



# CHINA MEDIA BULLETIN

*A biweekly update of press freedom and censorship news  
related to the People's Republic of China*

Issue 104: April 23, 2014

## Headlines

- Xinhua reporter's exposé prompts graft probe against chair of state-owned firm
- Released on bail, prominent microblogger toes government line
- New 'antipornography' campaign announced, activist's WeChat account closed
- Sina Weibo's U.S. IPO raises less than anticipated
- Mandiant report says China's online espionage has resumed after pause

## PHOTO OF THE WEEK: STIRRING THE WATERS



Credit: [Xinhua](#)

## BROADCAST / PRINT MEDIA NEWS



### **Xinhua reporter's exposé prompts graft probe against chair of state-owned firm**

The Ministry of Supervision and the Chinese Communist Party's Central Commission for Discipline Inspection announced in an April 17 statement that they had launched an investigation into Song Lin, the chairman of state-owned China Resources Holding Co., after a journalist at a newspaper owned by the official Xinhua news agency accused him of engaging in graft. Wang Wenzhi, a reporter at *Economic Information Daily*, made the allegations in an April 15 open letter addressed to the party disciplinary commission. The letter was not published in the newspaper, which requires strict adherence to state censorship directives, but on Wang's personal Sina Weibo microblogging account. It was briefly deleted by censors before being restored on April 16. Wang wrote that Song had used his influence to arrange for Yang Lijuan—reportedly Song's former mistress—to work at the Hong Kong and Shanghai branches of global financial services firm UBS. In return, the journalist alleged, Yang had helped Song launder money he gained through corruption. “Yang Lijuan and her relatives now hold assets of more than one billion yuan (\$160.7 million) overseas, with a large number of villas and other luxury properties in Suzhou, Changzhou, Shanghai, Hong Kong and other places, as well as huge deposits in domestic and foreign banks.” Song denied the allegations on April 16 and vowed to take legal action against the “rumor-monger.” However, China Resources confirmed the next day that he was suspected of serious violations of party discipline and law. Wang had previously published a report in July 2013 that accused the company of deliberately overpaying for the acquisition of a coal mine in Shanxi Province in 2010. Zhu Xinxin, a former editor at a provincial television station in Hebei, told Radio Free Asia that many Xinhua reporters have close ties to government officials, suggesting that Wang's revelation and the subsequent action taken against Song were likely backed by political forces.

- **Radio Free Asia 4/16/2014:** [Xinhua journalist renews allegations against China resources chief](#)
- **Financial Times 4/16/2014:** [China resources chief faces allegations from Xinhua journalist](#)
- **Xinhua 4/19/2014:** [Graft probe into China Resources chairman Song Lin confirmed](#)
- **South China Morning Post 4/17/2014:** [China Resources chairman Song Lin investigated for graft after journalist's accusations](#)



### **Chinese film awards withheld, Oliver Stone denounces censorship**

At the ceremony for the annual China Film Directors' Guild Awards on April 10, prominent director Feng Xiaogang announced that no prizes would be issued for best picture or best director, raising speculation that the decision was meant as a protest against film censorship imposed by the Chinese authorities. Specifically, some observers interpreted the move as a response to censors'

suppression of prominent director Jia Zhangke's *A Touch of Sin*, which had received an award at the international film festival in Cannes, France, but was not allowed to reach theaters in China. Feng had openly complained of censorship in a speech at the previous year's ceremony (see CMB No. [86](#)). However, he explained the decision to withhold the two awards this year by stating that while the Chinese market had flourished amid growing domestic box-office revenue and collaborations with Hollywood, the overall artistic quality of Chinese films had declined. Although many international filmmakers are willing to self-censor on sensitive topics to win coproduction and distribution deals in China, outspoken American director Oliver Stone on April 17 urged China to stimulate its industry by removing restrictions on films dealing with historical topics. Speaking on a panel at the Beijing International Film Festival, Stone said Chinese filmmakers should be able to make movies about controversial events like the Cultural Revolution, led by the Communist Party founder Mao Zedong. "You do that, you open up, you stir the waters and you allow true creativity to emerge in this country." In the presence of senior officials from China's media regulators, Stone said with frustration that Mao was never criticized in Chinese movies, adding, "It's about time." Although the moderator attempted to steer the discussion onto safer ground, the director reiterated his point. "You have to protect the country against the separatist movements, against the Uighurs or the Tibetans, I can understand not doing that subject. But not your history, for Christ's sake." His frank comments received applause from the audience and wider praise, though his concession regarding the repressed Tibetan and Uighur populations was criticized by prominent Tibet scholar Robert Barnett, among others.

- *China Digital Times* 4/17/2014: [The best and worst of times for China's film industry](#)
- *Hollywood Reporter* 4/9/2014: [Major Chinese film awards refuses to name best picture](#)
- *Hollywood Reporter* 4/16/2014: [Oliver Stone slams Chinese film industry at Beijing festival](#)
- *Economist* 4/17/2012: [Oliver Stone crashes the party](#)
- *Guardian* 4/17/2014: [Oliver Stone: China's film-makers need to confront country's past](#)

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## NEW MEDIA / TECHNOLOGY NEWS



### **Released on bail, prominent microblogger toes government line**

Charles Xue, an American-Chinese businessman and formerly prominent social-media commentator, was released from custody on April 16 after almost eight months in detention. Beijing police confirmed in a microblog post that he had been freed on bail, citing both his "serious illnesses" and his repentance. It remains unclear whether he will face trial, as in China those who confess in such cases are sometimes spared further detention if they continue to behave in accordance with the government's instructions. Xue was detained in August 2013 on a charge of soliciting prostitutes. But a televised confession the following month focused on his influence as a popular commentator on the Sina Weibo microblogging platform, leading many to conclude that the

authorities sought to make an example of him amid a wider crackdown on social media (see CMB No. [93](#)). Shortly after his release, Xue was shown on the state broadcaster China Central Television (CCTV) for a second time, again engaging in what resembled a Mao-era self-criticism. On April 17, the Communist Party mouthpiece *People's Daily* published a written confession reportedly authored by Xue (using his legal name, Xue Biquan, rather than his pen name, Xue Manzi) in which he apologized and acknowledged the appropriateness of his punishment. He also warned other online users to take heed. "I hope that Big V's and little V's active on Weibo will take this as a warning that with every posting you must consider your responsibility to society.... Without self-discipline, you are the next Xue Manzi." On April 19, Xue made his first appearance on Weibo since his arrest, reiterating similar thoughts in several posts. He also said he intends to focus on recovering his health and pursuing more constructive activities, like helping Chinese youth become entrepreneurs and realize the "China Dream," a reference to a slogan coined by President Xi Jinping shortly after he assumed leadership of the Communist Party in November 2012. Most of Xue's Weibo followers pledged their support in their comments, though some questioned the seemingly forced nature of his remarks.

- **Reuters 4/16/2014:** [China releases blogger on bail, jails another amid rumor crackdown](#)
- **People's Daily 4/17/2014:** ["薛蛮子"被取保候审（热点解读）\['Xue Manzi' released on bail \(analysis\)\]](#)
- **Wall Street Journal 4/19/2014:** [Out on bail, Chinese social media star Xue Manzi returns to Weibo](#)
- **New York Times 4/17/2014:** [An internet 'Big V' opts for abject contrition](#)



## **New 'antipornography' campaign announced, activist's WeChat account closed**

An article published in a Communist Party-run news outlet on April 14 revealed that the authorities are conducting another campaign to cleanse the internet of harmful content. The campaign, dubbed "Cleaning the Web 2014," is set to last until November and was ostensibly launched in response to the continued spread of online pornography, which has long been banned under Chinese law. However, critics expressed concern that the new effort was a pretense covering further restrictions on dissent and information of public interest. In fact, the campaign slogan, "sweep out porn, strike at rumors," is redolent of the online rumor crackdown in 2013 that featured numerous arrests of bloggers who were outspoken on social issues (see above, CMB Nos. [92](#), [93](#)). The official Xinhua news agency reported on April 20 that the authorities had shut down 110 websites, closed more than 3,300 social-media accounts, and deleted over 200,000 items for allegedly containing pornography since January. In a development that could be related to the new campaign, renowned online activist Bei Feng told the *China Media Bulletin* that his personal account on WeChat, a widely used social-media application, had been shut down on April 16. Although numerous public news-sharing accounts were closed in March (see CMB No. [102](#)), this is the first known case of an activist's personal account being shuttered on WeChat. A brief notice said the account had "seriously violated" WeChat policies. On April 14, Sina Reader, a popular online book portal, stated that it had temporarily shut down its service to investigate suspicious content posted by users that endangered a

“clean online environment.” Over 20 literary websites have also been reportedly closed or investigated amid the antipornography drive.

- *Shenzhen Economic Daily* 4/15/2014: [新浪读书频道昨起暂时关闭 \[Sina Reader temporarily shut down\]](#)
- Reuters 4/21/2014: [China steps up purge of online porn amid wider censorship push](#)  
\* *Washington Post* 4/17/2014: [China launches campaign to purge internet of porn, rumors and, critics say, dissent](#)
- *Quartz* 4/15/2014: [China's latest crackdown on porn has little to do with porn](#)
- *Tea Leaf Nation* 4/16/2014: [China's new internet crackdown: Not about porn](#)



### Netizen sentenced to prison for ‘rumor mongering’

Microblogger Qin Zhihui, known online as Qin Huohuo, was sentenced on April 17 to three years in prison for spreading rumors between December 2012 and August 2013. Qin was arrested that August during a major “antirumor” crackdown (see above, CMB No. [93](#)), and was the first arrestee to appear in court on rumor-mongering charges. He had allegedly defamed several celebrities, including popular television hostess Yang Lan, and the former minister of railways. At his trial, which began on April 11, Qin accepted the charges and said he regretted what he had done, thanking the authorities for giving him a chance to apologize. According to a leaked censorship directive, the State Council Information Office urged “all websites [to] increase control and clean up discussion of the ‘Qin Huohuo’ case.” The censorship directive prompted the International Federation of Journalists to issue a press release condemning the Chinese authorities for restricting people’s right to free speech in commenting on the trial. “It seems that the authorities are not confident that the people will have faith that it was a fair trial,” the press release said. Blogger and scholar Yang Hengjun, reacting to the trial, argued that such rumors only had currency because state-controlled media had lost credibility with the public. He noted that mainstream outlets and other powerful entities are not similarly punished for spreading false news.

- *Financial Times* 4/17/2014: [Jailing of Chinese ‘rumour monger’ casts shadow over Weibo](#)
- Xinhua 4/17/2014: [Internet rumormonger gets 3-year jail term](#)
- *Diplomat* 4/19/2014: [How to fight online rumors: Restore Chinese media’s credibility](#)
- IFJ 4/17/2014: [IFJ condemns China’s internet regulators for restricting freedom of opinion](#)
- *China Digital Times* 4/11/2014: [Minitrue: ‘Qin Huohuo’ trial](#)



### Newspaper reveals case of bribery to delete online content

On April 16, *Southern Weekly*, a Guangzhou-based paper known for investigative reporting, revealed a corruption case involving the police and internet censors. According to a court document

uncovered by the newspaper, Wei Yining, a former official with the internet division of the police bureau in Haikou, Hainan Province, was convicted in December and sentenced to 10 years in prison for accepting over 700,000 yuan (\$112,000) in bribes to delete postings made on websites based in his jurisdiction. It said that Wei had received more than 280 bribes from 11 police officers in six provinces. Instead of following regular protocol, under which police can only submit takedown notices to website administrators after they are formally approved by senior officials of the department's internet division, Wei issued the orders directly to employees at KDNNet and Tianya, two popular Chinese discussion forums based in Haikou. The article added that there were at least 50 human censors employed by Tianya, and a team of six people had to stand by 24 hours a day to remove postings within 10 minutes of receiving an official order. The *Southern Weekly* piece, which offered a glimpse at the mechanisms of China's internet censorship, was briefly removed from the newspaper's website before reappearing on several major web portals. It said the most "surprising" aspect of the case was the defense lawyer's argument that Wei did not do anything to serve the private interests of others, as the postings he was paid to delete were all damaging to the government. However, private companies and individuals have been known to exploit the censorship apparatus for their own ends, often hiring intermediaries to arrange deletions. On March 26, *Beijing News* reported that the police in Beijing had detained at least 10 people since 2012 for using their positions to delete online content in exchange for money. The case involved corrupt collusion between a public-relations company, a police officer, and employees at the Chinese search-engine giant Baidu (see CMB No. [67](#)).

- *Wall Street Journal* 4/18/2014: [Corruption case cracks door on China's internet police](#)
- *Fei Chang Dao* 4/10/2014: [State media: Baidu staff and internet police profited by deleting negative information](#)
- *Southern Weekly* 4/17/2014: [网警贿赂网警:替领导删帖 \[Internet police bribe each other for post deletion\]](#)



## Sina Weibo's U.S. IPO raises less than anticipated

The Sina Weibo microblogging platform completed its listing on the New York Stock Exchange on April 16, but the initial public offering (IPO) raised less money from investors than expected (see CMB No. [102](#)). The company sold 16.8 million shares, short of the 20 million it had hoped to sell, at \$17 per share, the bottom of its \$17–\$19 price range. The offering overall valued Weibo at \$3.8 billion, little more than half of what it had sought when it began the IPO process, and less than a seventh of the current market value of Twitter, the U.S.-based microblogging giant that remains banned in China. Analysts attributed the less-than-stellar performance to a broader selloff in internet shares that began earlier in April, and to investors' concerns over competition from the rival Chinese firm Tencent and its WeChat social-media application. Weibo's parent company, Sina, has seen its value fall nearly 20 percent since mid-March amid the larger investor retreat from the sector. Concerns over censorship did not appear to be a factor, though the Chinese government crackdown on social media that began last summer has contributed to a drop in Weibo usage, which could affect revenue and investor confidence. Separately, research by professor Fu King-wa and others at the University of Hong Kong has found that only about 5 percent of active Weibo users—about 10 million people out of 208 million—were responsible for nearly all of the original content posted on the platform as of January 2014. The remaining active users mostly retweeted others' comments,

while another large proportion of total Weibo accounts made no posts at all, indicating they may have been “zombie” accounts created only to follow other users and boost their ostensible popularity. Such findings raise questions about how Sina Weibo and other social-media companies define the number of users on their platforms, and whether fewer users are posting original content because they fear punishment under new judicial guidelines issued in September that enhanced the criminalization of online speech (see CMB No. [93](#)).

- **Bloomberg 4/17/2014:** [How big is Weibo’s censorship discount?](#)
- **Financial Times 4/17/2014:** [China’s Weibo raises a less than planned \\$285m in US IPO](#)
- **CNN 4/17/2014:** [Weibo Chairman on IPO: ‘We’re here for the long term’](#)
- **South China Morning Post 4/10/2014:** [Almost all Weibo messages are generated by just 5 percent of users](#)



## **Lanzhou netizens complain of delay in official notice of water contamination**

Residents in the heavily industrialized Gansu Province city of Lanzhou rushed to buy bottled water on April 11 after the authorities released a statement warning them not to drink tap water (see CMB No. [83](#)). According to the statement, the level of benzene, a carcinogen, in the public water supply was 20 times above the official safety level. The city’s water supply company, Lanzhou Veolia Water Co., is a joint venture of the Lanzhou government and Veolia China, a unit of the French firm Veolia Environment. The company told the official Xinhua news agency in an article released the same day that the contamination was likely caused by local chemical plants. Initial results of an investigation by local authorities indicated that two explosions in 1987 and 2002 at a factory owned by the China National Petroleum Corporation had released chemical residues into the soil, eventually polluting the city’s underground water resources. Many local residents took to popular microblogging platform Sina Weibo to complain about the government’s delay in alerting them. The spike in benzene levels was reportedly detected on April 10, though many residents had raised concerns about malodorous water in March, drawing accusations of “rumor mongering.” Images posted on Weibo after April 11 showed long queues in supermarkets. “It’s not just bottled water that is gone. Even all the beer and milk has been snatched up,” one user wrote.

- **Global Voices 4/12/2014:** [Cancer-causing chemical pollutes Chinese city Lanzhou’s water supply](#)
- **France 24 4/15/2014:** [Panic after Chinese city declares tap water toxic](#)
- **China Digital Times 4/13/2014:** [Rush for bottled water after benzene scare](#)



## **New Citizens Movement members sentenced, book and website launched**

A series of court rulings have reinforced the Chinese government’s ongoing crackdown on the New Citizens Movement, a grassroots campaign calling for the financial accountability of public officials,

among other reforms. On April 11, the Beijing Supreme People’s Court upheld a lower court’s January verdict against prominent lawyer and blogger Xu Zhiyong, a cofounder of the movement, who received a four-year prison sentence for “gathering a crowd to disturb public order” (see CMB No. [99](#)). A week later, on April 18, another court in Beijing handed down jail sentences to four members of the movement—also for “gathering a crowd to disturb public order”—after they organized a series of gatherings to demand disclosure of personal assets by government officials. Zhang Baocheng and Li Wei were given two years each, Zhao Changqing received two and a half years, and Ding Jiayi was sentenced to three and a half years in prison. Searches that combined the activists’ names with terms like “court” and “officials’ assets” were blocked on the microblogging platform Sina Weibo during the men’s trials. David Bandurski of Hong Kong University’s China Media Project reported that his April 11 reposting of a statement by Xu was removed within minutes, and that Weibo administrators had sent him a warning. Also on April 11, in a defiant move, supporters of the New Citizens Movement launched an official website, and the New Century Press, a Hong Kong–based publisher (see CMB No. [100](#)), announced the release of an autobiography and political manifesto by Xu, entitled *To Be a Citizen: My Free China*.

- **China Media Project 4/10/2014: [New citizens’ website launches on eve of Xu Zhiyong verdict](#)**
- **Time 4/11/2014: [Chinese court upholds anti-graft activist’s sentence, but ‘citizens’ vow to fight on](#)**
- **Guardian 4/18/2014: [China jails four more New Citizens Movement activists](#)**
- **China Media Project 4/11/2014: [‘Your post is inappropriate’](#)**
- **China Digital Times 4/9/2014: [Sensitive words: Trials of New Citizens](#)**

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## **BEYOND CHINA**



### **Australian broadcaster to sign deal granting greater access to Chinese viewers**

The Australian Broadcasting Corporation (ABC) has won approval from the Chinese government to make its content available in China via a web portal and broadcasts by Chinese partners. The ABC is expected to sign an agreement on May 4 with the state-owned Shanghai Media Group (SMG), the country’s second-largest media enterprise. The deal will allow ABC to establish a base in Shanghai and distribute a range of Australian media content throughout China. This would give ABC the most extensive access to Chinese audiences of any Western broadcaster. The only other such outlets with broadcast rights in China, BBC World Service and CNN International, are limited to certain international hotels and diplomatic compounds. Some types of content from foreign stations also reach Chinese viewers through limited local arrangements or Chinese video-streaming services (see CMB No. [101](#), [102](#)). However, Qiao Mu, an associate professor at Beijing Foreign Studies University, said the ABC agreement is hardly a signal that Beijing is now more open to foreign media. All content broadcast or streamed in China is still subject to the government’s media regulations and censorship directives, and “programs that are regarded as sensitive will be censored,” he said.

- ABC 4/17/2014: [ABC's Australia Network signs China content deal](#)
  - *Sydney Morning Herald* 4/16/2014: [ABC becomes first Western broadcaster to go China-wide](#)
  - *South China Morning Post* 4/17/2014: [China grants Australian broadcaster ABC landmark media access](#)
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## NOTABLE ANALYSIS

### **Mandiant report says China's online espionage has resumed after pause**

On April 9, the internet security firm Mandiant released its annual report on cybersecurity threats. In addition to chapters on the Syrian Electronic Army and Iran-based hacking activity, the report has several sections focused on the threat from China-based actors. It emphasizes that despite the revelations of certain Chinese military units' cyberespionage activities in early 2013 and some high-level diplomatic pressure in response (see CMB No. [81](#)), the Chinese threat to a range of foreign government and private-sector entities remains unabated. Graphs included in the report illustrate a pause in activity for several months by two units (APT1 and APT12) that were exposed in early 2013 by Mandiant and the *New York Times*. But the report also finds that by July they had resumed their efforts and taken measures, such as changing internet protocol (IP) addresses, to avoid detection. "Despite the recent accusations and subsequent international attention, APT1 and APT12's reactions indicate a PRC interest in both obscuring and continuing its data theft," the report notes. "This suggests the PRC believes the benefits of its cyber-espionage campaigns outweigh the potential costs of an international backlash."

- Mandiant 4/9/2014: M-Trends 2014: [Beyond the Breach](#) [access to the full report is provided without charge upon completion of a form at this link]
  - *Washington Post* 4/10/2014: [The mysterious disappearance of China's elite hacking unit](#)
  - Info Security 4/15/2014: [Mandiant: China-backed cyber threats show no signs of abatement](#)
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For additional information on human rights and free expression in China, see:

[Freedom in the World 2014](#)  
[Freedom of the Press 2013](#)  
[Freedom on the Net 2013](#)

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