THE NATION-STATE IN A GLOBALISING MEDIA ENVIRONMENT:
CHINA’S REGULATORY POLICIES ON TRANS BORDER TV DRAMA FLOW

YIK-CHAN CHIN

Abstract

Since the late 1990’s, China’s television industry has undergone a major re-organisation. This was particularly evident after China’s accession to the WTO in December 2001. One of the central issues facing China’s broadcasting is the establishment of sound guiding principles for state regulation. The purpose of this paper is to analyse China’s regulatory policies of transborder television drama flow. Through this, I engage in the debate over the role of the state in a globalising media environment. I will demonstrate that, though the transborder media poses a challenge to a national media system and culture, the local state still plays a crucial role in regulating domestic cultural policies and guiding development. The paper begins by reviewing the existing debates on the communication sovereignty of nation-state with particular focus on broadcasting. It is followed by a brief introduction to the changing environment of China’s television industry. This is aimed at providing a context for the analysis and at articulating the debates with the empirical phenomena. The rest of the paper covers two parts. The first part sketches the structure of the broadcasting regulatory system in China, and the development of its television drama in the late 1980’s and the earlier 1990’s. The second one deals with the recent changes of the Chinese regulations on governing the transborder television drama flow and investment.

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The Nation-State in Debate

The debate on the implications of media and cultural flows for the autonomy of a nation-state and its culture has been a long-standing subject within international communication research. The 1960’s and 1970’s were the heyday of cultural imperialism thesis. Since the 1980’s, along the increasing prominence of theories of globalisation and cultural studies, cultural imperialism became less popular in international debates. Interestingly, as is demonstrated below, despite the extraordinary disputes between imperialists and cultural globalisation theorists in interpreting the structure of cultural and media systems in the world, there has been one thing in common. Both of them tend to agree on the weakening of state’s sovereignty and the decline of national culture. This is best elaborated by Oliver Boyd-Barrett. In his 1998 article entitled Media Imperialism Reformulated, he claims that “by incorporating some of the key concerns of ‘globalisation’ theory, including hybridity and the weakening of nation-states, the concept [of media imperialism] can easily be modified for application to the present time” (1998, 157).

The process of globalisation has been perceived as “the intensification of worldwide social relations” (Giddens 1990, 65) at the expense of the sovereignty of nation-state in terms of “its competence; its form; its autonomy; and, ultimately, its authority or legitimacy” (McGrew cited in Wang 2002, 207). In the communication and media arenas, the state has been said to find it more difficult to exercise authority over flows of information and cultural commodities (see Waisbord and Morris 2001). For instance, in Asia, governments are often criticised as lacking the power to control their communication policies and leaving everything up to market decisions. “Our decoy politicians are the agents of such [a global] depoliticisation. Not necessarily by choice, but by compliance. They accept the global market’s projection concerning the future as if it were a natural law, instead of examining it for what it is” (Berger cited in Mohammadi 1998, 258).

It is worth noting that some recent developments in the media field have more or less provoked the renewed concern about state’s communication sovereignty. First, the deregulation and liberalisation of broadcasting system in Asia since the mid-1980’s paved the way for the growing presence of Western media and capital flows in the region. For example, in Korea, the government deregulated all media sectors in 1997 and permitted the entry of foreign media and investments under pressures from the International Monetary Fund (IMF) (Kim and Hong 2001). Secondly, transnational media corporations (TNCs) and satellite channels are seeking opportunities to expand their footprint into Asia market, one of the fastest growing economies in the world. For example, in India, the first foreign satellite television service was launched in 1991 by News Corp, owners of STAR TV. Seven years later, nearly 70 cable and satellite channels including major transnational players were operating in its market (Banerjee 2002). Moreover, the increasing centralisation of media power in which three or four dozens large TNCs dominate the global media market with fewer than ten conglomerates mostly based in the U.S.A towering over the others, is seen as the serious threat to the stability of national media (Herman and McChesney 1997).

Critics of cultural imperialism interpreted these tendencies as the historical continuity of Western ascendance, and commented that the US state has been consist-
ently making “a fully conscious and deliberate effort” to achieve and maintain “American global cultural/information domination over the last 50 years” (Schiller 1998, 20).

Theorists of cultural imperialism saw the unequal development of media industries and imbalanced cultural flows between the developed countries and the developing world as an extension of domination and subordination evident in the economic sphere. They argued that domination in the global communications media was consciously driven and aided by advanced states, prominently the U.S.A, in order to extend and defend the international market economy (Schiller 1970; see Reeves 1993; Roach 1997; Banerjee 2002).

This domination produced the international commercialisation of broadcasting and the prevalence of consumerism. The large scale diffusion or transmission of values, ideologies, myths and images developed in advanced countries diminished traditional life styles and values, eroded indigenous culture and cultural identities in the developing world, and absorbed or integrated people in the developing societies into an international market-oriented economy. The cultural and media dependence subsequently reinforced the economic dependence of these nations within an exploitative global system (Schiller 1970). In this process, the developing country and its ruling elite were perceived as either defenceless against or ideologically and economically subordinate to the internationally dominant powers. In order to maintain their own interests and hegemonies, the ruling elite reproduced values and ideologies that originated from the dominant West, and promoted models of development, which led to the intensification of dependence. Therefore, “development paths [of developing countries] are set, regardless of the intentions and designs of their planners, by the pull of market-directed consumerism” (Schiller 1970, 107).

Instead of conceptualising the structure of cultural and media systems in the world as the representation of the dominant relations of economy and politics between the centre and the periphery, theorists of cultural globalisation saw the global distribution of cultural commodities as one of the forms of globalisation: the process of the rapid intensification of interconnections and inter-dependence between societies, cultures, institutions, individuals and so on in the world (Giddens 1990; Featherstone 1990; Tomlinson 1997). Anthony Giddens in BBC Radio 4’s 1999 Reith lectures commented that “globalisation today is only partly Westernisation. Globalisation is becoming increasingly decentralised not under the control of any group of nations, and still less of the large corporations. Its effects are felt as much in Western countries as elsewhere” (1999, 31).

His argument is seen as changing “the terms of reference of the globalisation debate,” because it shifts the centre of the debate from the “advanced versus traditional” model of modernisation theories and the centre-periphery model of the cultural imperialism framework to the “decentred” and “disorganised” process of globalisation (Curran 2002, 171). In short, the notion of domination and cultural control is excluded from radical globalisation discourses.

In addition, it is argued that cultural imperialism casually associated economic issues with the cultural dimension. Researches have shown that most of imported US programmes are neither top of the ratings nor scheduled for the peak viewing hours (Chmielewski Falkenheim 2000). Therefore, the sheer presence of American
television programmes does not necessarily translate into a cultural issue. It could be seen as a simple economic activity. On the one hand, US companies dump their programmes at low prices in order to archive economies of scale, on the other hand, local stations are willing to buy cheap US imports to fill up their daily programme schedules (Tomlinson 1997).

Another main attack on cultural imperialism focuses on its empirical weakness. Sinclair, Jacka and Cunningham (1996, 5) showed that it is too simple to think that there exists only a single global television market dominated by the U.S.A. It is rather that the “global, regional, national and even local circuits of programme exchange overlap and interact in a multi-faced way.” Joseph D. Straubhaar (1997) further proposed the emergence of “geo-cultural” media markets that usually centre in a geographic region and tie up through “cultural proximity,” the sharing of common language, intertwined histories, religion and other cultural similarities. Audiences in these markets tend to prefer programming which are most proximate to their cultures.

Furthermore, globalisation critics noted that the cultural imperialism thesis is in danger of translating itself into “one more theoretical expression of a radical version of nationalist ideologies” partly because it romanticised national culture (Sarti 1981, 324). This became particularly pronounced when the notion of a singular coherent and unitary national culture and nation-state was deconstructed as a kind of constructed “imagined community.” Cultural theorists argued that the image of nation-state and national culture is mediated crucially through the mass media, predominately television, which has a close link with national political regime, functioning as social and political agenda setting for the public (Robins 1998). As the weakening of nation-state and the increasing deterritorialisation of contemporary global culture, “[t]he concept of a fixed, unitary, and bounded culture must give way to a sense of the fluidity and permeability of cultural sets” (Wolf cited in Morley and Robins 1995, 123). A strong “national” position may lead to suppression and marginalisation of minority cultures and voices in the name of the national unity and cultural integrity (Sreberny-Mohammadi 2000).

Do National Boundaries Really No Longer Matter?

It is argued that the national boundary and national identity “were never actually gone” and they continue to shape people’s identities and cultural loyalties (Waisbord 1998). For example, in Europe, statehood still remains the “inescapable building-block of European integration” and “persists as the frame of reference for all types of nationalist currents.” Meanwhile, it has been observed that alongside regionalisation and globalisation, an opposite phenomenon of the reaffirmation of national culture and cultural identity by neo-nationalists and state governments has been springing up. This is evident in both Europe and Asia (Schlesinger 1997, 70, 75; Giddens 1990; 1999).

Moreover, the sovereign power of the modern state does not exist in isolation but is formed and developed through the engagement in international relations. The uneven development among states has demonstrated that the weakening of autonomy in some states, however, accompanying the increase of power of others. The process of globalisation, as Giddens conceded, “creates a world of winners and losers” (1999, 31).
It is suggested that the unusual consensus of literature on globalisation and imperialism on the weakening of nation-state, however, is “a shared bias” because it understates “the extent of continuity with the past” of globalisation process while focusing too much on change. The nation state is still “a very important marker of difference” (Curran 2002, 183). In other words, countries have different political systems, power structures, cultural traditions, economies and so on. These find expression in the enormous diversities of their media systems and communication policies. The weakening of certain communication controls in one country does not necessarily means the same effect in the others. Therefore, it is problematic to generalise the phenomenon and argue that nation-states are losing powers over their communication sovereignties in general. Apparently, the domination of the US state has been strengthened since the end of the Cold War.

Besides, the potential for resistance and the capacity for management of the media by the local elite always exist, and exist in the struggle against domination. There could be the case of a compatibility of ideologies, which serves the interests of both the local elite and the dominant power. The other way round, “local ruling classes are capable of dominating their own societies without the aid of instruction from abroad” (Sarti 1981, 327). “[A]t times there is an incompatibility of interests, with fractions of local ruling classes prepared to challenge international capitalist interests, often through state action, where their own accumulation activities are threatened or not enhanced” (Reeves 1993, 40).

Recent studies (Chadha and Kavoori 2000; Curran and Park 2000; Morris and Waisbord 2001; Banerjee 2002) on states’ power have suggested that it is premature to claim the death of the state and to assume a post-state world. The interactions of the global and the national, however, are far more complex. National governments are still key sites of power and retain important functions in the media and communication sectors. They continue to define the framework of national communication policies, control and regulate broadcasters in many important ways such as licensing the rights to broadcast and imposing quotas on productions. They are free to subsidise domestic media and also play the centre roles in the negotiation of international agreements.

Cultural imperialism was criticised for its empirical insufficiency because most of the evidence and observation was drawn from the literature and experiences of a particular region-the Latin American continent. However, globalisation theorists are running into the similar dangers. The problematic exaggeration of the erosion of state power is, it is argued, the result of insufficient analysis of the state in literature on international communication (Waisbord and Morris 2001). “[T]he pivotal point of analysis is displaced from the object of analysis itself […] and the main issue becomes something defined as external to it [i.e. the dominant power and TNCs]” (Sarti 1981, 325). Or in other critics’ opinions, there is a “discriminatory treatment” of global vs. the national level of media research (Wang, Ku and Liu 2000, 52). “How local is local” in a globalising world seems to have become an “invisible” research area (Sreberny-Mohammadi 1996, 18).

This inadequacy is apparently evident in media and communication researches on Asian countries in general, and on China in particular. The significant disparities of cultures, traditions, religions, languages and political systems between countries in Asia and those in Euro-American continents have contributed to the divergence of norms, structures and objects of their media systems. In addition, media
and communication studies started to gain a place in Asia’s universities during the last one or two decades. Compared to the history of this discipline in, for example, the USA, it is still a young and developing subject in the region. The limited contributions of scholars in Asian countries to the theoretical and the empirical literature on this area raise concerns over the validity or compatibility of media theories when applying them to the local context.

In this study, I contest the assumption of both cultural imperialism and globalisation on the weakening of state sovereignty with empirical evidences drawn from China.

The Changing Environment

In December 2001, after 15 years of negotiations, China joined the World Trade Organisation (WTO). This is widely interpreted as a major step in China’s integration into the international economic and institutional frameworks. In the WTO agreement, the Chinese government commits to opening up certain sectors of its audio-visual market, which is one of the most controversial areas for foreign investment. China agrees to increase the annual import of foreign films to 20 and allows less than 50 per cent foreign ownership of cinema theatres; foreign investors are permitted to join ventures with Chinese partners to distribute audio-visual products such as audiotape, VCD, DVD, and run advertising enterprises. In the telecommunication sector, foreign companies can invest in its value-added services including ISP (Internet Service Provider) and ICP (Internet Content Provider) related business. In spite of this, the broadcasting market is excluded from liberalisation (WTO 2001). According to Guangchun Xu, the Department Secretary for the State Administration of Radio, Film and Television (STARF), this arrangement is made in the light of two principles. First, it aims to encourage interaction within different cultures. Second, it also intends to protect national culture and state security from outside erosion.

Although the WTO agreement has no direct impact upon the television sector, a substantial structural and industrial reorganization has already been ongoing in China’s television system since 1999. Media scholars, professionals and government officials anticipate that the liberalisation of the broadcasting market for foreign capital is inevitable in the long run. What will be negotiated is not whether the market will open or not, but rather how quickly, to what degree and in what way. State-owned domestic broadcasters will have to face challenges from global media moguls sooner or later. Besides, they assess that the WTO entry will provide more direct and indirect channels for foreign capital and media companies to penetrate into China’s market (Yu 2002; CCTV 2002). For example, they argue that foreign media can influence the local television market through investing in broadcasting related businesses, such as advertising, cable network construction and audio-visual products distribution. More directly, local terrestrial broadcasters in Guangdong province are already in competition with foreign media companies since the granting of landing rights for foreign satellite channels in 2001. In fact, since 1990, foreign satellite television has been allowed to receive in public institutions such as financial, media scientific research and educational organisations; tourist hotels rated two-star and above; and residential buildings built for foreigners (MRFT Decree No. 1). By 2001, there were 26 transborder (including
those from Hong Kong and Macau) satellite television channels broadcast in these locations (SARFT [2000] No.653; SARFT [2001] No. 151).

Executives in foreign media companies also endorse this expectation of liberalisation. The interview I conducted with people³ in News Corporation’s Beijing office reveals that the company sees the opening of Guangdong’s cable network for foreign satellite channels in the end of 2001 as a symbolic movement towards the relaxation of the country’s television market for foreigners in the foreseeable future. It is believed that this process will be very much similar to the economic liberalisation that originated in Shenzhen in the early 1980’s and expanded to the rest of country later on. The company has an ambition to import their business model from India’s television market into China. In fact, following AOL-Time Warner and News Corp’s success of landing their satellite channels in Guangdong,⁴ Hong Kong based Phoenix Satellite TV and the Sun Media group also gained the same rights.

The present reform in China’s broadcasting industry, therefore, is partially attributed to the external pressure mentioned above. In government’s words, “[a]s [China] is facing internal and external pressures, in order to […] fulfil the increasingly cultural needs of the public, defend against the “invasion” and penetration of Western media, [China] needs to study the development experiences of international media, adapt them to local reality, and accelerate the pace of conglomerations of [domestic] broadcasting and film industries” (SARFT [2000] No.986).

Despite the fears of being undermined or overtaken by foreign competitors, domestic opinions often see the possible liberalisation as an opportunity as well as a challenge for China’s television industry. First, it is thought that the WTO entry will lead to the intensification of interactions between the local media and their global peers, this will bring successful business skills and advanced technologies to China. Secondly, liberalisation has to deal with the issues of internationalisation and rationalisation of its regulatory system. In order to do so, an institutional reform is expected. That is likely to redefine the role of the government’s regulatory authority, to split off its business functions, and allows it to function as a regulator only. Moreover, people in China tend to believe that the strengthened market competitions, especially those from global conglomerates, could help to improve the service quality of domestic broadcasters and accelerate the development of local industry. In short, they are looking for a win-win situation in which liberalisation and market competitions introduce development to the domestic scene while, at the same time, foreign investors can also gain from their engagement in China’s media market (Zhu 2002; Zhu 2003; Yu 2002).

Others argue that the overwhelming response to WTO entry has exaggerated the possible impact of global dynamics upon domestic television. The global penetration of cultural commodities by the US largely relies on the dominance of Hollywood movies. Thus, even the media market is liberalised after the WTO, the possible threat to China’s film industry, is predicated, will be much more stronger than that to the broadcasters. Besides, they argue that the government will continue to exercise control, especially in culturally and ideologically sensitive areas like television (Liu 2002). For instance, it has been revealed that the granting of landing rights for foreign satellite channels is considered case by case. The principle object is to achieve “mutual beneficence” (Zhu 2003, 21). Therefore, while STAR TV gains its landing rights in Guangdong, in exchange, News Corp’s Fox Network
will redistribute the CCTV-9 Channel of China’s Central Television Station (CCTV) into the US (Financial Time 2001,12, 20, 33). Alternatively, they tend to see the change as motivated by the needs of the internal interest groups. In other words, entry to the WTO can be used as a good argument for reform, but the real significance of the change is more for the reorganisation of the power structure within the system, rather than the confrontation with foreign besiegers. The dual roles of a government official as both regulator and the head of media conglomerate demonstrates the tendency towards power concentration. It is argued that, in fact, there has been rare competition between domestic broadcasters and foreign media due to the government protective policies.

This debate is still going on in China, but the question here is: what are the government’s strategies and what has actually been done? I explore this question by focusing on China’s regulation of transborder television drama flow.

Television Policy in Negotiation: Between Communication Sovereignty and Industrial Growth

It has been suggested that communication policies have traditionally been deployed by nation-state to express their sovereignty and to negotiate with transnational broadcasters (Waisbord and Morris 2001; Curran 2002). This is particular evident for China: “in a centralised communication system as China’s, central policies are the most critical factor for any changes” (Hong 2000, 289).

Since the 1980’s, with the establishment of the Ministry of Radio, Film and Television (MRFT), China started to practise the “rule by law” policy in its television system. Broadcasting regulations in China are divided into three major categories in accordance with their respective order within the regulatory hierarchy. The first is the administrative regulations (xingzheng fagui) issued or endorsed by the State Council. The second category is comprised of department rules (xingzheng guizhang) enacted by the State Administration of Radio, Film & Television (SARFT) (Yang 2002, 242). These two categories are regarded as legal documents. The third category is a number of normative documents (guifanxin weijian), including decisions, orders and directives issued by the State Council or the SARFT. They are also used for regulatory purpose. Apart from this, as broadcasting is controlled by state and the Chinese Communist Party (CCP), there has been a practice in China of using speeches and written comments of senior officials and Party Leaders to shape the development of broadcasting (Pei and Sun 1990 cited in Yan 1998; Yan 1998; Qian 2002). This kind of regulatory system has empowered the state and ruling party’s control over the broadcasting sector but has also resulted in the instability of the market and industry because of the frequent administrative interventions from the central authorities.

In the 1990’s, China’s television broadcasters were heavily dependent on imported TV programmes, especially television dramas. In this sense, it was like many newly opened markets, for instance post-communist Russia (Rantanen 2002). From the early 1990’s until 1997, the decentralisation of TV networks and the diffusion of commercialisation throughout television system promoted what Hong (2000, 290) called “the new explosion of television.” The number of television stations newly set up in the first five years of the 1990’s was nearly equal to what had been established over the past three decades. By the end of 1997, there were 932 terres-
trial television stations with 1,032 channels. In 1997, it was estimated the annual demand for terrestrial broadcasting programmes was 3,114,384 hours, but the annual production by domestic television stations was only 616,437 hours (China Broadcasting Yearbook 1998). TV stations imported between 10,000 and 20,000 hours of programmes of all kinds annually (World Radio and TV 1995 cited in Yin 2002a, 40).

The market has a huge gap between demand and supply. Meanwhile, the change of financing from direct government funding to advertising revenues since 1992 resulted in the tendency towards greater commercialisation in television stations. Stations tend to operate in a more commercial model, for example, importing cheap foreign imports, reducing the volume of in-house productions but preferring to purchase programmes directly from production companies (Huang and Green, 2000). It has been estimated that in order to meet the domestic demand for TV dramas, which is estimated at about 10,000 episodes per year, production companies and TV stations need to invest around 2 - 3 billions RMB (240 - 360 millions USD) annually (Liu 1999). Because the government restricts the channels of financing for TV programming production, local independent and private production companies are in a difficult situation to find abundant capital. This reduces their production capacity and results in the poor quality of some domestic products. Although in the 1990’s the official figures showed the volume of domestically produced TV dramas increased from 5,000 episodes in 1993 to 13,000 in 1997, in fact only 50 per cent of these actually completed production.

One of the reasons is the lack of cash flow. More seriously, around 50 percent of domestic dramas struggle to find broadcasting channels, due to their poor quality (Liu 2000). For instance, in 1998, the domestic industry produced 5,625 episodes of TV drama, only one forth to one third of these were eventually broadcast on television. The rest of them were regarded as “garbage” (Li 1999). In the meantime, the industry imported and co-produced around 2,000 and 600 episodes of TV drama respectively every year (Liu 2000).

As the most popular genre beside television news, both political interventions of the ruling party and economic forces of the market have influenced the development of television drama. On the one hand, the government sees television drama as a medium to promote “the main melody of socialism.” On the other hand, it has been heavily commercialised in terms of its production and distribution.

Television drama became part of popular culture in the 1980’s. The imported popular dramas from America, Japan and Hong Kong embodied an alternative model for Chinese producers and audiences. They realised that the entertaining aspects of television programmes is at least as important as its political function (Yin 2002a; Guo 1997). Meanwhile, ideological liberalisation in the government also led to the redefining the role of media as serving “socialism and the people,” rather than purely for political propaganda. Television not only functions as the “mouthpiece” of government but also as “public media,” providing information and entertainment for the public. During the following decade, the transformation of China into a consumer society under the influences of commodification of its economy created a more popular taste in television. The launch of the television serial Expectations (kewang) in 1990 symbolised the fact that popular drama had become a mainstream genre (Yin 2002a).
At the same time, the imports of television drama grew rapidly, owing to their sophisticated production technique and highly entertainment-oriented taste, as well as the poor quality of domestic products. By 1999, the numbers of imported and co-produced dramas reached 1543 hours and 763 episodes respectively (Yin 2002b; Liu 2000).

Table 1: Origins of Imported Television Dramas in 2000 and 2001

<table>
<thead>
<tr>
<th>Region</th>
<th>Country</th>
<th>Number of dramas 2000</th>
<th>Number of episodes 2000</th>
<th>Number of dramas 2001</th>
<th>Number of episodes 2001</th>
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<tbody>
<tr>
<td>N. America</td>
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<td>101</td>
<td>340</td>
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<td>4</td>
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<td>24</td>
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<td>313</td>
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<td></td>
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<td></td>
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<td></td>
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<td>156</td>
<td>1539</td>
<td>1212</td>
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</table>

Source: SARFT 2002.

These imported dramas have been taken by the local elite to represent a commercialised and industrialised modern mass culture, which is imported from the West. It coexists in tension with, and also contests with, the official culture promoted by the government, aimed at sustaining the status of the national ideology, the elite culture concerned with elevating the values of the Enlightenment tradition, and the traditional popular culture which is favoured by the ordinary Chinese people (Zeng 2002).

China’s cultural policy is “framed” by the notion of “public interest,” and aims to “develop the attribute of the Chinese population by raising people’s moral and intellectual quality (suzhi)” (Keane 2001, 789). Television and film are particular important sectors “because they are especially linked to ideology, and national traditions of a country” (Long 1999). TV drama production needs to serve both cultural and economic needs because “[i]t is an aesthetic institution, and it is also an cultural industry” (Zeng 2002). The government, therefore, has been actively involved
in this debate, on the ground of preserving national culture despite its political and economic concerns. It applied various regulations and administrative policies to ensure that the prime time dramas are domestic “mainstream melody production” (zhuxuanlu zuopin). Through this, it aims to promote officially recognised values on the one hand, while reducing the volume of imported popular dramas on the other.

The regulatory strategies for TV drama flow in China need to be understood from two dimensions. First, the government adopts strict controls over imported materials, for instance by imposing a quota requesting that only a certain percentage of the foreign content can be broadcast on television, in order to protect national interests. Secondly, many measures are established to boost the domestic drama industry through international co-operation.

In China, the government labels television materials imported from Hong Kong, Taiwan, Macau and foreign countries, or co-produced between the domestic industry and these territories, as “outside border” programmes (MRFT Decree No. 10). The SARFT regulates their import and broadcast. In 1990, the MRFT started to restrict the proportion of “outside-border” material to 20 percent of total airtime allocated to television dramas on all channel. During the prime-time (6 p.m. to 10 p. m.), the volume of imports is prohibited to be more than 15 percent ([1993] No.799). In 2000, SARFT began to tighten control even further. From January to June, one department rule and four relevant normative documents were released. The Notice [2000] No. 5 excludes imported dramas from 7:00 p.m. to 9:30 p.m. peak time, when more than half of the country’s population are watching TV (Zhang 2001, 74). Several factors contributed to this change. First, from a broader perspective, it is part of the new wave of reform since 1999 in conjunction with China accession to the WTO. One of its aims is to enhance the capacity of domestic television industry. Secondly, many domestic terrestrial and cable televisions had neglected the quotas imposed by the government, and broadcast a large number of imported TV dramas during the prime time ([2000] No. 5). In addition, in 2001, the government relaxed the control of investments for drama production, and allowed drama production institutions, including those of state-owned entities, to absorb state and private capital from both broadcasting and non-broadcasting sectors ([2001] No. 1485). It also officially approved the status of privately-owned drama production companies and granted them a different type of “television drama production permit” [1](2001] No. 1476). These policies are expected, in the long run, to improve both the quantity and quality of domestic TV dramas. Meanwhile, figures published by the government showed that from 1980 to 1998, the volume of annually produced domestic drama increased for more than 52 times (Lu 2002, 121). These, all together, provide the material base for a reduction of imported contents.

The policy of reducing imports has a considerable impact upon the imported programmes, especially those from Taiwan, South Korea and Japan. This is precisely because of the culturally or linguistically proximate regional products have been more popular than American or European ones. The former occupy the prime time schedule while the latter is usually used to fill in the space outside peak viewing hours, for instance the early morning or late-night airtime. As Table One shows, in 2000, the total number of television dramas imported from the East Asian region was 68 (980 episodes). Yet, one year later, Table Two shows it sharply dropped to 35
(562 episodes). None of these were allowed to broadcast either during prime time or on more than three provincial satellite channels. Recently, this quota policy has been extended to cover imported cartoons.

This findings support Sinclair and Straubhaar’s arguments on the competitive advantages of culturally proximate regional media products, but it is not to suggest the existence of an established Chinese “geo-cultural” media market. As has been demonstrated, the national interest, to a large extent, overshadows or even conceals the cultural factor in influencing regional market development. On the one hand, the Chinese government sought to protect its local television market from possible domination by both western and westernised, in ideological respects, regional (including Hong Kong and Taiwan originated) dramas. On the other hand, the government has continued to encourage domestic drama production and exports to the region. But, the divergence of contemporary cultural practices, such as the recognition of cultural identities and the patterns of life styles, between mainland China’s society and those in the region have created a cultural and knowledge barrier for its TV dramas to gain popularity in other markets. A producer I interviewed, revealed that “the locally produced contemporary dramas are very difficult to sell overseas because first, overseas audience find difficult to understand the social development that has occurred in mainland China. Secondly the pace of story telling, which reflects the domestic life style, in these dramas is relatively too slow for them.” There may be a regional Chinese cultural market in future, but certainly, China wants to be the leader and production centre of this market if there is. This is very similar to what had been observed by Schlesinger (1997) in the 1990’s Europe. In the short term, Chinese statehood will remain the “inescapable building-block” of regional integration.

Besides, the government also aims to diversify the origins and contents of imported materials, for instance, by setting a maximum quota, 25 per cent of the total, for royal court (gongting) and martial arts (wudu) dramas (SARFT [2000] No. 5). Interviews conducted by Junhao Hong (2002) shows that the government favours programmes from Asian, Central and Eastern European and South American countries, and they are often assigned a better slot in the programming schedule. The possible explanation of this preference could be culture factor. That is, the government officials tend to perceive media culture in these regions are either more culturally proximate or “safer” than those from the dominant “West,” i.e. the North America and West Europe.

Secondly, the government has applied censorship to both domestic and “outside border” television dramas since the very beginning (MRFT Decree No. 5 1991; MRFT Decree No. 10 1994). All television stations in China are owned by the state, foreign ownership is not permitted. Domestic television stations at the same time are prohibited to lease channels or to change the ownership of their channels. It is said that this policy was designed to ensure the content of television programme would fulfil the fundamental interests of the Chinese nation-state (Liu 1999). However, this state owned system also allows the government to exercise strict censorship.

In order to legitimise the process, the SARFT issued a special department rule, SARFT Decree No. 1 (1999), governing the examination of television dramas. According to the Decree, imported dramas must have an “invigorating ideology, higher cultural and aesthetic values” and must undergo examination by both the provin-
cial authorities and the SARFT before being distributed. Only dramas, which have been granted a “television drama distribution permit” by SARFT, can be broadcast. In 2001, five imported dramas — three from Hong Kong, one from Japan and one from the USA — failed to pass the censorship.

It has been demonstrated that, alongside China’s opening up to the world, the transborder media flow of TV drama has posed a challenge to domestic cultures and the state’s power of control over the media in China. But it does not necessarily mean either the weakening of the state’s communication sovereignty, or the subordinate of the local elite to the outside influence. The Chinese state and its ruling elite have been struggling to confront or limit western or westernised mass culture “erosion” and reaffirm the officially recognised “national culture.” The government is strengthening the protection for its television programme market through employing legislative measures supplemented by various administrative interventions. In the process, in spite of the prominent voices in the government that seemingly do not favour foreign cultural influence, different opinions have also been heard. For instance, it is suggested that “the mass media in China has already said good-bye to elite culture, and is entering into the mass culture era” (Yu 2002, 3).

Nevertheless, understanding political culture in contemporary China is not as simple as applying the binary opposition of the western liberal tradition versus a socialist authoritarian system. The reality is far more complex. There is no clear-cut distinction between the state controlled and the market oriented, between the liberal and authoritarian; rather they are intricately interrelated with each other (Zhao 1998). The contemporary Chinese state is “simultaneously saying ‘yes’ and ‘no’ to transnational capitalism” (Sun 2001, 91). In other words, the Chinese state does not operate outside the space of transnational capitalism. Although it has a huge domestic market and a relatively powerful central government, like most developing countries, the demand for capital, technology and sophisticated business skills, which have all been seen as significant elements for helping the television industry to “become modern,” have made it impossible to say “no” to capital and cultural flows from outside. The desire of the state to be actively involved in the process of globalisation and the goal of “go abroad” (zouchuqu) of its media industry (SARFT [2001] No. 1494) also reinforce the “open-door” policy. The Chinese state is negotiating its communication policies between protectionism and co-operation, between national sovereignty and industry growth.

This ambivalence is reflected in its policy on the co-production of television drama between domestic and “outside” organisations. In the 1990’s, due to the huge demand for programmes and government restriction on foreign imports, a large number of local production companies emerged. In 2000, the proportion of dramas produced by non-television organisations counted 50 per cent of the total. As China bans the foreign ownership of programme production companies, the engagement of “outside” labour and capital for programme production through co-operation with domestic partners has become a very common practice.

As early as 1994, the MRFT Decree No. 10 had already legitimised the status of co-produced dramas. The regulatory provision (MRFT Decree No. 15) released one year later re-affirmed the acceptance of foreign labour, capital and technology in TV drama production.
In order to protect local interests and foster the local drama industry, the government set up certain rules for co-operation. First, it requires that for every 20 episodes of co-produced drama, the local company must have finished 60 episodes of entirely domestic product. Secondly, the proportion of domestic creative personnel must not be less than one third in the co-production team. Thirdly, domestic capital must contribute at least one third of the total budget. In addition, the domestic copyright must belong to local company (SARFT Decree No. 2; SARFT [2000] No. 5). Besides the reasons we have discussed above, these policies also aim to explore overseas markets through the involvement of foreign investors. In 1999, 41 (763 episodes) co-produced dramas were released. In 2000, this number rose to 51 (990 episodes). It is worth noting that more than 80 percent of these were co-produced between Mainland China and Taiwan. The rest involved Hong Kong, Malaysian, Singapore and South Korean companies, while none of them is from Europe or America. As discussed before, one of the underlying reasons for this regional co-production is the sharing of similar cultures and languages. Unlike movie, television drama is more culturally specific and domestic-oriented genre. Therefore, the understanding of indigenous culture and language become significant in this context. Besides, with the saturation of their domestic television markets, Taiwan and Hong Kong’s investors have been keen to seek chances to expand outside. Not surprisingly, China became their major target.

With China’s entry into the WTO, the foreseeable engagement of transborder media capital will further complicate the picture. Zhao Bin, for instance, has anticipated that “the future forces reshaping the Chinese media are more likely to be found in the interaction between the Chinese state and international media moguls” (2001, 303).

Conclusions

It has been argued that dominant media theories, which were developed from “heartland nations” (the United States and Britain) of the West, have not provided adequate explanation of the local media systems in other countries. One of the reasons is that western theorists have tended to take the capitalist, democratic political system as granted, and glossed over the significance of state’s control or guidance of the media (Lee 2000; Ma 2000; Nain 2000).

Without downplaying the influence of the global upon the local, it should be noted that in China, political power has attempted to play a manipulative role in guiding the inflows of media, capital and personal. The flow of transborder television dramas has challenged the authority of the state over the domestic media, ideology and culture, but it also reinforced the nationalism and awareness of cultural and communication sovereignties of the local elite. The ruling power in China sees the prevalence of imported dramas as incompatible with interests of the government, the nation and its television industry. It has actively sought to protect the domestic market and restrict the inward flow through deploying a variety regulatory policies range from imposition of quotas on imported programmes, diversification of their origins and contents and censorship, to ban on the foreign ownership of production companies. On the other hand, the local ruling elite also realise the importance of foreign capital, as well as the efficiency of the production technologies and the operational and business models that originated in the developed World. They have attempted to appropriate and integrate them into the local
drama industry through regional and international co-operation. In this regard, the Chinese state tries co-operate with global capital and helps to propel the process of globalisation. Therefore, the process of globalisation or domination needs to be understood as “correlation, a combination of national and international forces.” In this process, that which has been adopted or rejected by the local “must necessarily be coherent with” the power structure in that country (Mattelart 1980 cited in Reeves 1993, 38). In this paper, it has been demonstrated how the Chinese state, backed by the sheer size of the domestic market, an increasingly mature drama industry, and a relatively powerful government, effectively manages transborder TV drama product, capital and personnel flows, whilst maintaining its political and cultural controls over its media.

Secondly, it has found that the factor of the national interests of the Chinese state remains as the “inescapable building-block” of regional integration. Its protection for the local market and drama industry to a large extent overshadows the possible development of a regional Chinese TV drama market. Regional co-operation, on the other hand, has been carried out through the flows of capital, personnel and technology.

However, this paper is just an initial attempt to explore how the local negotiates with the global. It has been argued that a state which “has been previously aloof to domestic challenge, [can in the end], yielded to technological pressure and to the overwhelming politic-economic pressure of an external hegemonic power” (Lee 2000, 133). In the face of challenges from both the external and internal, particularly the tendency towards the engagement of transborder capital, greater commercialisation of programme production and the prevalence of entertainment-oriented programmes in the local television industry, the development of China’s communication policies needs much further investigations.

Notes:

1. In the first two years of the accession, majority ownership by foreigners will be permitted. Within four years, wholly foreign-owned subsidiaries will be allowed.

2. In the first two years, their investment will be limited in certain cities of China. After Dec. 2003, this geographic restriction will be abolished.


4. CETV channel and Xing Kong Wei Shi.


6. For example, the secretary of the Shanghai Culture, Broadcasting and Film Bureau also acts as the president of the Shanghai Media and Entertainment Group.

7. It was renamed to the State Administration of Radio, Film and Television (SARFT) in 1998.

8. The major investments for TV drama production come from five different channels including government subsidy, private or non-governmental investment, sponsorship, financial loan and co-production (Liu 2000). TV production companies are not permitted to list on stock market (State Council [1999] No. 82).

9. For detailed study of Expectations, see Yi 1999.

10. The numbers refer to dramas that were approved by the SARFT.

11. The official tone before was that “in principle, an individually-owned or privately-owned
enterprise is not allowed to set up a programme production organisation” (MRFT Decree, No. 16).

12. Mainland China produced royal court dramas are becoming popular in Hong Kong, Taiwan and overseas markets. But its dramas targeted on modern life in today’s Mainland China have very low ratings in other markets.


14. Because this decree was jointly promulgate by the MRFT, the Ministry of Public Security and the Ministry of State Security and approved by the State Council, therefore, it is also regarded as administration regulation.

15. Most of US imports are two-part dramas.

16. Most imported dramas from East Asia are television serials, usually around 20 episodes long.

References:


MRFT (Ministry of Radio, Film and Television). See SARFT.


