Marketizing Media Control in Post-Tiananmen China

By

Nanchu He

B.A., York University, 2006

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Supervisory Committee

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Supervisory Committee

Dr. Guoguang Wu (Department of Political Science)
Supervisor

Dr. Feng Xu (Department of Political Science)
Departmental Member
Abstract

Chinese media control has been repressive, systematic, and successful. This thesis explores how it has been achieved in Post-Tiananmen China. Many outstanding scholars and authors of Chinese media politics assert that such a Chinese media control has been attained by the Party censorship system. Though this was the case before the 1989 Tiananmen Massacre and during the suppressive period from June 1989 to January 1992, I argue that the major part of Chinese media control since 1992 has been accomplished not by the Party censorship, but by marketizing media control. Marketizing media control is triggered by the job responsibility system. Job responsibility for media managers or contract responsibility for journalists in Chinese media imposes both a survival pressure and a compliance pressure on media professionals and organizations. Under the backdrop of the predatory Chinese political economy, the “Survival of the Fittest” logic encourages media professionals to begin their psychological transformation for pursuing their personal interests. The rich material compensation resulting from marketizing media control consolidates such a psychological transformation. Collective interest protection of media organizations reinforces collective self-censorship. Yet punishment pushes them further into compliance with the Party ideology. Marketizing media control works well as long as the Party-state structure remains unchanged and as long as the Chinese economy is still running.
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Dedication

For Hui Li
**Introduction**

Modernization theorists argue that economic growth leads to democracy. For example, Lipset (1959) presented a causal relation between economic growth and democracy (Gallagher 2002: 339). This argument has become part of the conventional wisdom and has prevailed in the mainstream academic circle. However, China’s experience of rapid economic growth in the last three decades directly casts doubt on the causal relation between economic development and political liberalization and liberal democracy. Fast economic growth has not facilitated China’s democratization. Rather, it has reestablished the Party-state’s ruling legitimacy after the Party-state was damaged by the 1989 Tiananmen Massacre. Some Chinese officials even argued that the 1989 Tiananmen Massacre could be justified by the later economic growth as a necessary social cost\(^1\). In all, marketization in China has not brought political liberalization as many people expected.

In the Chinese media sector, after the Party-state allowed media marketization in the early 1990s, media marketization has not resulted in political liberalization in Chinese media, or a free media. Instead, it has reinforced the effectiveness of Chinese media control. Indeed, initial media commercialization in the early 1990s led to media economic liberalization, which in turn led to media marketization in the 1990s. Most media organizations have become self-sufficient now. Some media organizations have made a lot of profits. Other media organizations have even expanded into other businesses, such as hotels, traveling, and real estate. Meanwhile, media professionals have received much more incomes and benefits than other professionals in their respective localities. These developments seem to provide a precondition for media liberalization, but in reality, Chinese media

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has not been free. Though the media has become commercialized, sensational gossip stories, agitative nationalism, luxurious life styles, and adult contents, comprise the majority of media content, and the media has spoken the tone of Party ideology and acted as the Party’s instrument to foster the Party-state’s ruling legitimacy.

Now the questions are: Why has China not become democratized when it has experienced fast economic growth? In the same reasoning, why has the Chinese media not become liberalized when it has experienced rapid media marketization and fast growth? Many authors and scholars in Chinese media politics believe that the Chinese Party-state has relaxed its direct control over the media. For example, Zhao (1998) captures the processes of the media commercialization and marketization in the 1990s. At the same time, He (2008), Esarey (2006), and Hassid (2008) all acknowledge that Chinese media control has been effective. The puzzle deepens.

Previous Party censorship literature attributes the effectiveness of Chinese media control to the Party censorship system. However, this claim directly contradicts the observation of some authors and scholars (Zhao 1998; de Burgh 2003) that the Party-state has actually loosened its direct control over media as said previously. Unpacking the puzzle requires looking at how Party censorship has wielded its control over the media. Indeed, the propaganda department issues circulars and warnings and organizes study groups and seminars about what the media should report and should not report. However, the most visible and effective form of Party censorship is its punishment on dissident media professionals and media organizations.

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2 The literature on Party censorship argues that the successful Chinese media control is caused by the systematic Party censorship system.
According to He (2008) and the Freedom House Annual Report on China’s press freedom\(^3\) from 2003 to 2007, from the beginning of media commercialization in 1992 to date, about 500 journalists have been disciplined (including 275 Chinese journalists who have been jailed)\(^4\). The ratio of the dissenting journalists (about 500) to an estimated total of 1.8 million state media workers in the same period (on the basis of a one-year labor force of 1.23 million state media workers in 2003) (Zhao 2008:83) is only about 0.03%. Simply put, only a tiny portion of media professionals, roughly three people in 10,000, dare to defy the Party. The overwhelming majority of journalists (99.97 percent) are docile or at least not brave enough to confront the Party ideology (in the year of 2007, by Hassid’s (2008) estimate, only 0.019% of journalists were jailed (420-21)).

Obviously, the explanation for this overwhelming conformity should not fully be credited to the effectiveness of the Party-state’s censorship, but mainly the journalists’ voluntary self-censorship\(^5\). This thesis analyzes the phenomenon of self-censorship, as opposed to the Party’s censorship, as exemplified in He’s (2008) outstanding *Fog of Censorship*. I argue that the effectiveness of Chinese media control derives from the media professionals’ self-censorship, which has been achieved not by the Party’s rules, regulations, circulars, or the Party censors, but by market mechanism of control over media organizations and media professionals, or marketizing media control. Marketizing media control refers to the market mechanism of media control that incorporates the Party’s censorship into the media market mechanism of control over the livelihoods of media professionals and the survival of

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\(^4\) For details, please refer to chapter 5 Punishment as a way to redraw the bottom line, p.123  
\(^5\) Self-censorship, according to Lee (1998), refers to “a set of editorial actions ranging from omission, dilution, distortion, and change of emphasis to choice of rhetorical devices by journalists, their organizations, and even the entire media community in anticipation of currying reward and avoiding punishments from the power structure.” (57)
media organizations. The Party censorship has been internalized into the work mentality of media professionals through material compensation brought by media marketization.

Until now, the major reason that Chinese media marketization has reinforced Chinese media control is clear: media marketization has exerted an economic control, or market mechanism of control, over media players, including media organizations and media professionals. As a matter of fact, media marketization has led media liberalization. However, it is an economic liberalization rather than a political liberalization or a free media. Therefore, the mystery of the market mechanism of media control becomes my major interest.

Of all the Chinese media political writers, Esarey is the most aware of a new form of Chinese media control in the era of media marketization. Esarey states, “In order to explain the puzzling success of state control over China’s commercial news media in the age of globalization, it is essential to consider the effects of party monitoring of news content, legal restrictions for journalists, extra-legal forms of coercion, and the role of financial incentives for self-censorship” (Esarey 2006:3). However, she does not synthesize the new form of media control, nor does she define it. Hassid (2008) also argues that the Chinese media control is mainly a form of self-censorship resulting from the uncertainty of punishment. However, he is still on the side of post-Party censorship, and he fails to point out the market force and market mechanism behind Chinese media control.

As is well known, China is an authoritarian country, and for the Party-state, the media is an important instrument for ideological indoctrination and policy promulgation. The media has helped foster the ruling legitimacy for the Party-state when the Communist ideology lost its currency in the 1990s. From the early 1990s onward, the media has become a tool for legitimacy mobilization through
introducing the, “Survival of the Fittest” evolutionary principle, revitalizing Chinese feudalistic obedient tradition, remaking Chinese history to foster a heroic Chinese Communist History, instigating nationalistic sentiment against Japan and the West, exaggerating the positive side of the Party-state’s performance, and at the same time, intentionally covering up the state structural problems and pervasive social problems of the country. Moreover, Chinese media control is still evident. A recent report from Freedom House states how effective and repressive Chinese media control is. “In its 2005 survey of press freedom, Freedom House rated China as having a ‘Not Free’ environment for the media, ranking it in 177th place out of a total of 194 countries” (Freedom House: New Report Details China Censorship Mechanisms⁶). Furthermore, Chinese media control is not only effective, but also productive: since the 1990s, China’s media has done more for the Party-state than ever before. It not only has achieved self-sufficiency as a whole from the previously total funding by the state, but also has it reformulated the Party ideology indoctrination in a new entertainment way, which has caught much attention from the audiences and readers. Hence, my research on Chinese media politics, particularly media control, is significant and meaningful.

I choose to study Chinese media politics because of my personal experience in China. As a native of China, I am familiar with Chinese politics, Chinese Communist history and Chinese language. Born in the countryside before the start of the notorious Cultural Revolution, I did not have enough food to eat during my childhood. The fear of living under life-threatening and chaotic Cultural Revolution period before 1978 still haunts my mind. The 1980s was a relatively liberal period in Chinese history. However, the bloody 1989 Tiananmen Massacre made me realize that the suppressive

nature of the Chinese Party-state had not changed too much. Since 1992, when many people celebrated the rapid economic development in China, they ignored the negative outcomes of the combination of marketization and Party-state involvement. Some of these outcomes include nationwide rampant corruption, power abuse, dysfunction of rule of law, massive unemployment and underemployment, serious environmental destruction, hundreds of thousands of industrial accidents and casualties, moral degradation, and rapid growth of lethal diseases, such as cancer, lung diseases, and AIDS. Having traveled across tens of cities and lived in several cities both in north China and south China, I gained a lot of intuitive observations about China. Later, I chose to study political science in a liberal democracy, like Canada, to see how a liberal democracy curbs corruption and power abuse, and how it protects people’s lives, liberty and property, and upholds rule of law. Fortunately, my political science undergraduate work in Canada and graduate work in the United States and Canada enriched me about theoretical approaches for unpacking complex social and political problems in China. This research is the starting point of my intellectual development.

The scope of my study focuses on Chinese traditional media, mainly newspaper, television, radio, magazine, and book publication. To simplify my study, I exclude the Internet and other new media in China, such as satellite television. The reason for this exclusion is that I see marketizing media control in sharp contrast to the Party censorship of media control in traditional Chinese media, where punishment is still evident (although not very common). On the Internet and other new media, punishment wielded by the Party-state is not overt; at least the Party-state did not put Internet people in jail. Moreover, I see the clear media market mechanism of control over the livelihood of media professionals and the survival of media organizations because media professionals have an obvious job
responsibility. Hence, the traditional media in Chinese context is the starting point of the conceptualization of marketizing media control.

The methodology I used in this project is divided into four stages, closely related to my personal experiences and my strengths. It was divided by several stages. First, I began my initial research through the sharp contrast of the media’s performances between the 1990s and the 1980s and their effects on people. Second, I referred to secondary sources, such as books and e-journals. Third, I searched Chinese government web sites, Chinese media official web sites, major Chinese portals, such as Sohu.com and Sina.com, and well-known Hong Kong news sources, such as Xingdao Global Net. Last, I took some prestigious nongovernmental organization sources as primary sources as well, such as Freedom House and Human Rights in China. These scholarly and non-scholarly sources comprise the major sources of my study.

This thesis is structured into five chapters. The first chapter formulates the theoretical framework for the entire thesis. It first reviews Party censorship literature, then it outlines the market mechanism of control over people in the Chinese political economy in general and China’s media marketization in particular. This chapter further highlights marketizing media control as the most significant part of Chinese media control. The second chapter argues that marketizing media control is initiated by a job responsibility system. The third chapter demonstrates that rich material compensation serves as the primary motivation for media professionals to comply the Party ideology, and acts as the major cause for their psychological transformation. The fourth chapter explains how the collective interest of media organizations favors compliance. The fifth chapter articulates punishment as a way to redraw the bottom line of media market, which adversely threatens media professionals to comply. In
all, this thesis argues that marketizing media control functions as a “carrot and stick” strategy to ensure the media to follow the Party line.
Chapter 1: Marketizing China’s Media Control: The Theoretical Framework

Revealing the media market mechanism of control over media professionals and organizations, requires two inquiries. First, one must investigate the market control over people in political economy in general. Second, one must delve into the Chinese media market to find out how the media market mechanism acts as a media control over media professionals and organizations.

In the political economy, many modernization theorists believe there is a causal relation between economic development and political liberalization and democracy. Lipset (1959) argues that when economic growth reaches a certain level, a country will enter into democracy. However, as mentioned before, Chinese economic development, or marketization, has not resulted in political liberalization in China. Instead, Chinese economic development has reinforced the authoritarian rule. The authoritarian regime has gained support, not only from shortsighted Western governments, but also from academics. This is because Chinese economic growth has actually delayed democratization in China, as argued by Gallagher (2002). Taking a cue from her theory, I argue that the Chinese economic growth has functioned as a hegemonic control over powerless people, particularly the urban unemployed and vast rural peasants. I further argue that the increasing economic resources have enabled the state to buy off intellectuals and professionals. Under such a societal background, Chinese media marketization has also developed a media market mechanism of control over the media professionals and the media organizations. The particularity of media market control over the media professionals and organizations is the combination of media market mechanism of control and the Party’s punishment on them, which makes this control more evident. This theoretical framework demonstrates the market control over Chinese people in general and the delicate media market
mechanism of control over media professionals and organizations in detail by the following sequence.

This chapter begins by reviewing the literature on the Party’s censorship. Along the Party censorship line, I survey the literature on Chinese media control, ranging from outright Party censorship, to the fragile Party media control. Despite the differences in their arguments, the following authors all believe that China’s media control is implemented by the Party censorship. However, they neglect the important market mechanism of control over the media in the development of the Chinese market economy. To investigate the market impact on media control, I look into the market control over people in Chinese political economy in general. Following that, I elaborate on the media market development, the Party’s macro-management of the media market, and the distinct characteristics of the media market. On this basis, I argue that in contrast with Party censorship, the major part of China’s media control is achieved through marketizing media control, and consequently the Party’s media control has been internalized into the market mechanism of media control over media professionals and organizations.

**Literature on Party Censorship**

Many scholars and writers in Chinese media politics attribute the effectiveness of China’s successful media control to the Party censorship system. This literature review first examines the strong Party-state media control theory, and then moves to weaker Party censorship theory, before it finally examines the Party’s willingness to retreat from its censorship role. All writers more or less believe that the Party censorship system determines whether or not Chinese media control is effective.

Guoguang Wu (1994), the Chief Editor in the Commentary Department of the *People's Daily*
from 1985 to 1989, argues that command communication is the way to control editorial processes in Party organs, particularly the People’s Daily. Command communication, according to Wu (1994), means that “information from the top must be taken as a ‘command’, and the data flow from the top to the newspaper is the process of ‘command communication’” (1994:195-96). This process determines how topics are selected, what should be censored, and how to draft (Wu 1994:195). The “top” here refers to high-ranking officials in the Central Propaganda Department, the leadership of the Chinese state, and the Politburo. By the 1980s, information and data from the top formed the guiding material and principle of People’s Daily’s editorial policy. This newspaper’s commentary represented the opinion of the Party-state, as well as the highest authority to all other party organs at both the provincial and municipal levels. Therefore, it became a “vehicle of command” (Wu 1994:195), and command communication had to be strictly followed by all Party organs. Though as Wu (1994) acknowledges, Party-organs had more autonomy to write their own commentary in the 1990s than in the 1980s. Thus, the command communication model represents the prototype of traditional Party-state direct media control.

Ashley Esarey, a China media specialist commissioned by Freedom House, views China’s media from the perspective of structural approach. Esarey (2006) succinctly but systematically characterizes a strict and multilevel censorship system in China’s media. Esarey describes the Party appointment and monitoring of media personnel, the censorship mechanism of the propaganda department, and the punishment of defiant journalists. Moreover, Esarey condemns the legal threat to Chinese press freedom and Chinese journalists imposed by the state’s use of “state secrets laws” and

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7 It refers to the Party newspaper of communist parties or leftist parties
other regulations.

Concurring with Esarey, Qinglian He (2008) systematically and intensively presents a rigid Party censorship system that incorporates error-proof procedures for ensuring the Party’s ideology in Chinese media. She was a former journalist in the *Shenzhen Legal Daily*, but was forced to resign from her post for her critical book, *The Pitfall of Modernization*, which denounces the authoritarian Chinese state as a mafia state. She later became an expert in press freedom at Human Rights in China. He (2008) begins her article by presenting a broad picture of the Chinese government’s control over media organizations and media professionals. She dismisses the potential for media market to liberalize the Chinese media because the Chinese government has integrated traditional Party censorship, the police force, and new technology into its control of the media market. Most insightfully, she argues that the secret for the success of Chinese media control is telling half-truths since telling a partial truth is more deceptive and effective than telling a full lie. With the perspective of an insider as a former Chinese media professional, she discloses many internal secret procedures for controlling the Chinese media. She also vividly narrates how many brave journalists have uncovered interesting and investigative stories, how the Party-state prevents journalists from collecting information by using local police, and how the Party state inflicts punishments on these journalists.

De Burgh (2003) confirms the effectiveness of Chinese media control and captures the characteristics of the systematic and repressive media control as well. De Burgh is an expert of British journalism and has maintained contacts with the Chinese news media and media people for several decades. He offers a comparative perspective to examine the Chinese media. In his book, *The Chinese

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8 An independent organization based in Washington, for details, please refer to [http://www.hrichina.org/public/](http://www.hrichina.org/public/), access on February 08, 2009
Journalist: mediating information in the world's most populous country, de Burgh compares British and Chinese journalism on various issues, using the journalistic principle as his starting point. He mainly focuses on how Chinese culture influences journalistic performance in news media, how Chinese journalists see themselves as propagandists, and how news is produced in China. Though there are some investigations undertaken in the Chinese media and some journalists claim that they have engaged in investigative journalism, he distinguishes Chinese “investigative journalism”, from the Anglophone style of investigative journalism as exemplified by the Watergate investigation. Chinese journalism has not achieved a status independent from its role as the Party mouthpiece. Furthermore, through comparative case studies, de Burgh concludes that Chinese regional news media do not produce much news other than local issues and daily concerns, such as utility problems, transportation jams, and minor environmental complaints. Overall, he argues that the Chinese media is still tightly controlled by the Party state, especially when compared with the level of freedom that the British media enjoys.

Ortolani (2008) concisely depicts the systematic control of the Chinese media. As a foreigner who worked for China Daily and CCTV, he states that Chinese media is known to all as the “tongue and throat” of the Party. Media control has been an overt business since the Communist seizure of power. According to him, the media was used to cover up millions of lost lives in the Great Famine between 1959 and 1961 and was also used to stir up great chaos in Cultural Revolution from 1966 to 1976. Though the media has undergone reform, Ortolani insists that the control is still on. Ortolani’s summary of China’s media control can be outlined by five main points. First, Chinese news is “almost news,” meaning that news as a propaganda does not change and will not change in the near future.
Second, someone is always watching over journalists, and Ortolani himself has witnessed such censorship. Third and fourth, the Party-state uses a “carrot and stick” strategy to buy off journalists, ensuring that they comply with the Party ideology, directives, and circulars, and to punish those who dare to confront the Party. Fifth, any criticism against officials is deemed to be against the Party, and thereby against the vast number of Party members. Ortonali concludes that, with such media control in place, some journalists strive to climb up echelons of power through touting journalism.

Hassid (2008) argues that the Chinese Party-state controls its media through uncertain punishment. Or rather it is the uncertainty of the Propaganda Department’s whim to impose punishment on journalists that deters the journalists’ audacious coverage. For Hassid, “uncertainty is so effective in amplifying the effects of coercion that the state is able to control newspapers even with the jailing of fewer than one in five thousand reporters” (2008:425). He further states that the appointment system determines that the appointees are accountable to the propaganda departments that make the appointment decisions. For this reason, “being critical in small issues and being supportive on major issues” (Hassid 2008:419) has become the editorial policy for Chinese papers. Differing from other Party censorship theorists, Hassid argues that self-censorship, resulting from the uncertainty of punishment, is the major force of China’s media control.

Quite different from the above arguments, Lynch (1999) argues that the Party-state has gradually lost its grip on the Chinese media. Lynch attributes this loss of control to the proliferation of media organizations and media commercialization after 1992, and the development of the Internet, telecommunication and satellite television in the 1990s. In his book, After the Propaganda State, Lynch delves into how China has developed its communication infrastructure, including television
relay stations, radio stations, telecommunication, and the Internet. He depicts how the Chinese state has structured these into a unified communication network. Against such a background, he argues that the Chinese state has actually built a huge and free modern media that is difficult to control. For him, the Party-state has relinquished control over many areas of the media, particularly satellite television and the Internet. Although the Party-state has still maintained certain control over traditional media, Lynch insists that media commercialization has set the momentum for media liberalization and democratization. In Lynch’s viewpoint, a freer media in China is in the process of formation.

Similar to Lynch (1999) but with more certainty, Shirk (2007) argues that the Chinese government has abandoned its monopoly over the Chinese media. Shirk views the media from the angle of the Sino-Japanese relationship. Shirk’s perspective is that anti-Japanese sentiment has flowed from Chinese society to print media and the Internet almost without any state control. Demonstrations and petitions against the Japanese are everywhere in the Chinese media, represented by the *People’s Daily* and the official Xinhua News Agency (Shirk 2007:44-5). For Shirk, “the Party and government no longer have complete control over the information reaching the public” (Shirk 2007:45) because the commercialized media and the Internet are bound to cater to the Chinese public (Shirk 2007:45).

These various views on China’s media control in relation to the Party censorship provide a rich starting point to explore the different factors that control the media in China. In sum, six characteristics of Party censorship have been identified. First, in 1999, the State Press and Publication Administration (SPPA) instituted a licensing system for controlling journalists (Pan and Lu, 2003:225), which puts a straitjacket on journalists. Second, the Party-state has implemented unconstitutional laws to discipline the media sector and to intimidate journalists. Some of these laws are unconstitutional, such as
restricting free press, or stipulating which news items are not allowed to be broadcast or published. For example, “on July 5, 2006, China’s National People’s Congress passed a draft law imposing fines of 50,000 – 100,000 yuan for unauthorized news reports of outbreaks of disease, national disasters, social disturbances and other ‘public emergencies’” (He 2008: xiii). Clearly, such a “law” is a brazen violation of freedom of the press. Third, in-house censorship executes the daily check on publication or broadcast. For example, the programming department, which is staffed by in-house monitors who often have close ties with the Propaganda Department (Esarey 2006:5), “serves as the distributor of PCs [Propaganda Circular] within the media group, interpreting their meaning for station managers and determining whether politically sensitive material can be broadcast” (Esarey 2006:5). Fourth, there are dual levels of censorship systems outside media organizations for safeguarding the effectiveness of Party censorship. He (2008) observes that, “[c]onsiderable overlap in media monitoring allows the government press and publication bureaus and the Party propaganda departments to monitor each other as well” (26). The dual system ensures careful and faultfinding censorship executed by both the Party and the government agencies. Fifth, secret police have become a helping hand in media control both in monitoring dissidents and intellectual critics, and in censoring the Internet (He 2008:212). The use of police to prevent journalists from gathering information to detaining and arresting journalists has become increasingly common and visible. Sixth, the propaganda department is always ready to punish media organizations and media professionals if they dare to challenge the Party ideology and defy any of the above institutional arrangements.

As a result, these six institutional arrangements weave a tight constraint on the media. Thus, although it is known as the fourth estate of a nation, the media forfeits its supervisory function in
China. Quite significantly, the above-mentioned constraining forces only consider pressures exerted by the Party censorship. Thus, the arguments that attempt to account for the overwhelming obedience of the Chinese media fail to recognize that another powerful cause still remains: marketizing media control. This neglected force forms the fundamental argument of my thesis.

I argue that the effectiveness of Chinese media control is not achieved by the Party censorship but instead by marketizing media control. Marketizing media control incorporates the Party censorship of media control into the market mechanism of control over the livelihoods of media professionals and the survival of media organizations. In contrast to the Party censorship literature, this market mechanism of media control is my intellectual contribution to Chinese media politics. Such a market mechanism of control over professionals could be generalized to other professionals in China as well. Therefore, my argument could open up a new genre of literature. My enquiry into the market mechanism of control over professionals begins with the enquiry into political economy in general and the Chinese political economy in particular.

**Political Economy and Market's Control over People**

Those who attribute the effectiveness of Chinese media control to the Party censorship system ignore the market force of control in general, and they fail to recognize the media market mechanism of control in particular. The strong force controlling China’s media should be traced to the political economy, particularly that in China. As is well known, since the 1978 “Open Door” policy, the Chinese economy has undergone tremendous progress. High economic growth rate has been the major pillar of the Party-state’s ruling legitimacy. However, fast economic growth has not led to political
liberalization or democracy in the last thirty years. In fact, it has reinforced the Communist authoritarian rule, particularly following the 1989 Tiananmen Massacre that badly hurt the regime. Now, the question is – why has economic reform or marketization in China reinforced control over the people?

A theoretical framework for this discussion is constructed firstly from Gramsci’s theory of hegemony. Then, Gallagher’s empirical research of China’s economic reform well substantiates Gramsci’s theory of market hegemonic control in China. Gallagher (2002) demonstrates that Chinese economic development, mainly foreign direct investment (FDI) liberalization, has delayed Chinese democracy. Further, extending Gallagher’s theory, Chinese economic development has re-established a control over people when the Party-state has gradually retreated from a total control over Chinese society and economy. This is because economic growth, or marketization, has played an economic control over the Chinese populace, which reduces the necessity of the state’s firm political control over the society.

Gramsci (1971) argued that power is hegemonic but less visible than brutal force. For him, it is through hegemony that power is maintained. “The hegemony will be exercised by a part of the social group over the entire group, and not by the latter over other forces in order to give power to the movement, radicalizes it, etc.” (Gramsci 1971:106). Gramsci attributes the fault of the Italian ruling group in the early 20th century to their attempt to dominate. He sees that domination is too costly for ruling class and therefore, it cannot last for too long. Gramsci thinks that the ruling class gradually achieves hegemony through passive revolution. He displays that when passive revolution replaces war of position, within this process the dominant class makes some compromises with the society. As a
result, consent is reached in the society and such consent bestows the ruling class hegemony in the long run. Though hegemony is weaker than domination, it is more stable than domination, and social control is better maintained through hegemony. Nowadays the overwhelming consent is marketization or economic growth, particularly after the collapse of former Soviet Blocs. Economic development or marketization has become a hegemony.

In China, politics were in command between the 1950s and 1970s. However, a transformation occurred, and economics in command replaced the previous political one from the early 1990s onward (Feng Xu 2009, Personal Communication). When the state allows marketization, marketization creates a market mechanism of control over the people. In the daily operation of market, the market plays a hegemonic role of control over people through pursuing profit and distributing income to the people who work under the market.

Modernization theorists, such as Lipset, believe that economic growth leads to democracy. Gallagher (2002) contends that economic growth might, on the contrary, has deterred political liberalization and democracy, at least in short term, which in effect enhances political control over people. That is, economic development leads to economic control over people that reduces need for total political control.

Gallagher (2002) states that China’s economic reform has indeed delayed its political liberalization in the short term. First, according to her, “there is little chance for the private economy to play a central role in political change” because “private industry in China is still in its infancy” (Gallagher 2002:342) for “lack of adequate channels for capital formation” (Gallagher 2002:353). In fact, “[p]rivate business in China is mostly excluded from China’s capital markets, which are reserved
for raising money for publicly listed state enterprises” (Gallagher 2002:353). Were the Chinese banking system not to change, private businesses would not have financial support other than from their private financial resources. Private business would not grow fast in the near future. Secondly, state-owned enterprises (SOEs) continue to lose money and shrink in size. “Reform of the state sector, begun in earnest in 1984, has continually failed to yield results that corrected the failings of socialism” (Gallagher 2002:352). Moreover, “[i]n 1998 the state sector’s share of industrial output stood at only 28 percent, falling from nearly 80 percent at the beginning of the reform era” (Gallagher 2002:353). This loss has urged the central government of China to list SOEs in China’s stock market or overseas stock market. Until now, the major share of SOEs is sold to either small shareholders or foreign direct investments (FDIs). The current state share of industrial output would be lower than that of 1998. In short, the dynamic liberalization of FDI has fueled China’s economic development.

However, FDI liberalization did not push China into further political liberalization. On the contrary, Gallagher argues that “FDI liberalization delayed political liberalization in China (or made political liberalization less necessary from the regime’s standpoint) because it preceded the other key reforms of a socialist transition: reform and/or privatization of the state sector and the development of an indigenous capitalist class” (Gallagher 2002:354). The preferential policy of FDI further stimulated FDI proliferation in the implementation process of Party-state’s policy of, “Grasp the Big and Letting Go the Small” for selling SOEs. According to Gallagher (2002), “[f]oreign investment has figured significantly in the state’s letting go of its small and medium-size enterprises through a rapid increase in the number of ‘grafted’ joint ventures, the foreign acquisition of firms, and the renting of factories to foreigners on long-term leases” (351-52). Through such infiltrations, FDI has become the major force
of the Chinese economy. Within this process, China’s FDI liberalization has intensified competition for FDI among regions and individual domestic businesses, and competition among workers for jobs (Gallagher 2002:342). “Such competitive pressure has led to increasing fragmentation [of the Chinese economy]; it has also reduced societal resistance to reforms, which in turn has delayed demands for political change” (Gallagher 2002:342). While China’s state sector has been losing money and the private business sector is still weak, FDI does not challenge the Party-state and its development has actually delayed the demand for political change (Gallagher 2002:354). Therefore, the overall effect is that FDI liberalization has delayed democratization in China, and thereby, democracy.

An extension of Gallagher’s theory is my argument that the effectiveness of economic control over Chinese people reduces the tension for tight political control. The economic imperative of survival for urban manual workers and rural laborers forces them to live under market hegemonic control. Meanwhile, the economic growth has provided the Party-state with rich resources to buy off intellectuals and professionals. Though marketization does lead to economic liberalization, it does not necessarily lead to political liberalization as predicted by modernization theorists, at least in a short term. On the contrary, economic development helps to strengthen political control, as argued by Gallagher.

In the case of China, since the open door policy, marketization has led to economic liberalization. Economic reform has brought about tremendous social changes in China. However, Chinese political economic development as a whole has helped Chinese officials and those business people who collude with officials, to siphon off state assets. This has resulted in a large number of unemployed workers. In other words, marketization in China has endowed the powerful people with
more resources and means to control and deprive powerless people of the basic means for survival. As a result, it reinforces control over the majority of the people. The following three reasons clearly and empirically demonstrate why marketization is so forceful in controlling over Chinese people.

In the first place, marketization legitimatizes economic control over people. The control over workers is ensured when the state legalizes, “short-term labor contracts, wage and bonus-setting autonomy for enterprise managers, and a sharp reduction in the social welfare burdens of the enterprise” (Gallagher 2002:356). This intensifies competition among workers. Moreover, the huge rural labor reservoir and the poor conditions of rural life further intensify competition among laborers. With the intensified job competition, survival pressure has increased during the economic development of China. As a result, Chinese economic development, or further marketization, would ensure overall control over the people.

Secondly, for the majority of Chinese people, daily control is exercised by economic control: the state does not need to shoulder direct responsibilities for economic grievances because it has given up its direct operation in the major part of the economy. When the state has retreated from its direct economic operation, the state sector becomes smaller and smaller, and the state actually does not have to shoulder the economic responsibilities for most economic grievances. Daily survival becomes a personal responsibility and thereby control is basically exercised by economy. That explains why the state began to allow economic strikes and protests, which are the majority of social riots and protests from the 1990s onward. As cited in Perry and Selden (2000),

… From striking cab drivers to disgruntled farmers, more and more people are taking their economic frustrations to the streets of China…Instead of beating and arresting protesters as they
might have some years ago, officials seem more willing these days to accommodate, negotiate or simply pay them off. As long as demonstrators don’t make personal attacks against top leaders or demand political change, they are often free to vent their anger (Perry and Selden 2000: 17).

These observations reveal that the state is not the target of these economic protesters. Despite their efforts, these economic protestors would continue to suffer as long as the political economy does not change. Furthermore, their future becomes more pessimistic if you consider that “[u]nder reforms, economic protests have become increasingly routinized” (Perry and Selden 2000:17), which fails to arouse other people’s concern. Now, the majority of the Chinese economy belongs to non-state sector, such as township and village enterprises (TVEs), domestic private businesses, joint ventures, and multinational corporations. Thus, the state becomes a third party in labor-business confrontation and it, “has become more willing to tolerate criticism and worker protest” (Perry and Selden 2000:17).

Thirdly, the fragmentation of the Chinese economy further undermines the resistance of the powerless people and reinforces economic control over them. In their empirical research of social riots and resistance, Perry and Selden (2000) elaborate that the fragmentation of the Chinese economy, from agriculture, to private business, to state sector, and to FDI firms or joint ventures, has diversified Chinese people’s economic lives (Perry and Selden 2000: 15). As people live under competitive pressure and exploitation, they have enormous grievances. However, the laments of laid-off workers do not readily resonate with the outcries of over-taxed farmers or the complaints of critical intellectuals, or the protests of minority nationalities or women. Facing very different dilemmas, these diverse groups among today’s protesters frame their grievances and demands in distinctive terms that do not easily transcend the barriers of class, region, gender,
nationality, or educational level (Perry and Selden 2000: 15).

Thus, they have difficulty forming a common cause to redress their grievances, nor can they form a social or political force to challenge the Party-state (Perry and Selden 2000: 15). As a result, those unfortunate people and victims of rapid economic development will continue to suffer in the near future. Control is ensured in the rapid economic marketization.

This economic control over people, particularly the powerless people, has resulted in serious social consequences – even a huge loss of human lives. Still, control is effective for people who live in miserable environments and poor economic conditions. Chinese economic reform began by rural decollectivization, and it reaped great success in the 1980s. However, further marketization in the 1990s resulted in a control over rural labor. Peasants became victims of marketization. In the 1980s, TVEs became the new blood of the Chinese economy when the Party-state abandoned People’s Commune and institutionalized the Household Responsibility System in rural China. Unfortunately, the development of TVEs was soon outweighed by the rapid rise of the urban economy, including both foreign direct investments (FDIs) and urban development. The competition between TVEs, FDIs, and urban businesses favored the stronger FDIs and urban businesses, which are clearly stronger because they have much more capital than TVEs, and they are encouraged by the Chinese state.

As Huang (2008b) argues, in the 1990s, China reversed its liberal direction (the rural entrepreneurship) of the 1980s and instead adopted policies and practices favorable to FDIs and urban development. Outstanding is the Shanghai model prevailing in China in the 1990s. This model is characterized by, “an urban bias, heavy-handed interventionism by the state, an investment-intensive growth strategy, and a biased liberalization that privileges FDI over indigenous-especially
small-scale-private entrepreneurship” (Huang, 2008b: 42). Pei (2006) suggests that Chinese governmental preference for foreign investors over domestic entrepreneurs is due to the FDIs’ non-threatening nature to the governmental political power (32). This preference actually deters the growth of domestic private business. Therefore, Chinese economic development tilts toward deformed and biased urban growth, symbolized by “the Shanghai model”. Huang (2008b) contends the praise of “the Shanghai model” in that “[t]he huge construction and real estate booms that outside analysts associate with Shanghai appear to have done with little to benefit the average Shanghai households” (177). In other words, this economic boom has not brought welfare to the majority of its populace, but to the businesses and collusive officials engaging in the “Shanghai model” developments.

As a result, many TVEs shrank in sizes or were bankrupt in the 1990s, and the excessive rural force became migrants flocked to China’s urban centers. Most of them moved to urban constructions or sweatshops, and they are called migrant workers (mangliu or nongmingong). Under the burden of survival, they are willing to do any dirty and heavy labor that even unemployed urban workers do not want to do. Migrant workers struggle with the worst working conditions. Gries and Rosen (2004) argue that “[r]ural migrants work as virtual slaves in urban factory compounds with no job security and none of the welfare benefits that were formerly the pride of the state sector” (1).

Why rural laborers are willing to work as slaves? Perry and Selden wrote that since reform, the Chinese state retreated from direct control over its people, particularly one billion villagers (2000:11). Rural laborers are massive in number and they belong to the lowest class in China. They have virtually no health care except for, “barefoot doctors”, who are themselves peasants and have little or no formal medical educations. They have no retirement pension, poor access to education, and some of them still
work in a way of, “slash and burn cultivation” rather than relying on agricultural machinery. On average, Chinese peasants have a very small piece of land per person. Still, some of them have no electricity and most of them do no have running water.

Manual labor under the harsh way of cultivation in the open field has led to many people committing suicide. For example, among Chinese people who committed suicide “about 90 percent of suicides in China are rural”, and “China has been by far the world’s largest number of reported suicides; more than 300,000 each year, comprising 42 percent of all suicides world-wide and 56 percent of all suicides in women” (Lee and Kleinman 2000:221). Under such miserable conditions, rural laborers have aspired to leave countryside and to have a stable income by working in rising urban cities. But the rural labor force is huge in size. The number of migrant workers is estimated at around 100 million and TVEs have employed another 170 million (Lee 2000b: 44). There are still hundreds of millions of rural laborers who are tilling lands and some of them are underemployed. With such a huge labor pool, competition over jobs has been fierce. The direct result is that, regardless of how harsh the working conditions are, rural laborers are willing to take the jobs. The huge loss of lives in some terrible workplaces has become an inevitable consequence. For example, “[i]n the first six months of 2002, over 53,000 Chinese workers were killed in workplace accidents” (Gries and Rosen 2004:1). Most of them died in coalmines and construction sites, and most of them were rural laborers or migrant workers.

Urban workers might live a better life than that of miserable rural laborers, but they have also been ruthlessly exploited. For example, when China’s GDP growth reached 10 percent annually during 1987-97, the real average wage for urban workers only increased by 4.4 percent, around the same
period (1979-1996) (Lee 2000: 44). At the end of 1990s, the unemployed SOEs workers surpassed 20 million in China (Lee 2000: 44), and this number has grown since then. For those who are still employed, the old enterprise welfare system has been dismantled, and a new, thinner insurance system has been installed (Lee 2000: 44). Perry and Selden (2000) summarize that “Deng Xiaoping’s famous adage that ‘to get rich first is glorious’, has left many of less fortunate distraught, angry, and wondering if their time will ever come” (5).

In a nutshell, Lee (2000) concludes that “[a]lmost every step along the path of market reform amounts to a setback for state workers’ status and livelihood” (44). In her view, the ascendance of managers’ dictatorial power over workers and unions, as well as mandatory labor contracts for all employees, bestow management a legal mandate to dismiss workers (Lee 2000: 44).

Under such severe conditions of life, both rural laborers and urban workers resort to labor riots and protests, but, “the tremendous personal risk [of protest] implicit in any confrontation with authority is a serious deterrent [of protest]. Perhaps no action demonstrates this dilemma more poignantly than the ultimate recourse: suicide. Sing Lee and Arthur Kleinman report that the number of suicides in reform-era China is extremely high. […] The victims fall into two high risk groups: young, rural females; and elderly men and women”(Perry and Selden 2000:13). Most of these people commit suicide for economic reasons rather than political ones. Such a phenomenon illustrates the power of the economic control over these victims.

On the Party-state’s side, it uses the economic resources that result from market economic development to silence its critics, such as former contentious intellectuals and professionals, and to open its door to business owners. In Chinese society at large, cooperation has been interactive in both
ways between the state and the social elites. The Party-state has intentionally co-opted social elites and intellectuals. Pei (2006) argues, “the CCP launched a systematic campaign of co-optation to recruit loyalists from among the intellectuals and professionals” (89). Specifically, in the campus, “[p]ublished official documents indicate that the Party began a concerted campaign to expand recruitment and give them [intellectuals] the party more patronage power on college campuses in the early 1990s” (Pei 2006:89). The effect is that it “has proved to be highly successful in shoring up the CCP’s base of support, particularly after the suppression of the prodemocracy movement in 1989” (Pei 2006:88). In fact, many intellectuals praise the regime in exchange for material gains and fame. Official-related business groups collaborate with the regime too. All in all, upper classes including business groups and intellectuals have self-consciously cooperated with the regime and touted the regime not for a good government, but for their self-interests. Therefore, economic reform or market economy in China has incorporated social forces including intellectuals, professionals, and property owners, into its ruling group. As a result, in the absence of democratic transition, critics argue that China’s “process of economic transition can be ‘hijacked by the state opportunism’ and be exploited by the ruling elites to consolidate their hold on power, at the expense of the long-term interests of the society” (Pei 2006:27). At the same time, marketization has further deprived the rights of lower classes, such as the urban unemployed and rural peasants. Therefore, marketization reinforces the ruling elites’ control over both the upper class and lower classes. The upper class is bought off, and the lower class is sheer exploited and excluded from job. For the lower class, the imperative of survival has forced them under market’s control. This conclusion is congruent with Gramsci’s theory of hegemony, which states that a small group ensures control over other groups of the society through hegemony.
As a result of economic reform, particularly marketization in the 1990s, “[i]n the decade since 1989, despite a plethora of strikes, protests, and everyday resistance, no largescale political movements have challenged Party rule” (Perry and Selden 2000:6-7). Economic control over people has become a daily practice. Most people avoid direct confrontations with their direct employers because competition for jobs is so fierce. Nor can they resort to the state because the state has abandoned its social and economic responsibilities. However, despite its seemingly effectiveness in the short term, the market economic control in China could have a detrimental long-term effect. Perry and Selden foresee that the rising gap between the privileged rich and the unfortunate poor creates a potential for revolution, as predicted by Karl Marx (2000: 13-4).

**Media Marketization, the Party’s Macro-management, and the characteristics of the media market**

Marketization of the Chinese media is the precondition for marketizing media control to work. Only after media marketization can the media be provided with enormous financial resources, benefits, and opportunities, to compensate or buy off media professionals for their submission to the rigid Party ideology. This process can be dated back to the watershed event of the June 4th 1989 Tiananmen Massacre. After that, the media marketization experienced three important stages. The first one was the jump-start stage of 1992 media commercialization. The second was the marketization of the media with a nearly mandatory push into the media market. And the third stage was the ongoing media grouping, beginning in the late 1990s. The first stage can be categorized as a liberal development stage and the later two can be categorized as macro-management stages by the propaganda department. After
elaborating media market development, this section sums up the characteristics of the media market.

**A. Media commercialization**

Media commercialization is a voluntary and temporary attempt by a media organization to broaden its audience base and expand its revenue channel. Facing a budget constraint, the Party-state did not intervene in this process. When many media organizations began to make profits, media commercialization became a recognized way of media operation. As mentioned before, this process started with an economically successful experiment as early 1986 in the Pearl River Economic Radio (PRER) in Guangzhou (Zhao 1998:96-7). The purpose of this experiment was to emulate Hong Kong radios to win over Guangzhou audiences who tuned to Hong Kong radio stations in the early 1980s. Despite that, media commercialization did not become well known until after 1992 when the 1989 Tiananmen Massacre disrupted the proliferation of PRER model, and later in early 1992 when Deng Xiaoping’s Southern Tour resumed economic liberalization.

Before Deng’s Southern Tour, there was the watershed event of the 1989 June 4th Tiananmen Massacre in Beijing. The whole world witnessed the bloody slaughter through the reporting of the international journalists who happened to be there for covering Zhao Ziyang and Gorbachev’s summit on May 16th in 1989. Tanks of the People’s Liberation Army (PLA) brutally ran over the running students and Beijing citizens and arrays of bullets chased the shocked fleeing crowds on the Beijing streets between the midnight of June 3rd and the early morning of June 4th. After the June 4th Tiananmen Massacre, “with the purge of liberal leaders such as Zhao Ziyang and Hu Qili at the top of the CCP hierarchy, the incarceration of many student leaders and activists, and the exile of leaders of the Tiananmen movement, the intelligentsia had lost their strongest advocates, allies, and leaders” (Pei
The Party-state’s next target was to cleanse the briefly free media, which lasted only for a short period between early May and June 4th of 1989. The upshot was, “some of [the journalists] died [in the massacre], many of them lost their livelihoods and their future and the bulk of whom would conform” (de Burgh 2003:68). China took a u-turn in the spring of 1989 away from its incipient reform starting in 1978, and the Chinese economy plummeted into a deep recession after an international boycott. The media were full of traditional Chinese Communist revolutionary discourse that seldom appeared after Chinese economic reform. As a former Xinhua News Agency journalist says, “the suppression of pro-democracy movement marked the end of the heyday of journalism at Xinhua” (Swan 1996:34). This marked the beginning of the demolition of the journalistic spirit fighting for social justice.

Though Deng Xiaoping was the major decision-maker behind the June 4th Massacre, he was not happy with Jiang Zemin and Li Peng’s conservative management of the economy. He went to several southern provinces to urge the liberal provincial leaders to develop the economy. Ironically, even the publication and broadcast of Deng’s visits and speeches involved a convoluted process (de Burgh 2003:22-23). At last, Deng’s Southern Tour speeches were published in Shanghai’s Liberation Daily under a pseudonym, Huang Puping. In fact, the process of media commercialization was catalyzed by “the publication of Deng Xiaoping’s talks during his inspection tour of south China in early 1992” (Zhao 1998:47). Following that, the PRER model was copied again, without overt sanction from the government. Since 1994, more than one hundred economic radio and television stations have been established, with relative editorial autonomy (Zhao 1998:124).

The adverse financial pressure and the positive economic incentive for the media account for
this development. On the one hand, the financial pressure on the government forced the government to allow media units to raise funds by themselves. It is this permission or nonintervention of media revenue generation that led to the imperative for media commercialization, which could make a media unit self-sufficient. On the other hand, business demand for advertisement actualizes this development. In the beginning of media commercialization in the late 1980s, Chinese society was “still a very controlled society in which no endeavor can start without the correct procedures having been gone through, often entailing paying for the ‘chop’ of various different functionaries” (de Burgh 2003:30). After a while, some shrewd people induced the media to open up door to make profit. “Would-be entrepreneurs would go to [media units] and suggest ways in which the licences might be exploited for profit by turning print or broadcast publications into advertising or sponsorship vehicles” (de Burgh 2003:30). Soon media organizations found that advertising could make such easy money, and then they made the most use of their formerly unused assets and human resources to broaden their revenue (de Burgh 2003:30).

Driving for profits, media managers and journalists have to cater to readers or audiences. With the expansion of readership and audience, more and more corporations or local companies seek advertising in the media, which benefit both media organizations and their regulators (Lynch 1999:42-3). After 1992, Chinese society changed greatly, with material gains and hedonism prevailing. The notion of a good journalist also changed, and so did that of the audience. “The consumerist conception of the audience is apparent in the ‘service’ mentality first articulated by PRER; the audience is to be served by informational and entertainment programming” (Zhao 1998:154). The more audiences or readers a media can attract, the more advertising revenue it can generate because
businesses are willing to pay a high sum of advertising fee to a media with large volumes of readers or viewers, all of whom are potential customers and consumers for businesses.

In a nutshell, commercialization has been the order of Chinese society (Zhao, 1998:1). It is true that many media organizations took the risk as well as the chance of commercialization, but most of them have made much higher profits than they imagined at the beginning of their entrepreneurial adventures.

**B. Marketization of the media**

Media marketization began with the government push. Under the pressure of the government and the later cut of subsidies, media organizations faced the survival pressure. They encountered a perishing imperative to fight against the odds of the media market. No one wants to perish, but some could not make it. They were either closed by the government or were grouped into other media organizations under the party organs or television flagships. Further, media marketization facilitated the division of labor, which broke down the general media organizations into news and other specialized media organizations. This led to a new way of macro-media management by the Party, focusing only on the news organizations.

Liang Heng, an official at the State Press and Publications Administration (SPPA) formulated the imperative that pushed newspapers into the market in 1992 (Zhao 1998: 50). In an official conference, Liang proposed that, “Party organs, […], and army newspapers would be subsidized initially; evening papers, news digests, papers specializing in culture and lifestyles, as well as trade newspapers would be ‘pushed to the market’ first, when their subsidies were cut” (Zhao 1998:50). Later, “in November 1992, Liang declared, ‘conditions are ripe for newspapers to be
marketized’’ (Zhao 1998:50). Actually, Liang’s announcement was too conservative. Before 1992, many newspapers had already lost subsidies, and as “of the 1,750 newspapers in 1992, one-third had already achieved financial independence” (Zhao 1998:50). Evidently, the government’s action of cutting subsidy forced media organizations into the media market.

One precedent set as the financial arrangement between media organizations and the government. In 1984, the government attempted to have a self-sufficient financial contract with CCTV, providing a fixed budget for CCTV and allowing it to keep all its earnings, with the provision of news, educational programmes, local production and quality (Burgh 2003:30). This had an unexpected impact on the media’s rapid commercialization after 1992. One example is that permissions to publication could be “‘licences to print money’, in Lord Thomson’s famous phrase” (Burgh 2003:30). In such an atmosphere, a media can be turned into a profit making machine by publishing or broadcasting advertisements or by sponsoring similar activities (Burgh 2003:30). This idea was soon recognized and adopted by the money-short media organizations, as it could quench their thirst for cash. Many media not only managed to make their ends meet, but also made a good fortune. The vanguards were the Party’s organs. For instance, “the nation’s number one news wholesale, New China News Agency [Xinhua News Agency], and the foremost national newspaper, The People’s Daily, both run over twenty businesses and their efforts are emulated by many if not most other newspapers” (de Burgh 2003:30). In reality, most of the media organizations make the maximal use of advertisement and sponsorship. CCTV has been the nation’s largest advertisement revenue generator in the media. Advertisements sprouted like bamboo shoots after rain in various media almost overnight. For examples, Southern Daily in Guangzhou and Shenzhen Special Zone Daily in Shenzhen, both in
economically booming cities, reaped large sums of cash into their coffers.

Media marketization resulted in media specialization, which in turn expanded the media market. “In some provinces and municipalities, the diffusion of the PRER model has led to the breakup of traditional people’s radio stations into specialized stations” (Zhao 1998:124). Now, almost all provincial radio and television stations have become specialized. Usually, one province has at least one satellite television station, one economic television station, one entertainment station, one informational station, one film station, and one children’s station. For radio stations, most provinces have at least one People’s station, one economic station, one music station, and one traffic station. These specialized stations have gained popularity and generated large revenue, but some parts of this revenue are redistributed to support news stations (Zhao 1998:125).

The separation of news stations from economic, music, entertainment, film, and sports stations actually allows the central, provincial, and municipal propaganda departments and government agencies to focus their supervision on news stations. This organizational arrangement saves much time and energy for propaganda departments and government media agencies, and enhances the efficiency of their supervision of the media’s adherence to the Party line, allowing them to macro-manage the media market. Usually, propaganda departments and government media administrative agencies need to examine only the news stations because the specialized stations generally avoid sensitive news and controversial current affairs. The same is true for print media. Thus, this media macro-management enhances both the quality of supervision for the propaganda departments and the government administrative agencies, and saves a great portion of resources in terms of money and manpower. Indeed, this organizational arrangement was enabled by media marketization, and obviously, further
media marketization automatically led to further macro-management as minimal resources are used to control the least number of media, mainly the news media.

Media marketization has intensified competition within the media. After subsidy cuts and being pushed into the market, media organizations tried to pursue profit by any means, particularly those small and specialized newspapers and broadcasts established in the reform years (Zhao 1998:86). Meanwhile, contracting-out poses another pressure for the survival of the media organizations. In general, newspapers usually contract out their publications, except for party organs (Zhao 1998:128). De Burgh estimates that about one-third of broadcast programs have been contracted out to about 1,000 production companies, which theoretically are illegal because the Party-state does not allow private ownership of media (2003:38).

In a sentence, media marketization represents an unreserved embrace of the market economy at the Party’s intentional and constant calls for profit making, labeled as the “Socialist Market Economy”. However, the Party’s grip on the media is evident because the purpose of the media reform is to make ideological work more effective (Zhao 1998:159). Though media competition is intensified, all media have to work within the media market space, defined by the Party line and the bottom line. In order to secure individual media organizations’ monopolizing position, the Party-state demarcated market boundaries for the media in their administrative regions. Print media (mainly newspapers) and broadcasting (television and radio) cannot cross-invest each other (de Burgh 2003:30). Nor can a lower level print medium organization invest in the area of the same level other than in its administrative region, or in a higher level (Chan 2003:162). This rule curbs the competition problem to some extent.

To date, marketization has engulfed almost all Chinese media. All media organizations have to be
self-sufficient (He 2003:202).

C. Grouping media organizations under Party organs

The rapid development of media organizations, pushed by the government’s urge and forced by its cut of subsidies, created an administrative problem for the Party. It became difficult to locate and pin down the nonconformities, when the number of media organizations had multiplied but the Party wanted to hold the same tight control over the media as before. Moreover, the government’s push to the market had also drowned out many struggling media. The nonviable and redundant media, plus the difficulty of locating nonconformities urged the Party-state to find a new method of macro-media management. For the Party-state, the answer was to group media together under the close scrutiny of the central, provincial, and/or municipal Party organs. The strategy is well captured by the state’s slogan “Grasping the big and letting go the small”, which is a reversal of liberalization in Yasheng Huang’s (2008b) term.

It is clear that media grouping is the Party’s move for enhancing media macro-management. It is a way by which the Party-state reorganizes the media at the central, provincial and municipal levels. “Liu Bo, director of the GAPP’s newspaper bureau, expressed explicitly the political control objective of building party organs into press conglomerates. He said that one of the original purposes of conglomeration was to encourage a strong paper to merge with smaller ones” (Zhao 2008:97). However, the objective is not so easy to achieve because no large media organization wants to take small ones as a burden. Then, the grouping measure must be accompanied by “liberaliz[ing] operational conditions, including more autonomy in middle-level management and editorial personnel
appointments, flexibility in wage policies, freedom to add more pages, and easy access to permits for publishing subsidiary newspapers and magazines” (Zhao 2008:97). For Liu, the ultimate goal is “that with their financial, personnel, technological, and distributing strengths, party-controlled press groups would increase their market share and eventually drive marginal papers to bankruptcy” (Zhao 2008:97). Other scholars have made the same observation. Chen Huailin states, “the formation of press conglomeration in China is strictly engineered by the state, revolving around a group of ‘core’ party organs, which serve as umbrella organizations to incorporate a multitude of auxiliary newspapers and magazines designed for various specialized areas of interest” (as cited in de Burgh 2003:31). In all, competition and macro-management favor the stronger, which continue to grow and expand. *The People’s Daily* is a good example. Currently it runs as many as ten newspapers and six magazines⁹.

Not only do major media organizations own subsidiaries, like the Xinhua News Agency which owned 39 dailies, weeklies, and monthlies in 1996, and CCTV running 8 channels (Zhao 1998:66), but they also have expanded their businesses into other sectors, such as tourism, transportation, real estate, manufacturing, and trade (Zhao 1998:67). In the early 1990s, “many newspaper organizations have achieved complete financial independence and contributed profits and taxes to the state treasury” (Zhao 1998:67). The first round of media grouping made a success for the Party. Later, the Party conducted other rounds of media grouping. All were intended to enhance their financial efficiency as well as that of the Party macro-management.

As a result of media grouping, in broadcasting as a whole, government subsidies accounted for only a small portion of the broadcasting operational cost. “Of the Ministry of Radio, Film, and

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Television’s 1.1 billion yuan expenditure for the 1993 fiscal year, for example, government subsidies accounted for only 36 million” (Zhao 1998:67). The subsidies accounted for only about 3.3 percent in that year, indicating the success of the media grouping. In the mean time, “a total of 709 newspapers were closed, and 305 papers were relicensed to press or publishing groups” (Zhao 2008:130, note 87). There were similar reductions in broadcasts and publications. Researches show that media grouping successfully meets the Party’s goals. For instance, “conglomeration has consolidated Party control over the ownership of the Shenzhen press and the managerial elements of an ‘Inc.’, making it a more controllable, sophisticated and profitable publicity/business establishment” (Lee et al. 2006:592).

Today, media grouping is still an ongoing process pushed and managed by the Party-state.

By the means of such macro-management, the Party has steadily held its grip on major media outlets, such as the relatively bold Southern Weekend, and other important programs, such as CCTV’s Focus Interview. On describing how the Party did that specifically, He (2008) states that,

> The reorganization helps the Chinese government control the media in two ways. First, by reducing job opportunities in the media industry, the government can impose greater compliance on those who do secure employment. Second, reducing the number of publications reduces the cost of controlling the media (17).

In short, media commercialization, marketization, and grouping have resulted in an increasingly prosperous Chinese media. Just as mentioned previously, permission to grant “publications can be ‘licences to print money’” (de Burgh 2003:30). Statistically, “in 1999, China’s advertising industry totaled US$7.4 billion according to (conservative) official figures from the State Administration of Industry and Commerce (SAIC), which regulates the industry. This was up from US$6.4 billion in 1998 and just US$300 million in 1990, a 15 per cent increase for the last recorded year and a 2,300 per cent increase over the last decade” (Rel and Simons 2002:22). No doubt, in the
Party’s eye, media marketization has been successful.

Indeed, the development of the media market has become the media development guided by the Party-state. Undoubtedly, the Party-state purports a flourishing and prosperous media market in order to employ it to propagate its policies and ideologies. As manifested throughout the whole reform era, the media has been lauding a prosperous China and a unified Communist Party-state as a confident government. The Party-state needs the media to project an image of good governance rather than blatantly praise the government. The effect of such an orchestrated indotainment is successful. In fact, the propaganda department has its own team to evaluate individual media organizations and their modes of commercial news productions. For example, “[Shanghai People’s Radio’s] methods [of call-in shows and live broadcasts] were analyzed by the Party’s ideological workers and found to have contributed a more effective ideological work style. The commercialized media sector has expanded the ideological process to include sociological, personal, and psychological domains” (Zhao 1998:159). Media marketization indeed has strengthened rather than undermined the Party indoctrination.

D. The Characteristics of the Chinese Media Market

The media market is a very special market. Its particularity is what makes the media market mechanism of control so important. The media market, like no other industry, provides vital information for the people and the government. It is the communication channel between the state and the society. It plays such a critical role in a society that people call it the “fourth estate” of the government in liberal democracies. This is because the media market functions to supervise the other three branches of the government, namely the executive, the legislative, and the judiciary. Hence, it is
very important that the media market should be free. Indeed, freedom of press is a fundamental hallmark of a free and just society, and it is enshrined in UN’s Universal Declaration of Human Rights.\footnote{UN’s Declaration of Human Rights, http://www.un.org/Overview/rights.html}

Obviously, the state’s manipulation and intervention of the media market are infringements upon the people’s freedom and political rights. A media market should be a common place for the expression of “marketplace ideas,” as termed by John Stuart Mill. However, to the Party-state, the media market is very crucial. Like no other market in China, it functions as its piper, helping hand, or a mouthpiece. The media has been playing such a role throughout the history of Communist China, and the Party will not allow the media to change its role. Facing a constrained budget in the 1980s, the Party had to restructure the media market. After media marketization in the 1990s, media marketization has experienced commercialization, marketization, and grouping as elaborated above.

Now, the Chinese media market bears five distinct characteristics. First, the Party-state does not allow any domestic or foreign private ownership over the Chinese media. Second, there is neither free choice nor free exchange of goods in the media market. Third, the Party has nourished the media market, and at the same time closely monitors the media and punishes some market players. Fourth, the Party defines and shapes the media market space. Finally, there has been corruption in the media.

First, there is no legal private ownership of the media in China. Media organizations are all owned by governmental agencies, which are the sponsors (Zhuban danwei) of media organizations. These sponsors can be the Party branches, governmental agencies, SOEs, or quasi-governmental social organizations. For example, “CCTV ‘belongs’ to the GBRFT [General Bureau of Radio, Film, and
Television], the Xinhua News Agency ‘belongs’ to the State Council, China Telecom ‘belongs’ to the MII [Ministry of Industry and Information], and Nanfang Ribao (Southern Daily) ‘belongs’ to the Guangdong Provincial Communist Party Committee” (Lynch 1999:41). With the ownership in the hands of the government agencies, the propaganda department can “legally” do anything it wishes. It can appoint management personnel to all media units, give or cut subsidies to any media unit, expand publications or broadcasts, group or regroup several publications or broadcasts together, and can even close a whole publication or broadcast. It can allow media organizations to keep their profit (de Burgh 2003:30) or order them to submit revenues, redistribute revenue from rich and lucrative media organizations to subsidize poor regions or money-losing Party organs, institutionalize the job responsibility system, and impose licensures. With such a system in place, the media market is not a free self-regulating market. The media market has been politically restructured continuously by the Party-state using the above means or any other means as it sees useful.

The second distinct characteristic of the Chinese media market is that there is no free choice and no free exchange of goods as in a free market economy. The goods in China’s media market are the format and content of the media. For example, the Party organs have to strictly follow the Party line to write and speak, though other media have a bit more freedom than the Party organs. In terms of format, honest debate of pros and cons about social and political events and policies has never occurred on a Chinese broadcast. There only exists the genre of one Party-state explanatory discourse. In terms of content, there are rigid rules, regulations, laws, Party-state instructions, internal circulars, Party leaders speeches, and punishments that shape and regulate the content of news, current affairs, entertainment, and general information. There are numerous Party taboos that are forbidden in the media content. The
freedom of choice of content is not in the hands of media organizations, nor in the hands of individual media professionals, but in the hands of the Party-state apparatus, mainly the propaganda department and the Party leaders. The Party-state further controls the information flow to and from the media. It sometimes turns up certain themes in media content, like nationalism, while sometimes turns down other themes, such as liberalism. In the extreme cases, the Party-state completely shuts down certain content input, like democracy and human rights. The Party-state manages China’s media as a tunable instrument to orchestrate its indotainment (“indoctrination” and “entertainment” combined) function. As a result, media content has been mainly narrowed down to consumerism, entertainment, sensationalism, and nationalism.

The third distinct characteristic of the media is that the propaganda department nourishes the media market, and at the same time, closely monitors and punishes media market players. Media unit’s or media organizations are themselves state enterprises. The propaganda department appoints personnel to the management positions of media units which are directly under its administration. The relation between the propaganda departments and media organizations is the same as the general relationship between government agencies and the state enterprises, as Yang (2004) states in his theory of Chinese political economy theory. Organizationally, media units depend on the propaganda departments for crucial matters, such as appropriating subsidies, issuing licenses, appointing crucial personnel, approving pay rolls, providing credits and loans, expanding newspaper pages, adding subsidiary papers or broadcasting stations, and providing performance evaluations to the higher authorities. In particular, media units are managed by the appointed media managers who have

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11 A media unit is a media organization or work place for media professionals to work. It includes a newspaper, a television station, a radio station, a magazine publishing house, and a book publishing house.
cultivated long-term relationships with the officials in the propaganda departments (explaining why they were fortunate enough to be appointed). Naturally, media units would purposefully pay back to the propaganda departments, so they could continue to nurture their personal relations and gain the collective interests for their units.

On the propaganda department side, the administrative propaganda department and their subordinate media units have developed a semi patron-client relationship, in which the patron supports its client, and in return, the client provides some benefit to the patron. As a matter of fact, media units submit a certain portion of their revenue to the propaganda department (namely, their immediate government administrative agency). Moreover, because media managers are appointed by the government officials in the propaganda department, these officials certainly do not want their appointees to fail. Hence, the propaganda department normally is reluctant to do anything against its own clients. Rather, it would try its best to help the media units to make a profit, which in turn would benefit the propaganda department. In other words, the propaganda department would seek to protect its sponsored and administrated media units rather than punish them. By this reasoning, punishment should be rare. As a result, party censorship on media units from their direct administrative propaganda department does not play a role of media control on a daily basis. Rather, the daily media control is achieved internally within the media units themselves, as media managers play the role of internal media control on behalf of their patron—the propaganda department.

The fourth distinct characteristic of the Chinese media market is that it has its special market space within a boundary defined by “the Party line and the bottom line,” coined by Zhao (1998). The Party line is the Party’s orthodox ideology, and the bottom line marks by the taboos clearly indicated
by the Party-state and identified by many Chinese media writers and former journalists who have worked in China. Taboo topics include the 1989 Tiananmen Massacre, Party leaders’ private lives, ethnic issues, Taiwan Independence, democracy, human rights, and criticism to the Party-state’s past mistakes and current policy failures.

The Party-state sets down the bottom line first (which happened in the aftermath of June 4th 1989 Tiananmen Massacre) and adjusts it as it sees necessary. The bottom line is not fixed. Sometimes it is more relaxed. It is very strict at other times, for instance, on the June 4th Anniversary, during the sessions of the National People’s Congress, or the Chinese People’s Consultative Conference (He 2008:125). The Party-state constantly redraws the media market boundary, particularly the bottom line of media content, by imposing punishment on the media. Such punishment includes removing certain media professionals or suspending and closing some publications and broadcasts. Punishment serves as a way to restructure the media, which happened to Nanfang Weekend, Nanfang Metropolitan Daily, and Freezingpoint of China Youth Daily. Instead of destroying its cash cows, the Party-state restructured these publications by removing and reappointing media professionals and by reorienting these papers.

Finally, the media market, like the Chinese political economy in general, is itself full of corruption and power abuses. Media organizations are quasi-governmental institutions. They have privileges to access crucial government information and enjoy certain power over society, people, and businesses. Therefore, some media professionals often engage in corrupt activities. Some media organizations and media professionals even abuse their power to extort businesses.

Zhao (1998) identifies various forms of journalistic corruption, from taking red envelopes (with
cash inside), to writing fake news for payment, and even committing extortion (73-82). The Party propaganda department has appealed openly to eradicate corruption, but corruption still remains as bad as it was before (Lynch 1999:217). Corruption is not only a problem in media organizations. It is also a pandemic in the governmental media administrative departments. Zhao (1998) contends, “when administrative bodies are corrupt, it is hard to enforce administrative orders [against corruption] effectively. If a bribe to officials at the State Press and Publication Administration can lead to issuing a newspaper publication license to a unit that does not have the necessary funds and personnel, how can one expect such a body to assure the legality and morality of media practice?” (82). Media corruption is of the same nature as the corruption in Chinese economy: all rooted in the authoritarian rule.

In practice, the first step to managing media organizations for the Party is to assign job responsibility to the appointees, placing both financial and compliance responsibility upon them, which directly triggers marketizing media control over them.

**Marketizing China’s Media Control**

The Chinese media market has developed within Chinese political economy. Like marketization has reinforced the Party-state’ ruling legitimacy and maintained market’s control in China, media marketization has not brought about media liberalization or a free media. When the Party-state allowed media marketization, indeed, media marketization led to economic liberalization, but it has not brought about political liberalization in the media, or a free media. Instead, it reinforces Chinese media control. For the media market, market mechanism has played a control over media professionals as long as they do not challenge the state. In other words, media market players (media professionals and
organizations) work under the market mechanism of control as long as they do not challenge the Party-state, or the Party-state will kick them out of the media market. However, it is exactly the Party’s punishment on media professionals and organizations that makes media market mechanism of media control distinct.

Though heavily intervened and constrained by the Party-state, the media market is still a market. It is still regulated and operated by media market force, as long as media market players do not challenge the Party ideology. While the Party’s punishment is sporadic, selective, and rare, only a few tiny portions of media professionals and organizations were inflicted with such punishments. Media market has played its own market mechanism of control over market players on a daily basis. The operation of media organizations and the work mentality of media professionals could not be directly controlled by the Party propaganda department. If the opposite were the case, media people would go back to the old work mentality before 1989 and the media market would cease to prosper. The reality is that the media market has been diversified both in terms of formats and contents, which are different from the traditional Party propaganda. However, it is important to note that media marketization does not go so far as to step over the bottom line that the Party can tolerate. This poses an intriguing question: what accounts for the obedience in the media market as a whole? The answer lies in the fusion of the market mechanism of control and the Party censorship. This is the force of marketizing media control.

Marketizing media control refers to the market mechanism of media control that incorporates the Party censorship with the market force of control over the survival of media organizations and the livelihoods of media professionals. By marketizing media control, the Party censorship has been
incorporated into the mechanism of media market control, and thereby, the Party’s media control has been internalized into the market mechanism of control over media professionals and organizations. For media professionals and media organizations, compliance with the Party ideology is an external pressure. The market mechanism of control is an internal one. The media market, in its formation, gains its own life. Though the Party’s heavy-handed intervention and its disciplinary action post-publication or post-broadcast poses a perennial threat to the market, the market players, including media organizations and media professionals, have to survive by their own means. They recognize the Party’s power and take the Party line as their working guideline, but, at the same time, try to maximize their profit for their own survival. This leads to the fusion of these two mechanisms of control into a single marketizing media control, driven by the market force. As a result, the combination of the media market control and the Party’s censorship has created a self-perpetuating marketizing media control.

As a matter of fact, the Party censorship and media market control are inseparable. In the Party censorship literature, all authors more or less argue that the Party censorship alone is accountable for the effectiveness of media control. However, they fail to recognize the great difference between media operations before12 and after media marketization, as well as the market force. Before media commercialization, Chinese media virtually had no autonomy to report anything except for the Party orthodox and leadership’s command communications (Wu 1994). The Chinese economy was mainly a command economy, though a tiny number of professionals jumped into the market in the late 1980s. Professionals had no other way to survive in a command economy other than to stay in their own positions assigned by the Party-state. For media professionals, though they had almost no influence

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12 Before media commercialization in the 1990s, the media complacently sang the Party tone in the 1950s, 60s, and 70s, and took command communication in the 1980s as Wu (1994) argues
over their own work nor did they have their own say over what they wrote, they had to stay in the media sector as other professionals did. Simply stated, market mechanism did not have a role at that time, and the Party censorship dominated the media control.

After media commercialization in the 1990s, media professionals could opt out to work in other professions, such as education, freelance writing, non-press professions, or joint ventures and private businesses. In other words, they could survive by means other than work in the media. But the absolute majority of media professionals chose to remain in the media profession and work under the Party censorship. That is because the market benefit offset or outweighed the burden of the Party censorship.

Obviously, the media market force of control is stronger than the Party censorship from above discussion, and they are inseparable. When a media market comes into being, media marketization immediately brings the market force into the control over the livelihood of media professionals and the survival of media organizations where media professionals work. For them, Party censorship is more distant than the immediate and internal market control. Struggling in the media market, the media organizations have become increasingly bolder in pursuing profit and media professionals are encouraged to liberate their minds. They depart farther and farther away from the Party line where they started, and they have a tendency to transgress the Party’s taboos, or its bottom line. In the meantime, media organizations and individual media professionals invariably recognize the Party’s political priority on the media market, and they are aware of the bottom line of the Party and the potential punishment. This functions as a check over their work mentality and media products. Consequently, they self-consciously impose self-censorship on their work to avoid personal punishment and to ensure the long-term survival of their organization. This mechanism that incorporates both market force and
Party ideology into a control over media organizations and media professionals is called marketizing media control. In this process, media professionals have gained enviable material compensation, which helped them facilitate their psychological transformation. In time, media professionals willingly take the same side as the Party because they see their interest as coinciding with the Party-state’s interests, and few of them would like to leave this market. As a result, marketizing media control precisely exercises its control over the media professionals’ working mentality, and also successfully keeps them in the media sector.

In theory, together the Party-state structural constraint and the Party censorship both help the marketizing media control to work. Without these two, marketizing media control might not exist at all. Without them, the media could free itself to lambaste social evils and attack the Party-state. The media would not be so cautious in its orientation and the selection of news and current affairs. Without facing the risk of punishment, the media market may not play a role in media control as market players try to maximize their profit. Rather, media organizations would like to go to the extreme in order to attract more attention from the audience to ensure their profits. However, at the other extreme, if punishment were omnipresent, there would be no need for the media market to play a role in media control, as media professionals would be too intimidated to defy. Instead of going to either extreme, the Party-state maintains a balance through selective use of punishment, allowing media organizations to chase profit, but at the same time defining the boundary for what is tolerable through punishment whenever it perceives it necessary.

The uniqueness of China’s media market is that media organizations have the potential to make a huge profit if they play within the parameters set by the Party. That is why even when many media
players face the severe survival pressure, the profit potential is still very attractive for others. Although
the Party has set the bottom line for the media market space or the media content, the bottom line is
not so difficult to observe. Many media organizations have managed to keep themselves within the
bottom line and still successfully make a great profit. Indeed, these organizations comprise the
majority of the financially successful media, and include Shenzhen Press Group, Guangzhou Daily
Group, Hunan Television Group, Beijing Youth Daily, CCTV, Shanghai Media Group, and Shanghai
Wenhui-Xinmin Group. Among China’s influential media, only Southern Weekend is an acknowledged
bold media. Other media have only occasionally stepped over the bottom line due to their erroneous
judgment of the political climate.

The mechanism of marketizing media control is directly triggered by the job responsibility
system concomitant with the Party appointment of media personnel. With media marketization, the
market logic imposes a constant survival pressure\(^\text{13}\) on both media managers and journalists. At the
same time, the contract-responsibility binds them with compliance pressure\(^\text{14}\) that is derived from the
Party ideology. Media professionals have to work under the survival pressure and the compliance
pressure, while striving to overcome survival pressure through their innovation, but stopping short
before the compliance pressure. It is this parallel that creates a media control over them. Without either
one of these two, marketizing media control would not work. This parallel derives exactly from
China’s media market space defined by the Party line and the bottom line, as argued by Zhao (1998).
The Party line poses a compliance pressure and the bottom line allures a profit prospect (in response to

\(^\text{13}\) Survival pressure refers to the pressure on media professionals whose contracts are to be annually evaluated and renewed. In case of
dissatisfaction, their contracts would be terminated and their careers would end because the media are quasi-government organizations
and because journalism is a highly competitive profession.

\(^\text{14}\) Compliance refers to media professionals’ self-consciousness in aligning with the party ideology, or at least not to touching the Party’s
taboo, listed in the internal circulars, directives, instructions, and secret phone calls.
meet the survival pressure). The same mechanism controls media people, checks media organizations, and strengthens media control within a media unit. Simply put, in order to survive and pursue profit in the long term, media organizations have no choice but to comply with the Party ideology and stay away from the bottom line. In the same vein, in order to stay in the media sector and obtain the fecund material gain, media professionals must comply with the Party ideology and not transgress the bottom line. Furthermore, media organizations exert an organizational binding on the media professionals, which further strengthens media control over the media professionals. Last but not least, punishment serves to redraw the bottom line of the media market (primarily concerning the media content). Consequently, survival pressure and compliance pressure force media professionals and media organizations to be self-disciplined or self-controlled. That is how marketizing media control works.

Following the above brief description of the media market development and the articulation of marketizing media control, it is necessary to now highlight how marketizing media control has actually developed in the media market. In the beginning, media marketization provided a precondition for marketizing media control to emerge. The state intervention in the media market, especially the institutionalization of job responsibility, gave life to marketizing media control. Over time, marketizing media control unleashed the market force to serve the purpose of media control when the Party-state shifted to post-publication and broadcast censorship (He 2008:27). This market control mechanism also shifted the old mentality of controlling format and content of the media to instead control media workers’ livelihoods by both luring and forcing them to “voluntarily” modify their mindsets in their work. When the control over media professionals is successful, contentious media content does not appear very often. Hence, tight control over the content is not as necessary as before.
For a media unit, marketizing media control both creates a telling temptation of material gain and binds vital responsibilities to media managers, including the editor-in-chief and the deputy editors-in-chief (in print), or the president and the vice presidents (in broadcast), and the directors of departments. On the one hand, the Party-state attaches job responsibilities to the media managers when the Party propaganda department appoints them. On the other hand, marketizing media control allows the media managers, particularly the editor-in-chief or the president, to manage vast financial and human resources and in general to benefit themselves. In the meantime, it empowers media managers to use market mechanism to pin down discontent within their individual media unit and to ensure the obedience of their subordinates for fulfilling their job responsibility. In addition, there are opportunities for some media managers to be promoted to local and central government leadership positions. For the Party-state, the loyalty of media managers is a primary concern; therefore, the job responsibility implicitly requires them to pledge their loyalty.

For journalists (media professionals other than media managers) in a media unit, marketizing media control has worked as a marketized media control over them. Media managers employ both their managerial power and the contract-responsibility to pass the compliance pressure from the Party and the survival pressure (resulting from media commercialization after 1992) to their subordinate journalists in their media unit. Simultaneously, the media commercialization offers journalists to the privileged access to abundant material gains, including free or welfare housing, nearly free car use, high salaries, promotions, and opportunities to become rich and famous. In all, marketizing media control functions to control media professionals through providing them with rich material gains and exciting benefits that have been generated from media marketization.
To sum up, marketizing media control works in four aspects. First, job responsibility initiated marketizing media control. Second, the force of survival pressure and the temptation of material lure both cause media professionals to pursue material gains, which serve as the compensation for media professionals for their submission to the Party’s compliance pressure, and helps them complete their psychological transformation. Third, within a media unit, marketizing media control ensures the journalists’ collective self-censorship. Finally, punishment as a way to redraw the bottom line adversely threatens media professionals to retreat, which reinforces marketizing media control.

The first aspect of marketizing media control outlines how job responsibility has initiated marketizing media control. When media managers are appointed to the important positions of media organizations, they are assigned job responsibilities. The job responsibility in the era of media marketization contains two essential responsibilities. One is the responsibility to make profit for a media organization, or at least to make ends meet, because the Party’s policy is to foster a self-sufficient Chinese media, as the Party-state has difficulty funding all media organizations. This is a financial responsibility. The other responsibility is to ensure the media’s compliance with the Party ideology. If a media poses any challenge to the Party ideology, the appointed media managers (media officials) would be held accountable. This is called the compliance responsibility. These two responsibilities are imposed by the Party onto media appointees. However, media managers cannot fulfill these two responsibilities by themselves alone because they cannot guarantee that all of their subordinates will not only make money for them, but also will not break the Party’s tolerance. These two responsibilities thereby are transformed into two different pressures. The financial responsibility is turned into a survival pressure and the compliance responsibility becomes a compliance pressure.
To disperse the financial burden of a media organization and to ensure its compliance with the Party’s political priority, media managers pass their survival pressure and their compliance pressure onto their subordinates (journalists) through contract responsibility. Media managers are empowered to hire, fire, and evaluate journalists (Zhao 1998, de Burgh 2003, He 2008). Through their managerial power, the media managers pass on their burdens to the journalists. Therefore, every media professional more or less has to work under and between the survival pressure and the compliance pressure. As said before, when media professionals try to overcome survival pressure, they tend to cater to readers and audiences, which encourages them to cross the bottom line. This could break the compliance pressure at any time and then, media professionals have to retreat from the bottom line. In this way, marketizing media control is activated, automatically imposing a check on media professionals by exerting both the survival pressure and the compliance pressure.

The second aspect argues that marketizing media control offers a material compensation to media professionals and helps them complete their psychological transformation. The market mechanism of media control has shifted from the old mentality of controlling the media’s format and content to controlling media professionals’ livelihoods by both luring and forcing them to “voluntarily” modify their mindsets in their work. On the one hand, the media marketization has generated huge profit for media organizations. The Party-state allows media organizations to keep their profits, which vests media managers with enormous financial power and managerial power over their subordinates. Within a media unit, this policy empowers the president (broadcast) or the editor-in-chief (publication) to wield economic means to buy off journalists to conform. At the same time, media managers and journalists are bound by the contract responsibility system, which imposes a survival
pressure on them. Both the economic stimulation (as a means to buy them off) for a better life, and the survival pressure, shift their desire and energy to make money, or force them to do so. Indeed, material lure and seductive benefits have silenced most media professionals in the 1990s and the early 2000s, as demonstrated by the 99.97% compliance with the Party ideology among journalists (chapter 3 enunciates how rich the material gain is).

In reality, when the journalists are bought off, they acquire more material gains and satisfaction. Over time, they enjoy their ways of life and their privileges in society. After 1989, consumerism has prevailed in Chinese society, which urges people to make more money and/or to pursue higher profit by any means. The dominant consumerist mentality penetrates people in all professions including journalists. Furthermore, Chinese economy has largely become a corrupt economy. Corruption has been a fad in China and now it prevails in Chinese state and society. Certainly, media organizations could not be immune to this powerful endemic of corruption. Paid journalism and corruption have infiltrated the media.

In a society with such a social ethos, marketizing media control fits well the psychological need of media professionals. Marketizing media control has shifted the old mentality of a control over the format and content of the media (the Party censorship) to a control over the livelihood of media professionals and the survival of media organizations. On the one hand, some media professionals have become “super stars” or Da Wan; others have risen to the leadership positions; and still others have become owners of huge wealth. This material lure and mobility prospect urge them to begin their psychological transformation to reach the seductive prospects. On the other hand, some brave journalists have lost their lives; other defiant journalists have been put into jail; and still others have
lost their jobs or have been forced to exile. The stark contrast between the former successful category and the latter “losers” category of media professionals teaches others to make their choices. As a result, most of media professionals choose to follow the successful media super stars, media officials, and media entrepreneurs. Therefore, marketizing media control over their livelihoods is constant and effective.

The rich material compensation and the prospect of social mobility indeed satisfy most media professionals. This newer material-based and mobility-based means of media control makes media professionals feel much more comfortable than when the previous two major means of Party media control were in effect. (These two previous means of media control will be discussed in detail in chapter 3 – the Party Communist orthodox persuasion\textsuperscript{15}, as it was before the 1980s, and violent suppression, as manifested in the 1989 Tiananman Massacre). Moreover, the rich material compensation actually is not directly offered by the Party-state, but earned by media professionals themselves through their ingenious innovation of combining Party indoctrination with entertainment, which becomes indotainment. This has made media professionals feel proud and entitled to such a material compensation. As a result, a psychological transformation from a contentious work mentality in the spring of 1989 to a docile one in the 1990s was accomplished among most media professionals. Over time, they do not feel uncomfortable working under the compliance pressure and the survival pressure. Some of them even take side with the Party-state.

With the transformation done, the absolute majority of journalists tend to go with the flow of the greater society. Indeed, most of them have participated in the partition of state property, just as

\textsuperscript{15} The Communist Orthodox Persuasion in China urged people to follow the Chinese Communist revolutionary orthodox and to do what the leadership urged people to do before 1980s.
state officials have done in their positions, especially when media organizations are prestigious institutions that have certain power and access to important and lucrative information. After engaging in corrupt activities, these journalists lose a sense of journalistic principle. At the same time, they leave evidence in the hands of leaders in their media unit. In reality, these journalists have no way back: they know that they have been monitored by both the Party censors and by their media managers who have control over their livelihood, their career, and their evidence of corruption. Therefore, pursuing wealth and mobility has dominated their work principle. Neither party ideology nor investigative journalism is more important compared to the journalists’ personal material gains and status.

On the other hand, in today’s China, few people are willing to stay poor. Indeed, sticking to personal integrity while sacrificing one’s life quality was a “lofty” idea in China in the past. Now, only those who are psychologically strong can do so under the shadow of a money-grabbing social ethos and the rapidly rising living cost. But even when an individual is willing to do so, one’s family would prevent him or her from doing so. Usually when one stays poor, one loses one’s chance to improve one’s life. Opportunities no longer knock on one’s door. Within years, such a journalist’s income would stagnate at a much lower level – several times lower than that of other journalists during a time when China is experiencing rapid economic growth. Meanwhile, many factors such as inflation, changing of life style, and rising living costs have forced journalists to give up their journalistic principle for a better material life. As such, everyone has difficulty remain free of market pressure because she or “he is held in bondage by family and social ties, which are also [so] powerful that only the very strong can break them” (Sprading 1923:25).

In short, market logic ensures self-censorship or compliance. Few journalists can escape the
market mechanism. Market logic influences a journalist’s mindset, personal needs, fame, family needs and expectations, social status, and personal pride among relatives, friends, classmates, colleagues, and acquaintances. One either acts for it or against it. If one acts for it, one has to conform to the Party ideology at the same time. If one acts against it, one would have to face severe consequences like the losers’ category of journalists who defy the Party. At best, one has to endure economic hardship, and live a life in poverty. At worst, one has to leave the media organization, being either dismissed or jailed.

The third aspect of marketizing media control articulates a media unit’s internal marketizing media control for collective interest consideration. The contract-responsibility binds individual interests together within a media unit. Journalists, editors, department directors, vice presidents and the president, or the deputy editors-in-chief and the editor-in-chief, all work in the same media unit and follow the same internal working procedure in the production of news, commentaries, and current affairs, and face the same internal censorship of them. If one makes a fatal mistake, many colleagues will be involved and all of their interests will be affected. Thus, their interests are intertwined. In the worst cases, the survival of the whole media unit could be jeopardized. This collective interest consideration urges media managers to tighten their media control over journalists. The collective interest of a media unit is of the highest importance when media managers consider whether a controversial article or a program can be published or broadcast. In this way, self-censorship is internalized within a media unit under the media market mechanism. Consequently, collective interest consideration leads to collective self-censorship.

The fourth aspect of marketizing media control characterizes punishment as a way to redraw
the bottom line of media market, which reinforces marketizing media control. Punishment is selective
and rare, as shown in the data of disciplinary action in the introduction. Punishment mainly functions
as a threat to the other media professionals and organizations, to force them to recognize the Party
authority, and in the end to ensure that they abide by the Party ideology. Simply put, punishment sets
an example of what is tolerable and what is intolerable. Therefore, punishment becomes a way to
redraw the bottom line. As many insiders and those being punished witness, punishment is uncertain.
One day, a topic might be permissible, but it can become unpublishable on another day. Sometimes,
even after a topic has gone through the Party censorship, a particular event or a specific person has
made it unsuitable for publication or broadcast. For this reason, punishment constantly moves the
bottom line.

However, the Party does not use punishment very often as it closely watches the media market
space. If punishment is too severe, the market space would shrink, and then media organizations have
difficulty surviving, which poses a serious problem of funding for the Party-state. After all, in the end,
the Party-state needs to use the media to orchestrate the Party policy, social development, and
economic progress in order to validate its ruling legitimacy. The Party indeed needs a viable media
market and a docile media to achieve that. In other words, the punishment does not aim to ruin the
media market, but to reinforce the Party authority and to remind media organizations and media
professionals to mind the compliance pressure in their everyday work and in their whole process of
news production, publication, and broadcasting. As a result, punishment reiterates the supremacy of
political compliance, which urges media professionals and media organizations to work between their
survival pressure and compliance pressure. Marketizing media control works to ensure that the media
does not go out of control or slip out of the Party’s bottom line.

In sum, media marketization provides a framework for marketizing media control to work. The Party’s macro-management through grouping and regrouping has shaped the media market to the advantage of the Party organs and their flagship broadcasts, those that are the stronger in the Chinese authoritarian context. After institutionalizing the contract-responsibility system, the classical market mechanism of control and the Party’s media control fused and formed a new marketizing media control. The material compensation offsets the pressure to comply with the Party ideology for media professionals. Moreover, the media organizational bond strengthens marketizing media control as well. Last but not least, punishing the defiant serves to redefine the bottom line and to restructure media organizations, making them fit into the grand theme of the media indotainment framework.

The following four chapters (chapters 2-5) delve into these four themes – job responsibility, material compensation and psychological transformation, collective interest, and punishment, and discuss each theme in detail by the sequence of how marketizing media control works.
Chapter 2: Job Responsibility Initiated Marketizing Media Control

Job responsibility is concomitant with the appointment of media managers, who are also media officials. They operate media organizations on behalf of the Party-state. Media organizations are state-owned enterprises. The identity of media managers as government officials and the nature of media organization as state-owned business determine that media managers have no choice but to accept the assigned job responsibility. Job responsibility is an official responsibility in the Reform era, especially evident in Hu Jintao’s two terms of presidency. As state officials, media managers must abide by such a responsibility in the authoritarian China.

This chapter begins with a top-down examination of China’s job responsibility system. Then it goes down to the media sector in detail to examine the embedded job responsibility associated with the appointment of media managers or media officials. Finally, it looks into the internal contract responsibility that media managers pass onto their journalists. The purpose of job responsibility for the propaganda department is to ensure that media managers wholeheartedly work to make profit for the state and that the media works as an instrument of the Party-state. Only after media managers fail to abide by this responsibility, does the Party demote or dismiss them. Through the top-down investigation of job responsibility system, this chapter shows how job responsibility triggers marketizing media control and how job responsibility is implemented in the media sector.

The job responsibility system in China is an official responsibility system that ties certain responsibilities to individual officials. From as high as the Chinese Premier to the governor and down to the head of a working unit, there is a corresponding job responsibility system to bind job responsibility to the head of the State Council, the province, and the quasi-government organization.
(the work unit). This job responsibility explicitly specifies one’s obligation and responsibility in relation to one’s job. The homepage of the State Council on the website of the Chinese Government\textsuperscript{16} elucidates that the State Council implements a premier job responsibility system; all of the ministries must abide by the ministry responsibility system; and all of the commissions must abide by the director responsibility system. Article thirty-four of the State Council Working Rules\textsuperscript{17} specifies that the State Council and all its departments must implement the responsibility system, the efficacy management and achievement system, clarify the boundary of responsibility, strengthen responsibility investigation, and enhance government administration capability and government credibility. These two promulgations together clearly impose government responsibility on the premier and the individual ministers of ministries and the directors of commissions. The job responsibility system fosters an element of personalized responsibility in it. Governors of all provinces and other local heads also face the same responsibility constraints. According to \textit{Xingdao Global Net}\textsuperscript{18}, in January 2003 during the SARS crisis, both the Beijing mayor, Meng Xuenong, and the minister of health, Zhang Wenkang, were dismissed for their underestimate of the danger of the SARS outbreak in China. Ironically, because Meng belongs to Hu Jintao’s faction, he was later promoted to be the Shaanxi governor in 2004 by Hu’s maneuver after his dismissal. However, in September 2008, Meng was again forced to resign for a serious dam collapse in his governing territory. Job responsibility is real and severe. For this reason, all official heads and important officials are very cautious about what is happening in their domains. In China, this is dubbed as “Guarding one’s Territory with Responsibility”


It can be definitely stated that whenever there is something bad happening in a ministry, a province, or a city, the minister, the governor, or the mayor will be held responsible for it, and in some cases, he or she will be dismissed.

In the media sector, the head of a media unit is constrained by the same job responsibility. Currently, newspapers are subject to Chairman (Dongshizhang) Responsibility System (in a press group), or the Editor-in-chief (Zongbian) Responsibility System\(^{19}\) (in a single newspaper). Similarly, publishing houses are subject to the Publisher (shezhang) Responsibility System, and television stations submit to the President (taizhang) Responsibility System. When media managers are appointed to their positions, they are assigned job responsibilities. Esarey provides an example, “[a]fter obtaining approval from the Central Propaganda Department, two managers appointed by the Shanghai Municipal Party Committee, Ye Zhikang, head of SMEG and Li Ruigang, CEO of SMG, were made responsible for the operations and content of the entire group” (2005:66). Job responsibility is rooted both in a media organization’s internal media control, and in its financial responsibility for survival when media organizations are forced to be self-sufficient for lack of government funding. It has two elements in it: the Party logic and market logic.

Huang Liangtian, who was appointed editor-in-chief of *Baixing* magazine in Beijing in September 2004 (Huang 2008a: 56), testifies such a job responsibility:

*When I took over at *Baixing*, the editors had not been paid for months, the telephone had been cut off, and the magazine did not have a single sponsor. I suppose that is one of the reasons I was given the job – to turn around the magazine’s finances. Nor did my bosses forget the government’s instructions to ‘increase the value of state-owned assets’, ruling that every year I would need to transfer increasing funds to my superiors.* (Huang 2008a: 56).

\(^{19}\) One former journalist from a Shandong municipal level paper said that their newspaper is run at “Chairman responsibility system” for financial responsibility and “Editor-in-chief” responsibility for political responsibility, whenever big event happens, the publisher will summon an internal convention. If someone made a political mistake, the editor-in-chief was also partially punished.
Lee et al. (2006) in the Shenzhen Press Group research also observe,

The seven-member Party committee of the press group cares about the bottom line as much as about the Party line. Wu Songying, who heads both the Party committee and the press group, is said to spend the bulk of his time and energy thinking about profits. It goes without saying that he has thoroughly internalized the political line (Lee et al. 2006:591)

Huang (2008a) and Lee et al. (2006) indicate that job responsibility contains both financial and political responsibilities. Esarey (2005) confirms that practically why the “selected managers of television and radio stations-who were nearly all party members” were assigned to their management positions is “for their ability to produce popular programming that was not political sensitive in nature” (64). Media managers are expected to have the abilities to produce both politically correct and popular programs for profit making.

Same as in the general Party-state official responsibility system, job responsibility for media managers or media officials is used to promote them. Only after media managers fail to fulfill their job responsibility seriously would the Party-state use it to demote or dismiss them. The purpose is still to warn others and establish a negative example of failing media officials. In reality, for media managers, it is a responsibility answerable to the Party-state. Media managers are themselves Party officials as well (He 2008:24). The Party holds its grip on the media mainly by exercising power of personnel appointment and removal. Zhao (2008) endorses this statement, “personnel control, supported by state ownership of major media organizations, is a key component of the party-state’s power over the media” (29). In fact, the Party appoints the personnel in senior positions, most of whom are Party members and some simultaneously are high ranking governmental officials. As He (2008) indicates, “this recruitment method ensures that the people in charge of news organizations are not only
answerable to the public but also to the Party and the government (their actual employers). Meeting the Party and the government’s expectations is the only prerequisite for holding onto their job or being promoted” (44). Furthermore, Esarey (2006) explicitly points out that media managers are held responsible for their units’ internal media control.

Media managers appointed by the party are entirely responsible for the news content of the media organizations they oversee. They are expected to censor content deemed unfavorable or divisive to political unity or seen as a threat to social order. Media managers who fail are replaced; the party can transfer them to another post or remove them without recourse to legal procedures (Esarey 2006:3).

Job responsibility for media managers seems quite severe. In fact, both the government administrative agency, the propaganda department, and media managers take it very seriously. It is this serious job responsibility that actually has initiated marketizing media control. As discussed above and also mentioned in chapter 1, in the era of media marketization, the job responsibility contains at least two essential responsibilities. One is the responsibility to make profit for a media organization, or at least to make ends meet. The Party’s policy is to foster a self-sufficient media since the Party-state is unable to fund all media organizations. At the same time, the Party-state cannot do away with the media because it needs the media to orchestrate a prosperous China for fostering its ruling legitimacy. This is the financial responsibility. The other is to ensure media’s compliance with the Party ideology. If a media poses any challenge to the Party, the appointed media managers (media officials) are held accountable. This is called the compliance responsibility. These two responsibilities are imposed by the Party onto media appointees or media personnel. However, media managers themselves cannot accomplish these two responsibilities alone because they cannot not guarantee that all their subordinates will successfully make money for them without breaking the Party’s level of tolerance.
These two responsibilities thereby are transformed into two different pressures. The financial responsibility is turned into a survival pressure and the compliance responsibility becomes a compliance pressure. These two pressures play a constant and daily control over media managers. To ensure that their subordinates (journalists) comply with the Party’s political priorities and to disperse the financial burden to them, media managers use their managerial power to pass these two pressures onto journalists. In turn, these two pressures become a constant control over all media professionals. When they strive to make a profit in order to overcome the survival pressure, media professionals risk trespassing the bottom line of the Party. If such transgression occurs, they have to retreat because of the compliance pressure; otherwise they would put their collective survival at risk and may even incur severe punishment. This is exactly a marketizing media control over the survival of media organizations and the livelihood of media professionals. Hence, these two pressures initiate marketizing media control- a daily and internal media control over media professionals and organizations. This is why job responsibility becomes the linchpin to marketizing media control.

In theory, for the Party-state, marketizing media control allows the Party-state to buy off persons in most important positions of media organizations at the lowest price. The mechanism of marketizing media control largely reduces the number of individuals whom the Party must directly control as it only needs to focus on a few figures such as the head or president of a media. Obviously, it makes the media control much more efficient by saving the scarce resources for the Propaganda department. However, if job responsibility imposes only a burden on media managers, they would not voluntarily and actively shoulder such burdens. The responsibility system also vests them with a lot of powers and benefits. Control over key persons in a media unit is achieved not by coercion or order but
by market mechanism as well. The mechanism offers these several leading persons in a media unit irresistible prospect to be directly promoted to leadership positions in government, dictatorial power over the journalists in their media organization, affluent income and other compensations resulting from media marketization, and concentrating all resources of a media organization at their disposal. With all these real benefits, the one or several key figures in a media unit have strong incentives to take on their job responsibilities.

In all, when media managers accept their appointments, they take their job responsibilities in their work. Marketizing media control begins to work through the market mechanism. Simultaneously, when they assume their work positions, they are also vested with the managerial powers. The head in and media managers (who are also appointed as part of leadership) use their managerial power to pass on their financial responsibility and compliance responsibility onto the journalists.

To disperse financial responsibility, media managers devise an internal contract responsibility system that institutionally imposes a survival pressure on journalists. He Zhou notes,

Starting with the Party-state media in Shanghai in the 1980s, a contract system in the recruitment and retention of journalists, especially those in the rank-and-file levels, has been adopted by the Chinese media as a norm. Journalists are hired on contracts and evaluated accordingly alongside permanent employees. Life long employment is no longer secured for many news recruits of the media. This system is particularly common with some major-league and profitable organizations, such as China Central Television and the Shenzhen Special Zone Daily (He 2003:208).

Lee et al. (2006) more clearly state that media management imposes a survival pressure on their journalists. They discern,

To maintain revenues, journalists within the [Shenzhen] press group have been armtwisted to solicit circulation and advertising on top of their journalistic duties. Each employee has a ‘responsibility quota’ and is rewarded for meeting it (Lee et al. 2006:595).

Another example is that in a top Shanghai newspaper, except for leadership, journalists are
employees with yearly contract. They are under constant pressure to increase readership and profit (Esarey 2005:57). In other words, the contract responsibility system is a way to bind journalists to their media organization. The mechanism of marketizing media control has been diffused through the prevailing contract-responsibility system within media organizations.

To implement internal media control, media managers pass on their compliance responsibilities to journalists in their own media organizations. At the same time, they institutionalize a remunerative mechanism to secure the compliance of their journalists. He Zhou elaborates,

For all employees, contractual and permanent, a job-responsibility system has been institutionalized in most media organizations to control and reward performance. Called the ‘Job Responsibility System’, or other variations, it monitors, evaluates, rewards or punishing journalists. And the rewards and penalties are almost always in remunerative terms-salary, bonus, benefits, and even entertainment fee (He 2003:208-09).

For ensuring compliance responsibility, the measures to punish journalists are similar to those for media managers. Defiant journalists are warned, fined, demoted, dismissed, or jailed. For ensuring survival responsibility, the specific strategy that has been used in a media unit is to specify a state regulated basic salary, which is very low, and at the same time, to allow media managers to decide on other components of salary, such as bonuses and commissions, which are major part of journalists’ actual income. By this means, the head and media managers have great power over their subordinates. In addition, media managers have the power to allocate housing, car use, opportunities to become famous, chances to travel domestically and overseas, and working equipment such as laptop and camera. The contractual pressure and the managerial power over journalists work together to ensure the journalists’ obedience.

As mentioned earlier, the contract responsibility system secures the micro interest of a media unit by allowing it to keep its profit. Of course, the Party-state deliberately encourages media units to
do so, which is part of the Party-state’s media macro-management strategy as discussed before. For example, “financially, [Shaanxi Economic Radio] is on a responsibility-contract system in which, after handing over a given amount to parent station, it is responsible for its own profits and losses” (Zhao 1998:124). The policy that allows media units to keep their profits gives them incentives to achieve both self-sufficiency and self-compliance.

Under job responsibility or contract responsibility system, both media managers and journalists strive to secure benefits for themselves and profits for their media unit. Media managers fear about the loss of profit and the occurrences of noncompliance in their unit. Journalists constantly fear losing their jobs and livelihoods. All of them worry about losing their benefits and social standing. Few thereby dare to defy the authorities. However, their fear is far outweighed by the advantages of contract responsibility when media marketization has brought media organizations huge financial resources. These advantages include rich material gains and plentiful benefits for media professionals.

Job responsibility has initiated marketizing media control over the livelihoods of media professionals and the survival of media organizations. The way that marketizing media control gains control over the livelihoods of media professionals and serves to transform their work mentality is the subject of chapter 3. The way that marketizing media control plays a control role over the survival of media organizations, which in turn reintensifies media control over media professionals, is the central focus of chapter 4.
Chapter 3: Material Compensation to Media Professionals

When marketizing media control is underway, the core of media control is to control media professionals, and the best way to control them is to buy them off. In fact, marketizing media control functions as a control over their livelihoods and their work mentalities by providing a satisfactory material compensation to them and by helping them complete a process of psychological transformation, a transformation that follows the “Survival of the Fittest” logic, coined by Herbert Spencer, which prevailed in Chinese society. In this chapter, two major issues are the focuses: one is how the majority of media professionals have accomplished the psychological transformation; and the other is how attractive the material compensation is for media managers and journalists respectively. The attractive material compensation consolidates their psychological transformation, and psychological transformation further facilitates their pursuit of material gain. Thus, these two processes actually reinforce each other.

As discussed in chapter 2, when media managers are appointed, they are assigned job responsibilities, and with the institutionalization of the contract responsibility system, marketizing media control takes effect. The precedent of profit allocation is set with the financial arrangement between the central propaganda department and CCTV in 1984 (as mentioned in chapter 1) in which the Party-state allowed CCTV to keep its profit. This became a normal practice in all media units. Such a measure enables media organizations to buy off media professionals when media marketization has generated revenue for many media. Of course, only those financially viable media units can benefit from this policy. The power to buy off journalists is predicated on the managerial capacity of media.

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managers, which defines the financial success or failure of a media organization. After financial success, the allocation power is vested in the head or media managers of a media unit through the contract responsibility system. In the case of successful media management, material compensation including material gains and benefits is telling and alluring, which serves to bring about the psychological transformation among media professionals.

In this chapter, I argue that the material lure to media professionals is introduced by media itself. The media has depicted a prosperous and vibrant China, which nourishes a material prospect to everybody including media people. Media professionals themselves have some access to government information during their news gathering, editing, and publishing processes. They know much more “predatory state” activities than ordinary citizens. Witnessing the government officials quickly accumulate wealth would naturally arouse some media professionals a desire to become rich. When with the survival of the fittest logic prevail in Chinese society, their drive for material gain may deepen. Moreover, the prospect of intangible benefits, such as the fame and wealth as manifested by the successful stories of famous media stars, presents a highly appealing prospect so close to them, though most media professionals will never obtain it. Contrary to the previous media control methods, such as orthodoxy persuasion and violent suppression, media professionals consciously or unconsciously adjust their mindset and accomplish a psychological transformation from contentious to co-operative with the Party-state. Some of them see the Party’s priorities as their own and most of them choose to toe the Party’s line in order to live a comfortable life. In the end, they reach their material prospect through their own endeavor to both cater to the public and submit to the Party. The material compensation has silenced the absolute majority of the Chinese media professionals.
A. Material lure to media professionals is introduced by the media itself

Part of the reason why intellectuals protested in 1989 was their appeal to social justice or their discontent about their material compensation. At the time, there was an expression in urban China: “A nuclear scientist makes less income than an egg peddler” (Gao hedan de kexuejia buru mai jidan de xiaofan zheng de duo). This is because the dual-track price system did not break the rigid command economy and the planning price system. In the 1990s, due to the lack of relevant business law, illegal activities were rampant in China. Some people made a lot of money within years. The root cause, of course, as mentioned in the characteristics of Chinese political economy, was the state mismanagement of the economy, especially the patron-client relation between government agencies and state enterprises. Chinese political economy favors the stronger, who are either officials, red capitalists (who are relatives of officials), or cooperative businessmen.

The material lure started with the media’s publicizing the well-known role models, new upstarts, and luxurious life styles. The media has built social role models such as Zhang Yimou, an indotainment (indoctrination and entertainment combined) director and a talented star film director and multiple winner of awards in international film festivals, who has collaborated with the government and strived to be a member of the governing group. The media has further promoted successful business models, such as Zhang Chaoyang, CEO of the self-claimed most popular Chinese portal Sohu.com and a billionaire (featured in CCTV’s Eastern Time and Space). Such role models have a great impact on the ordinary people because they are their successful heroes. Seeing those heroes collaborate with the ruling party, ordinary people who yearn to be rich and famous would take the heroes’ successful stories as their route to success in their imaginary future. Over time, they tend to be
in favor of the government’s mentality. People in the lower rung of the social ladder dream of climbing up and getting rich quickly by following the example of successful role models produced by the media. As such, using socially successful role models as a propaganda tool is a more subtle and effective way than orthodox indoctrination to brainwash people.

In China, the Party-state has intentionally co-opted social elites and intellectuals. Pei (2006) argues, “the CCP launched a systematic campaign of co-optation to recruit loyalists from among the intellectuals and professionals” (89). Specifically, on campuses the Party has employed a variety of strategies to foster loyalists among intellectuals, including “salary increase, recruitment, cultivation, promotion, and special rewards” (Pei 2006:89). These strategies are successful, and many intellectuals and professionals have lent their support to the government. Later in 1998, then president Jiang Zemin declared that business people could also be recruited into the communist Party. As a result, upper classes including governmental officials, business groups, and intellectuals have self-consciously cooperated with the regime and touted the regime not for a good government, but for their self-interests.

Furthermore, the media have been controlled and manipulated into a channel to filter anything that is not in line with the official ideology. In time, most people take the side with the governing party. The dark side of the society has hardly been disclosed in the media. The media has been depicting China as a nice, harmonious, and prosperous society. People who live in such a propagandistic society, one which is saturated with media’s promotion of successful individuals and social models, would develop a fanciful and vibrant feeling about a rising China, in keeping with the Party ideology. They have been mesmerized by media and the regime. As a result, people’s opinions
about social issues and problems are incredibly close to the official line, and some people even follow
the official logic in their official arguments.

Furthermore, experts’ opinion further swayed people to the government’s side. For the
Chinese media,

With the rise of urban professional elite and the state’s increasing reliance on their expertise to carry out
its modernization through global integration projects, the expert has assumed a prominent discursive
position in the Chinese press. Although a large strata of this elite have developed into ‘interest groups tied
to the ruling politico-economic elite’ (He 2000b: 76), they speak a universalizing and rationalizing
language, which lends legitimacy to the state and its policies (Zhao 1998:42).

This is an effective strategy which channels people’s thinking to the official side through
experts’ guidance. A docile or supportive mass has been produced through the experts’ advice. For
example, the majority of the media’s discourse leading up to China’s WTO accession presented an
imaginary consumer paradise, which was supported by some famous Chinese economists and
championed by many newspapers (Zhao 2003:40). The majority of urban dwellers “believed” that they
would have much cheaper imported precious commodities to enjoy in the years after entering WTO
because experts have certain moral authority among audiences, and they are assumed to have much
more broad and in-depth knowledge than the average people. People were at the imaginary revelry of
consumerism in the media’s touting of WTO accession according to Zhao (2003).

For the state, using scholars to win over the people has a market value to teach people how to
think and how to understand the state policies in a way planned by the scholars and state officials and
previewed by TV station or Radio station. A typical example put forward by Zhao (2003) demonstrates
what a sycophant scholar (yu yong wen ren) endorses. Xue Rongju, a professor of the Foreign
Economics and Trade University, released his assertion on China Business Times on December 2, 1999.
He claims that the debate on the advantages and disadvantages of the WTO agreement should be stopped because the WTO agreement was reached following the Party and state leaders’ careful consideration of the macroeconomy of China (Zhao 2003:43). In this reasoning, he warns the populace, “[a]ny discussion of positive and negative impacts on specific economic sectors is not only unnecessary, but also ‘causes unwanted internal controversy and dissent’” (Zhao 2003:43). Such a warning represents scholarly authoritarianism. Many people indeed picked up his authoritarian argument in their private discussions on social and political issues. “Although the Chinese press has imported the Western press’s practice of relying on expert opinion, the journalistic convention of ‘balance’ - that is, citing experts who hold opposing views on an issue, is rarely practiced” (Zhao 2003:42). The falsified picture for the public is that all experts endorse the government ideology. Obviously, using experts to present a one-sided government opinion is deceptive, but it is a successful strategy from the viewpoint of the Party-state.

On the other hand, though people have illusions about the society at large, they still have a clear sense about their daily lives. Most of them care only about their own lives, their families, and their immediate needs. When they stick only to their immediate interests, the “survival of the fittest” logic is operating on their minds. This doctrine echoes the old Chinese saying, “mind only your business and don’t interfere in others’ issues” (Ge ren zi sao men qian xue, mo guan ta ren wa shang shuang). This logic is reinforced by a homogeneous culture throughout China. For example, if one is insignificant or poor, he or she is very likely to be questioned why he or she does not employ talent and get rich, like those role models, Zhang Yimou and Zhang Chaoyang. The question often implies that one deserves to be poor because he or she does not understand the logic of “Survival of the
Fittest”. In all, the current Chinese society is the one that fosters people to follow the jungle principle and master it in their daily life.

In short, material lure stands out to lure journalists. Some of them make a fortune and some remain poor. Some have been absorbed into other media units, still others are in exile or in prison, and some even lost their lives in the 1989 Tiananmen Massacre (see chapter 1) or were killed for doing other intrepid reporting. The appalling differences of these real life consequences originated from their different mindsets. Those who become rich are so-called “smart” people who remain compliant, and those who suffer are professionally principled individuals who dare to challenge the Party ideology. Yet, most journalists are psychologically tilted to behave according to the survival logic.

In sum, the Chinese state has nourished a predatory political economy with the winners of the upper classes and losers of the vast majority. The state abandoned its social safety network in the strategy of “Grasp the big and Letting go the small”. Tens of millions were laid off. “Market liberalization means that the state has retreated from its socialist responsibility to provide a safety net for jobs, education, and medical care to the needy, the poor, and the weak. The ‘invisible hand’ only recognizes the faces of the fittest survivors” (Lee 2003:8). Moreover, the prevailing of the “Survival of the Fittest” logic is partially the result of media diffusion of role models and positive news. Now this logic has taken root in the ever-commercializing China. As summarized by Zhao (2003), “a social Darwinist neo-liberalism, dressed in a pseudo-Marxist guise, ‘is the closest thing to an official ideology there is in China today’ and many Chinese people, ‘especially the successful urbanites who have learnt to ‘fly’ in the new globalized economy, truly believe it’” (50). Like others in the society, journalists internalize such logic, particularly when they see the huge income polarization, know how
the newly rich obtain their wealth, and understand how “China’s Miracle” was manufactured by their own media and other media. Naturally, most of them cherish their juicy and high status jobs, and manage it to benefit themselves according to the survival logic. The next section describes other forms of seductive benefit prospects, which are part of material compensation, but are not immediate or tangible.

B. Benefit prospect to media professionals

Benefit prospect is tempting to media professionals as well. It is part of material compensation, but not all media professionals can obtain it. Benefit prospect is an intangible material lure to media professionals. Though it is not as immediate as material lure, it is very irresistible to every media professional because it represents the highest level of both career success and personal wealth. It includes chances to get rich and famous, and chances to be promoted. This discussion starts with one’s dream to be a journalist. Second, journalists’ own view toward their work contributes some part to their psychological transformation to take chances. Third, journalists can be really rich by utilizing their professional connections to make profit. Fourth, they can be both rich and famous as a celebrity. Fifth and finally, some of them can move to media management positions and a very small portion of them can even move to the highest echelon of the Party-state’s leadership. Indeed, some do make a fortune. Others climb up social pecking order and still others become part of the ruling class.

First, becoming entitled to the benefits or opportunities of journalism is not easy. Most journalists would agree that they are lucky to be in their positions. Indeed, many people dream of becoming a journalist, but journalism is a very competitive profession in China (de Burgh 2003:134).
Young people aspire to be journalists for future chances and traveling in their work (de Burgh 2003:122). According to the Chinese Journalist Net, in 2007 journalism was one of the ten most popular professions in China21. In the meantime, students of journalism have been inculcated with the Party principle and role of media as the mouthpiece of the Party in their studies. They know they have to obey the Party ideology. Beginning from the early 1990s, the tertiary education had to be paid by students themselves. They have to pay a large sum of money for their four-year education in journalism. When they try to find a journalistic job, either they have to use their family social capital (social connections) to get such a job or they have to pay a middleman to get access to it. Therefore, before a prospective journalist enters a media organization, one or one’s family must pay a high price both of educational expenses, and expenditures for getting access to a media unit. The former costs a huge sum of their deposits, usually a large portion of family income. The latter costs their social capital or social connections, either by using their family’s own connections or by paying intermediators to build such a connection in order to be hired by a media unit, which is usually a highly prestigious working place in China. Yang (1994) confirms that social networks of connections in Chinese society play a much more important role than formal channels in job recruitment (de Burgh 2003:126). Once a journalist has entered a media organization, one’s family members would urge one to follow whatever the superiors tell one to do in one’s work, and not to confront, let alone to defy their commands. One usually cherishes such a chance to work in a media organization, particularly an influential one. Hence, when a junior journalist feels obliged to challenge the Party line, i.e., to challenge one’s own career, one has to take consideration of one’s debt to one’s family too. Furthermore, if a journalist gets

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married, one’s burden of family needs adds another imperative to comply with the Party ideology. Otherwise, one’s family would either disintegrate when the other part disagrees furiously and persistently, or fall into perennial quarrel as a result of one’s failure to bring home a considerable amount of income and benefits. Young couples in China have difficulty affording their family living expenses in the first several years, and thus, for financial reasons, they must conform to the Party line.

As said before, the essence of media control is to control media people. If they are docile, control is easily achieved. Media bosses understand such an easy logic. They would make sure that the new recruits are docile. In general, Chinese people are docile. China is the most populous country, but Chinese people’s opinions are not so diverse. They have been homogenized through thousands of years of conquest, and in the last fifty years, the Communist Party-state has fiercely subdued its people by brutal campaigns, machine guns, and rolling tanks. Those who finally obtain positions in the media feel very fortunate, and they cherish their careers, having dreamt about them and invested so much in order to obtain them. Hence, a psychological preparation to conformism is concomitant with their entry into a media unit.

The second element of benefit prospect explains that journalists’ own view toward their work contributes to their personal psychological transformation to take opportunities in their careers. The exploration starts from journalists’ aspiration for their profession. For example, one journalist, Li Feishi, said when he was young he was fascinated by becoming a journalist who can meet all walks of people and find secret information. He loved his work from the first day when he became a journalist (de Burgh 2003:122). Some journalists are proud of themselves either for their numerous interviews, their reports about significant events around China, and their personal promotions, or for their personal
achievements at work (de Burgh 2003:124).

Journalists believe that they have power, or that journalism as a vocation has the ascribed power (de Burgh 2003:135). They work on behalf of the Party as its “tongue and throat”. Thus, to the audiences or readers, they represent government authorities; and to the Party, they represent the people when they report social problems. In both cases, they believe that they have certain power from the viewpoint of the people (de Burgh 2003:135-6). In other words, journalists as a whole are “a broker of information representing one side to the other” between the Party and the people (de Burgh 2003:141). At the same time, “journalism is a high status occupation”, says Jiang Weihua (as cited in de Burgh 2003:136). Wen Weiping also emphasizes, “journalists in China have a very important part to play in the development of our country” (as cited in de Burgh 2003:137). Most of them take their jobs seriously, and they believe they have contributed much to the country.

In the meantime, journalists believe they are the moral upholders of the society when they successfully report minor and lower-level corruptions, family piety issues, or other state-sanctioned disclosures (de Burgh 2003:157). Chinese journalists themselves believe they are taking side with the people in exposing corruptions, solving citizens’ difficulties regarding gas supply, transportation jams, overcharging in telephone installation, and other complaints (de Burgh 2003:140-46). Some journalists may even derive a good satisfaction from their jobs, particularly in the reformed media. For example, Management and personnel reforms in Shanghai People’s Radio have led to the conclusion that increased journalistic autonomy, reduced levels of bureaucratic control in news production, and most importantly, a sense of job satisfaction derived from the relevance of their work to the daily life of their audiences are journalists’ principal “motivation forces”(Zhao 1998:184-85).

Generally speaking, “those with relatively more autonomy in news reporting have a better sense of achievement and job satisfaction. They are more dedicated and derive more social meaning
from their work” (Zhao 1998:185). For most journalists, they “derive job satisfaction from both tangible rewards (such as salary and fringe benefits) and professional rewards (such as job autonomy and serving the public interest)” (Chan et al. 2004:255). In China, journalistic job satisfaction is pretty high. “A 1994 nationwide survey reports that 72% of PRC journalists were either "satisfied" or "very satisfied" with their job” (Chan et al. 2004:254). In a nutshell, their satisfaction comes from their reporting about uncontroversial and nonpolitical issues in the partially loosened media. Nevertheless, some journalists do think that their jobs are important, and that they have a high status. This view justifies their mindset to side with the regime and to take opportunities.

However, “[o]n the whole, journalists regard their task as the reporting of reality, innocent of skepticism with which such claims are viewed by academics who see their apprehension of reality as being heavily conditioned by many factors, visible and invisible and largely beyond their control” (de Burgh 2003:159). Yet “what they produce is usually just what the Party wants” (de Burgh 2003:179). This demonstrates that some journalists have illusions about their jobs.

The third element of benefit prospect reveals chances to be really rich. Journalists can turn their journalistic expertise and their professional connections to make a great fortune. For instance, “Wang Changtian is an indisputable leader of China's fledgling private media and entertainment industry” (Zhao 2008:219). In Zhao’s (2008) narrative, Wang was educated in the Journalism Department of Fudan University and he entered journalism in 1988. However, he got into a political trouble for a program and he had to resign from Beijing Television station in 1998 (Zhao 2008:220). Then, through his personal connections, he started a private media production company with “joint production” in 1998 (ibid). Ten years later, in November 19, 2007, his Enlight Media merged into Hurray Holdings
listed in Nasdaq. The new corporation is named Hurray Enlight Media Group Ltd., in which he takes 42 percent share (Zhao 2008:221). Wang became both the CEO and the president, and the largest single shareholder of Hurray Enlight (Zhao 2008:220-21).

The wealth that Wang has amassed is huge and the speed with which he has accumulated it is alarming, within a short time starting from scratch on the day he quit his job in Beijing Television in 1998 (Zhao 2008:220) to date. Wang gained enormous wealth from his journalistic career and later business operation because of his personal connections to media professionals. Many journalists see him as their role model.

The fourth element of benefit prospect addresses chances to become both rich and famous as a journalist celebrity. There are abundant chances for individual media professionals to be a rich celebrity. Some journalists further lift their social status with the help of their media glamour. There are outstanding examples of journalists who have obtained both wealth and fame. There are model journalist superstars (*Da Wan*), like CCTV’s indotainment hostess Ni Ping and host Zhao Zongxiang, CCTV’s Talk Show host Cui Yongyuan in “Tell the Truth”(*Shihua shishuo*), CCTV’s Focus Interview host Bai Yansong, and former CCTV sports host Huang Jiangxiang, and *Zhengda Zongyi* hostess Yang Lan. All of them became celebrities who have reaped both fame and wealth. For instance, Yang Lan’s personal wealth to date is estimated to be 140 million HK dollars\textsuperscript{22}. Locally, Hunan TV’s entertainment host He Jiong, hostess Li Xiang, and host Wang Han are also prominent celebrities. Wang Han’s wealth is estimated to be 240 million yuan\textsuperscript{23}. These celebrities’ income is hundreds or thousands of times of an ordinary professional’s income.


The fifth and last element of benefit prospect relates to chances to be promoted to media management positions. There has been a close relationship between media personnel and CCP leadership. Journalism is a recognized route to higher positions of the Party-state (de Burgh 2003:24). Locally, “the Guangzhou municipal [Propaganda Department] PD, for example, sends journalists and editors with potential to become media managers to work in the PD, that is, to role-play as propaganda officials” (Zhao 2008:35). Some of them would be appointed to media managers in Guangzhou media. Overall in the country, “successful managers are promoted, occasionally to positions within the Propaganda Department, but also to posts within other party or government institutions” (Esarey 2006:3). At the national level, some media professionals would be promoted to CCP leadership because “the regime treats journalism as a revolving door between the profession and the Party-state bureaucracies, making the climb to the top of the political hierarchy a certificate of professional excellence” (Pan and Lu 2003:224). For example, “in the 1990s, the Chief Editor of the *Guangming Daily*, a nationally circulated official newspaper targeted at intellectuals, after a short stint, was promoted to the deputy director of the Party’s propaganda department and the director of the State Administration of Radio, Television, and Film (SARFT)” (Pan and Lu 2003:224). The editor of *The People’s Daily* and the director of the New China News Agency, for example, are officials of ministerial rank. The current President of CCTV was, until 1997 when his age forced him to retire from the government position, concurrently a government Deputy Minister (de Burgh 2003:24). As a result, many journalists see themselves potentially as part of the ruling class (de Burgh 2003:173).

In a nutshell, benefits are intangible or at least not immediate material gain. Most journalists would not have a chance to reap such benefits. However, every journalist has a potential to obtain them.
Because such benefits are so alluring, most journalists would try their best to compete for them. To reach them, journalists have to follow the evaluation standards and to conform to both Party principle and media management mentality, which leads to self-censorship. For those journalists who want to climb up further ahead, “a lack of party membership may impair one's effective functioning, especially in positions of authority, because party membership gives one access to information and a political network of elites that monopolizes authority and resources” (Walder 1995:316). Thus, most of them join the Party. Usually, media managers would screen journalists for years. If a journalist is both talented and politically reliable, he or she would be granted chances to those benefits. Therefore, journalists’ self-censorship or voluntary self-discipline is not temporary but perennial. When some of them finally attain what they have dreamed of for years, they cherish their accomplishment, which requires further and continuous self-censorship. Thus, those who gain enormous benefits actually have practiced self-censorship permanently. For those who have not obtained seductive benefits, they either will continuously strive to reach them, or give it up. The former would keep practicing self-censorship. The latter would remain poorer than other colleagues. Their poorer and weaker status in their media organization further constrains them from challenging Party journalism because they fear losing their job. As a result, all three categories of journalists permanently practice self-censorship in general when facing the lure of benefits.

In sum, the road to becoming a journalist is not an easy one. That is exactly because this profession is a highly esteemed and a highly rewarded one. When journalists see themselves as part of the regime, the chances to be rich, famous, and to be promoted to leadership are irresistible to them. They would put up with anything and strive to reach the benefit prospects. As the result, a
psychological transformation from a contentious to conformist way of work is in the formation.

C. Psychological transformation

The distinction between marketizing media control and Party censorship is the shift of the old mentality of control over the format and content of the media (Party censorship) to a control over the livelihood of media professionals and the survival of media organizations. This shift has been fermented by the Chinese political economy’s neo-liberal economic reform, which has been replete with cronyism, fostering a predatory state and causing serious social malaises, such as corruption. When the state abandoned its social security network, a survival of the fittest notion began to prevail in Chinese society in the 1990s. The media itself introduced such a notion to media professionals with the installation of job responsibility for media managers and contract responsibility for journalists. Rising living expenses forced them to pursue tangible and short-term material gains, while modern housing and exquisite commodities further drew them towards a materialistic lifestyle. With the potential to be both rich and famous, and even to be part of the ruling elite, media professionals soon became willing to work with the Party. When compared with the previous two major means of Party control - orthodox persuasion and violent suppression - such a form of control, based on material compensation or marketizing media control, allows media professionals feel much more comfortable than before. Furthermore, because this material compensation is not directly offered by the Party-state, but is earned by media workers themselves in a competitive market environment, media professionals begin to feel a sense of dignity and pride in their work. Indeed, the endeavors of most media professionals for survival are successful. They are rewarded by bountiful material compensation for their obedience
to the Party ideology. Therefore, a psychological transformation from contentious work mentality in spring of 1989 to a docile one in the 1990s was realized for most media professionals.

Previously, the Party-state’s media control resorted to other two ways: the Communist orthodox persuasion and violent suppression. When the Communist ideology lost its currency in the aftermath of the collapse of the former Soviet Union and its East European satellites, the Party-state abandoned its Communist orthodox persuasion in the 1990s. Violent suppression, such as killing and jailing effectively suppressed people as they were in the 1989 Tiananmen Massacre, but it was not as productive as it was in the aftermath of spring 1989, from June 1989 to January 1992. Since 1992, buying off business elites, intellectuals and professionals has been much more productive than those two previous means. Only after the failure of buying off would the Party-state use selective repression (Pei 2006: 82-8). In the same vein, suppression takes place only after the failure of marketizing media control in the media sector, and it has not been a common practice after 1992, as shown by the disciplining data cited in the introduction (see page 3). From the early 1990s onward, a market material compensation has replaced the previous Party’s orthodox persuasion and violent suppression for controlling journalists. That is, a market mechanism of media control takes place of the Party censorship of media control. Such a mechanism of media control is much softer than previous orthodox persuasion and violent suppression. Therefore, the control over media professionals has been softened.

The psychological transformation starts from media marketization. The well-known social models touted by the media and the successful media stars have lifted media professionals’ aspiration for material gain and social mobility. However, the job responsibility for media managers or contract
responsibility for journalists constantly places survival pressure on media professionals to produce collective profit for their media organizations and pursue their own quotas, bonuses, and commissions. In fact, most media professionals succeed, as a result of both the economic boom in the Chinese economy at large (which creates advertising imperative) and the monopolistic position of the media organizations in their respective regions (usually in every locality, there is only one television station, one radio station, and one newspaper at the same administrative level). The market success brings media professionals bountiful material rewards and opportunities to become famous. This provides media professionals with a psychological compensation for their compliance with the Party ideology.

Furthermore, the material compensation is not offered by the Party-state, but is earned by media workers themselves. This gives media professionals a sense of dignity in their psychological transformation. The media in the 1980s encouraged people to think and allow people to discuss the truth. However, since the media commercialization in 1992, after the Party-state abandoned its orthodox persuasion and cut subsidies to most media outlets, the media have provided readers and audiences with cultural appetite for consumerism, entertainment, Communist Party history, nationalism, and gossip. Unfortunately, at the same time, the media self-consciously silenced the sober and meaningful discussions about serious political reform, corruption, power abuse, and environmental destruction. Currently, in accordance with the Party-state’s effort to meet the material needs of the populace, the media tries its best to meet people’s psychological needs by providing consumerist cultural products. This consumerist mentality provides the media with plentiful revenue, which in turn satisfies the needs of media professionals in particular and media workers in general, thus creating a psychological justification for them to willingly comply with the Party ideology that otherwise would
be loathsome to them. In the mean time, those financially unviable media outlets have been merged or closed by the Party-state. This explains why marketizing media control is a form of control based on compliance with the market mechanism of survival rather than on persuasion or on repression.

As media professionals change their contentious mindset to a docile one, contentious content no longer appears before the eyes of the public that often. This is exactly what has happened in China’s media, as demonstrated by the rare disciplinary data. This change has enabled the development of a self-perpetuating media market as well as the development of marketizing media control. It has done more than conventional media control or Party censorship, and it represents a change of strategy to indoctrinate the Party ideology. In the end, it has instilled more indotainment than direct orthodox propaganda, demonstrating that marketizing media control functions much more efficiently than previous Party censorship alone.

After psychological transformation has been achieved, it has to be consolidated by the real tangible material compensation to quench media professionals’ thirst for benefit and material gains. This is the subject of the next section.

**D. Material compensation to media professionals.**

Material compensation is the means by which the psychological transformation of media professionals is realized. For most media professionals, marketizing media control functions through the material compensation. As discussed before, material compensation has replaced Communist orthodoxy persuasion and violent suppression as a means of marketizing media control. Such a market means of media control has alleviated the psychological burden that Party politics has on media professionals.
Through their own labor, they have earned rich material gain. In this process, they have developed a sense of dignity and pride towards their profession and material compensation, and they inevitably have undergone a psychological transformation. When they finish their psychological transformation, having pursued their aspirations for material compensation by following the prevailing social logic of survival of the fittest, they find that they have arrived at their desirable position in a larger society. Furthermore, the quasi-governmental status of their media organizations can be used to produce both profit for their organizations and private material gains for themselves, legally or illegally. Thus, how much material compensation they attain determines how much satisfaction they will have in their work.

This section examines material compensation for both media managers and journalists. I argue that after media professionals have finished their psychological transformation, it is the juicy material compensation that stabilizes them on the media market control. Indeed, they do not passively pursue material gain. Most of them do it self-consciously. Some of them strive to achieve nothing but material gain. As in general state enterprises in China, “state managers now enjoy significantly expanded rights to appropriate and use shares of profit at their discretion” (Lynch 1999:42). On the workers’ side, “Rawski finds workers benefit directly from increased firm income in the form of financial bonuses” (Lynch 1999:42). Media professionals receive the same dividends of media marketization as well.

There are three subsections: the first one argues that material compensation is the major force driving media managers to their appointments; the second one examines how material compensation satisfies journalists; and the last subsection explains that the current method of evaluating journalists,
which places a personalized survival pressure on them, pushes journalists to pursue material gains.

1. Material compensation to media managers

Being appointed to media management positions is an accomplishment for candidates of media managers. The Party-state has a traditional measure to pick their own people and make sure those being chosen work according to the official ideology, Party’s will, and its detailed instructions. For example, “the Propaganda Department appoints top-level media managers in consultation with the CCP Organization Department” (Esarey 2006:9). The same is true at the provincial level, municipal level and county level. Usually those being chosen as media managers are proven to be loyal to the Party. Media marketization has slightly changed the appointment system. The Party state has practiced both “assimilating journalists into the Party-press system and instilling in them the self-identity of Party propagandists” (Pan and Lu 2003:223). That is, journalists have the potential to move up to media management positions.

The political appointment for media managers or media officials itself is a package of enormous material gain and it would add up to much more material compensation depending on how much profit they can create for their respective media organizations. There are four elements in this subsection. I. The successful acquirement of media management positions itself secures a certain official level of rich material accommodation. II. The successful management of a media organization leads to an additional income. III. The managerial power itself is an implicit source of wealth in China. IV. Many media managers manipulate their power for personal interests. At the same time, they have to ensure their journalists’ conformity in their media units. The following is a detailed discussion on
these four elements.

I. The successful acquirement of media management positions itself secures a certain official level of rich material accommodation. Media managers themselves are state officials as well. They think of themselves as part of the ruling class (de Burgh 2003:173). In the Communist China, they are entitled to certain levels of benefit package in relation to their official ranks. In addition to their respective official rank accommodation, they sit on valuable media assets and invaluable information channels, and they are entitled to dictatorial power to allocate them. In terms of material gain, they have both direct material gain and indirect material gain. The direct material gain derives from job-related compensations, including free housing, free car use, high salaries, huge bonuses, vacations, entertainment, and free personal use of journalism related equipment. The indirect material gain derives from their power-related gains, including entry gifts from new recruits and “gray income” related to contracting out work to their relatives’ workshops, production studios, or private companies. As such, the appointment is indeed an attractive package for media managers.

Normally, for a media unit at and above the municipal level, free housing and free use of a car with a chauffer are the benefits provided for media managers above the bureaucratic level (Chu ji). First, “[h]ousing is the most valuable and coveted of goods distributed directly by organizations […] In China housing is a particularly accurate indicator of privilege, because housing space is extremely scarce in urban areas” (Walder 1995:322). Media managers can be accommodated with free housing with room number and living space determined by their official ranks. In general, “[a]dmnistrators enjoy income and housing advantages over professionals and all other occupational groups” (Walder 1995:323). Media managers enjoy the same level of housing as administrators. Second, free car use for
both public and private purposes is a tacit advantage for Chinese officials. For instance, “the foreign
car that the television station purchases with its profits ‘for’ the station is much more likely to be put at
the disposal of the higher-ranking station personnel than at the disposal of the janitors – though the
latter may have plenty of opportunities to drive the car on errands or as chauffeurs. The car thus
becomes not truly public property but, in effect, private property” (Lynch 1999:71). This is particularly
salient when the absolute majority of Chinese citizens still cannot not afford a car. In reform China,
housing and cars are major commodities that an ordinary family would need to spend a lifetime to
obtain. Media managers get these two things automatically with their appointments. In addition,
cameras, computers, laptop, cell phone, and other related consumer goods are all provided for them.
II. The more profit media managers can make for their media unit, the higher salaries they can earn.
Aside from their official rank-related basic salaries, “media organizations pay these managers very
high salaries (which makes managers unwilling to risk losing their jobs)” (Esarey 2006:9). In most
cases, their successful management brings them an enviable legal income including add-on salary and
bonuses, which usually are several times higher than their basic salaries. For example, “[t]he Publisher
(shezhang) at a top Shanghai newspaper, for example, makes roughly $35,000 per year, a huge sum
even in China’s rich east coastal cities, where the average per capita income is estimated as $3,000 per
year. The editor-in-chief makes a slightly less, around $30,000, and the deputy editor-in-chief earns
$28,000” (Esarey 2005:57). They have annual incomes roughly ten times of that of ordinary
Shanghaiese. Moreover, they have numerous chances to travel around China in names of conference
and study, and to travel abroad in the name of overseas visit (Kaocha).
III. Managerial power itself is an implicit source of wealth. The dictatorial powers of hiring, firing, and
annual contract review actually bestow media managers with rich channels to collect wealth. These powers can be cashed into either hard currency or precious gifts since “power in exchange for money” is an acknowledged formula of corruption in Chinese daily life. Hiring is a particularly important source of power. Because journalism is a recognized and highly rewarded profession, many people compete for job positions in media organizations. Moreover, the media profession is a state monopolistic one. In principle, one locality has only one media unit for each of the three major genres - newspaper, television, and radio. Consequently, gaining entry into media units is fiercely competitive. Most successful recruits give gifts or pay large sums of cash to the important figures of their respective media units in exchange for employment. It has become a social norm in China. A friend of mine and a former journalist from a municipal level television station in Shandong said that she gave a precious gift to the president of her station for her entry. Firing power is merciless and it is an intimidator for ensuring compliance with the Party ideology and for submission to the managerial power. Once a journalist is on the edge of being fired, the person has to rely on the protection from the media organization. Paying a gift may not be enough, and most people would be willing to pay a sum equivalent to their half-year salary to key figures in exchange for protection from their media unit. The annual renewal of contracts might not be a direct way of collecting income for media managers, but Zhao (1998) indicates that journalists are obliged to share their bonus or income from the paid journalism with their supervisors, editors, directors and even the president (77-8) because media managers have powers to allocate good chances to certain journalists and have the power to review their annual performances.

There are other powers such as allocating housing and car use for journalists, and making
decisions to promote journalists. All of them can be used to collect wealth and journalists compete for such benefits by giving either precious gifts or large sums of cash. This has become a tacit social practice in Chinese media units.

IV. In addition to receiving official legal compensations, such as free housing, car use, high salary, bonus, and gray income generated from their managerial power, many media managers use their powers for their personal interests or commit corruption, either through contracting out equipment supplies, program production, and printing, or through setting up their own private businesses to carry out these jobs. Such corrupt activity is reminiscent of an old Chinese saying: “Eating the profession when sitting on it” (Kao shan chi shan, kao shui chi shui). There are two disclosed examples and both media managers ended up in jail for corruption and power abuses. Zhao An, a former programming director in CCTV’s Literature and Art Department (Wényì Bù) was involved in “illegal personal wealth accumulation in the most excessive form and at the highest echelon of the media system” (Zhao 2008:83). He ingeniously combined political propaganda with spectacular televisual festivity in the Party’s 70th anniversary and several annual CCTV’s Spring Festival Galas, winning the personal praise from the former president Jiang Zemin (Zhao 2008:83). However, he also took large bribes and abused his power for personal interests. He was too rich to hide and was sentenced to ten years in prison (Zhao 2008:83).

Li Yuanjiang, former editor-in-chief of Guangzhou Daily, manipulated his power to the extreme as well. According to Zhao (2008), he was appointed to the position in 1991, then the youngest editor-in-chief in China. He then developed a small and money-losing city paper into the Guangzhou Daily Group (Zhao 2008:114). But he ran the paper in a dictatorial style. He employed his
managerial power to force more than half dozen women in his “empire” to have sex with him; he enjoyed the presidential suite in his group’s hotel; and he set aside more than 80 million Hong Kong dollars in his private bank account in Hong Kong. In addition, his inner circle, including the media managers of the Guangzhou Daily Group, and the officials in Guangdong propaganda department and even some officials in the central propaganda department benefited from his success (Zhao 2008:114-15). His inner circle became the core of the group and managed the group in a private way and ran the group businesses as “feudal empires” (Zhao 2008:115). Somebody blew the whistle and Li was given a twelve-year jail sentence (Zhao 2008:114).

The significance of these two examples is that media managers have enjoyed unchecked power and enormous wealth in media marketization. When the state cut subsidies, the majority of the media did not perish in the absence of subsidies; instead, they have grown stronger and stronger, as a result of their monopolistic positions and the state policy that allows them to keep their profits. The huge expansion of media outlets and their circulations substantiate such a simple truth. Those financial resources basically have been at the disposal of media managers when the Party-state allows media organizations to keep their profits and institutionalizes a system of bonuses. Corruption and power abuses become inevitable.

As a matter of fact, the material stimulation to media managers is encouraged by the Party-state. Lynch pinpoints that,

Decentralization and reform have resulted not only in powerful pressures on- and opportunities for – media outlets and their members to make more money, but also in the disproportionate enjoyment of material benefits by the higher-ranking individuals within these media outlets. This is a crucial consideration because the higher-ranking individuals are precisely those most responsible for implementing the central party-state’s thought-work goals; they are, nominally, the ‘agents’ for Beijing, the ‘principal.’ (1999:70-1).
The Party-state actually grants the chances for media managers to accumulate private wealth in exchange for their job responsibility and their loyalty, which is part of their political appointment as officials.

On the other hand, media managers, like any other Chinese individuals, need more wealth to meet immediate needs of their children and their aging parents, and to secure their own retirement life (media managers usually are middle aged or elder persons) in the Social Darwinist society of China. When the Party-state has dismantled the welfare system and abandoned its social responsibility in China, with no exception, many people have floundered in the society of survival of the fittest. Whenever possible, taking chances to become rich and to exploit opportunities for personal gain have become social norms. Media managers, like anyone else, live with such logic. For them, they have both kids and aging parents to take care of. The privatization of tertiary education poses a very heavy burden on the middle class, though media managers are better off than many of them. Moreover, retired and aging parents add another heavy burden onto middle-aged people too because the dismantling of health care and social welfare system puts most retired people in a very vulnerable position, especially those retired factory workers and laid off workers. If one’s parents are peasants, one bears an unimaginable burden because peasants have no health care, no retirement salary, and no welfare. The heavy burden and the fear of retirement in the absence of social security network have created an age 59 (60 is the mandatory retiring age) corruption phenomenon. People at 59 years old in high positions hurry to collect illegal income by any means during the last year of their authority, dubbed as an “age 59” corruption. In other words, the family financial burden on media managers pushes them to prioritize their purpose of working for wealth. Thus, when they have the opportunity to
hold such a lucrative and powerful position in society, and when they have the obligation to prepare some resources for their children, their parents, and their own retirement lives, hardly any of them choose to relinquish their material gains for shouldering abstract social responsibilities, such as confronting social ills and ending corruption. Conformity is ensured by both the material compensation and their work mentality.

2. Material compensation to journalists

Journalists’ material compensation is allocated and controlled by their media managers, especially the editor-in-chief or the president of their media unit. The job responsibility system binds both media managers and journalists together when the head or media managers pass their financial responsibilities and their compliance responsibilities onto their subordinates by contract, particularly by controlling journalists’ housing, car use, salaries, bonuses, promotions, opportunities to become rich and become famous, opportunities to travel domestically or overseas, and immediate access to technical equipment including cellular phone, laptop, and camera. Typically, a journalist could have the above-mentioned material compensations if they stick to their media organizations and do not challenge the Party. For instance, Lee et al. (2006) states:

A beginning reporter within [Shenzhen] press group makes an after-tax salary of US $500–1000 per month, a senior reporter or editor US $1620–2000, a chief editor US $3750–5000, and the top managers US $6250–10,000. In addition, all journalists enjoy subsidies for car purchases of up to half of the sale price, free housing or housing allowances, and free medical and other fringe benefits. By China’s or Shenzhen’s standard, this income is extraordinarily attractive, and it is almost comparable to the income levels of Hong Kong journalists, whose cost of living is about four times higher. A mid-level manager told us, without exaggeration, that he makes more money than he can spend (Lee et al. 2006:595).

This subsection focuses on the material compensation made available for journalists. In a slightly
different formula from that for media managers, material compensation for journalists comprises of three elements: I. housing, car use, and equipment as direct and visible material gain; II. salary and bonuses as steady income; and III. paid journalism or corruption as soft income or “gray income”.

I. Among the material gains that journalists can obtain, most of them are determined by their media bosses and a significant portion of them constitute a form of gray income because state law does not explicitly protect them. Free housing was abolished in the middle 1990s. However, most government officials and media professionals receive work unit-based welfare housing (fuli fang), which is not possible for people who work in corporations, joint ventures, or private domestic businesses. Housing for Chinese professionals in any sector in the 1990s or even now is a great problem, and most people cannot afford commercial house. Today a large part of working class still are congested in shabby places behind the shining skyscrapers in urban China. For this reason, free housing or welfare housing is a great privilege for journalists, and it is the greatest material privilege for people who work in government and quasi-government organizations in China. In the reform era, housing has become more and more expensive, and more and more luxurious. Most urban workers cannot afford a new house. However, media organizations are quasi-governmental units with respect to their related level of official rank. Media workers thus are entitled to welfare housing or free housing. Unlike its counterpart in the Western society, welfare housing is not built for the poor. In China, it is built for the government and quasi-government employees. Welfare housing in general is at only about 30-40 percent of the price of a commercial one. This material advantage provides individual media workers and their families with an important social setting of city life in the new commercialized China.
because housing expenditure usually accounts for about 40 to 60 percent of family income for middle
class and an even higher proportion for working class. The only condition for getting welfare housing
for journalists is that “people working in the media receive salary and housing benefits linked to their
‘political behavior’ or ‘political attitude,’ and they are subjected to ideological controls” (He 2008:24).

In some cases, journalists are accommodated with free housing. For example,

*People’s Daily* and Xinhua News Agency, which are Central Committee–level news organizations, have
correspondents stationed in every province and directly administered municipality whose responsibility
is to monitor the conduct of local officials. They are allowed to use the method of ‘internal consultation’
to send dispatches to their editors, and they have the authority to act as public watchdogs over local
governments throughout China. For this reason, local officials dare not cause offense to *People’s Daily*
and Xinhua correspondents and do their best to keep good relations with them. To encourage them to
write more good reports and fewer bad reports about their government, local officials take pains to
provide the correspondents with material benefits and creature comforts, such as free housing and red
envelopes with gift money (bribes) at the Lunar New Year (He 2008:45).

The same is true for provincial media correspondents who receive free housing, New Year gift,
and red envelopes from municipal officials. The list goes on. Even foreign journalists who work at
Chinese media organizations receive free housing. Judy Johnson, former chief foreign copy editor at
China Daily, recalled her compensation at this paper: her rent was free; her monthly payment was $500;
and eating cost her almost nothing in the paper’s canteen (Trop 2007:45).

Car use is another privilege for journalists. For example, “people familiar with the inner
workings of *People’s Daily* report that in the early 1990s, when private cars were still a rarity in China,
the newspaper’s compound was full of private cars owned by its journalists” (He 2008:45). Now, most
journalists in a media unit above the municipal level drive their own “Interview car” (*Caifang che*),
which are supposed to be public property. Usually, journalists have the right to drive those cars bought
by their media units for their personal uses.
Equipment such as cameras, laptops, and cell phones, are indispensable working instruments that are provided for journalists at the expense of their work units. Most journalists have them at their disposal without paying a penny. But these gadgets are still luxurious things for most Chinese people.

II. Salaries and bonuses can be very high if journalists strive to get them. Usually journalists care little about their basic salary because it represents a small portion of their total income. For example, “journalists in the Shanghai Media Group receive a base salary that is 15 to 20 percent of their total salary. Monthly and yearly performance bonuses make up the rest of their salary” (Esarey 2006:10). It is worth noting that the merge of Wenhui-Xinmin in August 1999 is “a move making obvious sense to officials of the Shanghai Media Bureau but less so to the reporters of Xinmin who found their salary average reduced from 6,000 yuan to 4,000 yuan, while the average on Wenhui went up from 2,000 yuan to 4,000 yuan” (de Burgh 2003:31). The same is true in the Nanfang Daily Group. “At Southern Weekend, the monthly base salary for journalists in 2003 was $340 (before taxes), or approximately the same amount as the average farmer’s annual income. Performance bonuses at Southern Weekend increased a journalist’s monthly salary to a ceiling of around $2,430” (Esarey 2006:10). Journalists’ salaries at both Shanghai Media Group and Southern Weekend were several times higher than the average salaries in other professions, such as teaching, in the respective localities at that time, in which the “median personal income of respondents was RMB 1001–1250” in November 2003 (Neilson et al. 2008: 1924).

The commission, ranging from 4 percent to 20 percent of the sales turnover, is an irresistible lure for journalists. Lynch (1999) reports that at Beijing Radio in 1995, “everyone who sold an ad was
rewarded with a 4 percent commission after quotas were filled” (69). In an extreme case, in a municipal Kunming radio station, media workers were promised a bonus as high as 30 percent (Lynch 1999:70), a temptation truly hard to resist. However,

If a report is judged too sensational, the journalist likely will not receive payment and risks losing performance bonuses, which amount to more than half of their salary. Therefore, journalists who fall out of favor with their superiors, or whose work is frequently censored, find themselves quickly out of the money. Some television stations require journalists to pay the production costs out of pocket for censored material (Esarey 2006:10).

In contrast to commission, which is intended to buy off journalists, the financial punishment related to censored articles or production obviously prevents journalists from doing audacious reporting. Overall, their income is so high that “few people are willing to resign from their well-paid jobs or to take attractive early retirement packages” (Lee et al. 2006:596).

Indeed, journalists’ pursuit of material gain is an outcome of the Party’s media policy, which binds individual departments and individual journalists by quotas. Such a quota is both a burden for them if they want to focus on professional journalism, and an incentive for them if they want to get rich. Zhao (1998) writes,

To meet financial objectives, many news organizations set up internal financial responsibility systems and sign financial responsibility contracts with their subordinate units. Thus, different departments are required to generate a given amount of income. Here again, if a department earns more than projected, it can spend the surplus itself. In some organizations, not only advertising departments, but also editorial departments and even individual journalists, are assigned revenue quotas (Zhao 1998:54).

Moreover, soliciting sponsorship is another outcome of departmental financial responsibility (Zhao 1998:63-4). Some media units even list specific quotas in their contracts. “One television station, for example, signed a financial responsibility contract with its news department that required it to bring in one hundred thousand yuan a year. The news department thereupon offered staff members 30 percent of what they solicited for the station” (Zhao 1998:85). More ridiculously,
In some organizations, even individuals are assigned quotas. Li Jie, a writer with *Beijing People’s Radio*, for example, reported that a Beijing news organization stipulated that units would get bonus if their income surpassed a contracted amount. If not, directors, reporters, and editors would be penalized financially. The quota for the ten reporters and editors responsible for business reporting was 3 million yuan a year. A message was soon posted: “Three million a year, 300,000 per person. Everybody must work hard, if not, get out of here!” (Zhao 1998:85).

To fulfill their quotas, “many journalists began to write positive stories about units before asking for ‘sponsorship’. Journalists, in a way, are thus forced to practice paid journalism by their organizations’ inappropriate financing” (Zhao 1998:86). As such, journalists’ corruption is somewhat causally related to the Party policy.

### III.

Corruption or “gray income” is another important way for journalists to accumulate wealth because journalism is a highly prestigious profession, and journalists have access to precious information. Zhao (1998) identifies five types of paid journalism (73-82), and Lynch (1999) confirms that paid journalism now is as bad as before (217). Generally speaking, paid journalism has been an important source of income for journalists. In an interview by Hugo de Burgh, Kang Keming admits:

> A friend of mine was having problems owing to the rezoning of land. He had paid the price suitable to the building of poor people’s housing for the local government and now he needed the land re-zoned so that he could build luxury apartments for sale. This meant an increase in the land value of about 1,000 per cent. He came to me and asked me to help him meet the local mayor. I was able to help him. I did this by arranging to do a profile of the mayor for my newspaper [*Liberation Daily*]. On the day I went to see the Mayor he was very welcoming so it was very easy for me to say ‘By the way, I have a friend who needs to ask your advice on a zoning matter’. The mayor said ‘of course I’d like to help any friend of yours, just tell him to come and see me’. ‘Oh he’s waiting outside in his car right now’ I said ‘so it might be convenient if he came in right away’. ‘No problem’ said the Mayor, so the developer comes up and we fix everything there and then. I got about two years’ salary out of that (as cited in de Burgh 2003:117)

This phenomenon represents a major kind of corruption in journalism. Zhao (1998) reasons, “now submission to the power of money means that it is even less possible for journalists to fill the
watchdog role. If they engage in false advertising, false news reporting, and paid journalism, how can they expose official corruption?” (1998:90). As a matter of fact, “with widespread paid journalism, many journalists have benefited from economic reform and official corruption and are thus even less likely to reflect the problems and concerns of ordinary people” (Zhao 1998:91). Paid journalism corrupts their own minds and compromises their journalistic principles. Conformity hence becomes a norm.

Many foreign journalists in China have their own opinions about journalistic corruption. When a mine accident killed two people in the weekend of May 31 2008 in Jingle county, Shaanxi province (Epstein 2008), *Forbes’* journalist Gady A. Epstein followed *Shanxi Legal Daily’s* journalist Zhou Jiangguo and his colleague to the field, but Epstein was not allowed to attend Zhou and his colleague’s meeting with a local coal mine security official Li. When Epstein asked why they refused his request to attend their meeting, Epstein’s guide, Old Zhao, answered “With a foreigner present, ‘it would be impossible for Li to pay them’” (Epstein 2008). The meeting made the coal mine accident disappear, and it was never exposed to the public (*ibid*). This case is not an isolated one. “In 2004, 11 journalists were exposed for having accepted bribes in exchange for keeping silent about a mining disaster in Shanxi Province – four were from China’s official Xinhua News Agency” (Bandurski 2008:53). After a long investigation, Epstein concludes,

In China's world of black journalism countless smaller tragedies routinely get shoved under the rug. Reporters race to the scene of coal mine accidents not to investigate them but to collect hush money. The more dead miners, the fatter the payoffs, especially for correspondents carrying the labels of leading national and provincial news outlets, media experts and Chinese reporters tell *FORBES* (Epstein 2008).

This statement can be easily verified by insiders. A veteran investigative reporter Wang Keqin in
Beijing asks, “If you look at the payroll, most of the journalists in Beijing make the same money as me, but why can they own luxury cars and live in villas?” (Epstein 2008). He then answers by himself, “Because they use reports to make trades, trades with officials and businesspeople. They have a lot of gray and black income.” (Epstein 2008). In sum, “Chinese reporters are easily corrupted” (Brevetti 2003:35).

There are deeply embedded causes underlining journalistic corruption. Media professionals living under survival pressure would seek market mechanism for remedy particularly when social ethos encourages people to do so in the social Darwinist China. Some of them engage selling cheap for their news value in illegal activities such as paid news. Some of them manipulate personal connections related to their work, and their information sources to make money or even to gouge. Still others do moonlight job by acting as public relation agency. Others write favorable or falsified praising reports or feature stories for money (Zhao 1998:72-86). In doing these, they follow a Chinese market principle for their private interests without violating the Party journalism. Indeed, media market policies, such as bonus and commission, provide a legal means for journalists to get rich, and some do make a large fortune. This is exactly why marketizing media control is so forceful: it creates the possibility of becoming rich, but it forces journalists to strive to reach it. When they do attain wealth, they both are tarnished (in the case of journalistic corruption) and are enslaved to the pleasures of wealth. In both cases, they must protect their achievements by remaining obedient; only in this way will the Party-state turn the blind eye to their illegal and corrupt activities, which have become socially endemic.

As a result, “journalists, media officials, editorial departments, and subsidiary business of the
media often take advantage of their connections with news organizations to pursue their own financial gains” (Zhao 1998:72). Paid journalism has become an indispensable income for many journalists. In sum, free housing or welfare housing, free car use or car subsidy, high salary, luring bonus, and commission, and gray income or corruption have brought most journalists enviable material compensation compared with other professionals in their respective regions. Such a lucrative material compensation sufficiently offsets their uneasiness about the compliance pressure with the Party ideology. Journalists immerse themselves in the market media for profit. Compared with the former methods of orthodox persuasion and violent suppression, such a rich material compensation consolidates their psychological transformation. Like other professionals and intellectuals within society at large, most media professionals act according to Party ideology, and many take side with the Party’s priority as theirs because they benefit from Party’s media policies. In time, they do not feel so much compliance pressure with the Party ideology. Up till now, through rich material compensation, the psychological transformation of media professionals has been consolidated by the market mechanism of media control. Therefore, marketizing media control has functioned as a smooth control over their work mentality.

3. The journalist evaluation pushes journalists to pursue material gain

There is a ditty in the media circle, singing that the “best journalists are those who make the most money” (Zhao 1998:86). Qinglian He (2008) more insightfully presents the internal evaluation of a good Chinese journalist in another ditty. “A first-rate reporter plays the stock market, a second-rate reporter solicits advertisements, a third-rate reporter gets kickbacks, and a fourth-rate reporter writes
news reports.” (He 2008:130). These ditties of course are sarcastic critiques of the official journalistic evaluation. The fact is that such an annual evaluation represents the survival pressure within a media unit. If media managers take journalist evaluation seriously, the survival pressure for journalists is severe.

Li Jie’s characterization of how a media organization evaluates journalists is worth examining:

In news organizations, the standard that evaluates journalists has become multi-dimensional. A journalist should first be able to write and, second, be able to create income. Those who are unable to solicit money feel inadequate, especially when receiving bonuses derived from income created by others. Conversely, those who are poor in news reporting can still feel good about themselves if they are able to make money….There are dual standards even in the evaluation of media officials….A responsible person from a Beijing media outlet openly declared in a meeting: “A department head who is incapable of creating income is not a good one!” (as cited in Zhao 1998:86)

Zhao (1998) comments on that,

Under such circumstances, those journalists who concentrate on their investigative and writing skills find themselves out of fashion, out of place. Zhang Jianxing expresses [his] dismay: “After being a journalist for so many years and after winning so many journalism awards, I woke up one morning and found myself in the last class of journalists. Knowing that I am still writing, a friend praises me for being pure and innocent. Looking at the strange smile on his face, I have no tears in my eyes, but there is bitterness in my heart” (Zhao 1998:86)

In a nutshell, the current emphasis in journalism evaluation on financial responsibility discourages journalists from pursuing professional excellence and investigative journalism, and drives them to pursue material gain. For them, material lure and survival pressure are coexisting. Media marketization empowers the head or media managers of a media organization to command his or her subordinates, and enables them to employ market logic to urge or force journalists to comply with the Party principle. Under marketization pressure, the power of hiring and firing in the hand of the head exerts a constant and daily pressure for journalists. With tens of millions becoming unemployed and
new graduates from media universities lining up outside media organizations, journalists dare not to confront their president or editor-in-chief regarding ideological orientation. Currently few people would risk their fortune or career by insisting on journalistic principles. Even more discouraging is the fact that their reporting is unlikely to be aired or published without the approval of their superiors and internal censors. Consequently, most journalists give up their investigative journalism.

In conclusion, among the material gains that media managers and journalists can obtain, many of them are determined by the head of their work unit and their media managers, and a bulk of them are a form of gray income because the state law does not explicitly protect them. First, free housing or welfare housing was legally abolished in the late 1990s, but most government officials and media professionals as well have continued to receive work-unit-based welfare housing (*fuli fang*). For this reason, free housing or welfare housing is a great privilege controlled by the head and media managers. If a journalist does not behave well, one’s dream of owning a house will never be fulfilled. Second, salaries and bonuses are decided by media managers, and the differences among journalists’ salaries and bonuses can be huge. In many cases, they are categorized into several levels with the highest level several times as higher than the lowest level. Third, being equipped with cameras, cell phones, laptops, and even a car also hinges on the whim of media managers. These equipment, particularly the car, would basically become a form of private property if he or she are not forced to leave the media organization. Fourth, illegal income or gray income is an important source of wealth both for media managers and for journalists. Fifth, promising opportunities are also dispersed by the hands of media managers and media heads in particular. These opportunities include chances to travel in China, to engage in lucrative reporting, including paid journalism and commission, and to raise one’s salary.
Also significant are indirect opportunities to be promoted, to receive a national award, to become a celebrity, or to go abroad. Sixth and last, the current method of journalist evaluation or survival pressure pushes media professionals to pursue material gains. In all, there is a delicate and interwoven relationship between journalists and their media managers within their media unit to determine their material compensation. To conclude, marketizing media control works not through direct coercion or violent repression, but through offering large incentives (rich material gains, fame, and social status) for compliance with the status quo and severe disincentives (poverty, hardship and jailing) for noncompliance and dissent in the social Darwinist China.

A journalist (including media managers and journalists) can obtain bountiful material gains as well as become rich and famous simply by mastering both the art of interpersonal relations within the media unit and the art of journalism that appeals to the audience or reader. However, if one dares to trespass the bottom line, all benefits would vanish because no media manager would like a troublemaker in one’s media unit. As a result, complying with the Party ideology is fundamental for a journalist to get full material compensation.

In the end, the material compensation reinforces psychological transformation. Lee et al. 2006 argue, “[b]ecause of their own substantially improved material status, many have come round to identifying with the goal of developmentalism as promoted by the Communist leadership”(595). One middle-level editor’s comment about his job illustrates typical journalists’ view at work:

I don’t have any particular belief. I am struggling to climb the social ladder. I am a realist. I just want to make a secure living in Shenzhen, where I have no political connections. I don’t care about justice or any such grand causes. No matter what happens, we benefit from staying with the system. Whether it is Jiang Zemin’s theory of ‘Three Represents’ or Hu Jingtao’s new ‘Three People’s Principles’, the most important thing is to maintain stability, promote development, and improve the standard of living (as cited in Lee et al. 2006:595).
That journalists naturally identify with the government political priority reflects the power of marketizing media control. Most journalists care much more about their affluent life than other things. Few would sacrifice their own material gains for abstract social justice. A more powerful or lucrative media can provide journalist with better material gains, but these high stakes also result in heavier political pressure and more intense scrutiny. In other words, the amount of pressure to conform to the Party ideology is proportionally related to journalists’ personal material interests. Usually, the central propaganda department and provincial propaganda departments keep a firm eye on big newspapers, CCTV and other major television stations, and some outstanding municipal newspapers, such as Nanfang Weekend. These media outlets that are monitored firmly are exactly the most lucrative media organizations. In general, journalists who work in these media units have received the most material gains and benefits, including personal fame and social status. However, their pressure to conform is also much greater than those who work in other media units as the journalists working in these outstanding media organizations are often walking close to the Party’s bottom line and occasionally even tramping out of it, in which cases the Party censors and their own media managers would give them warnings. Therefore, their pressure to adhere to the Party line is incessant and burdensome.

While journalists who work in less marketized media units bear less burden of pressure to conform because they don’t have much great incentive to break the bottom line and their material gains and benefits are also much less than the former category of journalists. Nevertheless, they are still much better off than people in most other professions in their localities because they have the chance to get “paid journalism,” as argued by Zhao (1998) and de Burgh (2003), and they have the indirect benefit of becoming local celebrity.
Chapter 4: Organizational Collective Interest Strengthens Media Control

Media organizations are market players in the Chinese media market. Assuming that they seek to strategically maximize their profits, they should primarily intend to cater to readers and audiences in order to obtain more subscriptions and higher advertising revenue. Their pursuit of profit ought to be their first priority, especially when they have to be self-sufficient. However, in China’s media market, political safety has always been their first consideration when choosing topics, articles, news, or television stories or narratives for publication or broadcast. Thus, their profit-maximizing goal is subordinate to their political considerations. Media organizations have to grapple with political safety, avoid violating media laws and regulations, and pay attention to circulars and instructions from the propaganda department and the Party leadership. As a result, their market space has been shaped and compressed by the Party ideology. This is the so-called birdcage Chinese media (Wu 1994:201).

During media commercialization, marketization, and grouping, unprofitable small publications and broadcasts were merged or closed. Those that remain are stronger and more lucrative, and they are mostly under the Party organ groups or Party broadcast groups. These groups indeed have become money-printing machines. Aside from Xinhua News Agency and CCTV as mentioned above, many groups have become revenue generators, such as Nanfang Daily Group, Guangzhou Daily Group, Shenzhen Special Zone Press Group, Beijing Qingnian Daily Group, Hunan Television Group, and Shanghai Media Group. For example, *Nanfang Metropolitan Daily (Nanfang dushi bao)*, part of Nanfang Daily Group, made an instant financial success. It made a profit only three years after its start and its profit climbed from 3.76 million yuan in 1999 (the third year of its publication) to 116 million in 2003 (Zhao 2008:253). As most Chinese media authors indicate, in commercialized Chinese media,
a media organization’s survival is predicated on satisfying both the businesses, particularly ads buyers, and the Party leaders. Their financial success has urged them to protect their collective interests, which leads to collective self-censorship. Self-censorship in their media unit is an indispensable part of their work. For example, in CCTV, “normally, editors and the program producer scrutinize news produced by CCTV and send it to the deputy head of CCTV for confirmation of acceptability. However, particularly sensitive reports can be sent to central leaders or other state institutions for review” (Esarey 2006: 5). For newspapers, senior editors are responsible for sensitive content in politics, finance, and literature (Esarey 2006:5). Protecting collective interest leads to collective self-censorship. This is the major argument of this chapter.

Though heavily intervened by the Party, China’s media market is conducive to media organizations making profits. For them, media monopoly ensures their interest. As mentioned before, there is a market demarcation for publications in China. “A paper of a given administrative status is not allowed to enter another market of equal or higher administrative status. In other words, a provincial Party organ will not be allowed to enter another provincial market or the national market. The same prohibition applies to newspapers at the city level and lower levels” (Chan 2003:162). This is the case even when the state has grouped media. “Even the newspaper conglomerates that have been formed in recent years were not allowed to publish newspapers outside their state-defined geographical areas”(Chan 2003:162). There is a similar rule in television broadcast and radio broadcast. Therefore, media organization’s monopolistic position guarantees its prospects for profit.

In this chapter, such collective interest protection, which results in collective self-censorship, is discussed from three aspects. First, a media organization is a work unit. Though is a constrained and
unfree place, it provides media professionals with not only irresistible material compensation, but also personal protection. Second, working relations are imbued with mutually supportive and protective style interpersonal relationships in the Chinese work units. Thirdly and finally, collective interest is the ultimate embodiment of job responsibility or contract responsibility that binds the interests and risks of media managers and journalists together, particularly for the head of a media unit. More than any other factors, this collective interest is the overriding cause that results in conformity with the Party principle. These three aspects cause journalists to refrain from producing bold or confrontational discourses against the Party, which will be demonstrated by a lively example of collective self-censorship.

The first aspect of collective self-censorship describes the restraining and protective nature of a work unit in China. The nature of the work unit is a constrained and repressive one. Hugo de Burgh defines it as, “of the obstructive and inhumane institutions created by the CCP the worst was perhaps the Danwei, or Work Unit, in which every individual was imprisoned forever and which decided his or her domestic, social and economic life in its entirety” (2003:16). In fact, the “work unit” has fragmented, partitioned, and compartmentalized Chinese people into small units controlled by the unit Party committee over every aspect of individual life. Broyelle further captures the essence of Chinese work unit:

The Danwei gathers together within the control of a single body all the threads of an individual’s life, it measures according to its own standards the states, habits, and behavior of every person, it is the unit and norm of work, of life, and of thought, it is the sole leadership of the Party in the context of daily life, it is the Party in flesh and blood” (as cited in de Burgh 2003:16).

From these insightful characterizations, one can imagine how grim a Chinese work unit is. Media workers indeed work in such a unit. Though Chinese society has changed a lot since the 1990s, the nature of the work unit and the working relation are relatively the same as highlighted by de Burgh
and Broyelle. Here the question is, if a media work unit is so detestable, why do media workers choose to remain? Aside from material gains and benefits discussed above, de Burgh discovers an important reason. He states, “the bigger the unit to which you can attach yourself, the better, as it can bargain for you, protect you and enhance your life in many ways” (2003:114). In particular, when many media professionals have engaged in paid journalism or gray income activities, whether or not there is a strong protection from their work unit is important, not only for securing their continuing accumulation of wealth, but also for preventing them from being jailed. For the Party-state, the justification for not investigating corrupt journalistic practices is simple conformity. Without conforming, journalists would be charged with corruption and end up in prison. This point will be elaborated in the next chapter of punishment.

In a word, a work unit is a confined and repressive place, and a media unit is one of such units. Journalists are controlled and monitored by the Party committee or Party branch of their work unit. Their whole life is under the shadow of unit Party committee or branch. But at the same time, their interests are secured and protected by such a work unit too. Their interests are interlocked with their work unit and are controlled by the Party committee and the management of their work unit.

The second aspect of collective self-censorship deals with the intense working relations in a work unit. Working relationships are suffused with Chinese-style intense interpersonal relations, which offer mutual protection and support within the work unit. Chinese adults’ behaviors can be traced back to their early socialization and the social culture. “Psychologists argue that products of the typical Chinese family form are particularly dependent and, when family or community lacks respected and established leadership, may feel deeply insecure. They ‘feel a need for idealized authority yet can
never find one that satisfies’ (Pye 1968:6) and often this leads them to try to create situations of total predictability and control” (de Burgh 2003:113). In China, “authority is expected to be paternal in style, mirroring family relationships, and obedience is due regardless of the behavior of those in authority” (de Burgh 2003:112). In the Chinese hierarchical system, people behave in different ways in relations to their superiors and subordinates, and to different factions within a work unit. For the young and junior professionals, obedience to the elder and the superior is expected. The same is true for journalists. In an interview by Hugo de Burgh, Kang Keming said that Mr. Chen, the managing editor of Liberation Daily, was angry with him when he left the paper because Kang had failed to meet Chen’s expectations and fulfill his role in the paper as Chen treated Kang as a son but Kang did not treat Chen as a father by staying with Chen at the paper (de Burgh 2003:112). The underlying assumption made by Chen is that Kang was one of his people, someone he had mentored for years. In return for his patronage, Kang should obey him, remain loyal, and offer reciprocal support to him.

Such an intertwined personal relationship has an impact on their work. In fact, there is mutual trust and support among certain members of a unit. One belongs either to one faction or another in a given work unit. If one isolates oneself from the factions, one becomes either an important figure or an outcast. As an important figure, one would eventually tilt towards a faction. As an outcast, one would be kicked out of the work unit sooner or later. Very often, people in the same faction have a tacit mutual support or protection strategy. Usually when one member fails, the other members of this faction would be jeopardized as well. For this reason, other members usually help prevent the fellow member from failing, or prevent him or her from making mistakes, such as audaciously challenging the Party ideology in an article or a story. As a result, the chance for noncompliance decreases far
greater in a group than a single mind. Kang Wei’s story illustrates this point. According to de Burgh, Kang Wei says that when he first entered Zhejiang Television he followed his mentor. Later he developed a good relationship with his mentor (de Burgh 2003:113). As a result, Kang Wei admits, “whenever he asks me to do something he knows I’ll do it just as he does” (as cited in de Burgh 2003:113). Generally speaking, new comers will follow their superiors and their patrons. Conformity is an expected work mentality.

If one wants to succeed, one must adapt to such an atmosphere. In general, “Chinese workers, to succeed in their careers or to have any influence over their own work, must follow their patron and the patron’s faction: loyalty is the ultimate value, not truth or efficacy” (de Burgh 2003:114). Journalists are no exception. They are “tied of gratitude and tradition to their units and patrons within them, and this tendency is being reinforced in the accelerating commercial climate” (de Burgh 2003:114). Hence, before a junior journalist dares to challenge the Party ideology, he or she has to consider the interests of his or her patrons and their faction. Such consideration discourages one from taking risks. In rare cases in which someone still feels obliged to act against the Party line, one’s superiors and patrons would not allow one to do so. For example, Ortolani, as a former foreign journalist in CCTV and China Daily, affirms, “[i]f, however, someone tried to get politically sensitive material through, there is a system in place to stop it, which I witnessed firsthand” (Ortolani 2008). He adds on that he saw censors read only for politically sensitive content. For example, one censor came to an editor’s office with a circle on an article that described a political summit where Hu Jintao ate shark fin soup. For such deed, Hu could be attacked by environmentalists (Ortolani 2008), and for this reason, the article was not suitable for publication. In other words, “the authoritarian logic of the
private market, in which one must obey the boss, is being imported into the realm of media and party propaganda” (Zhao 2008:46). Though junior journalists might have some freedom, obeying their superiors or bosses is the norm.

The third and last aspect highlights collective interest as the ultimate embodiment of job responsibility for media managers and contract responsibility for journalists, both of which bind the interests and risks of media managers, particularly the head of a media unit, and journalists together. In relation to the reasons for conformity as discussed before, collective interest is the overriding cause that ensures conformity. Because any publication or broadcast in a media unit is ultimately decided upon by media managers, if there is any confrontative article or program published or broadcasted by a media unit, the Party-state would first punish the head of the media unit. The job responsibility has put a personalized responsibility on him or her. For this reason, the head disperses his or her responsibility to media managers. Hence, the head in particular and media managers in general do not allow any challenging articles or programs to endanger the unit’s collective interest as well as the media managers’ self-interests. Therefore, media managers take collective interest into consideration when deciding whether an article or a program should be put in print or on air, and it is always the most important consideration that media managers take. As a result, the drive to protect their unit’s collective interest ensures collective self-censorship.

Fear of a Party crackdown, either real or imagined, has always haunted media managers’ minds. The collective responsibility for a media unit is more important than general journalistic social responsibility. It is the collective responsibility that media managers must shoulder in making decisions on publications or broadcasts. Media organizations are lucrative venues for all media
workers because “[media] monopolies are China’s last windfall enterprises in which advertising revenues grew 200 percent in the 1990s (to US$10 billion in 2001), averaging 35 percent annually. Morgan Stanley estimates that it takes only eight years to make a profit on media investment – a quicker return than in medicine, power plant, banking, or buildings” (Lee 2003:12). In such an atmosphere which is conducive to the media’s development, media managers and their media units have the potential to make a profit, especially when they operate under the state’s protection for media monopolies and benefit from the rapid commercialization of Chinese society. On the other hand, media managers often worry about the potentially destructive outcome, looming behind the confrontation with the Party ideology. When Zhao Yuezhi asked an editor to publish her article, the editor said that even if she was willing to risk her job to publish Zhao’s article, “she cannot face her employees if the article leads to the publication’s termination, thus endangering the livelihood of those employees” (2008:46-7). Refusal to publish a potentially controversial article always wins.

There is a remarkable case of collective self-censorship in CCTV News Commentary Department narrated by Yuezhi Zhao (1998). She finds that “CCTV’s reform is in the most important areas of news and current affairs, and it aims at a mid-to-high-educational-level audience. Central to CCTV’s reform is the establishment of the News Commentary Department, which produces both new programs” (1998:113). These two new programs are East Time and Space (Dongfang shikong), first launched on May 1, 1993, and Focus Interview (Jiaodian fangtan), started on April 1, 1994 (Zhao 1998:111). This department was set up in 1993 as an autonomous unit under CCTV’s News Center (Zhao 1998:112). It selected “personnel from an in-depth reporting team” (Zhao 1998:113) and the majority of journalists in this department were hired by a yearly renewable contract with considerable
income differences between the highest and the lowest (Zhao 1998:113). Moreover, “the department is financially independent, relying entirely on revenue from commercials inserted into the two programs (not from advertising before or after it; that goes to the station itself)” (Zhao 1998:113). For this financial reason, this department considers its audience rating as its lifeline (Zhao 1998:121) and their sole financial source — the value of commercial advertisements relies on audience rating.

These two programs have been the most popular ones in China not only because CCTV has more resources than any other television station, but also because these two programs strike the cord of audiences for covering certain social malaise and lower-level corruption when social indignation against corruption has been rising. For example, Focus Interview is ranked second at 15.71% audience approval rating (following 7:30 News in the first at 32.36% rating) among over 1,000 programs from more than 120 television channels in China in 2008\textsuperscript{24}. Those programs have been sanctioned by the Party-state and praised by the highest Chinese leadership many times (Zhao 1998), particularly in CCTV 7:30 news in 1998 because those corrupt officials being exposed by the program are usually being convicted and the Party-state intentionally opened a tiny space for people to vent their anger, thereby releasing some social tension. Nevertheless, the programs incurred strong complaints from local officials. Thus, the central party committee and central propaganda department have kept a vigilant eye on the CCTV News Commentary Department. Zhao (1998) vividly and precisely captures how collective self-censorship was internalized in this department and CCTV media managers:

> Just a few months after the first airing of “Focus”, the CCTV hierarchy, as well as a selected number of producers and reporters from the News Commentary Department, were summoned to Party headquarters to hear praise and advice. Most importantly, they received instructions from top officials of the Party Central Committee’s Leadership Group for Propaganda and Ideological Work,

of the Party’s Propaganda Department, and of the Ministry of Radio, Film, and Television. Ding Guan’gen, the Party’s ideological chief, presided. One problem with the program, according to a broadcast official, was that there had been too many critical pieces; the department was reminded that “focus” should not necessarily mean exposure and negative reporting (Zhao 1998:120).

After hearing instructions from the Party media bosses, the CCTV President Yang Weiguang presided over a seminar on the “Focus” program both as the transmitter of the Party’s instructions and as the top official of CCTV (Zhao 1998:120). Besides the “general requirements that the programs be consistent with the Party line and uphold the principle of ‘correct guidance to public opinion’” (Zhao 1998:120), Yang incisively gives the following specific instructions to warn media managers and journalists of the News Commentary Department. He says,

No matter whether a topic is a positive or negative one…programs must give people encouragement, confidence, and strength to march forward, rather than a feeling of hopelessness.

….Problems that the government has paid attention to or is trying to solve may be dealt with… Don’t deal with problems that are essentially unsolvable. Don’t deal with problems for which there are definitely no immediate solutions.

Exercise caution about controversial issues and personalities…don’t report on controversial figures in “Son of the East”. The choice of interviewees and sources to quote is very crucial. It is of primary importance to seek the opinions of responsible authorities and to clearly state the position of the government. Such authoritative opinions are what guidance over public opinion means. They take a clear stand on right and wrong. It is not enough just to have the public talk.

Don’t induce interviewees to express dissatisfaction toward the Party and the government and to talk about the mistakes committed by the Party in the past. For example, a reporter asked the interviewee this question in one program: “Have you ever said something that was against your own will? Who forced him to speak against his own will? The Communist Party? Now you are all laughing, but the program has been broadcast (as cited in Zhao 1998:120).

Zhao (1998) points out, “the purpose, of course, as Yang said elsewhere in the speech, is to build consensus among ‘high level leaders, station leaders, leaders of the News Center, leaders of the News Commentary Department, producers, reporters, editors, hosts’ and to turn overt censorship into self-censorship”(121). To accomplish such a goal, Yang continues,

There is a station decision which requires that reporters present their interview topics to the News Center and a responsible station president for approval before they do the interviews. At the same time, it requires that the preview standard for “Focus on the Moment” and “Focus” be tightened up, i.e. be
Yang’s instructions are illustrative of voluntary self-censorship in the minds of every journalist within CCTV. The actual implementation of CCTV President Yang’s speech is consistent with his talks. Zhao (1998) did research in News Commentary Department of CCTV between 1994 and 1995. When she asked Sun Yusheng, the director of the department, about how to judge a good program, Sun answered:

During the process of previewing the programs, I keep thinking about the following questions: Will this produce negative effects? Will it cause damage to political stability? Will it intensify tensions and be detrimental to solving the problem? After all these possibilities are eliminated, I will say that an item is a good one and should be broadcast (Zhao 1998:117).

As a matter of fact, the journalists under Sun’s News Commentary Department carried out their self-censorship as well. Zhao (1998) describes,

Professionals in the department are indeed very careful. While Sun Yusheng stressed making sure that programs do not cause political instability, producers explained that since a television program is expensive, they take great care in selecting topics (121).

The CCTV media managers above this department are even more cautious than their subordinates. “Despite pressures from above and efforts from below, the programs are still previewed at the station president level, and about 10 percent are rejected. As one journalism researcher in Beijing remarked during an interview, the people in the department are dancing with chains on” (Zhao 1998:121). These chains are the Party parameters. The words and actions of CCTV media managers and journalists in its News Commentary Department attest to an internalized collective self-censorship.

The case of the CCTV Commentary Department is not a unique one. In Shanghai radio reform, collective self-censorship is also strict. Before media commercialization, “the news was aired after
previewing by a responsible station leader (usually the president or a designated vice president)” (Zhao 1998:156), but “[n]ow the president or vice president usually stands behind the newscaster and keeps a watchful eye and ear during live broadcasts” (Zhao 1998:156). Hence, she argues, “when a television station’s censors are standing behind by, how far a newscaster or a talk show host go in expressing dissenting views? When everyone knows individuals have lost their jobs for not following the Party line, how many (from program hosts to producers to station presidents) are willing to endanger themselves?” (Zhao 1998:160). Worse, at times, the Chinese media collectively practice self-censorship. For example, when SARS epidemic hit China from November 2002 to the whole year of 2003, the Chinese media collectively practiced self-censorship in the early stage of SARS outbreak until middle April 2003. In this long process, only several media outlets, such as *Nanfang Weekend*, *Nanfang Dushi Daily*, and *Caijing* (Esarey 2005), attempted to report on this severe life-threatening crisis. The absolute majority of Chinese media kept silence. “While all indications led to the epidemic in Guangzhou as the origin of SARS worldwide, Chinese government officials continued to stonewall and deny its existence” (Tai et al. 2007:996) for nearly half a year from late November 2002 to April 17 2003. They reported SARS breakout only after the Politburo headed by Hu Jintao decided to open up coverage of the SARS epidemic (Tai et al. 2007:996). However, like what Chinese officials do in any cover-up, “government officials were vehemently dismissing accusations from the international media that they had lied or covered up the SARS epidemic in China” (Tai et al. 2007:996). Even when the government lifted the ban on SARS reporting, “the official media strictly followed the government line in assuring the public that the disease was under control.” (Tai et al. 2007:1000). It depicts an ugly picture of China’s media in facing life threatening events.
In sum, “[c]ommercialized outlets survive and flourish not by directly challenging the Party principle and discarding political propaganda but by softening the tones of political propaganda, moving beyond narrow political propaganda and broadening content to include social and personal issues” (Zhao 1998:159). To illustrate this point more clearly, Zhao (1998) articulates,

While the readers of Hangzhou’s Qianjiang Evening News praised the newspaper for what it did for them, the mayor of Hangzhou city also praised it for what it did for the government. While the audiences in Shanghai were excited by their limited opportunity for dialogue with government officials afforded by broadcasting stations, Ding Guan’gen, the Party’s ideological chief, praised them and recommended their approach to Beijing media (Zhao 1998:159).

As a result, “[f]or China’s media, self-censorship is not merely a means of avoiding sanctions, but an essential means of survival” (He 2008:19). Most media learned to protect themselves through voluntary collective self-censorship.

In conclusion, media organization’s collective self-censorship is a market mechanism of self-protection in the name of collective interest. When a collective group of people has a common interest, they will try their best to prevent every threat to their collective interest as demonstrated in the collective self-censorship of the CCTV Commentary Department. Group interest is above all. They all understand that only after securing their group interest, their personal interests can be ensured. That is how marketizing media control works in a media organizational level. It works not just as a control over individuals, but as a control over market player-media organizations, which in turn imposes a collective interlocking control over individuals. Therefore, they choose to work for profit when they finish their psychological transformation, acquire plentiful material compensation, and align with the Party priority. Thus, self-censorship both personally and collectively is the logical consequence of their interest seeking.
Moreover, media professionals’ self-censorship is a tacit rational choice because in today’s China they could choose to work out of their work unit, either to work at a less ideological media or work in other business sectors, such as education. However, as shown before, a less ideological media is a less profitable media. Media people would have less material gain and fewer benefits. Working in education in China is a low incentive job because they have much less freedom to travel, their work is tedious, and most importantly, their material compensation is much lower than in journalism. For these reasons, market mechanism again plays an important role, compelling them to choose work in media. Some people say, “it is through self-censorship rather than the correcting or eliminating of texts that orthodoxy is maintained” (Jernow 1993:227). In other words, obeying the Party is a means of securing their self-interests. As summarized by Pan and Lu (2003), journalists work “‘naturally’ in accordance with the centrally enforced principles of seeing and speaking things” (225). That is, collectively they have learnt to work within the purview of the Party ideology. Collective interest leads to collective conformity.
Chapter 5: Punishment as a Way to Redraw the Boundary of Media Control

Punishment is a way to shape the media market space to fit into the need of building an image of a competent Party-state as well as a vibrant Chinese political economy. For the Party, the media is its piper. The Party needs the media to portray a rising China and a competent Chinese government to its populace, which shores up legitimacy for the Party-state. For this purpose, the Party always wants to shape the media whenever and wherever it sees unfit. The means to achieve such an end is punishment.

However, punishment is selective. It is not a daily practice, nor a large scale one. It functions only as an instrument to redraw the boundary of media market because the Party needs a smart media to be a helping hand rather than a brazen servant as it was in the 1950s and 1960s. In particular, the Party needs the media to tell lies disguised by half-truths, and to sway and distract the public’s attention from the government’s malpractices and from the structural problems of the country, or in the Party’s words, to guide the public opinion toward the Party’s desirable direction. In fact, punishment has accomplished this purpose. Media professionals have internalized the Party ideology into their work as a result of marketizing media control, which imposes a constant and daily control over them and at the same time offers enviable material compensations to them. The media as a whole is not only docile but also smart to tout the Party-state’s line. It has depicted a harmonious, prosperous, and fast-growing China to the world. Even many Americans believe China would be a threat to their future.

For the media market and media professionals, punishment serves to redraw the bottom line of the Party tolerance. The bottom line sometimes is uncertain as indicated by many media professionals,
particularly those who have been punished. For instance, Huang Liangtian, former editor-in-chief of *Baixing* magazine, testifies that punishment “can be decided by a memo from a ministerial official, a telephone call, or even on an inexplicable whim” (Huang 2008a: 59). For a media organization, to maximize its profit it has to attract audiences and readers. People have a certain curiosity to know what is really going on in the black box of Chinese authoritarian rule. Many journalists have attempted to step out of the bottom line, but at the same time, they fear potential punishment because they are not certain about where or when the punishment will be applied as argued by Hassid (2008). The punishment might be imposed on journalists or media organizations by the whim of a particular important figure in the Party leadership, the mood of the propaganda department, or the specific political climate.

Punishment on the defiant journalists is selective. This measure together with the material compensation constitutes a typical carrot and stick strategy wielded by the Party-state, though it has been less frequently used than before. This chapter first explains that punishment mainly serves a threatening purpose. Second, it presents data on an overall repression. Third, this chapter categorizes the types of punishment. Finally, it fleshes out a significant case for readers to judge how severe the punishment could be.

In the first place, punishment has been used as a threat and it is selective. Minxin Pei argues that the CCP now chooses selective repression to monitor the society, and this is the case for punishment in the media sector. Selective repression occasionally cracks down on certain media organizations, suspends some programs, or dismisses some journalists and puts some into jail or forces them into exile. He (2008) concurs with Pei in asserting that punishment is used as a threat. She writes,
“today [the Chinese media] are increasingly becoming Party mouthpieces under the twin policies of enforcing propaganda discipline and ‘punishing a few as a warning to many’” (He 2008:31). The Propaganda Departments are mainly concerned with certain media organizations, such as Southern Weekend (Nanfang Weekend) and Beijing Qingnianbao, and with some particular programs, such as CCTV’s Focus Interview, and Oriental Time and Space. Selective repression is imposed only on those who are determined to defy the regime. However, after the 1989 cleansing, few intrepid reports have occurred. Hence, selective repression has been effective. However, now the Party-state usually fabricates crimes to punish and persecute journalists.

The principle of “handling political questions by nonpolitical means” has been firmly established. People are no longer officially punished for political or ideological “crimes” or “crimes of conscience,” and only in the absence of evidence of corruption (genuine or fabricated) is a person charged with “endangering state security,” “leaking state secrets,” or “incitement to subvert state power” (He 2008:13).

The regime’s charges of corruption, endangering the state security, leaking state secrets, and subverting the state against journalists are intended to demonize lofty journalists who dare to uncover social malaises, power abuses, and rampant corruptions. This way of using fabricated crimes to punish journalists betrays the insidiousness and unprincipledness of the Party.

The second section of this chapter shows the overall statistics of punishment for journalists, and, as will be shown in the overall data on repression in the following paragraph, such punishment is used sparingly and selectively. This calculation counts only punishments after 1989, and it is not perfect as it lacks certain data, but the overall picture of punishment can be illustrated by this data. According to He (2008) and the Freedom House Annual Report on Press Freedom in China from 2003 to 2007, by the end of 2008, about 275 journalists had been jailed and many others had been detained and harassed. The overall data derives from the following sources. Before 2003, “according to Human
Rights in China, by October 2003 at least sixty-nine journalists and dissidents had been detained or imprisoned for publishing or distributing essays on the Internet” (He 2008:189), though Human Rights in China does not have the statistics for journalists who had been detained or imprisoned only for their reports on traditional media by 2003. In 2003, “according to the Committee to Protect Journalists, as of December 2002 Chinese jails held 36 journalists, 14 of whom were serving time for publishing or distributing information online” (Freedom House Annual Report on Press Freedom of China\textsuperscript{25} in 2003). In 2004, “at the end of [2003], Chinese jails held 39 journalists, including one South Korean, according to the Committee to Protect Journalists. Other journalists have been harassed, detained, threatened, or dismissed from their jobs because of their reporting,” (Freedom House Annual Report on Press Freedom of China\textsuperscript{26} in 2004). In 2005, “according to the Committee to Protect Journalists, China has imprisoned 42 journalists, the highest number by any country in the world” (Freedom House Annual Report on Press Freedom of China\textsuperscript{27} in 2005). In 2006, “the Committee to Protect Journalists reported that for the seventh year in a row, China had jailed more journalists than any other country in the world, with 32 in prison, half of whom were there on account of internet-related cases”(Freedom House Annual Report on Press Freedom of China\textsuperscript{28} in 2006). In 2007, “according to international media freedom watchdogs, 32 journalists and 59 internet-based “cyberdissidents” were in prison in China at year’s end” (Freedom House Annual Report on Press Freedom of China\textsuperscript{29} in 2007). And

finally in 2008, “According to international media freedom watchdogs, at least 29 journalists and 51
cyberdissidents were in prison in China at year’s end, more than in any other country in the world”
and disciplined journalists by the regime after the 1989 cleansing of journalists.

Of those 69 jailed journalists before 2003, He (2008) explains that, “most were convicted of
‘incitement to subvert the state,’ ‘endangering national security,’ or ‘leaking state secrets.’ These
arrests and heavy sentences were intended to intimidate other cyber dissidents into silence” (He
2008:189-90). Moreover, “the arrest of Zhao Yan, Liu Shui, and more than eight other journalists in
2004 earned China a reputation as the world’s biggest prison for authors and journalists” (He
2008:190). This illustrates the severity of the Party-state’s punishment on defiant journalists.

The third section categorizes four different types of punishment. The first type is the
punishment for no director apparent challenge to the Party ideology. For instance, “Peking monthly
\textit{Fangfa} was suspended abruptly on 12 March 1999 for no obvious reason except that it had established
a reputation as a frank media of discussion about political and economic reform” (de Burgh 2003: 119).
However, the same kind of “offense” may be punished differently. For example, “Canton’s \textit{News
Weekly} was given a four-month suspension for mentioning the 1989 Tiananmen massacre in December
1998, while \textit{Shezhen Pictorial Journal} was banned indefinitely for similar sins in January 1999” (de
Burgh 2003: 119). The second type of punishment is the most merciless punishment on media
organizations that touch the taboos of the Party. For examples, “in June 1999, journalists associated

with the banned China Democracy Party were imprisoned for producing an unauthorized magazine and distributing articles on the Internet; the following month three journalists who tried to publish an independent magazine for workers were also imprisoned” (CPJ 1999:24, as cited in Burgh 2003:25).

Chinese democracy and independent worker media are among the most sensitive topics for the Party-state because they challenge the legitimacy and ruling authority of the regime. The third type of punishment targets at individual media managers and journalists, but leaves the media organization intact if the media organization is lucrative to ensure that it will continue making profit for the Party-state. For example, “in March 2004, Southern Metropolitan Post General Manager Yu Huafeng and Vice President Li Minying were sentenced to 12 and 11 years respectively for alleged corruption concerning the distribution of bonuses by the editorial board” (Esarey 2006:6). Finally, the fourth type of punishment is a means to eliminate media organizations if they are neither lucrative media units nor Party organs. For instance, “the 21st Century World Herald was closed down in March 2003 for a series of controversial articles, including one interviewing Li Rui, a former secretary of Mao Zedong, who advocated democratization of the CCP leadership structure” (Esarey 2006:6). This measure fits with the Party’s macro-management of grouping and enhancing the Party organs.

The fourth and final section fleshes out a significant case to readers. In recent Chinese media history, punishment on Southern Weekend is the most influential both in the media circles and in society at large. No doubt, this paper has been the boldest media in China; it has published investigative stories and called for political reform, though it has stopped short of aiming for a multi-party system and an openly-contested elective democracy. The paper has become a thorn in the flesh for the Party-state.
He (2008) argues that four factors account for the paper’s political survival before 2001. First, it had been protected by a Guangdong locality dominated by Ye’s family (Ye Jianying is the major figure of two marshals who helped bring down Maoists-Gang of four and rehabilitate Deng Xiaoping into the center of Chinese politics in a political coup in 1976). When Ye’s family lost its protective force in Guangdong, the chance for revenge came in 2001 (He 2008:126). Second, the first editor-in-chief, “Zuo Fang’s guiding principle in running his newspaper was an emphasis on ‘hitting edge balls’” (He 2008:126), meaning not to challenge the Party ideology directly but to imply that some social problems are related to the state. Jiang Yiping, Zuo’s successor, managed the paper in the same manner as Zuo did (He 2008:126). Thus, in general, the paper does not directly conflict with the Party ideology. Third, the Party organ Southern Daily, which is the mother paper of Southern Weekend, has offered a protective umbrella for Southern Weekend (He 2008:131). It has defended the Southern Weekend from outside complaints for years. Finally, the paper mainly has exposed malpractices and corruptions outside its own domain-Guangdong, which makes revenge more difficult (He 2008:131).

Nevertheless, the tough blow to the paper came on April 19, 2001 when it published an article entitled “The Growth of a Violent Gang,” and a commentary article on April 26, “Reexamining the Zhang Jun Case” (He 2008:137). It argues,

In a sense, when people from the lowest rungs of society, such as Zhang Jun, break the rules, they do so because those who make the rules are also breaking them. When people in high places, such as Cheng Kejie (the former vice chairman of the National People’s Congress) and Hu Changqing (the former deputy governor of Jiangxi Province), amass huge amounts of wealth by breaking laws overtly and covertly, their conduct is essentially no different from Zhan Jun’s. What is more, they set the worst possible example. The only difference is that, thanks to their positions of authority, Cheng Kejie and Hu Changqing were able to amass their wealth in a sophisticated but, nonetheless, illegal manner, while people like Zhang Jun, who lack power and authority, resort to the only means available to them: brute violence. According to an expert in the field, the poor and powerless are increasingly resorting to violence as a
means of redistributing the wealth of the rich and powerful. This should give us pause for reflection (as cited in He 2008:137-38).

This article enraged the central propaganda department because it struck a very nervous chord with the authoritarian regime. For this publication, “the Central Propaganda Department exerted pressure on the Guangdong Provincial Propaganda Department and, in May 2001, the Guangdong Propaganda Department removed the newspaper’s editor-in-chief Jiang Yiping, Chief Editor Qian Gang, News Director Zhang Ping, and an editor and a journalist who contributed to the articles” (Esarey 2006:6). In a word, “this time around, Southern Weekend was purged from top to bottom” (He 2008:138). Later, the Party continuously manipulated its power to appoint and remove personnel at the paper. “By 2003, the government’s strategy of putting new wine into an old bottle had sapped Southern Weekend’s former spirit of social criticism” (He 2008:138). From then on, the paper lost its investigative nature and its spirit of calling for reform. Neither does any other paper dare to emulate the former Southern Weekend. Conformism to the Party ideology has dominated the media.

However, such a punishment has been practiced rarely, as demonstrated in the data on suppression. Roughly 0.03% of journalists or only 3 persons out of 10,000 have been punished since 1989. Punishment after all has been imposed on only a tiny portion of media professionals. For the Party-state, the punishment is intended to intimidate the others. It acts as a tap to stop journalists from flowing to the Party taboos. Second, punishment is a way to restructure the media market. The Party treats lucrative media and non-lucrative media differently, and it treats Party organ and non-Party organ differently. It never destroys its cashcow (prosperous media outlets), such as Nanfang Weekend, Nanfang Doushi Bao, and Freezing Point, a weekly supplement of China Youth Daily. Instead, it reshuffles their media managers and punishes individual media professionals. However, it closes down
non-lucrative media, such as 21st Century World Herald. Third and most importantly, punishment functions as a way to redraw the bottom line of the Party’s tolerance. As insiders confirm, there is no fixed bottom line except for democracy, human rights, Taiwan Independence, Ethnic split, and the secret lives of leaders. The Party willfully demarcates what is tolerable and what is not and the Party freely judges who is tolerable and who is not. After the punishment, media professionals know what is the bottom line with all the precedents of punishment serving as references. In this manner, the Party draws and redraws the bottom line for the media market. This method is also a way to show media professionals who is the ultimate boss of media. Through this, the Party-state has kept its credibility and held its monopoly of power in the media sector.

However, not all journalists who end up in jail are punished by the Party. It is worth noting that in many cases, “[j]ournalists are harassed, attacked, or even jailed, not because their reporting violates the central party leadership’s propaganda disciplines, but because such reporting exposes the wrongdoings of individual power holders and threatens their positions” (Zhao 2008:42). For example, In a case that shocked the Chinese journalist community, on October 20, 2005, more than 40 traffic police officers, under the leadership of police captain Li Xiangguo, stormed the editorial office of Taizhou Evening News (Taizhou Wanbao) in Taizhou city, Zhejiang province, and beat up the paper’s deputy editor-in-chief, Wu Xiang hu, because the paper had published a report criticizing high license fees the traffic police had imposed on electric bicycles (Zhao 2008:42). Indeed, this publication was approved by the Taizhou City Party Disciplinary Committee (Zhao 2008:42). Later, the police captain Li and his team workers were put into prison, Zhao (2008) writes.

In other cases, those being punished were not intentionally challenging the Party ideology. Li Datong, the chief editor of Freezing Point, was so shocked that his Freezing point was suspended and he was dismissed from his post (Li 2008:63). His surprise illustrates that he had no intention to
challenge the Party ideology. A former journalist from a Shandong municipal level paper confirms that two journalists in her paper were disciplined and dismissed not because they intentionally confronted the Party taboos but because of their negligence or carelessness.

In all, punishment functions as a threat to intimidate journalists and ensure their self-censorship as a whole. In some cases, those being punished may become winners rather than losers. He Qinglian, who was forced to resign from *Shenzhen Legal Daily* because she wrote the critical book the *Pitfall of Modernization*, now becomes the media specialist of Human rights in China. In other cases, those being punished still can have a good job. Huang Liangtian, the editor-in-chief of *Baixing* magazine, was reinstalled in another Agricultural Product Weekly (Huang 2008a: 60). Still others have better life chances than before, such as Wang Changtian, the former journalist of Beijing Television who was forced to resign for a political mistake, but who is now the owner and CEO of Enlight Media Group listed in NASDAQ.

It is true that punishment is not as severe as before, and rarely costs one’s life as in the 1950s and 1960s. Now media professionals can opt out of their work if they feel they cannot put up with the Party compliance pressure. As said before, they can work in either less ideological media, or private businesses, or in education. However, the reality is that the absolute majority enjoys their work under the compliance pressure because media marketization has provided them with fecund material gains. This is why marketizing media control works so well to keep control over media professionals by punishing a few.

The outcome of such punishment functions as a compliance pressure of marketizing media control for the media. Systematic Party censorship, occasional repression and crackdown are remote
from journalists’ daily work, having no immediate effect on the majority of journalists, they play only a complementary role in Chinese media control. Marketizing media control imposes a daily pressure for journalists’ survival, but it also offers a rich material compensation for them. It plays a major role in Chinese media control. Punishment as a way to redraw the bottom line helps better marketizing media control. As a result, the Chinese media orchestrate a Chinese miracle symphony. For example, even highly popular and daring programs in CCTV, such as *Focused Interview* and *Focused Movement*, “avoid sensitive stories from ethnic regions where such tensions are boiling or international stories that bear some parallel to domestic problems, such as student uprisings or military crackdowns of peaceful demonstrations” (Pan and Lu 2003:228). After all, the media is still the mouthpiece of the Party.
Conclusion

The revitalization of the Chinese economy after 1992 has provided a national market economy environment for media market to occur. Media marketization under the heavy hand of the state agency-propaganda department has nourished a docile media. When job responsibility was installed, marketizing media control became a market-based-mechanism of media control over the livelihoods of media professionals and the survival of media organizations. Marketizing media control has played a major role in Chinese media control since commercialization in 1992 after Deng’s Southern Tour. The three steps of media commercialization, marketization, and grouping have constructed a solid foundation for rapid media development. Most media organizations have become profitable and indeed lucrative. This development has directly provided rich resources for bountiful material compensation for media professionals. While some journalists are still attempting to fight against the Party’s dominance by addressing social injustices and unearthing power abuses and corruption, usually ended up with being jailed or disciplined, the absolute majority of journalists have inevitably pursued their personal interests and their unit’s collective interests in obedience to the Party. Under the contract responsibility system and its annual evaluation criteria emphasizing individual financial contribution, a survival pressure forces most of them to work for profit. In fact, most media managers and journalists actually have acquired rich material gains, fame, and social status as compensation for their compliance to the Party’s pressure. In addition, media organizations as market players bear a collective survival pressure. This collective survival pressure ensures that a media organization internally and self-consciously imposes a self-censorship mechanism to prevent media professionals from challenging Party ideology in order to protect the organizational collective interest. Zhao’s (1998)
detailed description of the collective self-censorship at CCTV’s News Commentary Department demonstrates how self-censorship has been internalized within a media unit. The same is true for most other media organizations.

Yet the Party-state harasses the media through circulars, directives, instructions, conferences, meetings, secret phones and unconstitutional “laws and regulations”. The repressive Party-state further wields its ultimate power to discipline media organizations by issuing warnings, retrieving particular articles or newspaper editions, suspending programs, removing media managers, dismissing journalists, and even shutting down a publication or a broadcast. Punishment by the Party-state is the ultimate weapon against journalists, and it has played a role in herding them into a docile group. To some extent, these systematic monitoring and punishment measures, when incorporated into marketizing media control, contribute to the media’s collective self-censorship and individually internalized self-censorship. The material compensation for media professionals offsets their reluctance to obey the Party ideology. Compared with the former orthodoxy persuasion and violent suppression, such a material compensation has softened media control, making it more subtle and complex. Under the prevailing social logic of survival and with the desire for rich material compensation, media professionals have transformed their contentious work psychology into a docile one. Most of them view the Party’s priorities as their own because their own interests are closely aligned with those of the Party.

When the media professionals tilt to the side of the Party, they speak the tone of the Party. For example, during SARS crisis, when the Party-state dismissed the former health minister and Beijing mayor for concealing the truth of this severe epidemic in April 2003, “news coverage of SARS once
again took the tone of party propaganda, imploring the country to support medical personnel, take care
of SARS orphans, and join together in the fight against SARS. The tone of these reports was not unlike
that of the enthusiasm generated during past political campaigns” (Esarey 2005:77-8). The Chinese
media performed the same role in May 2008 Sichuan earthquake, and has carried out similar acts of
manipulation in numerous coalmine disasters as well. Huang Liangtian confirms, “[e]ven if hundreds
are buried alive in a mining accident, the entire nation’s radio stations, TV channels and newspapers
will report simultaneously, telling you which leaders have issued instructions and who is on the scene,
covering the entire Chinese leadership from top to bottom before reluctantly telling you the actual facts
you wanted to know” (Huang 2008a: 60). All these examples demonstrate that the media has aligned
itself with the government.

In the long run, in order for marketizing media control to be sustainable, there must be
favorable economic conditions in which persistent economic growth brings about continuous
advertising revenue and enlarges reader subscription or viewer’s rating. Once the economy slows
down or takes a sharp downturn, readership and viewer ratings will decline, and advertising revenue
will shrink. Under such a condition, media organizations have difficulty surviving, since poor material
compensation offers little incentive for journalists to conform any more. If this situation were to occur,
self-censorship would lose its value to sustain itself because both personal and collective interests
would no longer be easily secured. Media professionals might begin to leak prohibited information or
“secret” material to the public. In that case, marketizing media control would no longer function. In
times of state crisis, the media could become a free forum for reciprocal communication between the
state and society, as it did during the brief period of spring 1989. But if the Party-state can inject
sufficient funding to media organizations, the media again can be guided by the Party ideology through buying off and selective punishment.

In reality, as long as the Party-state structure remains unchanged and as along as the economy is still running smoothly, marketizing media control will work well. Media managers and journalists who conform to the Party line will continue to enjoy their rich material gains and benefits. As a result, collectively the marketized media appeals to the needs of cultural consumption, and it indirectly encourages material consumerism by working to promote business interests.
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