



SPEAK NO EVIL

MASS MEDIA CONTROL IN CONTEMPORARY CHINA

Ashley Esarey

Preface

In the present era of globalization, access to information and the technology for disseminating it are taking enormous leaps forward. These profound advances, embodied in the Internet, have enabled millions of average citizens, businesses, and nongovernmental organizations to share ideas in a manner unthinkable even a generation ago.

At the same time, the democratization of information and the democratizing power of information have not gone unnoticed by governments intent on controlling both access to media and their content. The application of 21st century technology—especially its ability to connect people and share ideas—has provoked a variety of responses from dictatorships and authoritarian regimes. The friction between ordinary people's desire for diverse sources of information and opinion and the effort of states to assert control over the press, the Internet, and other sources of information is now coming to a head in a number of important countries.

In no country is this clash between the free flow of information and state control more vividly on display than in China. At once economically dynamic and ruled by a government unaccountable to public opinion, China represents a crucial test case of political control of mass media. The leadership of the Chinese Communist Party has

embarked on a wide-ranging economic reform campaign that exploits the benefits of the information age as an important engine for growth. The Chinese authorities have at the same time devoted vast energies to creating sophisticated ways to control information they deem politically undesirable. Whether the Chinese Communist Party can maintain its monopoly on power, suppress press freedom, and also achieve its ambitions of economic modernization over the longer term is open to serious question.

In order to acquire a deeper understanding of the forces at work in China's information sector, Freedom House commissioned Ashley Esarey, an expert on Chinese media, to author a detailed examination of the contemporary tools used by the Chinese authorities to control mass media. This report offers an inside look into the elaborate machinery of censorship and control the Chinese authorities have developed to maintain political hegemony against the forces of commercialization and globalization, and their citizenry's demand for more freedom.

This report is groundbreaking in its precise and detailed description of the instruments of censorship in a complex and changing society. The censorship system described in

this report shows how a system of control that originated under classic totalitarian conditions is being adjusted, refined, and modernized to meet the needs of a political leadership that wants to enjoy the benefits of the global economy without jeopardizing its complete political domination. Freedom House acknowledges the the important research on this subject published in Media Control in China: A Report by Human Rights in China, authored by He Qinglian (Human Rights in China, 2004) available at: http://www.hrichina.org/fs/downloadables/pdf/downloadable-resources/MediaControlALL.pdf?revision_id=20206.

Among the current challenges confronting the Chinese authorities is a society more and more willing to protest and express grievances. In combination with other potential salutary impacts, a more open media could represent a crucial valve in releasing societal pressure. The government is walking a delicate line as it calibrates how much information to allow China's restive society. As the report's author suggests, the choice now confronting the Chinese Communist Party leadership is an unpleasant one: More freedom, or more repression? Both alternatives pose hazards to the party's monopoly on power. .

INTRODUCTION

When U.S. President George W. Bush visited Kyoto, Japan, in November 2005 and lectured China about the need to improve religious and political freedoms, his comments went unreported in the Chinese media. There was no live news coverage at the press conference following Bush's meeting with Chinese President Hu Jintao in Beijing; subsequent Chinese news coverage of the Bush visit was restricted to carefully censored wire reports, reprinted verbatim in official media. Such censorship of news that challenges the official ideology of the ruling Chinese

Communist Party (CCP) is standard practice in the People's Republic of China (PRC).

More flagrant examples of suppression of news freedom abound, and by all accounts have increased since Hu Jintao came to power in 2003: In recent months, to keep tourists from avoiding the city prior to the Olympic Games to be held there in 2008, the government has ordered a media blackout on a spate of murders of taxi drivers in Beijing. In March 2003, the spread of the Severe Acute Respiratory Syndrome (SARS) in China went largely unreported until the disease reached dozens of countries and the central government was forced to admit the severity of the epidemic. For hours after the September 11 attacks, Chinese media were barred from covering the story while Beijing debated its response to the tragedy. The CCP exerts near complete control over the country's 358 television stations and 2,119 newspapers—the primary media available to more than one billion Chinese citizens.

In the People's Republic, there are no Chinese-language news media that are both widely accessible and independent of the CCP. While available to more than 100 million users, the Internet is closely monitored by the state; access to politically threatening Internet sites and web logs is blocked; uncensored satellite television is not legally available to the general public; foreign radio broadcasts are scrambled; and the sale of publications with content critical of the regime is restricted.

Chinese Communist Party control of the media is deeply challenged by the pressures of commercialization, journalistic professionalization, and globalization of information flows. For this reason, the CCP under the leadership of President Hu Jintao has increased monitoring of media personnel and news content, discouraged traditional media from joint-ventures with foreign firms, tightened controls over the

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Internet, and resorted to more frequent coercion of journalists reporting on politically sensitive topics.

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. This special report examines the systematic restrictions imposed upon the news media and then considers the manner in which journalists are provided with financial incentives for self-censorship.

KEEPING “WATCHDOGS” ON THE PARTY LEASH

The principal mechanism for forcing media organizations to comply with CCP wishes is the vertically organized nomenklatura system of appointments granting the party power to hire and fire party leaders and state officials, including those in charge of the media industry and top media managers. Since the early 1980s, the system of appointments for radio and television media has officially been a “one level down” system: The Organization Department of the CCP confirms appointments at the central and provincial levels, the provincial party committee approves appointments at the city level, and the city level oversees appointments at the county level. However, consultation between the central party leadership and lower levels of the state hierarchy is often pro forma. The majority of decisions concerning provincial media managers are made at the provincial level; similarly, at the city and county levels, party and state leaders appoint media managers at the same level, rather than for media organizations one level down in the bureaucracy.¹

The Central Organization Department and the Central Propaganda Department directly appoint managers of national media, such as the television station CCTV, *People's Daily*, or Xinhua News Agency. For local media appointments (provincial level and below), the Central Organization Department of the CCP appoints provincial party secretaries and deputy provincial heads (or mayors and vice mayors of directly administered municipalities). These party appointees cooperate with the CCP Central Propaganda Department to select the managers of media organizations. Thus while the central party leadership does

not appoint the heads of local media organizations directly, it exercises power over personnel through appointments of leaders of administrative districts, who determine and supervise subordinates.

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. Successful managers are promoted, occasionally to positions within the Propaganda Department, but also to posts within other party or government institutions.

Prior to the formation of newspaper conglomerates in the mid-1990s and broadcast media groups in the 2000s, the managers of each media organization—whether newspaper, radio station, or television station—were party appointees. At present, media organizations within newspaper or broadcast media conglomerates have fewer political appointees than in the past. However, the reduction in the number of media managers who are appointed has yet to prove a liability in terms of the party's ability to control news media operations and news content.

MONITORING MEDIA PERSONNEL

The Central Propaganda Department of the Communist Party is the most important institution for monitoring media personnel and controlling the content of television, radio, newspapers, magazines, and film. The Central Organization Department selects the leadership of the Propaganda Department with guidance from the “Thought Work Small Group” (thought work is the term used in China to describe the task of shaping the views of the public) under the direct leadership of CCP chairman and PRC President Hu Jintao and the Politburo Standing Committee member responsible for the media, Li Changchun. Local branches of the Propaganda Department work with lower levels of the party-state hierarchy to transmit content priorities to the media. For example, the Shanghai bureau of the Propaganda Department interacts with the Shanghai Municipal Party Committee, the provincial branches of General Administration of Press and Publications (GAPP), and State

Administration of Radio, Film and Television (SARFT) to coordinate guidance for the Shanghai media.

At each level of government, the Propaganda Department plays a major role in the monitoring of editors and journalists through a national registration system and mandatory participation in ideological training sessions, in which the conduct of media professionals is evaluated for loyalty to the party. In 2003, the Central Propaganda Department, along with the GAPP and the SARFT, required Chinese journalists to attend nearly 50 hours of training on Marxism, the role of CCP leadership in the media, copyright law, libel law, national security law, regulations governing news content, and journalistic ethics prior to renewing press passes (the identification journalists display when on assignment). Additional political indoctrination occurs at periodic training retreats to study party political ideology and through attendance at regional or national meetings stressing the important role of the news media in thought work.

Membership in the Chinese Communist Party is of crucial advantage for journalists seeking promotions to leadership positions in the media. In Shanghai, all top media executives are members of the CCP and nearly all of the executive directors of television channels and radio stations and key newspaper editors are party members. While party members may have diverse political opinions, the party carefully considers the views of people who apply to join the CCP in a rigorous vetting process likely to weed out the vast majority of those who admit to holding politically controversial views.

The Central Propaganda Department, with assistance from local branches, determines national standards of acceptable news content. Content requirements are outlined in propaganda circulars (PCs): documents containing specific instructions for the media nationwide. The content of PCs is drawn from what are informally called *chui Fenghui* or “wind

blowing meetings,” which are attended by top leaders, including those in the Central Propaganda Department. The Central Propaganda Department synthesizes the essence of each *chui Fenghui*, adds instructions for handling sensitive topics or specific news stories, and distributes these instructions via facsimile as PCs to local branches of the

Propaganda Department, which then send PCs to all Chinese media. PCs may require media to use reports by national media organizations such as Xinhua News Agency, *People’s Daily*, or CCTV.

The primary function of PCs is to indicate news stories that should not appear in reports and provide guidance for treatment of certain news stories. For instance, in the fall of 2003, the price for rice in major urban centers rose by nearly 100 percent within one week. In Shanghai, rice prices rose from around 27 cents per kilogram to 49 cents per kilogram. Prices for pork and soy products also rose

conspicuously. Prior to the price increases, the Propaganda Department sent PCs to media warning them not to file reports on price increases out of fear that such reports could lead to social instability. Instead, the media were given permission to write about the rise in rice prices over the course of several months, with the effect that news of price increases did not seem to indicate a sudden development.

Another example of nervous intervention in news operations by the Propaganda Department occurred prior to the 100th anniversary of the birth of Deng Xiaoping, on August 22, 2004. For many Chinese, Deng Xiaoping represents the leader responsible for ushering in an era of prosperity unprecedented in Chinese history. However, there are chapters in Deng’s life that are distinctly embarrassing for the CCP, most notably the period of time during the Cultural Revolution when Deng was accused of being a “capitalist roader” and sent to work in a tractor repair factory in Jiangxi Province. A second embarrassment was Deng’s role in giving the order for the People’s Liberation Army to

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use force to clear Tiananmen Square on June 4, 1989. Thus, prior to the 100th anniversary of Deng's birth, the Propaganda Department sent out PCs that took pains to explain why these chapters in his life could not be mentioned in news reports.

It is common practice for local branches of the Propaganda Department to adapt the content of the Central Propaganda Department's PCs for "local conditions." The document that began as a central-level PC may contain considerable differences when it reaches the lower end of the administrative hierarchy. Usually a PC acquires additional restrictions with each successive layer of bureaucracy, as lower levels of government try to ensure media will cooperate with all central and local priorities for news content.

The person (or people) responsible for monitoring content varies considerably by media organization. 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. During this process, reports can be delayed, revised, or cut completely. Typically for television stations in the Shanghai Media Group, so-called responsible editors are in charge of content; they discuss concerns with the station general manager. If the general manager is uncertain about the advisability of airing news on a topic, he or she contacts the media group's programming department, staffed by in-house monitors who often have close ties to the Propaganda Department. The programming department serves as the distributor of PCs within the media group, interpreting their meaning for station managers and determining whether politically sensitive material can be broadcast. For newspapers, senior editors are responsible for certain types of content, corresponding to topical sections within the newspaper — i.e. politics, finance, or literature — or in the case of the *People's Daily*, to departments in the newspaper.

In addition to sending PCs, the local Propaganda Department communicates with media managers in telephone conversations or by meeting with top editors, who subsequently relay content directives to lower-ranking editors and journalists in editorial meetings. Content directives for extremely sensitive topics — coverage of the Severe Acute Respiratory Syndrome (SARS) epidemic in

2003, for example — may be transmitted in meetings or through telephone calls to eliminate written evidence of suppression of a story.

Senior cadres employed by the Propaganda Department monitor compliance with the party's ideological position at both the central and provincial level. These senior cadres, who are selected for their conservative political views and political reliability, monitor television and radio programming as well as the contents of daily newspapers and magazines, and file monthly reports critiquing "harmful" content. At the central level, these reports are called the "Central Propaganda Department's monthly evaluation." In 2004, the Shanghai Propaganda Department established a secondary media content monitoring institution composed of more than 20 senior journalists and editors, who receive salaries from media organizations with which they formerly worked. This institution, called the Monthly Evaluation Small Group, files roughly 2.5 reports per month on important or problematic trends in broadcast and print media content. These reports are distributed to all Shanghai media managers. The fact that such an institution was founded is indicative of the increasing challenge of monitoring diverse news content. Print and broadcast media also maintain in-house monitoring organizations that are staffed by trouble-shooters who monitor potentially harmful content.

THE PRICE OF NON-COMPLIANCE WITH PARTY CONTENT REQUIREMENTS

When a media organization disregards a PC or produces content seen as undesirable by the Propaganda Department, it does so at the risk of facing disciplinary action. PCs have no expiration date and thus, over time, represent a body of instructions for specific treatment of controversial topics that differs for media in different administrative districts. Disputes occasionally arise when programmers attempt to sneak a controversial report past censors by ignoring the instructions of dated PCs.

When reporting elicits the wrath of the party, the Propaganda Department or local party leaders (party committee members at the same administrative level as the media organization, for example) will notify the media organization's CEO or publisher (the party-appointed manager of the media organization). The media manager

may ask the editors or journalists responsible to write a “clarifying” report reversing the previous position or changing the angle on an event.

Sharp criticism by the Propaganda Department can lead to the cancellation of rebroadcasts of television news programs or the dismissal of individuals associated with a certain article or series of articles, as was the case in the 2001 and 2003 firing of editors at the influential Guangdong Province weekly, *Southern Weekend*. In 2001, *Southern Weekend*'s in-depth coverage of the crimes of Hunan gangster Zhang Jun raised veiled accusations that the party was partially to blame for the political climate that led to his greed and violence. These reports prompted the Propaganda Department of Hunan Province to send a formal letter of protest to the Central Propaganda Department in April 2001, claiming the articles in *Southern Weekend* were detrimental to the party's efforts at good governance. 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. In the spring of 2003, in a different flap, editorial positions were shuffled at *Southern Weekend* due to reporting on the Severe Acute Respiratory Syndrome (SARS) that proved too politically sensitive for the party to accept. A cadre from the Guangdong Propaganda Department, Zhang Dongmin, was made editor-in-chief of the *Weekend*. At that point, several journalists resigned or went on strike to protest excessive party involvement in newspaper operations. However, these actions did little to impede the party's move to increase control over the *Weekend*.

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In extreme circumstances, the Propaganda Department cancels the license of a media organization, putting the organization's staff out of work, or imprisons the editors or journalists in question. 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. 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. In an appeal trial on June 7, 2004, Yu's sentence was reduced to eight years and Li's to six years. During the investigation, *Southern Metropolitan Post* editor-in-chief Cheng Yizhong was arrested, detained for five months, and then released. Cheng lost his position at *Southern Metropolitan Post*

and has since gone to work for *Southern Athletic Newspaper*, a newspaper in the Southern Daily Group devoted to sports coverage.

According to a statement by Cheng Yizong's defense lawyer, top executives of the Southern Daily Group approved distribution of the bonuses. The Guangzhou Municipal People's Court ruled the bonuses were a form of corruption, because they passed through private bank accounts. (As a subsidiary paper of the Southern Daily Group, the *Southern Metropolitan Post* did not have its own corporate bank account.)

For many Chinese journalists, the arrests were seen as retribution for the newspaper's hard-hitting reporting of SARS and of the murder of Sun Zhigang, a graphic artist beaten to death in a Guangzhou prison in March 2003. Investigation of financial misconduct at *Southern Metropolitan Post* began in July 2003 in the aftermath of the SARS crisis and Sun Zhigang exposé. It was assumed

that the local party leadership wanted to punish the newspaper and send a warning to Guangdong media to deter similar reporting.

LEGAL REGULATIONS GOVERNING FREEDOM OF SPEECH AND MEDIA CONTENT

Article 35 of the 1982 Constitution guarantees citizens of the PRC “freedom of speech, publishing, assembly and the right to establish organizations, movement and protest.” These freedoms are, however, circumscribed by four articles in the constitution: Article 38 mandates that the reputation of PRC citizens cannot be compromised by humiliating or libelous statements; Article 51 states that citizens cannot, in the exercise of their freedoms, harm the collective interests of the nation, society, or the freedoms enjoyed by other citizens; Article 53 calls for all citizens to “protect state secrets, cherish public assets...respect public order and social morals”; Article 54 states that citizens have the duty to protect the “security, honor and interests of the motherland” and that to do otherwise is prohibited. In practice, these articles have been manipulated by a self-interested post-totalitarian regime to suppress politically undesirable forms of information. Until recently, however, few scholars have maintained that the Constitution is enforceable in a court of law.

In addition, a host of other criminal and administrative regulations guide media operations. Foremost of the criminal regulations is the PRC “Protection of National Secrets Law” promulgated in May 1989. This exceptionally broad law applies to media reports on military affairs, projects for “economic and social development,” technological development, criminal investigations by national security agencies, or other subjects determined by state institutions to be “secret” in nature.² Similar sentiment is echoed in the June 1992 “Regulation on the Protection of Secrets for News and Publication.” When in doubt about the status of information sources, journalists are to check with the “related government agency” and gain permission prior to publication after negotiating conditions for the release of information. This leads to the suppression of much information by government agencies, or slower release of potentially valuable information. Commercial media organizations are doubly cautious because financial responsibility for the costs of

withdrawing or cessation of publications that reveal state secrets is determined by the “related government agency.”

State secrets laws prohibit the publication of explicitly classified materials and, occasionally, information that is already public if the recipient is a foreign individual or organization. Any information can be classified as a state secret if its release is determined by enforcement agencies to have harmed state interest or state security.

Judicial powers capable of sentencing journalists for criminal offenses in the 1997 Criminal Law further inhibit media freedom. This law makes it a crime for any individual or organization to “divide the nation” or “destroy (national) unity,” an offense punishable by three- to ten-year prison sentences. Journalists directly responsible for publishing political opinions threatening the welfare of the nation or humiliating ethnic minorities, in severe cases, may be sentenced to three years in prison.³

State secret laws have been used to suppress journalists with greater frequency in the last two years. In September 2004, *New York Times* researcher Zhao Yan was imprisoned in an investigation about whether he leaked state secrets concerning former President Jiang Zemin’s impending resignation from the important party Military Affairs Commission. Zhao was formally indicted on charges of leaking state secrets in December 2005. In April 2005, Hong Kong correspondent for *The Straits Times*, Ching Cheong, was detained in Guangzhou on suspicion of harming state security by working as a spy for Taiwan. Ching’s wife has said he was working on a story involving the purged general secretary of the CCP, Zhao Ziyang. Zhao Yan and Ching Cheong remain in custody and are expected to receive prison sentences in February 2006.

In November 2004, Shi Tao, a journalist with *Contemporary Business News* in Hunan Province, was arrested for violating state secrets laws, after emailing a one-page document to the New York-based website Democracy Forum, in which he outlined party propaganda requirements for suppressing information on the 15th anniversary of the Tiananmen crackdown. On April 27, 2005, Shi Tao was sentenced to 10 years in prison for illegally providing state secrets to foreigners. Particularly troubling to many foreign observers was the fact that information leading to Shi’s conviction was provided by Yahoo Holdings Ltd. in Hong

Kong (Shi Tao sent the fateful message via his Yahoo email account).

While the fear of facing legal consequences for writing politically sensitive reports lurks in the minds of Chinese journalists, a far more common source of concern is a libel suit. As of late 2003, *Southern Weekend* had been sued more than 20 times for libel. *Southern Weekend* loses nearly all libel suits because laws allow the plaintiff to decide whether the case will be tried by courts where the alleged offense occurred, where the plaintiff is based, or in the jurisdiction where the media is based; plaintiffs typically choose their own jurisdiction, where they have strong personal connections to the courts, not Guangzhou where the *Weekend* is based. To protect itself against libel suits, CCTV's news program News Probe keeps tapes of all news footage for six months. Although the threat of facing a libel suit increases media attention to collection of material news sources to support a story, the net influence of libel laws is that media organizations tend to err on the side of caution and refrain from printing or airing certain stories. This is due in part to precedents demonstrating that the facts of a libel case may be irrelevant to the court's final decision. A journalist at *Southern Weekend* related the following case of the newspaper encountering and losing a libel case when all the facts seemed on its side:

In 1996, a man from Guangdong province was driving a truck in the city of Beihai, Guangxi Autonomous Region. The truck driver passed by a woman lying in a ditch. She had crashed her motorcycle and was bleeding from her injuries. The truck driver stopped and took the woman to a hospital. As she had no money, he paid her medical bills. When it was clear that the woman would be fine, the man obtained the woman's phone number and left. One month later, the truck driver returned to the same city and called the woman to see if she had recovered. Her brother-in-law answered the phone and thanked the truck driver, saying that he would like to meet him to repay his kindness. They arranged to meet. When the truck driver arrived at the designated location he was accused of causing the accident and arrested by the police. His truck was confiscated and given to the woman's brother-in-law. The police also extorted 5,000 RMB[renminbi] from the truck driver. Police never filed a report on the incident; therefore, the procedure

used to confiscate the vehicle was illegal. The truck driver sued the police station to get his truck back and was sued by the woman for "causing" the traffic accident that injured her. After reporting the story, *Southern Weekend* was sued for libel. The case, tried in Guangxi, went against the newspaper in 2002.⁴

A weekly newspaper of intellectual bent, and somewhat different tastes than *Southern Weekend*, is the *Economic Observer*. Unlike the *Southern Weekend*, the *Economic Observer* has never been taken to trial for a libel suit because the editor-in-chief is said to be particularly adept at negotiating "mutually acceptable" terms of compensation for offended parties. Handling libel cases, whether in or outside the courtroom, is a serious concern for news organizations doing investigative news stories or issuing critical reports. Libel laws in China deter media from aggressively reporting the news.

Writing about the lives of CCP leaders is one of the most challenging tasks journalists face. It is illegal to write without permission about the president, vice president, premier, chairman of the National People's Congress Standing Committee, chairman of the Central Advisory Committee, the chair of the Chinese People's Political Consultative Conference, or current or past members of the Politburo Standing Committee. All reports concerning these political figures must be submitted to the local GAPP branch for review and meet the approval of the local Propaganda Department and the GAPP in Beijing. Prior to publication, reports on individuals active in politics must have approval from the individual to which the report refers. Requests to write stories about central leaders can also be submitted to the Central Propaganda Department. Similar restrictions govern accounts of important Communist revolutionary figures, such as Mao Zedong, Zhou Enlai, and Deng Xiaoping.

The procedural complexity of getting such articles approved is a deterrent for most journalists, who can expect higher levels of government to refuse permission for controversial accounts of key state leaders. As a result, this regulation virtually eliminates coverage of currently serving national leaders; reports critical of national leaders almost never appear in television and daily newspaper reports.

Nevertheless, commercial news media occasionally attempt to print reports on central leaders. One such attempt

by *Securities Weekly* to publish an account on the financial misconduct of former Premier Li Peng and members of his family resulted in confiscation of all copies of the newspaper edition and imprisonment of the journalist who wrote the story. Pamphlets or books on China's leaders, often of a tawdry nature, are sold furtively in back alleys. Meanwhile, reliable accounts of China's past and present leaders in books such as the *Private Life of Chairman Mao* by Li Zhishui, *The Tiananmen Papers* edited by Perry Link and Andrew J. Nathan, and *China's New Generation* by Andrew J. Nathan and Bruce Gilley are not available in China.

In 2001, the Central Propaganda Department strengthened restrictions over the use of photos taken of national leaders. All local media must have permission from the provincial bureau of the Propaganda Department, which is under centrally appointed leadership, prior to publication of photos of national state or party leaders in a work environment or in a leisure setting. Magazines hoping to use photos of a national leader on the cover must secure permission from the leader appearing in the photo prior to publication, a process that is likely to end in the refusal from individuals portrayed in an unfavorable light.

Chinese journalists are expected to understand the party's priorities and avoid reporting on issues considered to be too sensitive. Examples of issue areas considered risky include, in order of declining sensitivity, the democracy movement in China, separatism or ethnic minority interests in Taiwan or Tibet, nationalism or national honor referred to in a derogatory sense, labor unrest, corruption within the CCP, mass protest, natural or manmade disasters, and outbreaks of disease likely to lead to domestic unrest or international criticism. Health news is treated as a national

secret whose disclosure is punishable by imprisonment. This made reporting on SARS more difficult for journalists and, of late, has induced caution among journalists reporting on the bird flu outbreak. Many issue areas, however, have opened up for relatively free reporting, such as arts and leisure and finance and economics, providing such news is not critical and does not concern a politically sensitive issue.

If a report is judged too sensational, the journalist likely will not receive payment and risks losing performance bonuses. . . . Therefore, journalists who fall out of favor with their superiors, or whose work is frequently censored, find themselves quickly out of the money.

COMMERCIALIZATION AND CONTENT MANAGEMENT

In the 1980s, the Chinese Communist Party launched sweeping reforms of the media industry, which allowed for the sale of commercial advertisements and led to rapid proliferation of print and television news media and diversification of media content. For the vast majority of Chinese media, commercialization provides incentive for media managers and journalists to be risk averse. The Propaganda Department appoints top-level media managers in consultation with the CCP Organization Department. Media organizations pay these

managers very high salaries (which makes managers unwilling to risk losing their jobs). Media managers' career prospects are tied to their effectiveness in producing media content that is both attractive to consumers and politically uncontroversial. Underneath the party-appointed leadership are lesser managers, senior editors, copy editors, and journalists, whose salaries are strongly affected by the nature of news content they produce. By providing bonuses to their employees to produce acceptable news content, top managers create a work environment conducive to self-censorship.

For personnel who are not appointed by the party, most media organizations make attempts to quantify the quality of employee performance and link performance to the

amount of salary an employee receives. The performance of television producers, for example, is evaluated in part by the ACNielsen ratings of the programming they oversee. Their bonuses are determined by upper-level managers within the television station. Data from interviews suggests the bonuses make up roughly 20 percent of the total salary for producers and editors, an arrangement that empowers managers to reward model employees.

Typically, a much greater percentage of a journalist's salary is derived from performance bonuses than for producers and editors. One criterion for evaluating the performance of journalists is the popularity of their reports, based on consumer response. If consumers are happy with a journalist's report, they may write letters or send text messages to the newspaper with favorable comments. A positive (or negative) consumer response is seen as an indicator of consumer preference that drives television ratings or newspaper circulation levels, which in turn are often used to justify advertising prices. In general, media with high numbers of consumers can charge high advertising prices.

Since the early 1990s, journalists' pay has also been tied to the number and length of stories that are broadcast or published. 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.

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. The disparity between the top and the bottom of the salary scale, based on the amounts of bonuses, can be as much as a factor of 10. At the CCTV's News Probe, members of an advisory board consisting of senior media professionals, scholars, and the producer give each 45-minute report a score that is adjusted based upon viewer ratings by ACNielsen for the time slot in which the program is broadcast. Variation between the lowest score for a report and the highest can lead to differences in performance bonuses equaling a factor of 18.

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.⁵ Performance bonuses at *Southern Weekend* increased a journalist's monthly salary to a ceiling of around \$2,430. In order to combat a journalist's incentive to censor her work, *Southern Weekend* pays up to 70 percent of the performance bonus for a story even if it is too controversial to print. Even with such compensation, the desire to win performance bonuses results in journalism that steers well clear of dangerous political controversy and meets the party's propaganda requirements.

Normalizing judgment is about the provision of incentives and punishment for non-conformance to ideals.⁶ In the case of "disciplining" Chinese journalists to comply with party content priorities, incentives provide a daily pressure for journalists to toe the party line in the interests of putting bread on the table. Over time, the decision to engage in self-censorship on the part of journalists, whether due to the desire to earn more or avoid repression, becomes "normal" practice, even for those journalists who may have entered the profession for the noblest of purposes. The administrative and legal system for restricting press freedom has evolved over time, taking on new layers of regulations and monitoring institutions as testament to the difficulty of keeping a lid on diverse media content. For example, the system of performance bonuses followed the Tiananmen crackdown on mass demonstrations and reflected the party's growing awareness that coercion alone was ineffective at forcing journalists to write propaganda bolstering regime legitimacy. From the perspective of the CCP, incentives and disincentives for journalists go well together, the former providing daily reason to flatter China's rulers and the latter making examples of individuals who challenge the limits of freedom.

POTENTIAL SOURCES OF FUTURE CHANGE

While in the short term the unraveling of party control of the media seems unlikely, three factors could powerfully affect the prospects of greater press freedom in China. Foremost of these factors would be greater privatization of media ownership, which is central to influencing the priorities

of media managers and journalists and to fostering a work environment in which freer journalism can thrive. At present, only party or state institutions may legally own media; however, creeping privatization has occurred as state media subcontract operations to private enterprises. Some private entrepreneurs have been tempted by high advertising growth to invest in media ventures, while media managers have reached out to the private sector for efficient management and capital to diversify products and services. Over the long term, the increase in privatization of media ownership could undermine party control of the media if privatization saps the party's power to appoint media managers, whose careers are tied to the production of media content that supports the regime. Therefore, although many other state-owned enterprises have been privatized in China, the CCP is unlikely to legalize private ownership of the media, unless the party decides to embrace political liberalization.

A second factor that could reduce party control over the media would be growing market competition in China's media industry, driving media to engage in journalism of interest to consumers that might be unfavorable to the party. CCP policies to reduce the effects of competition have so far been largely successful. Current regulations restrict most local media from competing in the national media market by preventing them from reporting on events in other provinces in China as well as internationally. In the last decade, the Chinese print and broadcast media have been reorganized into media conglomerates that enjoy high market share in local markets and have less incentive to compete for advertising revenue.⁷ In order for competition to emerge as a powerful force for news media freedom, the state would have to open the national media market up to powerful local media conglomerates—a move that appears highly unlikely—or allow more foreign media access to the Chinese media market.

A third factor that could induce change is greater availability of information from abroad that is not subject to the elaborate system of state control. The effects of globalizing information flows have already been considerable. With vigorous foreign media operating in China, the regime's task of suppressing information has become more difficult; for Chinese with foreign language ability, foreign news reports present an "alternate" truth to that available in the official media. A growing number of Chinese travel abroad,

telephone friends or relatives overseas, and watch a plethora of pirated media products available in urban areas. The number of Chinese accessing the Internet is certain to rise as the cost of connectivity decreases relative to spending power. While the state has expended considerable effort to limit Chinese access to web pages deemed politically subversive, many users find ways to access blocked Internet sites by using proxies or anti-blocking software. The Internet has increased the speed and convenience of accessing information and decreased the financial costs of interpersonal communication—two factors which helped to undermine authoritarian regimes in Ukraine and Indonesia. If a democratic opposition emerges in China, it is likely to use the Internet as a tool to mobilize supporters and challenge CCP ideology.

To address the challenges posed by private capital, market competition, and globalization, the CCP's central leadership must ensure effective implementation of existing regulations (which has already proven difficult) and rely to a greater degree on coercion—a strategy that is vulnerable to criticism both domestically and internationally. The choice facing the CCP leadership is an unpleasant one: More freedom or more repression? Both alternatives pose hazards to the party's monopoly on power.

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NOTES

1. Data used in this report was collected in interviews conducted in Beijing, Shanghai, Guangzhou and Changsha from 2001-2005. Due to the sensitivity of the subject matter, interviewees were promised anonymity.
2. "PRC Protection of National Secrets Law" (*Zhonghua renmin gongheguo baoshou guojia mimi fa*), Article 8 and Article 20.
3. *Zhonghua renmin gongheguo xingfa* (Criminal Law), as amended by the National People's Congress on March 14, 1997, and promulgated on October 1, 1997. See Articles 103 and 250.
4. Interview, November 2003.
5. By comparison, the average yearly farming income in 2004 was \$353. Joseph Kahn, "China Pledges to Lift Wealth of Its Peasants," *The International Herald Tribune*, February 3, 2005, p. 1.
6. Michel Foucault, *Discipline and Punish: The Birth of the Prison* (New York: Vintage Books, 1979), pp. 177-180.
7. Ashley Esarey, "Cornering the Market: State Strategies for Controlling China's Commercial Media," *Asian Perspective*, Vol. 29, no. 4 (December 2005).

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