drew on the leaks, rumors, anecdotes, speculations, and sometimes fantasies and outright fabrications of the kind that circulate about leadership politics in all great power capitals.

Meanwhile, the changes in China's interactions with the world also have provided access to local politics and broader Chinese society itself, areas of research interest largely denied to Americans until the 1970s except through émigré interviews in Hong Kong and elsewhere. Among academic specialists in particular, this access has spawned a major industry focused on understanding state-society interactions at local levels in both the urban wards and rural villages. As invaluable as these studies have been, they have come at the opportunity cost of declining interest in elite politics and unwillingness to engage in the tedious labors required to study it.

Finally, PRC media itself has changed. Since the beginning of the Deng era, China has witnessed an explosion in the type, number, and diversity of media sources available for analysis. In step with the Deng leadership's reorientation of industry toward the production of consumer goods, mass production made television a new medium available to most urban and many rural audiences. Meanwhile, television programming kept pace with the new audience. In 1985, PRC television stations broadcast 65,954 hours of news programs, and by 1990 this number had doubled, to 135,532 hours. By 1995, news programming was nearly six times the 1985 figure, at 353,368 hours.[354] Radio broadcasting—long a major medium in the PRC—also expanded dramatically in the reform era.

But the most daunting development for media analysts in the reform period has been the explosion in print media. The sheer number of publications available in China has overwhelmed bibliographic control and the capacity of individual analysts to review them in tracking trends in PRC foreign policy and leadership politics, as the following table suggests.

[354] PRC State Statistical Bureau, *China Statistical Yearbook 1996* (Beijing: China Statistical Publishing House, 1996), table 18-75, p. 697.

Table 1: Newspaper, Magazine, and Book Publishing, 1952-1995

Year	Newspaper Titles	Magazine Titles	Book Titles
1952	296	354	13,692
1957	364	634	18,660
1962	273	483	8,305
1965	343	790	12,352
1970	42	21	4,880
1975	180	476	13,716
1978	186	930	11,888
1980	188	2,191	21,621
1985	698	4,705	45,602
1986	791	5,248	51,789
1987	850	5,687	60,213
1988	829	5,865	60,961
1989	852	6,078	74,973
1990	773	5,751	80,224
1991	812	6,056	89,615
1992	875	6,486	92,148
1993	943	7,011	96,761
1994	1,015	7,325	103,836
1995	1,049	7,583	101,381
Source: *Zhongguo tongji nianjian 1996*, Table 18-67, p. 693.			

These crude numbers describing the explosion of print media mask the diversity of publications that have become available to Western analysts. These numbers reflect in part the fact that in the 1980s, as state subsidies for publishing houses declined, publishers increasingly had to produce books, magazines, and tabloid newspapers that were commercially viable in a mass market. Much of the content of many of these new publications has been sensationalistic and intended primarily to sell. Such publications have been of questionable analytical value, even when the topics were intrinsically political, and not just about sex, celebrity, and violence.

Nevertheless, some fraction of the volume of publications that has become available is of analytical value. Virtually every topic of conceivable interest to students of Chinese politics and policy now has specialist periodicals devoted to it. This diversity includes publications on previously sensitive topics like foreign affairs and military issues. Since the early 1980s, previously restricted specialist publications dealing with various aspects

of international affairs—journals such as *American Studies Quarterly* and *Taiwan Studies*—and new publications, such as *Chinese Diplomacy*, became openly available. In military affairs, the Academy of Military Science's premier journal, *Chinese Military Science*, became available for home delivery to Western students of the PLA. In the 1990s, PRC media began to routinely carry opinion pieces by the growing community of foreign policy and national security specialists in China that frequently offered competing and clashing perspectives on various international issues, raising fundamental questions among Western analysts about what political authority to attach to them in Beijing's policy process.

The proliferation of sources for analyzing PRC politics and foreign policy has brought obvious rewards, but it has also entailed costs. Nowadays, confronted with the sheer volume of information available from direct access to China's political players, from the community of Western academics and correspondents in China, from the independent Hong Kong press, and from PRC media, no individual analyst can hope to establish control over the entire field and generalize as was possible to do in an earlier era. Increasingly, students of Chinese affairs specialize in narrow areas and seek to establish familiarity with those sources most directly relevant to their interests. As a consequence, the China-watching community suffers from a contemporary variety of what Chairman Mao described during the revolutionary period as "mountaintopism" (*shantouzhuyi;* 山头主义): analysts have command over their parochial base area of interest but lose track of the overall picture. In many respects, analysts today seem to talk past each other because they specialize in narrower fields and draw on bodies of evidence with which those working in other areas are not familiar.

In addition to the proliferation of sources available to Western analysts, changes in Chinese political discourse have seemed to challenge the usefulness of traditional methods of media analysis. With the reformulation of the Chinese Communist Party's (CCP) "general task" at the watershed Third Plenum in December 1978 from "waging class struggle" to promoting China's economic modernization, the ideologically charged jargon of the Mao years gave way to a language that sounds pragmatic, apolitical, and more like our own.

It is also fair to say that, through the Deng years down to the present, Chinese politics has gradually become more transparent. The present leadership of Party General Secretary Hu Jintao and Premier Wen Jiabao has advertised transparency in decision-making explicitly as part of their effort to improve "intra-party democracy" and increase public confidence in the regime. But increased openness about the regime's politics goes back to the beginning of the Deng era, when PRC media began to carry far more detailed accounts of major Party and state meetings than it had in the later Mao years. These changes in discourse have seemed to dilute the value of traditional methods of media analysis.

In "ancient" times, the situation was just the reverse. Up until the 1970s, because of the lack of U.S.-China diplomatic relations, most American students of contemporary Chinese affairs could not travel to the PRC and interact with participants in China's

political order at any level. Apart from occasional accounts by "old friends of China" like Edgar Snow, few Westerners gained access to China's leaders. Efforts to interview émigrés in Hong Kong more frequently shed light on local conditions than they provided insight into the workings of the leadership in Beijing.

Because of the poverty of alternative sources, PRC media were by far the most important source of insight into leadership politics and foreign policy. The number and diversity of PRC media were sufficiently small that analysts could manage to translate virtually everything relevant to contemporary political analysis. As poorly illuminated as the big picture may have been at various times, therefore, it was nevertheless feasible for most analysts to be generalists. In contrast to the entrenched "mountaintopism" of analysis today, most analysts in "ancient" times could read and establish intimate control over all of the available data. In contrast to the multiplicity of methods employed today, they all applied the same traditional methods of media analysis, even if they disagreed among themselves over how to interpret the data.

Given this evolution over the past twenty-five years, it is not surprising that the techniques of media analysis that once were the stock in trade of China-watchers have withered and that doubts have emerged about whether the traditional methods of media analysis still apply. In an era when media have proliferated, when media treat formerly sensitive topics with a degree of openness unthinkable in earlier periods, when diverse voices are more clearly audible, and when Party control over media has seemed to wither, it may seem reasonable to ask whether the old rules still apply.

The Way of the "Ancients"

The methods of media analysis that were long the mainstay of China-watchers are a variant of methods developed to exploit Nazi German propaganda during World War II and to analyze politics and foreign policy in the former Soviet Union. Essentially Kremlinology with Chinese characteristics, propaganda analysis of PRC media has been called "Pekingology," a name that never quite established itself.[355] Although its practitioners sometimes emphasized its Chinese characteristics by comparing it with the reading of oracle bones in ancient China and to "reading tea leaves" in modern times, analysis of PRC media nevertheless shared the basic premises with its predecessors.[356] As

[355] The term "propaganda analysis" is used in this discussion because it most clearly connotes the premises on which this mode of analysis operates. It is preferred to the more widely used term "content analysis," which has been hijacked to describe the social science activity of assessing the content of media quantitatively—counting the number of times Lin Biao is mentioned on the front page of *People's Daily*, for example—to prove what is obvious.

[356] The classic formulation of the foundations of analysis of state-controlled media is Alexander L. George, *Propaganda Analysis—A Study of Inferences Made from Nazi Propaganda in World War II* (Evanston, Ill.: Row, Peterson and Company, 1959). George's book offered a general framework for the political analysis of propaganda in countries in which media are state-controlled and he assessed the validity of wartime analysis of Nazi German propaganda performed by FBIS (then under the Federal Communications Commission) analysts, including George himself, by comparing its conclusions with German propaganda goals (as recorded in Joseph Goebbel's diary and other captured German records).

classically summarized by Alexander George, these premises entail:

- The use of the media by the regime elite as an instrument of policy;
- Coordination of media reporting and commentary to reflect regime policy goals and intentions; and,
- Centralized control and review of all media and their content by the regime.

These premises, George posited, warrant the conclusion that, in regimes having controlled media, media decision-making is subordinate to political decision-making.[357]

From that conclusion comes a logic and method of media analysis. If the content of the media reflects the political purposes of the regime, then one may reason backwards by examining the content of the media and infer the political purposes of the regime. Close examination of how information is presented, and what lines of editorial commentary are offered in regime-controlled media, makes possible valid inferences about the regime's policy purposes and strategies.

For all of the Mao period and well into the Deng reform era, these premises and the logic and methods they recommended held up well. They were intrinsic in the place of China's media in the broader structure of political communications that served the political decision-making process. To appreciate this, it is useful to examine the role and characteristics of the public media alongside the other elements of the political communications universe in China.

Historically, up through the Deng years, there appears to have been two basic components of China's system of political communications, each of which has served different roles in the political process.[358] One component is the public (*gongkai*, 公开) media—an enormous array of broadcast, electronic, and print media that convey information and commentary for mass consumption domestically and internationally. These media include:

- Radio Beijing (which in the 1980s broadcast domestically in two parallel channels and internationally in thirty-eight foreign languages and five Chinese dialects), and the national network of provincial and municipal radio stations, which routinely channeled news programs fed from Radio Beijing;
- The Xinhua News Agency (which transmits news reports and commentary for publication in newspapers and other print publications in Chinese and several

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[357] Ibid., pp. 20-26.

[358] This discussion ignores a third component of China's political communications universe, the confidential documents system. That system plays significant roles in the political process, but these roles may be set aside for the purposes of discussing propaganda analysis here.

foreign languages, including English, Japanese, Russian, and French) and its associated news services for Hong Kong and the overseas Chinese communities—the China News Service (CNS) and the Hong Kong China News Agency;

- CCTV (the national television network) together with the provincial and municipal television stations that expanded rapidly in the 1980s; and
- Print media, including the newspapers, magazines, and books whose proliferation in the Deng era is reflected above in Table 1.

Alongside the public media for mass consumption has been a parallel realm of political communications, the "internal" (*neibu*, 内部) publishing system. Although the internal publications system is difficult to chart authoritatively from the outside, sufficient examples have been collected by individual scholars and deposited in libraries to allow tentative generalization. The internal publishing system appears to encompass an enormous array of publications that includes periodicals, newspapers, and books. Some of these publications have huge circulations. For example, *Reference News* (the four-page daily tabloid compilation of straight translations of foreign news reports on topics of general political and foreign affairs interest) had a circulation that, in the 1970s, was larger than that of the CCP's public mouthpiece, *People's Daily*. The internal publishing system also produces a huge array of unit periodicals that carried specialist articles analyzing policy topics and political issues, such as the Central Party School's journal *Theoretical Trends*, as well as books of collected leadership speeches, documentary compilations, political memoirs, specialist studies, and translations of foreign works.

The parallel realms of internal and public political communication appear to be of comparable scale and variety. But they contrast in two fundamental ways—with respect to dissemination and content. First, dissemination of the internal media is controlled and restricted to authorized channels, while dissemination of the public media is open and unrestricted, accessible to anyone. The degree of control over dissemination of internal publications probably varies considerably, and some easily find their way outside authorized channels. But all internal publications carry some form of advisory warning against public circulation, and they are distributed under work unit controls or in authorized repositories (such as segregated sections of Xinhua bookstores requiring appropriate credentials to enter). No such restrictions, by definition, constrain access to public media.

Second, judging by available examples, the content of internal publications is relatively open and uncensored, while the content of the public media is controlled and subject to censorship. The degree of control and level of scrutiny of the content of the public media varies widely, depending on the particular medium and the significance of the topic. Some commentary and reporting receive only limited editorial scrutiny and rely on self-censorship on the part of the item's author. But other statements and editorial commentary routinely receive very high-level scrutiny by the political leadership itself, including by the paramount leader.

No authoritative Chinese explanation for the existence of these two parallel realms of political communication has been offered. However, the contrasting controls over dissemination and content between the internal and public media suggest an answer in the distinctive roles each plays in the political process. The internal media are restricted in dissemination, not content, and the diversity of opinion disseminated in these media is far broader because it is not public. The speeches, articles, and translations that are published internally are disseminated not because they reflect the authoritative positions of the editors of the particular medium, its sponsoring institution, or of the Party leadership, but because they are intended to facilitate the political decision-making process by providing information and competing perspectives that inform deliberation of policy alternatives.

In contrast, the public media are controlled with respect to content, not dissemination, and so the diversity of viewpoint there is far more limited and explicit because the content of these media are public. The content of the public media does reflect in some degree the authoritative position of the medium and, ultimately, the regime leadership. The purpose of the public media is not to facilitate policy deliberation on the way to informing a new political decision, but to enunciate and explain the regime position once a policy decision has been made and to enlist and mobilize public acquiescence.

It is this ever-present element of control that accounts, among other things, for the amazing (and often stupefying) consistency of the public media. To cite a trivial but nevertheless instructive example, after Premier Zhou Enlai first enunciated them at the Third National People's Congress in December 1964, the "four modernizations"—the call to create in China a "modern agriculture, industry, science and technology, and national defense"—were always recited in precisely the same order. Never were they cited in the public media in a different order or in a haphazard manner ("modernize industry, national defense, and whatever the other two are," etc.). Never until February 1981, that is, when PRC media suddenly altered the order, placing industry first and agriculture second. Thereafter, reference to the "four modernizations" has always listed "a modern industry, agriculture, science and technology, and national defense" as the regime's goal.

From a process perspective, the internal media serve the input side of the political decision-making process, while the public media serve the output side. From the perspective of Leninist democratic centralism, the internal media serve the "democratic" side of the policy process—where anyone with appropriate standing and expertise may offer their individual perspective. The public media serve the "centralism" side of the concept—where everyone is obliged to adhere to the leadership's decision once it has been made, whether they agree with it personally or not. In its simplest formulation, the internal media provide the news and views necessary to making an informed decision, while the public media provide the "line" on any given issue.

From this broad structural perspective of the place of the public media in China's political process, it is apparent that the general premises of propaganda analysis (laid out by George and others working on other regimes) held true in the PRC case. Because the

PRC's public media served as instruments of CCP policy, their content served the agenda of the regime. By rigorously scrutinizing the content of the media, one could infer the regime's goals and strategies. By this logic, all aspects of the output of PRC public media—their format, themes, emphases, placement, and priority—reflect conscious editorial decisions informed by the CCP leadership's priorities.

The methods derived from these premises (and traditionally employed to analyze PRC media) are similar to those used to analyze the controlled media of Nazi Germany, the Soviet Union, and other Communist bloc regimes; but the methods were adapted to suit Chinese characteristics. They involve:

- Rigorous examination of official statements and authoritative editorial commentary to identify the Chinese leadership's prevailing consensus—its "line"—on any given issue of analytical interest;
- Comprehensive comparison of leadership speeches, official statements, and commentary conveyed in PRC public media to search for variations and deviations from the prevailing line that indicate changes in policy emphasis, signal forthcoming shifts in the line, or possibly reflect political disagreement with the line;
- Attention to the formal aspects of presentation in PRC media—the level of official statement or editorial vehicle, the prominence, and other choices in presentation—to assess the priority of a particular item; and
- Comparison of the versions of leadership speeches, documents, and commentary from other media reported in PRC media with their original versions (whether foreign or domestic), in order to, wherever possible, infer the priorities reflected in what was reported versus what was not.

Properly performed, this kind of political analysis has always required several things. In particular, it demands:

- *Comprehensiveness and precision*: Being as precise as possible about all aspects of what is said and how and where it is conveyed in the public media goes a long way toward narrowing the range of valid inferences that may be drawn about the political purposes that drove the editorial decisions that went into it.
- *Large files and long memories*: Judging the importance of a new statement or commentary and recognizing the politically meaningful elements that it may contain require thorough familiarity with the prevailing line on the topic and the prevailing media practices and routines.
- *Interpretive judgment and experience*: The validity of analytical inferences rests on familiarity with the broader political context in which the public media operate and on sensitivity to the evolution of the jargon of political discourse and to alternative meanings of key concepts over time and in different circumstances. Propaganda analysis is foremost an exercise in hermeneutics, akin to the

humanistic methods of evaluating documentary evidence by historians and appreciating texts in literary criticism; it is not a mechanical exercise driven by "scientific" nomothetic ambitions.

Propaganda analysis of Chinese media in the past was always labor intensive and frequently tedious. It had serious limitations in its capacity to penetrate the workings of a secretive leadership and its agenda. But it also scored major successes in an era when other means of analysis were not possible. It detected the tensions and controversies in the early 1950s that later blossomed into the Sino-Soviet split, and it unraveled the clashes of ideological principle and national interest that irretrievably fractured the international Communist movement and brought Moscow and Beijing to the brink of war. It enabled Western analysts to follow the twists and turns of the Cultural Revolution, and it allowed them to read the intricate signaling that presaged the Sino-U.S. rapprochement in the watershed 1968-1972 period. It tracked the politics of Deng Xiaoping's transformation of the CCP's ideological commitments and his capture of the Party's agenda at the December 1978 Third Plenum, and it made it possible to follow the oscillations between reform and retrenchment in the 1980s.

Is it Still Possible?

Is propaganda analysis still feasible in an era that has seen major changes in PRC media? Do the premises of the traditional approach still hold? And do the old methods still apply? A first glance at the evolution of PRC media over the past two decades might invite skepticism regarding these questions.

Three major trends in PRC media during the reform era raise questions about the continuing validity of the premises of traditional propaganda analysis today. One trend is the commercialization of print media, which has introduced a degree of pluralism and selective autonomy that was not present earlier.[359] Party decisions in the 1980s to cut state subsidies to publishing houses meant that they had to begin producing newspapers, magazines, and books that were commercially viable. Increasingly, Chinese publishers have had to produce products that sell by catering to the tastes and interests of mass readership, not products that reflect the political agenda of the Party leadership.

The consequence of media commercialization has been the emergence of books and periodicals of staggering variety, focus, and format intended to appeal to readers in Chinese society. It also has meant that publishers and editors no longer make decisions about what to publish solely according to political criteria sent down by the Party Propaganda Department or the Party leadership itself, but increasingly according to

[359] This trend is very usefully and comprehensively assessed in Yuezhi Zhao, *Media, Market, and Democracy: Between the Party Line and the Bottom Line* (Urbana, Ill.: University of Illinois Press, 1998). Professor Zhao draws the compelling political conclusion that commercialization of PRC media does not necessarily portend political democratization and that an alternative framework beyond the traditional totalitarian command and liberal models of press autonomy is needed. She does not, however, address the issue of how trends of media commercialization affect media analysis for political purposes.

market signals about what sells and what does not. In those choices, there is an evident realm of autonomy that, in most cases, the political leadership tolerates.

The older print media that were the focus of traditional propaganda analysis continue to exist in the midst of this new wave of commercialization. The ongoing media reform that began in 2003 is reducing their number, altering their dissemination through mandatory subscription, and consolidating their operations through mergers. But newspapers and periodicals produced under the aegis of the institutions of political order continue publishing relatively unaffected by the emergence of an ocean of publications produced for market.

The result has been the creation of a dualistic public media realm divided between a persisting population of institutional newspapers and periodicals and a huge population of commercial materials. Many publishing houses, in fact, produce both types of publications. The question for propaganda analysts is: what political significance may be attached to media products produced for sale in mass markets?

A second trend has been the professionalization of Chinese journalists, editors, and writers. This development followed naturally from the post-revolutionary transformation of the CCP's foremost task from "waging class struggle," which politicized expertise, to China's modernization, which professionalized expertise. Comparable trends of professionalization have been visible in other categories of labor requiring authoritative specialized knowledge, including Chinese scientists, lawyers, educators, and officers in the PLA. Paralleling developments in these other professions, Chinese media in the reform era have increasingly employed journalists and editors who have been trained in journalism departments in universities or social science academies, who have formed or revived professional journalist associations, who have produced professional journals, and who operate within hierarchies of professional status.

Accompanying all professions is a professional ethos, a set of ideals that prescribe standards of professional behavior that members of the profession are expected to embrace *in principle*, if not always *in practice*. It is the ethos of journalism that potentially challenges the instrumental role the media have previously been expected to play in politics, and so also potentially challenges the foundational premises of propaganda analysis. Specifically, if the primary responsibility of professional journalists is to tell the story straight (without political bias or ideological prejudice), then how can they perform the political role expected of them as instruments of leadership policy at the same time?

This tension between professional ethos and political role has been visible throughout the reform in professional journals like *News Front*. For their part, Party leaders have consistently underscored the necessity for media to remain "mouthpieces" of the Party, but they also have sent mixed messages encouraging publishers, editors, and journalists to produce materials that appeal to Chinese consumers. Most recently, the Hu Jintao-Wen Jiabao leadership's call for "people-centered" reporting and greater transparency in political decision-making undoubtedly assuages as well as provokes this tension.

For propaganda analysis, the steady advance of professionalism in Chinese media may seem to pose a serious challenge. How is it possible to tell when journalists are writing according to their professional ideals as opposed to when they are writing in service to the political leadership?

A third trend visible in PRC public media, especially in the 1990s, has been the emergence of competing perspectives on, and alternative approaches to, important policy sectors. Debate over policy and politics has always been visible in PRC media, even during episodes such as the Cultural Revolution when totalitarian control appeared at its highpoint. Now, however, debate over alternative approaches and policies is explicit.

This trend is particularly striking with respect to foreign affairs, a policy area that previously had been tightly controlled to present a façade of unanimity to domestic and foreign observers. Since the mid-1990s, alternative analyses of international events and trends by specialists in foreign affairs in research institutions and university centers have become commonplace in PRC media. Some of these analyses explicitly rebut the published perspectives of other experts and offer specific policy recommendations to Beijing.

In part, this development is a consequence of the spectacular proliferation of think-tank and research institutions in Beijing, Shanghai, and other centers since the 1980s, paralleling a comparable trend in the USSR during the Khrushchev era and thereafter. The PRC's increasingly technocratic leaders value specialist expertise in decision-making, and so Chinese academic and think-tank experts advance their careers by pitching their ideas and knowledge to the leadership in a manner not altogether alien to the methods of Western academics and Washington's public research institutions. Among other things, Chinese academic and think-tank experts write position papers, opinion pieces, and books they hope will attract the attention of the political leadership. In addition, some publications addressing foreign policy issues are not products of research specialists and, judging from their sensationalist tenor and emotionally charged approach, appear to have been published simply because they sell. For the purpose of propaganda analysis, this trend may also present a challenge.

What political significance should be attached to specialist writings on policy topics? Are they published because they reflect the Party line on the issue or some significant perspective within the political leadership? Or are they more akin to the articles published in journals like *Foreign Affairs* or op-ed pieces in the *New York Times* and *Washington Post* in the United States? Were these articles published because they reflect the perspectives on the issue of the day of experts in China's research community, and therefore do not necessarily carry any political importance until some member of the political leadership takes them up? And, finally, what political significance should be attached to publications whose appearance seems to reflect commercial rather than political purposes? What political significance do books like *A China That Can Say "No"; Unrestricted Warfare*; *Can the Chinese Army Win the Next War?;* and *Seeing China Through a Third Eye* (to name but a few examples) have?

As challenging as these questions may seem, they do not ultimately suggest that the traditional premises and logic of propaganda analysis no longer hold. First, the validity of propaganda analysis' methods does not depend on a static media practice. Propaganda analysis has always had to accommodate change in China's (and other countries') media. In the PRC, new media have come and gone over the decades since 1949, frequently in step with the changing purposes and political agenda of China's leadership. Varieties of editorial commentary have changed over time. In its authoritative commentary, *People's Daily* has always published editorials (*shelun*, 社论), but "commentator articles" attained frequent usage only in the 1970s; "editorial department articles" were once the most authoritative vehicles of authoritative comment (reserved for extremely sensitive issues of fundamental importance to the international Communist movement), but they have been dropped almost entirely since the November 1, 1977, article was published on Mao's "three worlds" theory. Media reporting practices have evolved, sometimes suddenly. Changes in China's media require vigilance on the part of the analyst and careful scrutiny to trace the changes accurately so that they may be taken into account, but so that they do not automatically invalidate the premises of analysis.

A case in point is the analysis of the changes that commercialization has brought to PRC media since the 1980s. It is important to take note of what has changed and what has not. Commercialization has had great impact in print media, creating a universe of commercial publications that have been produced for mass markets and institutional publications that have been largely untouched by commercial incentives (and that continue to perform their traditional roles in the political process). Meanwhile, news reporting and commentary via broadcast media has been virtually untouched by the commercial trends that are in evidence in their other programming. Chinese television newscasters these days may wear smart Western suits and trendy colored shirts and ties, but the content of their reporting still closely conforms to the agenda of the political elite.

Even publications produced because they sell must take political strictures into account. Editors and writers appear to receive little or no direct political intervention from the Propaganda Department in their work, but they nevertheless must constantly weigh what will sell against what will get their publications banned or get them into political trouble. As a result, they play what is sometimes referred to as "edge ball" (referring to an attempt in ping pong to hit the ball so that it hits the very edge of the table, counting as in but also impossible for one's opponent to return), seeking to publish works that will entice readers but not attract the attention of political authorities. Numerous occasions when sensationalistic books have been banned and gossipy evening tabloid newspapers have been suspended point to instances in which publishers and editors misjudged the shifting boundaries of the regime's tolerance.

The conclusion to be drawn is that the regime has relaxed control over some aspects of the media for economic reasons, but it retains control over those that remain important as instruments of policy and politics. Even where the regime has withdrawn routine control, it retains the capacity to intervene when its political agenda is violated.

Similarly, the rise of professionalism in Chinese journalism does not necessarily jeopardize or invalidate the premises of propaganda analysis. Their professional ethos may lead journalists to balk at the instrumental role they are expected to play on behalf of the political elite, and instances of this are easily discerned in the insistence with which the political leadership asserts that role. But, as is the case in all professions—in China and elsewhere—journalists also depend on the political authorities to defend their status and authorize their professional credentials. This provides incentives for collaboration and accommodation with political authority, balancing the tensions that professional ideals may inspire.[360]

With respect to both the media pluralism that commercialization has introduced and the impact of professionalized journalism, it is noteworthy that trends in China have not proceeded as far as they did in the former USSR in the *glasnost'* era. Under Mikhail Gorbachev, the relaxation of media controls and abolition of censorship, the rise of independent media, and the enshrining of media protections in the 1990 press law facilitated the creation of a spectacularly diverse media in the Soviet Union that contributed to the complex political dynamics of that period.

But even with that dramatic media revolution, the fundamental tenets of analysis still applied. As a brilliant and highly authoritative analysis report pointed out in April 1991, the media policies introduced under the banner of *glasnost'* did not alter the instrumental role of particular media essential to the political elite even while relaxing controls to permit expression by new forces in the Soviet political arena. "Soviet media," the report concluded, "continue to supply the essential elements that have long been the grist for media analysis—a record of authoritative statements, revealing patterns of emphasis and targeting, esoteric communication that requires "decoding" or interpretation, and deliberate slanting of new reports. With some adjustments to fit the new situation, the traditional techniques of media analysis can still be used to draw inferences from these elements."[361]

Is it Worth the Trouble?

If, after appropriate adjustment and tactical modification, the traditional methods still apply to China's changing media, is propaganda analysis still worth doing? Are the painstaking precision, huge files and long memories, and interpretive judgment and experience required to do it well justified by the value of the analytical conclusions they make possible? Is it worth all the trouble, especially when alternative avenues of information have become available? Both the strengths that these analytical methods offer and the weaknesses inherent in many of the alternative sources suggest that it is.

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[360] On the political dynamic between professionalism and politics, see Eliot Freidson, *Professionalism: The Third Logic* (Chicago: University of Chicago Press, 2001), pp. 127-141.

[361] Avis Boutell, "Media Analysis in the Era of *Glasnost*, Foreign Broadcast Information Service *Analysis Report*, FB AR 91-10005, April 5, 1991, i.

Among alternative sources for analyzing leadership politics, for example, the Hong Kong China-watching journals (such as *Contending*, *The Mirror*, and *Wide Angle*) offer tantalizing accounts that have commonly fed into Western analysis of leadership trends in the PRC. However, as fascinating as these accounts are, and without impugning the energy and professionalism of the journalists who produce them, their track record in explaining leadership politics—their main topic of interest—has not been good. Articles recounting the same episode in leadership politics often differ starkly in storyline and basic facts, including some information that is demonstrably false. These accounts may in fact convey some kernel of accurate information, but it is usually impossible to separate it from the fantasy, speculation, rumors, and fabrications also conveyed in the reports.

In addition, although these accounts do not cite their sources, many appear to be derived from the reporters' contacts with friends, relatives, and acquaintances with access to low- to mid-level officials. If that is the case, it is reasonable to wonder what people at these levels (and even officials much higher) actually know about the activities of the top leadership, much less their political machinations. Anecdotally, my own experience (working in the U.S. government for eighteen years and residing in Washington for more than thirty) suggests to me that all sorts of rumors and speculations about American political leaders circulate among broader Washington officialdom, but very few are informed at all by what goes on in the Oval Office.

Finally, many accounts of leadership politics in the Hong Kong media employ a framework to explain Chinese leadership politics that does not seem to accord with present political realities. Many accounts narrate and explain events in terms of a factional struggle approach that more closely resembles politics in the late Mao era rather than the style of leadership politics that seems to prevail in Beijing today.

By contrast, media analysis offers the strength that the information that it bases its analysis on is unquestionably authentic. The information conveyed in PRC media may not be true, but there is no doubt about the provenance of the information and thus its authenticity. The fact that it may not be true is beside the point: it is conveyed by media subject to regime control and reflects political decisions that make it analytically relevant.

The media therefore offer an avenue of analysis of enduring value. Political communication is a variety of deliberate political behavior. All political behavior says something about the actors that engage in it. Methodical analysis of that behavior may therefore provide the best insight into the intentions and purposes of the political leadership that the media reflect.

Appendix: Author and Editor Biographies

Joseph Man Chan is a professor in the School of Journalism and Communication at the Chinese University of Hong Kong, where he formerly served as director. His publications cover international communication, political communication, and media studies in Greater China. Among the books he has co-authored or co-edited are: *Mass Media and Political Transition: The Hong Kong Press in China's Orbit* (New York: Guilford, 1991), *Global Media Spectacle* (Buffalo: SUNY Press, 2002), and *In Search of Boundaries: Communication, Nation-States and Cultural Identities* (Westport: Ablex, 2002). He is a past president of the Chinese Communication Association and was a visiting scholar at Harvard, Oxford, and UC Berkeley.

Junhao Hong is an associate professor in the Department of Communication at the State University of New York at Buffalo, where he is also the Executive Associate Director of the Center for Greater China Studies. He has published a book entitled *The Internationalization of Television in China: The Evolution of Ideology, Society, and Media Since the Reform* (Westport: Praeger, 1998) and has written dozens of chapters in edited books and articles in international journals.

Professor Hong has been interviewed by several influential media organizations, including *The New York Times*, on media and social change in China. He has also served as a consultant to the National Committee on U.S.-China Relations and ABC News regarding China's media policy. He is on the editorial boards of *Modern China Studies*, *American Review of China Studies* and the *Telematics and Informatics*. He is the current President (2004-2006) of the Chinese Communication Association.

Maryanne Kivlehan-Wise is the Director of the China Strategic Issues Group at CNA. Her research interests include Chinese politics and foreign policy, China's media reforms, South China Sea and ASEAN issues, and China's new generation of leaders. She is the co-editor of *China's Leadership in the 21st Century: The Rise of the Fourth Generation*, and the author of chapters in several edited volumes addressing Chinese security issues.

Ms. Kivlehan-Wise completed her undergraduate work at the State University of New York at Buffalo. She holds an M.A. in security policy studies from the Elliott School of International Affairs at the George Washington University, and is a graduate of the Hopkins-Nanjing Center for Chinese and American Studies, as well as Capital Normal University in Beijing, where she studied Mandarin. Before joining CNA, she worked for an international nonprofit organization directing projects on Chinese and Mongolian affairs.

Willy Wo-Lap Lam is a veteran China specialist. A journalist, author and researcher with more than 25 years of experience, Mr. Lam has published extensively on such topics as the Chinese Communist Party, economic and political reform, high-tech development, the People's Liberation Army, foreign policy, and China-Taiwan and China-Hong Kong relations. He was a Beijing correspondent for CNN from 1986 to 1989. From 2000 to

2003, he was Senior China Analyst at CNN's Hong Kong Office. He is also a former associate editor and China editor of the *South China Morning Post*, Hong Kong's leading newspaper, where he worked from 1989 to 2000. Mr. Lam also writes on Chinese affairs for a number of international publications and websites.

Mr. Lam holds degrees from the University of Hong Kong, the University of Minnesota, and Wuhan University, including a Ph.D. in political economy (from Wuhan). Mr. Lam speaks English, Chinese, French, and Japanese. He is a Senior Fellow at the Jamestown Foundation and the author of five books on Chinese affairs, including *China after Deng Xiaoping* (Singapore: John Wiley & Sons, 1995), *The Era of Jiang Zemin* (Upper Saddle River, N.J.: Prentice Hall, 1999), *Hu Jintao: The Unvarnished Biography* (in Japanese) (Tokyo: Shogagukan Press, 2002), and *Chinese Politics in the Hu Jintao Era* (Armonk, NY: M.E. Sharpe, 2006).

Chin-Chuan Lee is Chair Professor of Communications at the City University of Hong Kong and Professor of Journalism and Mass Communication at the University of Minnesota. He has published widely on Chinese media studies, including, most recently, *Chinese Media, Global Contexts* (editor, London and New York: RoutledgeCurzon, 2003), *Global Media Spectacle: News War over Hong Kong* (co-author, Albany: State University of New York Press, 2002), and *Power, Money, Media: Bureaucratic Control and Communication Patterns in Cultural China* (editor, Evanston, IL: Northwestern University Press, 2000).

Jie Lin was a 2003-04 Harvard Nieman Fellow. She is the producer for the China Central Television (CCTV) program entitled *Legal Report*, a 20-minute program broadcast daily at 12:40 p.m. on CCTV-1. *Legal Report* has ranked fourth nationwide and focuses on high-profile legal and social issues such as domestic violence, violent crimes and drugs, corruption, woman and children issues, and abuse of law. During the four years she has worked for CCTV, Lin supervised the production of more than 1,000 programs, many of which have won national journalism awards. She has won four such awards for her own reports.

Lin received her bachelor's degree in law from Peking University and master's degree in mass communication from Louisiana State University. Before working for CCTV, Lin was a news anchor for the Chinese Communication Channel of North America Cable TV in New York for over two years. Ms. Lin also wrote for *North America Chinese Communication* and *The Daily Reveille*. Her recently published articles include "China's Media Reform: Where to Go?," "Law—Not Just A Cold Sword," and "Hatred in the Family."

Alice Lyman Miller is a historian. She is an associate professor in the Department of National Security Affairs at the U.S. Naval Postgraduate School in Monterey, California. She is also a research fellow at the Hoover Institution and general editor of its web-based quarterly *China Leadership Monitor* and visiting associate professor in the Departments of History and Political Science, Stanford University. She previously taught at the Johns Hopkins University's School of Advanced International Studies and at Georgetown

University, and she worked as a Chinese translator and as a China analyst at the Central Intelligence Agency. She is the author of *Science and Dissent in Post-Mao China: The Politics of Knowledge* (Seattle: University of Washington Press, 1996) and is currently researching a book on the evolution of Chinese grand strategy from 1550 to the present.

John Pomfret is the former bureau chief of *The Washington Post* in Beijing. He studied in China at the Beijing Languages Institute and Nanjing University from 1980-82. He has a BA and MA from Stanford University in East Asian Studies. He was posted to China in 1988-89 with The Associated Press and from 1998-2003 with *The Washington Post*. He has also covered wars, disasters, and civil strife in Asia, Europe, and Africa. Mr. Pomfret was the recipient of the Asia Society's 2003 Osborne Elliot Award for the best reporting from Asia. He is married and has one son.

Catherine Welch holds a B.A. from the University of Pennsylvania in Asian & Middle Eastern studies and a graduate certificate in Asian studies from the University of Cincinnati. She is currently pursuing a master's of global affairs with a specialization in information technology policy at George Mason University. Before joining CNA, she worked for the Greater Cincinnati Chinese Chamber of Commerce and, most recently, at Garten Rothkopf, a consulting firm in Washington, D.C. She has studied in China, Taiwan and France, and has Mandarin, Turkish, and French language skills. Her research interests include U.S.-China relations and international cyber security policy.

Guoguang Wu, an associate professor in the department of Government and Public Administration at the Chinese University of Hong Kong, received his undergraduate and graduate education in journalism in China, and served in the 1980s as an editorialist and editor of political commentaries for the *People's Daily* in Beijing. He has also served as a policy advisor on political reform to the Chinese leadership. He was a 1989-90 Harvard Nieman Fellow and later obtained a doctoral degree in political science from Princeton University before returning to Harvard as An Wang Post-Doctoral Fellow at the Fairbank Center for East Asian Research. He is currently at the University of Victoria in British Columbia as a professor of China and Asia-Pacific Relations.

Professor Wu is author, co-author, or editor of 12 Chinese books and has contributed over a dozen academic articles in English to various publications including leading journals such as *The China Quarterly*, *The Pacific Review*, and *Comparative Political Studies*. Sitting on the editorial boards of *East Asia: An International Quarterly* (Durham, UK), *China: An International Journal* (Singapore), *China Perspectives* (Hong Kong and Paris), and *Modern China Studies* (Princeton, New Jersey), Professor Wu specializes in institutional change, Chinese political reform, and foreign-domestic linkage in Chinese foreign policy.

Xiong Zhiyong is a professor at the Foreign Affairs College in Beijing, where he has taught for 20 years. He has served as the Dean of Studies and the Chair of the Postgraduate Department. He received a master's degree in world history from Beijing Normal University as well as a Master of International Public Policy from Johns Hopkins University SAIS. As a Fulbright scholar, he conducted research at Georgetown

University. In addition to academic work, he has served as chief of the political section of the Chinese Embassy in Tanzania.

Xiong specializes in the diplomatic history of China and Sino-American relations and is widely published in these two fields. His publications include: *China and the United States: A Retrospection before the New Century* (Zhengzhou: Henan Publishing House, 1995), *Contemporary China's Diplomacy* (co-author, Chinese Youth Publishing House, 1997), and *The Diplomatic History of China* (co-author, Zhengzhou: Henan Publishing House, 1989), which won the Best National Textbook Prize in 1991. He has also written articles including, "The American Media and China Policy," "Lobby Groups and the U.S. Congress," "The Impact of Traditional Thoughts on China's Foreign Relations in the Modern Age," and "Mass Media and International Relations."

Zhou Yongming is an assistant professor of anthropology at the University of Wisconsin-Madison. He received his Ph.D. in cultural anthropology from Duke University. In 2001-2002, he was a fellow at the Woodrow Wilson Center in Washington D.C. In addition, he was a visiting research fellow at the East Asian Institute at the National University of Singapore in 1999, and a Mellon Fellow at the Needham Research Institute at Cambridge in 2003. He is the author of several books including: *Anti-Drug Crusades in Twentieth-Century China: Nationalism, History, and State-Building* (Lanham: Rowman & Littlefield, 1999) and *Making Politics Public: Telegraphy, the Internet, and Political Participation in China* (Stanford: Stanford University Press, forthcoming).

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Top left: REUTERS/Andrew Wong, 7 November 2001
Duan Maoying, wife of jailed journalist Gao Qinrong, displays a Chinese news magazine featuring the story of her husband who was imprisoned for 12 years after exposing a fake irrigation project in his home county. Duan was in Beijing to campaign for a fair hearing for her husband on China's Journalist Day on November 8.

Top center: REUTERS/Bobby Yip, 1 July 2003
A TV journalist is surrounded by protesters during a demonstration again an anti-subversion law in Hong Kong July 1, 2003.

Top right: REUTERS/Claro Cortes, 6 August 2008
Chinese basketball player Yao Ming is surrounded by the media as he holds the Olympic torch during the ceremony for the Beijing 2008 Olympic Games torch relay at Tiananmen Gate in Beijing, August 6, 2010.

Middle: REUTERS/David Gray, 23 December 2009
A sign indicating where members of the media are permitted to stand is seen outside the courthouse where Liu Xiabo, one of China's most famous dissidents, is on trial in Beijing.

Bottom left: REUTERS, 15 March 2000
A Chinese military delegate representing the Navy of the People's Liberation Army is interviewed by Taiwan journalists on the issues of Taiwan independence before the the final session of the National People's Congress at the Great Hall of the People in Beijing, March 15.

Bottom center: REUTERS/Claro Cortes, 15 March 2007
Journalists cover the closing session of the Chinese People's Political Consultative Conference in Beijing March 15, 2007.

Bottom right: REUTERS/Stringer, 14 November 2009
People use computers at an internet cafe in Taiyuan, Shanxi province, November 13, 2009. Chinese internet users wanted to quiz U.S. President Barack Obama about trade feuds, basketball, Tibet, and whether or not he will cede California to China, according to websites

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