

# FREEDOM OF THE PRESS IN CHINA AFTER SARS: REFORM AND RETRENCHMENT

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## ROUNDTABLE

BEFORE THE

### CONGRESSIONAL-EXECUTIVE COMMISSION ON CHINA

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

SEPTEMBER 22, 2003

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## **FREEDOM OF THE PRESS IN CHINA AFTER SARS: REFORM AND RETRENCHMENT**

**SEPTEMBER 22, 2003**

CONGRESSIONAL-EXECUTIVE  
COMMISSION ON CHINA,  
*Washington, DC.*

The roundtable was convened, pursuant to notice, at 2:30 p.m., in room 2255, Rayburn House Office building, John Foarde [staff director] presiding.

Also present: David Dorman, deputy staff director; Selene Ko, chief counsel for trade and commercial law; William A. Farris, senior specialist on Internet and commercial rule of law; and Carl Minzner, senior counsel.

Mr. FOARDE. I would like to welcome everyone to this issues roundtable of the Congressional-Executive Commission on China. On behalf of Chairman Jim Leach and Co-Chairman Senator Chuck Hagel, welcome to our panelists, as well as all of you who are attending.

Last spring's SARS crisis and the increasing commercialization of China's press have led to significant developments in China's media in recent months. Some of these developments have been positive, such as government notices requiring officials to provide greater access to reports.

But the arrest of writers, censoring and closing of publications, and the August 2003 announcement that certain topics are forbidden to be discussed have had a chilling impact on freedom of expression.

Most recently, Chinese officials have announced plans to cut ties with government publications that do not meet certain revenue and distribution criteria.

To help us find our way through this complicated and rapidly changing situation, we have four distinguished panelists. Ms. Gong Xiaoxia holds a Ph.D. in sociology from Harvard. She has taught sociology at UCLA and George Washington University. From January 1998 until June of this year, she was Director of the Cantonese Service at Radio Free Asia [RFA].

Mr. Zhang Huchen currently is a senior editor at Voice of America's [VOA] China Branch. Mr. Zhang graduated from the school of journalism at the Chinese Academy of Social Sciences in 1984, and from 1984 to 1990, worked with the Overseas Department of the Xinhua News Agency.

Mr. Bu Zhong worked at the China Daily for 6 years as a reporter and deputy editor, and for CNN for 3 years in Atlanta, Washington, and Beijing. He holds a Ph.D. in journalism.

Our old friend Mr. Lin Gang is a program associate, currently at the Woodrow Wilson Center's Asia Program, where we see him quite frequently. He has served as president of the Association of Chinese Political Studies and has taught at American University and Johns Hopkins University.

He has co-edited "China after Jiang," that came out this year, and "Transition Toward the Post-Deng China" in 2001. He received his Ph.D. in political science from Pennsylvania State University, an M.A. from Xiamen University, and his B.A. from Fujian Teachers University.

A word to our four panelists. Our process here has been to give each of you 10 minutes to make a statement. After 8 minutes, I will alert you that 2 minutes are remaining, and that is your signal to sort of wrap things up.

Inevitably, no matter how disciplined you are, there are some points that you will wish to make in your opening statement that you do not have time to make. We hope to have time in the question and answer session, after each of you has spoken, to catch up those points. We will go until 4 o'clock or until we run out of energy, whichever comes first.

So without any further ado, let me call on Ms. Gong Xiaoxia, please.

**STATEMENT OF GONG XIAOXIA, ORIGINALLY FROM THE PEOPLE'S REPUBLIC OF CHINA, FORMER DIRECTOR, THE CANTONESE SERVICE, RADIO FREE ASIA, VIENNA, VA**

Ms. GONG. Thank you. Ladies and gentlemen, I come here today to share with you some of my thoughts on the recent development of press freedom, or lack of it, to be more precise, in China.

Particularly, I would like to discuss the meaning of the new regulations we just talked about, issued by the Party, which are widely hailed as a bold marketization reform and a step toward press freedom.

I would like to address my concern that the overall misinterpretation of these new regulations may lead to misunderstanding of the Chinese political situation, and might mislead our foreign policy as well.

I think I can skip introducing myself, since you have done so. Let me quickly outline my main points here.

Based on my research and my personal experience, I believe that the new regulations recently issued by the Chinese Communist Party, although they may bring about some competition among the media, do not imply any fundamental change in the Party's tight control over the media.

In fact, the new market these rules create may provide the Party with new means to further suppress press freedom. Moreover, it may set up a more nationalistic, or even xenophobic, trend in covering foreign affairs. It may encourage further America bashing in the Chinese press.

The new regulations were issued between June and August of this year. They greatly limit the number of newspapers and magazines owned by the government or Party offices. According to these regulations, each provincial government office is given the author-

ity to buy subscriptions, which was the most resented practice in the past 50 years.

As a result of this regulatory change, most of China's press organizations, which used to be directly controlled by the government, have now been thrown into a new media market.

Although the motivation of these new regulations is budget prudence instead of press freedom, they have raised hope of limited press freedom in China. Many people believe that, by introducing marketization, these regulations open doors for private ownership in the media, which is among the last areas where government ownership still dominates. In other words, the trend of marketization in the Chinese economy has now reached the media.

Will this be the beginning of a new era of press freedom? Most China observers have given positive answers. We can see, like Liu Xiaobo, and like many other people, they will say, "Oh great, privatization. And it will be freedom eventually."

Undoubtedly, in my view, marketization will introduce competition and profit seeking among the media organizations, and thus will indirectly encourage some bold experiments between the competitors.

However, neither marketization nor competition instinctively indicate freedom. Those are different things, as you know. Rather, market competition may provide the Party authorities another instrument to control the media, since the terms of competition and the rules of this market are largely set by the Party.

Therefore, for media organizations, privately owned or otherwise, winning in a competitive market often means to tilt in the direction of the government authorities. That is something we have to be aware of.

There are three key questions which can help us to tell if the new media regulations are or are not likely to lead to more freedom. First, do media organizations need approval from the Party Propaganda Department to operate?

Second, can the Party Propaganda Department interfere with personnel decisions, especially hiring, firing, and the promotion of editorial and management staff in media organizations?

And third, must media organizations follow the guidelines regularly issued by the Party in order to stay in business? Those are the three questions we have to ask ourselves.

Unfortunately, in my world, the answers we have to these questions leave very little room for optimism. Press freedom in China remains merely an illusion, even within a competitive market.

In order to survive in today's market, Chinese media organizations have to yield to the pressure coming first from the Party, and then from the market. To be in business and profitable, they must promote the Party ideology but do so in ways that are attractive to their audience, especially when compared to the old stiff propaganda style.

In the background, the Party maintains tight disciplinary power over any members of the media who dare to challenge their authority. We have seen plenty examples of that.

Marketization in the media does not necessarily indicate liberalization. In fact, combined with strict dictation from the Party, it may well open new forms of media control that use the pressure of the new market to strengthen political dictatorship.

In fact, the profit-seeking trend has been taking place for a few years. The new regulations merely make it official. Under this new trend, I have observed that the Chinese media organizations have indeed become more diverse and bolder in reporting social and some marginal domestic political issues, but few dare to challenge the political authorities.

Meanwhile, I am also greatly disturbed by the intensifying hostility by the Chinese press toward the United States in its coverage of international affairs in general, and of the war on terror in particular.

A review of the Chinese media since September 11, 2001, shows increasingly negative coverage of the West, and, most especially, of the United States. During the war in Iraq, for example, the Chinese media constantly attacked the coalition forces, even as it kept praising the Saddam regime and the Iraqi military, which became sort of a laughing stock after that.

As a Chinese Internet user pointed out, CCTV, the central TV station in China, was perhaps the only TV station outside the Arab world that reported so many “victories” of the Iraqi regime, or that launched so many vicious attacks on the coalition forces.

Another critic said that the Chinese press seemed to want to become a “consultant” of the Iraqi regime regarding military strategies. Such a tone was, of course, set by the Party Propaganda Department.

Since the beginning of the war on terror, that department has issued many directives to guide the media in covering this war. I personally have some experience with these directives, because they stopped the publication of my book, in fact.

Whereas the Chinese media follows the Party line as a matter of survival in domestic affairs, it seems positively enthusiastic in doing so when covering international affairs. They seem to have discovered that following the Party line here is quite profitable. That is what we have to know.

Take the Iraqi war coverage by CCTV as an example. The number of its viewers jumped 28-fold during the period, and the station earned an extra \$100 million.

So in other words, the Chinese media was able to collect millions of dollars by selling anti-American propaganda. The Chinese audience, sadly, seems to have a genuine appetite for receiving and accepting such propaganda.

The Chinese media here have found a niche. In the past few years, they learned that America bashing is not only politically correct, and therefore safe, but also fashionable, and therefore profitable.

Why so? We can think of several reasons. For example, anti-West sentiment, we have seen recently. But the underlying reason remains Party control.

Today, although China has become a member of the WTO and its economy has become more capitalist than Communist, the Chinese Government still monopolizes all information resources from abroad, except for a handful of prudent Internet users and the audience that listens to international radio stations such as Voice of America or Radio Free Asia.



The only source of information about international affairs in China is the government. Unlike in domestic issues, when most Chinese have first-hand experience to assist their judgment, the government can easily regulate charges to dominate the coverage of international issues, and thereby form and control popular opinions.

Mr. FOARDE. All right. Let us leave it there and pick up the final points during our questions and answers.

Ms. GONG. Sure. Thank you very much.

[The prepared statement of Ms. Gong appears in the appendix.]

Mr. FOARDE. Thank you very much.

I would like to go on now to Mr. Zhang Huchen.

**STATEMENT OF ZHANG HUCHEN, SENIOR EDITOR, VOICE OF AMERICA'S CHINA BRANCH, WASHINGTON, DC**

Mr. ZHANG. Thank you, Mr. Foarde, and thank you distinguished panel. I am very happy to be here this afternoon to talk about the state of the Chinese press in the wake of SARS.

At the height of the SARS outbreak last April, the Political Bureau of the Chinese Communist Party held an emergency meeting in Beijing to discuss how to deal with the unprecedented outbreak of the epidemic.

Among the decisions made at the meeting was to ask the media to report truthfully and accurately the magnitude and the seriousness of the disease. It was a reversal of the earlier practice of covering up the disease at both the central and local levels. Two high-ranking officials, namely the public health minister and the mayor of Beijing, were sacked for the cover-up.

Drastic changes were seen overnight. Numbers of new cases and deaths were published daily in the newspapers and on radio and TV. Press conferences held by the new mayor of Beijing were carried live on China's Central Television Station.

Mr. Hu Jintao, China's new president and new Party boss, and Mr. Wen Jiabao, the new premier, were seen on CCTV touring Guangzhou, Shenzhen, and Beijing, visiting people in the marketplace and people's homes talking about the danger of SARS.

Many political observers and analysts of the Chinese press believed that this might be a harbinger for a new beginning for the Chinese press. However, as the truth of the outbreak reached the Chinese public, people in large cities, especially in Beijing, became panicky.

A large number of people, not just those working and living in Beijing temporarily or peasants from other parts of China, but also from Beijing itself, fled the city in a matter of days, bringing the risk of spreading the disease to other parts of the country, especially the countryside.

This must have made the Chinese leaders realize that in a country where there has never been any real form of freedom of the press, the truth of a major epidemic such as the outbreak of SARS might be a little too much for its people to handle.

Another drastic change was seen in the Chinese press. Instead of reporting new areas of contamination and public reaction, the focus was now shifted to reporting the "heroic deeds" of the Chi-

nese medical workers, and what measures the government was taking to keep the virus under control.

The SARS epidemic came to an abrupt end at the onset of summer. As the SARS virus evaporated, so did the hope for any meaningful change on the part of the Chinese press. Gone also was the hope that the SARS outbreak would lead to any meaningful political reform and a new era of openness.

Soon after the World Health Organization lifted the travel ban to Beijing and the other major cities in China, Party officials in charge of propaganda began to rein in those whom they believed had gone too far in reporting the outbreak.

Several newspapers were ordered to close or were warned for interviewing a military doctor who revealed the truth about SARS to the Western media, for reporting a major corruption case in Shanghai or discussing any “sensitive” topics, such as political reform and Tibet independence. People who sent short messaging texts on cell phones were also prosecuted.

A telling example of the increased control of the Chinese media was the massive demonstration in Hong Kong on July 1 against the proposed article 23 anti-subversion legislation.

After the demonstration broke out, there was a blackout on the part of the Chinese press. Official news media, including CCTV, did not report the mass rally at all.

TV signals from Hong Kong carrying news of the mass rally were cutoff immediately. It was only 12 days later that the China Daily, the official English newspaper, mentioned the demonstration in a commentary.

Callers to VOA shows commented that they would have been kept totally in the dark about the July 1 and subsequent demonstrations had it not been for the reporting of VOA, RFA, and other international radio stations.

The ever-increasing control of the Chinese media did not mean that people stopped talking about political reform, corruption, and the revision of the Chinese Constitution and similar sensitive topics. A number of publications carried articles on these issues, and a conference was held on June 19–20 in the coastal city of Qingdao to debate constitutional revision.

This led the Propaganda Department of the Chinese Communist Party to take more action. In August, the department ordered Party organizations, research institutions, and universities to stop all conferences and suppress all essays on political reform, revisions to the Constitution, and the 1989 Tiananmen Square crackdown.

The department also instructed China’s news media not to report on these “three unmentionables,” namely political reform, constitution revision, and the Tiananmen Square protests of 1989.

An associate of Mr. Cao Siyuan, the organizer of the June conference and a leading advocate for political reform, told VOA that Mr. Cao was under a lot pressure from the authorities and it would be “inconvenient” for him to comment further on any issues relating to political reform.

At the same time, broadcasting of VOA, RFA, and other international radio stations continues to be jammed, and overseas Web sites blocked.

However, we can not say that there has been no change on the part of the Chinese press since SARS. One “bright spot” is the reporting of accidents. For many years, natural disasters and man-made calamities were deemed “negative news.”

Reporting of such negative news, it was believed, would only bring shame to the leadership of the Communist Party and political system. One lesson the Chinese leaders must have learned from the SARS outbreak was that diseases, natural disasters, and accidents happen to any country, regardless of its political system.

At the height of the SARS outbreak, the Chinese official media reported a major submarine accident. After SARS, we have seen many, many more reports on food poisoning, coal mine explosions, and other accidents. These reports even led to the imprisonment of a number of officials who were accused of being responsible for the accidents or covering up the accidents.

Now how do we explain the back and forth in the battle for control of the Chinese media? To me, the measures that were taken at the height of the SARS outbreak were merely measures of necessity.

China was under a great deal of pressure and criticism from the international community, especially the WHO. The Chinese citizens had also lost faith in the Chinese media. They would rather rely on the grapevine, that is, the central word of mouth, text messages on their cell phones, and the Internet, for news of SARS.

The central leadership took those measures to repair its badly tarnished international image and to restore some faith in its rule. Had the SARS outbreak lasted any longer, it might have built some momentum for press reform.

As it so happened, the SARS virus evaporated at the onset of hot weather, and the party officials congratulated themselves on their good luck, and went on doing things the old way.

In any case, the fight for the freedom of the press cannot be won overnight in China. After all, it will take a Chinese Gorbachev, not a virus, to bring down the government’s iron rule over the Chinese press.

Thank you, Mr. Chairman.

Mr. FOARDE. Thank you very much, Mr. Zhang. You are admirable in your discipline. You came in right on time.

Mr. ZHANG. Thank you.

[The prepared statement of Mr. Zhang Huchen appears in the appendix.]

Mr. FOARDE. Thank you. Let us go on to our colleague, Dr. Bu Zhong.

**STATEMENT OF BU ZHONG, FORMER REPORTER AND DEPUTY EDITOR, THE CHINA DAILY, COLLEGE PARK, MD**

Mr. BU. Thank you. Distinguished representatives of the CECC, ladies and gentlemen, China has been in the midst of rapid change in all sectors. Media reform—I do not know if this is the right term or not—or media changes, though much slower than other sectors, are just beginning to catch up.

Very few people predicted that the SARS epidemic could bring such a widespread panic across China, and give a not so widespread, but still heavy, push to China’s media reform.

As we know, the SARS epidemic first originated in south China's Guangdong Province in February. It then spread to Beijing and several other provinces. Not surprisingly, the government-controlled media kept tight-mouthed about the disease at the beginning.

During that period, Beijing residents mainly depended on the Internet, e-mails, and cell phone text messages for SARS information. The Internet came to China as the first forceful reminder that the days of censorship and suppression of information are numbered.

The media silence was broken in early April after new Premier Wen Jiabao admitted that the SARS situation was "grave." In those days the reporting was mainly about government efforts to contain the spread of the disease and heroic medical workers saving lives.

In May and June, I noticed a few newspapers began to criticize the government's hiding of SARS information. More criticism came after the government declared it would punish any officials who tried to hide SARS information from the public.

Let me describe a few of the important ways I see China's media evolving today in the wake of the SARS epidemic.

As one of the first signs of media reform, the media's commercialization started silently about 10 years ago. The most dramatic step of the commercialization came in June when the central government announced that it would end its direct financial support to all but three newspapers and one journal.

This means that most government-owned print media must sever their ties with government agencies. As the People's Daily reports, these media "would then be free to operate in the marketplace rather than continuing to serve as cultural units under government departments or social organizations."

China now has more than 2,000 newspapers, 2,000 TV stations, and 900 magazines. But 25 years ago, there were fewer than 200 newspapers. The rapid growth of the news media has made government control less effective, and no one can deter them from going to the market.

The second sign of China's media reform is the end of compulsory subscription, which also happened this June. In the past, before the end of each year, the government used to issue circular orders requiring all its departments and agencies subscribe to official publications. Now this practice is becoming history because the government has decided to cease it.

Over the past 10 years, the official media has become increasingly unpopular. On Beijing's streets, no People's Daily can be found on newsstands. At the same time, the government has been cutting off its financial support to its mouthpieces.

In late 1990s, the financial support that the China Daily received from the government accounted for less than 10 percent of what was needed, while the remaining 90 percent came from its advertising revenue and a few tabloids it published.

Today, all the official newspapers publish one or more tabloids, which carry a lot of advertisements, and have cut their official news down to a minimum. These tabloids make so much money that they can comfortably support their more official big brothers.

In Beijing, the Beijing Daily publishes a tabloid, the Beijing Evening News, and the People's Daily tabloid is the Jinhua Daily.

Now let me talk a bit about Chinese journalists. It seems to me that many Chinese journalists are pushing the frontier to put their "controversial" stories in print or on air.

China Central Television's TV magazine, "News in Focus," can be a good example. Now and then, it has to pay lip service to the official line for survival, which is fully understandable.

But from time to time, it airs the deepest grievances and the indignation of those oppressed by the sheer greed and shamelessness of the lower-level government bureaucracy. To me, the TV show is mainly a muckraker, occasionally, a shocking muckraker, in the best tradition of American muckrakers.

Now I would like to talk about the top leadership. The majority of the new top leadership, once in full power, clearly has in mind the need to ease media control, but ease it little by little.

As high technology develops at breakneck speed and out of their control, the Chinese media becomes more and more open, almost against the Party's will. Some degree of disobedience and even defiance on the part of the media can be observed in the past couple of years, and also some official tolerance.

As soon as he gained power, President Hu Jintao invited experts to give lectures to all the Politburo members regularly. The main contents of each lecture have been reported in the press as a subtle means of letting attentive people know what is on the minds of the top leaders right now.

As I remember, the first study session was on the Constitution and rule of law, a manifest enough hint to the public that during Hu's power he is going to rule by law, not by his personal authority.

The latest lecture they had is about the industrialization of media content. The concept is nothing new in the West, but it is in China where media outlets had long been taken as a propaganda machine.

It seems to me that no change in China's media is insignificant. Right now, the gains made at every step seem too insignificant to matter, but the progress is there for people to see, if they care to see it. These modest gains will in time amount to marked and important change.

In China, press freedom and independence is to be a painfully slow process, but it does shuffle its feet forward in the right direction. It is unwise, even undesirable, for one to exercise undue pressure on it, which may yield an effect to the contrary to that which is desired.

If you refuse to believe things are going in the right direction, pick up any newspaper, even the People's Daily, and compare it with what it was, say, 10, or even 5, years ago. In those old, dark days, news of a plane crash was suppressed in media if there were no foreigners on board.

After SARS, everyone in China has seen that suppression of information and of public deceit could quickly and directly endanger people's lives by the thousands, and drove the lesson home in the most convincing manner that the denial of the people's right to know could be the denial of their very lives.

Finally, I hope the voices from the Chinese people can be heard in the world. To find out what is happening in China's media, we must listen to those who still live in China and those who work in the Chinese news media. I believe they know the best about China.

Mr. FOARDE. Thank you very much for giving us lots of things to think about, as well as for your brevity and concision.

Mr. BU. Thank you.

[The prepared statement of Mr. Bu appears in the appendix.]

Mr. FOARDE. We will now go on to our friend, Professor Lin Gang.

**STATEMENT OF LIN GANG, PROGRAM ASSOCIATE, WOODROW WILSON CENTER'S ASIA PROGRAM, WASHINGTON, DC**

Mr. LIN. Thank you, Mr. Foarde, and good afternoon, ladies and gentlemen. It is my great pleasure to share my personal observation of Party media reform in China with you.

As you know, one by-product of China's economic reform is the growing commercialization of the Chinese media. According to official statistics, between 1978 and 2002, the number of newspapers in China increased from 186 to 2,137, while the number of magazines increased from 930 to 9,029.

Most of these media are still owned by the party-state, receiving more or less of a subsidy from the government. However, advertising and subscription income has become the major source of revenue for the media, except for newspapers and magazines directly run by the Party and government organs, so called "dangzheng jiguang."

Media commercialization has provided new incentives and opportunities for journalists to cover lively, sensational, provocative, and diverse stories, and expose political corruption, even though it may offend government officials.

Amid media commercialization, Party-state organ newspapers and magazines, continue to lose their readership. The circulation of the People's Daily, the principal mouthpiece of the Chinese Communist Party, decreased significantly from 6.2 million in 1979 to about 2 million two decades later.

To increase readership, many Party organ newspapers have to rely on their subordinating newspapers for financial support. Two-thirds of Party organ newspapers run by provincial Party committees have evening newspapers or metropolitan newspapers.

The Guangming Daily, a national newspaper run by the Party, targeting intellectuals, has benefited from its subordinate the Life Times. Even the official New Chinese News Agency carries some sensational stories related to sex on its Web site.

To increase readership, China's new leadership under Hu Jintao has called for the Party's media to be "close to the mass, close to the realities and close to life," reducing the exposure of leaders' activities in the media to give more coverage to ordinary people.

Most recently, the Party plans to end its direct financial support to the mandatory subscription requirement of most Party-government newspapers and magazines.

At the national level, only three newspapers and one magazine are the exceptions, they include the People's Daily, Guangming

Daily, Economic Daily, and Seeking Truth, which will still be run by the Party's central leadership.

At the provincial level, the central leadership will allow each Party committee to continue operating one newspaper and one journal. Each municipal Party committee will be allowed to operate one newspaper only, and county-level Party committees and governments can no longer operate media publications.

Beijing's reform plan on Party media is based on at least two considerations. First, to reduce the financial burden. In today's China, each province can have as many as several dozen Party newspapers and magazines, starting from the provincial level down to the county level.

These media are dull in content, relying heavily on subsidies and mandatory subscriptions by governments at the different levels. The lower the level of the government, say the township level, the more Party newspapers and magazines they are supposed to subscribe to, thus creating a heavy burden for the grassroots, particularly to those in poor rural areas. So, first is the financial consideration.

The second is strengthening the Party media. To maintain too many Party newspapers and magazines not only increases government's financial burden, but also makes Party media either more boring—repeating the same tune here and there—or inconsistent. This was described by a political scientist as “different mouths for the same brain.”

By keeping a limited number of Party newspapers and magazines, Beijing apparently tries to make a distinction between Party media and the mass media. In this way, it tries to free the Party media of fiery market competition with less media, without loosening the Party's guidelines. That is my personal observation.

The relative retreat of Party newspapers and magazines from the media market follows Beijing's strategy of retaining large state-owned enterprises and privatizing smaller ones in economic reform, so called “zhuada fangxiao,” to reform economic situations.

The commercialization of mass media does not necessarily mean that the Chinese media will gradually gain political independence from the state control. For the foreseeable future, the political taboo will co-exist with Beijing's one-Party rule.

Chinese journalists have to be cautious in exposing the dark side of the society, because too much exposure of social problems will not only shake people's faith in the performance of the Party-state, but also challenge the legitimacy of the political regime, and one-party rule. In the absence of significant political reform, we should not expect media freedom in China as we understand it in the United States.

That is my personal statement. Thank you.

[The prepared statement of Mr. Lin appears in the appendix.]

Mr. FOARDE. Thank you very much, Professor Lin. Also lots of food for thought there.

I will give our four panelists a minute to catch their breath and I will make a couple of short administrative announcements.

The next week or 10 days is a very busy period for the CECC. On Wednesday morning, the 24th, we are having a full hearing on China's WTO implementation and compliance, and commercial rule

of law issues. Chairman Leach will preside, and Co-chairman Hagel will also be in attendance. That is at 10:30 a.m. on the day after tomorrow, Wednesday, the 24th, in room 491 of the Dirksen Senate Office Building.

In addition to that, on October 2, our annual report will be presented to the public at a press conference at 10 a.m. in this room 2255, Rayburn. So, lots going on.

Let us now move to our question and answer period and give our staff panel here a chance to ask some questions of our panelists.

I think I would begin by addressing a question to Gong Xiaoxia. First of all, you, and Mr. Zhang also, gave us much to think about. I knew that you had a point or two that you wanted to finish making, and so I give you the opportunity to do that if you would like.

Ms. GONG. Actually, that is pretty much it.

Mr. FOARDE. All right. Then I have a question for you. First of all, how much, here in 2003, do Chinese readers really trust the press that they read? You say that the Chinese audience wants the type of anti-American and anti-Western propaganda that they are seeing, but do they really trust the press on this and other things?

Ms. GONG. I do not think they completely trust the press or media. I am from China. I lived in China for 31 years, so as my fellow Chinese—now I am American, actually—my former fellow Chinese—I have a really natural distrust of the press. I don't think the Chinese people trust the press.

On the other hand, in terms of sentiment, many Chinese, especially the educated Chinese, identify with them and they reflect that sort of popular anti-Western sentiment.

They would believe that they know even more, and they have more to support that sentiment. I talk to them—I am from Peking University—I am still talking to my colleagues, and that is my impression.

Mr. FOARDE. That is very useful. Thank you very much. I would address a question to Dr. Bu Zhong. During your presentation, you were talking about the new tabloids that have been published by some of the very well-known state publications, and you said that they are making a lot of money. How are they making the money? Is it on advertisements or from subscriptions, or how?

Mr. ZHANG. From both, actually, because so many company officials do not talk about so many political issues in the newspaper. They just talk about whatever sensational is out there, maybe something about their life, something that happened in their neighborhoods.

A good example was by the Beijing Evening News. For so many years it was so popular, and the sales—when it hit the newsstands, in 1 or 2 hours, you could not buy it any longer. Actually, as far as I can remember, all provincial Party newspapers now publish tabloids.

Ms. GONG. May I add a point here?

Mr. FOARDE. Please, go ahead.

Ms. GONG. And also corporate sponsorship is well-hidden, or open.

Mr. FOARDE. How is that done?

Ms. GONG. Well, one case I know, one tabloid paper only reports on the positive news of corporations, health, or medicine, or some-



thing. So now the corporations pay a tremendous amount of advertising fees for that paper.

Mr. FOARDE. In return for positive coverage of their activity.

Ms. GONG. Exactly.

Mr. FOARDE. But I take it that this same publication would also publish other stories?

Ms. GONG. Yes, of course.

Mr. FOARDE. Not just a publication for the company.

Ms. GONG. No. It is not like that. Also, they pay the reporters under the table. That is something they do.

Mr. FOARDE. My final question, as my time is running out for this round, is to Professor Lin. You said the readership of the flagship publication of the Communist Party, the People's Daily, is now about 2 million a day. Where are the readers? Do you know? Are they concentrated in the cities, or is it all over the country? Where are most people actually reading?

Mr. LIN. The People's Daily is still required to be subscribed by grassroots units. Not for ordinary people. My friend told me just recently it is difficult for him to find a People's Daily on the newsstand, but basically, through subscriptions. Those people reading the People's Daily are more related to government institutions, than not. That is my guess.

Mr. FOARDE. I normally do not interrupt these comments with vignettes, but let me give you a brief one which I think underscores your point.

After many years away from China, I returned in April 2000, and went out one early morning to have coffee with a friend. The fact that you could actually go out to have Starbucks coffee in Beijing showed that there had been quite a bit of change.

But I went past the newsstand and I said, let me get a copy of the People's Daily. And so I went over and asked the woman in the kiosk for it. She looked at me very funny. And I said, "What is in the People's Daily today?" And she replied, "I do not know. I do not read that thing any more." So, things really have changed a great deal.

Mr. LIN. Evening newspapers are much more popular than a daily, say Xinmin Wanbao for Shanghai, and the reporters earn more money than the chief editor or president of the People's Daily. So, you can see the difference.

Mr. FOARDE. How interesting. My time is up.

I would like to recognize my friend and colleague, Dave Dorman, who represents Senator Chuck Hagel.

David.

Mr. DORMAN. First, I would like to thank each of you for taking the time today to help us illuminate this important topic for the members of our Commission. Each of your testimonies was very valuable.

I would just start with a comment. It is based on something that Ms. Gong said, and I think Dr. Lin Gang followed up on. You both made the comment, I believe, that marketization does not necessarily mean liberalization. I am going to add that capitalism does not necessarily mean democracy, another proof of political science demonstrated in China. It is an interesting point.

I am going to ask each of you to get your crystal ball out for a second and help us all understand what you think about the reforms and regulations that have recently been announced.

Ms. Gong mentioned a new media market. If we could fast-forward, say a year, or even 2 years from now, and imagine that the SARS epidemic is occurring for the first time, do you believe that this new media market would report on the epidemic any differently?

Ms. GONG. Can I go first? I believe, in looking at it, perhaps the answer is yes. The public thinks, well, if you can chase a story, find a story, expose social issues, if you find something worth reporting, you report. You cannot link that to some subjects—for example, they made a very clear directive to all the news media that you can discuss SARS, you can go chase the story of SARS.

Well, actually the media did so. But the bottom line here is, you cannot link SARS epidemic with the political system. We cannot say, “What is wrong with the political system which caused this disaster?” That is the bottom line.

So I believe, in a year or two, the bottom line will remain the same, until we have broad-reaching change and the reporting itself may be a lot more diverse.

Mr. LIN. As a result of media commercialization, journalists, in general, may enjoy more freedom on social and economic issues, but not on political issues. Talking about SARS. Of course, there was a lot of exposure of that issue. But for the government, you have to expose the issue positively or constructively. We do not expect to have some sensational stories. Say, somebody bravely died because of SARS. We believe a lot of officials who were responsible for that kind of issue were sacked, but few were exposed in the media. Then if we make a comparison—in Taiwan, government officials are held responsible for all this kind of problem and exposed in the media during that period. But in China, they just give you some figures, very commonly, very constructively and positively. You do not expect that kind of sensational stories on Chinese TV.

Ms. GONG. Another phenomenon is the so-called rule of law and the responsibility of others. Several times already, the government has threatened to sue reporters for reporting a story which caused political damage. That is something we also have to pay attention to. They may use other tactics to further suppress press freedom, especially fines, in a money-driven business.

Mr. ZHANG. I have mixed feelings about this question. On the one hand, I doubt that if the first SARS outbreak were to happen 2 years from now, instead of disappearing, the result would be any different. We have seen a lot of growth on the part of Chinese media and the variety and amount of information in China.

In China, the Chinese people can get access to a large variety of information these days, including business, entertainment, sports, health, and lifestyle. But on the other hand, the government is still controlling very tightly reporting of political news and any news that may be deemed harmful to the image or the actual rule of the Chinese Communist Party or the socialist system.

The SARS epidemic was quite different news from other health news. It concerns a lot of aspects, including the bureaucratic sys-

tem, how they reacted to the outbreak, or what the government did to cover it up.

So the SARS problem might be considered a little bit more than just health news. It is too important. It is almost political news for the Chinese leadership. So, I doubt that, if the SARS epidemic were to happen 2 years from now instead of last spring, the result would be any different.

But, on the other hand, I also think that the SARS epidemic became such a big thing and had a lot of unique circumstances. First of all, it was covered up by both the central and local leaders, officials, the Health Ministry, and officials in Guangdong Province.

It also happened that the National People's Congress annual session and the Chinese People's Political Consultative Conference were held in the beginning or middle of March, just before the height of SARS. Those two things made the Chinese leaders realize that they must be very quiet about it so as not to bring any factor to destabilize the country.

So if the SARS epidemic were to happen 2 years from now under some different circumstances and at a different time of the year, the result might be a little bit different.

Mr. FOARDE. All right. We are out of time. So, it is time to go on to our friend and colleague, William Farris, who follows free flow of information issues for us, and helped put together today's panel.

Please.

Mr. FARRIS. Thank you, everyone. I think this question is probably particularly directed to Dr. Bu, but anyone can feel free to offer their thoughts on this. Doctor, you mentioned during your talk that the progress is slow in the right direction, and we need to be careful about what steps are taken in order to encourage this to keep going in the right direction.

I am wondering if you have any recommendations or any thoughts on, how important do you think it is for the U.S. Government to continue to fund efforts like VOA and RFA, or various other Web sites to get information and news into China?

And if you think there are other types of assistance or activities that the U.S. Government should be undertaking or funding, what role can the U.S. Government play in encouraging China's media and China's government to continue going in the right direction and perhaps speed up the progress?

Mr. BU. First, I do not understand what VOA or what Radio Free Asia is doing. Now I cannot listen to them, because in the United States I cannot. Back in China, they were jammed.

It basically seems to me that we need to listen to the people living in China. I believe that is very important to find out what is really in their minds. I keep very frequent contact with all of my former friends in China—I find so many changes happening in their minds, in their way to approach new stories.

One of my friends who works in South China told me he could virtually write anything nowadays, as long as he does not write anything against the government. He says, yes, there are so many things that he wants to write, but could not put in print. But there are some things he could refuse to write. That, it seems to me, constitutes very big changes there.

I have never heard of this before. If you were assigned a story, you must go ahead and cover it, or whatever. Nowadays, in his situation, he can actually choose that. He can enjoy a little bit of that kind of freedom.

So my basic point is that it is really important to listen to the people inside China, especially if you want to know the media system there. We need to listen to those media professionals and what is in their minds.

Another point is, and it is maybe risky, we totally do not recognize the progress China has made. This kind of slow development can fool us into not seeing the big picture of China's media system. You know, so many changes have happened, but we never know. We still get it framed in our minds that is bad and it is always bad. I see all the progress that the Chinese are making, and it seems to me that the leadership is changing, too.

I can give another example. The Labor Minister recently talked to a group of journalists and said, "I really urge you guys to report industry accidents, because I believe 70 percent, even 80 percent of those accidents were caused by corruption. Your reporting will help us curb this corruption. We cannot let this happen again and again in this country." So, I believe that is progress there.

Also, in some provincial governments, like Anhui—they punish any official who refuses journalists' interviews. I do not know if you have heard of that. That was published in the People's Daily. It really surprised me.

So, from the people we really notice those kinds of changes. The top leadership, it seems to me, cannot change everything overnight. But I do see progress there happening all the time.

Mr. LIN. May I add one sentence? I think we should invite liberal intellectuals, including journalists, to the United States to let them have a chance to see what is happening here. But we don't need to invite radicals to the United States, trying to educate them, because some of them intentionally present themselves as radicals, and sell their provocative ideas to the West.

Ms. GONG. I would like to jump in, since I worked at Radio Free Asia for 5½ years. I have to confess, I am sort of a technological freak. I really love those things. What I fear is that we have advanced too much in technology. But let me say a few words on international broadcasting. The international broadcasting to China has not caught up with technology.

For example, we think of the digital area. They are still using short-wave broadcasting. I am very obsessed with broadcasting, since I started listening to all of this since 1971, which was the main source of my outside information, which also helped me to become a political dissident, and imprisoned later.

But here I really think the United States can get the International Broadcasting Board of Governors to put more effort and put more research into looking at new technological developments, including the Internet and digital satellite broadcasting. To push the Chinese media to change, is to have real competition there.

Also, I was thinking that I talk to a Chinese audience almost every day. What really impressed me was, during the war in Iraq, so many Chinese people called in and asked for detailed informa-

tion about the war in Iraq, because they have no trust in the Chinese official media.

So, I believe, on the one hand we can see the Chinese press has been much more diverse and yet in a sense not really free, but open in social and some political issues. But in international reporting, that's the blind spot. If you let the Chinese Government lead on this reporting and to form popular sentiment—I really think the United States should focus on this problem.

Mr. ZHANG. I would just like to add, briefly. I think it is very important for the Congress to continue to fund, and even to increase funding, for U.S. international broadcasting. Because Mr. Foarde asked the question, do the Chinese people believe the Chinese press? The answer is, yes and no.

They turn to the press for any kind of information, including entertainment, health, war, and so on. But the thing they do not trust, for example, is politics, political news, and international news. That is why they turn to radio stations like VOA and RFA, because they want to get more information on China's political news and international news, unfiltered, unbiased.

Dr. Gong Xiaoxia talked about how the Chinese media reported the war in Iraq and other international issues. They want to hear what is really going on inside Chinese politics, what is going on in the world, and what is going on in America. That is where U.S. international broadcasting can provide for the Chinese people.

Ms. GONG. While you will see plenty of diversity in reporting social issues, if you use the Internet search engine and search for some international news, you end up with so many pages, but usually only one version of the story from the Xinhua News Agency. I found out that the audience was most interested in that news and in that reporting. That is an area where we should really step in.

Mr. BU. Could I add one more point? In talking about supporting things, I really hope the U.S. Congress will continue support for more Chinese students to come to the United States to take a real look at what is going on here.

My personal experience has shown me this very clearly. The first time I came to the United States was on a Freedom Forum fellowship; I came to the United States to get a chance to work at the various news organizations for 1 year, and to get a chance to visit Virginia and Tennessee, and a couple of Freedom Forum offices there. That really helped me understand the American system better.

While I was working in CNN's news room, I almost always compared the reporting by my Chinese colleagues and my American colleagues. This helped me understand better the two systems. I really believe a better understanding between the two systems will help us better understand the two peoples.

Mr. FOARDE. Thank you very much. William is out of time.

We will go on to our next questioner. I said a few minutes ago that we are having a busy week or 10 days at the Commission, but today is a particularly happy occasion because we have a new staff member who has just joined us.

He is Carl Minzner. Carl is a distinguished attorney with a great background in China and the Chinese language. This is his first day on the job, and his first issues roundtable. So, Carl, over to you for some questions to our panelists, please.

Mr. MINZNER. Thank you very much. I appreciate the opportunity to meet and listen to what each of you has to say.

I will just pick up on one thing that William had raised. We were just talking about American broadcasts into China. Particularly, I want to pick up on something that Dr. Gong brought up, which is that you noted that there is a rise in anti-Western sentiment in the media.

Part of that may not be merely the fact of government control of the media, but may also reflect sentiment on the part of some of the readers, on the part of some of the consumers of the media.

Given that, how should the U.S. Government alter its RFA and VOA broadcasts? Is there anything that should be changed to address this sentiment, and if so, what should be done?

Ms. GONG. All right. Well, I would like to add a little bit more. My point is that, even as a popular sentiment which seems to be spontaneous, in that environment, under the political dictatorship, it was formed by the government, by the government propaganda. It is a bit of a complicated question, I have to admit.

If one discusses how the sentiment was formed, actually, I would like to ask something of Mr. Bu Zhong.

In a way, all the students who studied in America and went back to China, I would say a large percentage—I am not sure if it is a majority, but a large percentage—became extremely nationalistic and anti-America. That is a very sad fact, and we can discuss that further.

But I think RFA and VOA and organizations alike can do is to have more extensive reporting. Take the war on terror, for example. I watch the Chinese media every day and they did report American opinions, but overwhelmingly reported the thinking of leftist intellectuals in America. The idea was “Even Americans think the Americans deserve it.” That is so ridiculous, I would say.

So for VOA, and RFA, and organizations alike, in our reporting, I firmly believe we need to organize and to coordinate between all of us some in depth informational panels for the Chinese audience. There are plenty of things we can do. But facing the new budget cuts in international broadcasting, I really doubt if we can very well accomplish the job if we have further budget cuts.

Mr. ZHANG. I would like to say that we need to explain U.S. policies better for our global listeners. The sentiment Dr. Gong described is very true in China and in other parts of the world.

I happened to be in Korea to cover the World Cup 2002. I found that a lot of young people in Korea harbor anti-American sentiment because of a lot of factors. I am not going to say anything about that today.

But I think we can do a better job of explaining our policies to our listeners. Sometimes it is hard for us to find people who are in the position to explain our official policy to our listeners.

I am reporting on the Congress. Congress is my beat now. But, more often than not, I find a lot of people are not returning my calls. I know they are very busy people. But sometimes VOA and RFA might not be their priority.

They think it is more important to be responsible to their own districts, to be responsible to their voters, or getting on national

TV. They do not know it is also important to explain our policies to our listeners and viewers across the world.

Second, we need to tell people in the world that there are different opinions in America regarding a lot of things, the war in Iraq, anything, you name it. I think that is how we can win more people over to our side. Thank you.

Mr. FOARDE. We are out of time.

We will go now to Selene Ko, our colleague who handles commercial rule of law issues, usually, but also is interested in free flow of information issues.

Selene.

Ms. KO. Thank you, everyone, for being here today.

I wanted to switch subjects a little and talk a bit about the media profession itself, and professionalism and corruption within the media in China, and whether or not any of you think that is a serious problem or whether corruption is raised as an excuse for increased and heightened government regulation of the industry. If it is a serious problem, how should it be addressed?

Also, can you tell me whether there are any self-regulation efforts going on within the Chinese media? Has there been development of a code of ethics or anything of that nature.

Mr. BU. Can I talk a little bit about that? While I worked at the China Daily, first of all, I worked as a reporter. Someone invited us for a free lunch for something. In the first year or two, you think, "Yes, this is so great. I never got a chance to go to that fancy hotel before. I can go there now."

That happens with some American companies. They are so rich, they can afford to rent fancy hotels to treat those reporters. Then the reporters come back with some stories there. Because the companies could be Ford, could be Motorola, whose events are also big stories there because they have invested so much money in China.

After a while, I found that was a shame to me, especially when I began to read something about journalism and what we really should do.

Later I became a copy editor. I could tell if a reporter got money or not from the sources when his story appeared on my computer. Sometimes, that is a big story. If that story is not so important but the reporter wants to get it into the newspaper there. I will tell him, "You cannot do this there."

But it was a common practice. Back then, when I was working there in the mid-1990s, I believe that more and more journalists felt that this was not a good practice at all. You are just like someone who tosses you any food, and you just hang around like a dog.

So, Chinese journalists want to have their own professional dignity. They do not want to just stick around all these issues. I cannot say no one will do that today. As I know, among my friends there, we talked about this issue. We no longer feel proud of ourselves to get 1,000 or 2,000 yuan or something. It is no longer a good thing.

More and more newspapers pay journalists very well now, so they do not care about this kind of money, or "taxi fees," which it is often called. So, I believe that the more commercialized a newspaper will be the practice will be less popular there and—

Mr. ZHANG. I think it is a growing problem, but not such a serious problem yet. If it becomes worse, each news organization can develop its own code of conduct to fight it. But right now, they do not have any code for anything, not even a dress code.

Mr. BU. Actually, the readers are not stupid at all. You have got this kind of news that always puts those companies in a positive light, and they can tell. You cannot survive in the market at all, not for a while.

Ms. GONG. Talking about corruption, another thing I realize is plagiarism. It is the overwhelming problem. It has been problematic for the past few years. Well, I regularly publish in Hong Kong, not in mainland China, but in the Hong Kong papers.

Once I published an article about something. I forget. American marriage, or something like that. I found out, on the Internet alone, it was copied more than 20 times, published without telling me, without my name there. So, that is another problem.

Mr. FOARDE. We have some time left. I would like to continue the questioning by posing a question or two to Mr. Zhang Huchen, please.

You said in your presentation that, with the "evaporation" of the SARS virus in the late spring, the Chinese media were patting themselves on the back. But you gave a very downbeat assessment of what the longer term implications might be.

One of the things that we are all looking at very carefully is whether SARS will come back as the weather cools off this fall and into the winter flu season? If it does, can you give us a sense of whether you think that the Chinese news media will feel that it is able to, or will be allowed by the authorities, to report more freely on outbreaks than it was late last winter?

Mr. ZHANG. Yes. I think the reporting of another SARS outbreak would be much better, first of all. I think the Chinese Government has learned a lot from the past outbreak. It was treated merely as a public health issue, not as a political issue anymore. The Chinese media treated it as such.

Mr. Dorman asked a question about, if this SARS outbreak happened 2 years from now, and I think I sort of answered his question. But if another outbreak happens, say next spring or next winter, would the Chinese Government or the Chinese media treat it differently?

Yes, I think so. They will treat it merely as a public health issue, not a political issue any more. They will be downbeat and downgrade the significance of such an outbreak, and I think they will do a much better job this time.

Mr. FOARDE. So can I ask you a related question? You were talking also in your presentation about the increased ability after SARS for the Chinese print media to report sort of negative news, natural disasters.

Does this include official misconduct? For example, when people feel cheated out of their property or their rights to pensions or what have you by local government authorities and have protested? Have you seen more reports of that sort of behavior?

And what about, for example, worker protests of the types that we saw last year in Liaoyang in the northeast, but also during this year in some other places on a much smaller scale?



Mr. ZHANG. I think they are making a distinction between local corruption and public resentment or unrest on a larger scale. The former one can basically be contained locally, like coal mine explosions.

They arrested and imprisoned a number of local officials for covering up the accidents and not taking enough safety measures to prevent these accidents from happening.

But anything bigger than that, they are treating it as a political issue. Right now, they are only addressing the safety issue and the corruption issue on a local level. They are not bringing the question to a bigger scale, like, pay more attention to human rights, to workers' rights, or any systematic failure on the part of the government. I think that is going to take some time.

Mr. FOARDE. Interesting.

Ms. GONG. Also, there are several official directives on this issue. If a reporter discovers something like that and even if they have all the interviews and eyewitness reports, they have to contact the local related department, which was the department in charge, in order to publish that story. Otherwise, they would be held accountable for those disclosures.

And about the SARS, the question is—and I am from Guangdong, so I heard from sources in Guangdong that hospitals got false reports every day. Every day, somewhere there was a fever that looked like SARS or something.

But the provincial government had already ordered that whenever there is an outbreak, they will inform the media. But the line of that is, "You see, this is an example of how the government cares for people."

Mr. BU. The central government has sent some journalists to disclose this kind of corruption. I could see this on CCTV's program "News in Focus." I really, sometimes, just worry for their safety. They get into that situation and find out what's really going on, just using hand sticks there, and hand-held microphones there, just trying to find out who is doing those bad things there.

Another good example is journalists from time to time broke some controversial stories, which maybe brought shame to local governments. But they can still do that. I did observe some tolerance from the central government about their reporting, saying that is all right.

Mr. LIN. I think for SARS, I agree with Huchen that this is a social issue. Also, the government and the people have a common interest in dealing with SARS. It is not necessarily a story. Some local governments, they still try to cover up SARS.

Then the upper level government may encourage a person to expose that kind of problem and some official may be fired. But that kind of story would not appear too much in the mass media, saying how many officials are fired or who is fired. They do not expose that too much, so we do not know.

Mr. FOARDE. My time is up, so I will go on to Dave Dorman for another question.

David.

Mr. DORMAN. Each of you have given some very nuanced answers to the question of press freedom in China. It is sometimes

difficult to understand nuance. It is much easier for us to understand the press as free or not free.

It would help us understand, and this is just a hypothetical, if each of you would put yourself in the place—and many of you have been in this place—of being a journalist in China. Say that you have uncovered a case of corruption at the local level that you would like to report.

Could you describe to us the steps that you would have to go through before you could report this story?

Mr. ZHANG. First of all, you have to talk to your own boss, your section chief. Say, if I am working for the Xinhua News Agency, I need to get approval from my Overseas Department.

He probably will have to get permission from the central Xinhua News Agency, depending on the scale and the magnitude of the corruption case. If it is a big case, the leader of Xinhua may go to the Propaganda Department of the CPC to get approval.

Mr. DORMAN. Then the journalist basically follows his chain of command at the newspaper for approval.

Mr. ZHANG. Basically.

Mr. DORMAN. Then the question is not that difficult. You find a case of corruption. The gray area in terms of what can be reported and what cannot be reported would be fairly clear to a journalist at any particular level?

Mr. ZHANG. Well, yes. I think it would be clear. But how to treat it and how to report it requires some skill.

Mr. DORMAN. Several of you have mentioned that you have seen certain reporting or certain articles out of China that are politically risky, and you wonder whether the writer is safe. It tells me that there is a bit of gray here in terms of making a decision on what can be reported and what cannot be reported. But, based on your comments, you are suggesting that the decision is fairly clear.

You suggest that there is a clear line for what can be reported and what cannot be reported. Yet, some other responses I have heard from you suggested just the opposite. Maybe it is just the way things are.

Ms. GONG. I think the beauty of the system is, nothing is that clear. Well, yes, it is clear, you cannot challenge the Party's authority. There is no question that that is off limits. But there are some issues you can play. Smarter people play smarter. Actually, they can play stupidly, also.

But basically the government has left a large area, a gray area, for people. If they are brave, people can test the limit, test the limit again, and exceed the limits sometimes. But the problem here is the gray area, and the down side, the negative side of the gray area is that it makes people constantly think of self-censorship.

Mr. DORMAN. Who is testing the limit, though?

Ms. GONG. Reporters.

Mr. DORMAN. The reporters must get permission from their direct chain of command. So risk takes place at the management level.

Ms. GONG. You are questioning about the reporters, or what?

Mr. DORMAN. Who are the risk-takers? At what level does the risk take place?

Ms. GONG. I think it is also a gray area. It depends on what paper you work in, what organization you work in. For example, if you work in the Xinhua News Agency, they know better, and if you work in the local tabloid, you may be the only person who deals with everything. But the Party line is always there.

As I said, the beauty of the system is, it makes everybody constantly think of self-control, of self-censorship. That is a great threat. You know that the threat is always there. But if you test the limits, at some point you are there.

Mr. LIN. May I? I think the political factor is very important here. Say at the People's Daily, which is run by the central committee of the Party. It is treated as a ministerial level organ. So if an editor decides to try to stretch the limits maybe it is all right. But if you want to expose somebody at the same level, a superior level, the People's Daily has no such power. It has to be done by the upper level. So, the hierarchy is still an issue here.

Mr. BU. Yes. In terms of uncovering corruption cases, like you said, I think those who work for some national official news organizations have some privileges over those who work for local media outlets, for example, those who work for Xinhua News Agency, the People's Daily, and CCTV.

They might not publicly report some problems, but they can write internal reference reports to the central government. That will get noticed by some central government leaders there, especially top leaders.

When top leaders are involved, the problem reported will be immediately resolved. That is why so many ordinary people go to the Xinhua News Agency, to CCTV, to the People's Daily and are waiting to meet journalists. "Can you help me resolve this problem? You cannot publish it in your newspaper? That is fine. But report this to the central government." So, the top leaders go out of their way to collect information.

Mr. FOARDE. I see that our time has come for this afternoon. We have had an extremely rich conversation, with, as Dave pointed out a moment ago, very rich and nuanced answers from each of you on these questions. They have been very, very helpful to us as we continue to look at our freedom of expression and free flow of information issues in the Chinese media.

So, on behalf of Chairman Jim Leach and Co-Chairman Chuck Hagel, I would like to thank Gong Xiaoxia, Zhang Huchen, Bu Zhong, and Lin Gang for spending the time with us this afternoon.

Please, all of you who have stayed with us this afternoon, thank you for coming. Please check our Web site for information on the next roundtables, which will be next month, in the month of October.

We hope to see you at the hearing on Wednesday morning. Thank you very much. Good afternoon.

[Whereupon, at 4 p.m. the roundtable was concluded.]



# APPENDIX

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## PREPARED STATEMENTS

PREPARED STATEMENT OF GONG XIAOXIA

SEPTEMBER 22, 2003

Ladies and Gentlemen,

I come here today to share with you some of my thoughts on the recent development of press freedom, or lack of it, to be more precise, in China. Particularly, I would like to discuss the meaning of the new regulations issued by the party, which are widely hailed as a bold marketization reform and a step toward press freedom. I would like to address my concern that the overall misinterpretation of these new regulations may lead to misunderstanding of the Chinese political situation, and might mislead our foreign policy toward China.

Perhaps I should first briefly introduce my own background. I was born in the People's Republic of China. I was once a peasant, a worker, a scholar, and a political dissident there. I came to study in the United States in 1987, and am now a U.S. citizen. From 1998 to earlier this year, I worked as director of the Cantonese Service in Radio Free Asia. I am also a regular contributor to the Chinese language media outside China. Therefore, monitoring the Chinese media is not only my job, but also part of my daily life.

Let me quickly outline my main points. Based on my research and my personal experience, I believe that the new regulations recently issued by the Chinese Communist Party, although they may bring about some competition among the media, do not imply any fundamental change in the Party's tight political control over the media. In fact, the new market these rules create may provide the Party with new means to further suppress press freedom. Moreover, it may set off a more nationalistic or even xenophobic trend in covering foreign affairs. It may encourage further America bashing in the Chinese press.

These new regulations were issued between June and August this year. They greatly limit the number of newspapers and magazines owned by the government or party offices. According to these regulations, each provincial government office is given the ownership of one newspaper and one magazine, each municipal government one paper, while county governments are deprived of media ownership. The government media can no longer require villages and other groups to buy subscriptions. Such forced subscription has been a most resented practice for the last half a century.

As a result of these regulatory changes, most of China's press organizations, which used to be directly controlled by the government, have now been thrown into a new media market.

Although the motivation of these new regulations is budget prudence instead of press freedom, they have raised hope of limited press freedom. Many people believe that, by introducing marketization, these regulations open doors for private ownership in media, which is among the last areas where government ownership still dominates. In other words, the trend of marketization in the Chinese economy has now reached the media.

Will this be the beginning of a new era of press freedom? Most China observers have given positive answers. For example, Liu Xiaobo, one of the most prominent writers and political dissidents in China, has pointed out that marketization will certainly expand freedom. Other critics are even more optimistic. They predict that a profit-driven competitive media market will expand the horizon of the press, and eventually bring about liberalization and press freedom in China.

Undoubtedly, marketization will introduce competition and profit seeking among the media organizations, and thus will indirectly encourage some bold experiments between the competitors. However, neither marketization nor competition instinctively indicate freedom. Rather, market competition may provide the party authorities another instrument to control the media, since the terms of competition and the rules of this market are largely set by the party. Therefore, to media organizations, privately owned or otherwise, winning in a competitive market often means to tilt toward the direction of the government authorities.

There are three key questions, which can help us to tell if the new media regulations are or are not likely to lead to more freedom. First, do media organizations need the approval from the Party Propaganda Department to operate? Second, can the Party Propaganda Department interfere with the personnel, especially hiring, firing, and promotion of editorial and management staff, in media organizations?

And third, must media organizations follow the guidelines regularly issued by the Party in order to stay in business?

Unfortunately, the answers we have to these questions leave little room for optimism. Press freedom in China remains merely an illusion, even within a competitive market.

In order to survive in today's market, Chinese media organizations have to yield to the pressures coming first from the Party, and then from the market. To be in business and profitable, they must promote the Party ideology but do so in ways that are attractive to their audience, especially when compared to the old stiff propaganda style. In the background, the Party maintains tight disciplinary power over any members of the media who dare to challenge its authority.

Marketization in the media does not necessarily indicate liberalization. In fact, combined with strict dictation from the Party, it may well open new forms of media control that use the pressures of the new market to strengthen political dictatorship.

In fact, the profit-seeking trend has been taking place for a few years. The new regulations merely make it official. Under this new trend, I have observed that the Chinese media organizations have indeed become more diverse and bolder in reporting social and some marginal domestic political issues, but few dare to challenge the political authorities.

Meanwhile, I am also greatly disturbed by the intensifying hostility by the Chinese press toward the United States in its coverage of international affairs in general, and of the war on terror in particular.

A review of the Chinese media since September 11 shows increasingly negative coverage of the West, and, most especially, of the United States. During the war in Iraq, for example, the Chinese media constantly attacked the coalition forces, even as it kept praising the Saddam regime and the Iraqi military. As a Chinese Internet user pointed out, CCTV, the central TV station in China, was perhaps the only TV station outside the Arab world which reported so many "victories" of the Iraqi regime, or that launched so many vicious attacks to the coalition forces. Another critic said that the Chinese press seemed to want to become a "consultant" of the Iraqi regime regarding military strategies.

Such a tone was, of course, set by the party propaganda department. Since the beginning of the war on terror, that department has issued many directives to guide the media in covering this war. Such directives, although rarely openly publicized, are handed down to each media organization. One of those directives, for example, was issued before the 16th Party Congress. It forbade the publication of background information about any of the terrorist organizations before the Congress. It instructed the media to wait for an official party line. After the 16th Congress, another directive was issued forbidding negative reporting about any Palestinian terrorist organizations, such as Hamas. To the contrary, those directives were filled with anti-Western messages.

Whereas the Chinese media follows the party line as a matter of survival in domestic affairs, it seems positively enthusiastic in doing so when covering international affairs. They seem to have discovered that following the party line here is quite profitable. Take the Iraqi war coverage by CCTV as an example. The number of its viewers jumped 28 fold during this period. The station consequently earned an extra 100 million US dollars. In other words, the Chinese media was able to collect millions dollars by selling anti-American propaganda. The Chinese audience, it seems, has a genuine appetite for receiving and accepting such propaganda.

The Chinese media have found a niche here. In the past few years, they learned that America bashing is not only politically correct, and therefore safe, but also fashionable, and therefore profitable.

Why so? I can think of several reasons, including the popular nationalistic and anti-West sentiment, which has been repeatedly demonstrated in such events as the EP3 spy plane incident and the bombing of the Chinese embassy in Yugoslavia. However, the fundamental underlining reason remains the government's tight control over the media.

Today, although China has become a member of WTO and its economy has become more capitalistic than communist, the Chinese government still monopolizes all information resources from abroad. Except for a handful of prudent Internet users and the audience that listens to international radio stations such as Voice of America and Radio Free Asia, the government-controlled press is the only source of information about international affairs in China. Unlike in domestic issues, when most Chinese have first-hand experience to assist their judgment, the government can easily and does continue regulatory charges notwithstanding to dominate the coverage of international issues and thereby form and control popular opinions. The popular nationalistic sentiment mentioned above is itself largely a product of government propaganda.

In the past 10 years, people in the United States witnessed increasing hostility from the Chinese media toward their government, their political system, and their foreign policies. The Chinese government should be held responsible for such hostility, since it is this government that sets the tone for China's press. The Congress of the United States should be aware this basic fact, and not be thrown off the track by the Chinese Communist Party's efficiency-focused marketization of the media.

PREPARED STATEMENT OF HUCHEN ZHANG

SEPTEMBER 22, 2003

My name is Huchen Zhang, I'm a senior editor at the China Branch of Voice of America. I'm very happy to be here this afternoon to talk about the state of the Chinese press in the wake of the SARS outbreak. Before I begin, I'd like to tell you a little bit about myself. I attended the Journalism School of the Chinese Academy of Social Sciences from 1982 to 1984. From 1984 to 1990, I worked as a reporter at the "Central News Desk" of the Overseas Department of the Official Xinhua News Agency, covering the National People's Congress, the Chinese parliament, and a number of government ministries. I came to the United States to study in 1990 and have been working for the Voice of America since 1991.

At the height of the SARS outbreak last April, the Political Bureau of the Chinese Communist Party held an emergency meeting in Beijing to discuss how to deal with the unprecedented epidemic. Among the decisions made at the meeting was to ask the media to report truthfully and accurately the magnitude and the seriousness of the outbreak. It was a reversal of the earlier practice of covering up the disease at both the central and local levels. Two high-ranking officials—the public health minister and the mayor of Beijing were sacked for the cover-up.

Drastic changes were seen overnight. Numbers of new cases and deaths were published daily in the newspapers and on radio and TV. Press conferences held by the new mayor of Beijing were carried live on China's Central Television Station (CCTV). Mr. Hu Jintao, China's new president and Party chief, and Mr. Wen Jiabao, the new premier, were also seen on CCTV visiting hospitals, shopping centers and homes in the cities of Guangzhou, Shenzhen and Beijing, and saying how worried and concerned they were about the outbreak.

Many political observers and analysts of the Chinese press believed that this might be a harbinger for a new beginning for the Chinese press.

However, as the truth of the outbreak reached the Chinese public, people in large cities, especially in Beijing, became panicky. A large number of people, not just those working and living in Beijing temporarily, but also Beijing residents, fled the city in a matter of days, bringing the risk of spreading the disease to other parts of the country, especially the countryside.

This must have made the Chinese leaders realize that in a country that has never seen freedom of the press, the truth of a major epidemic such as the outbreak of SARS might be a little too much for its citizenry to handle. Another drastic change was seen on the Chinese press. Instead of reporting new areas of contamination and public reaction, the focus was now shifted to reporting the "heroic deeds" of the public health workers, and what measures the government was taking to keep the virus under control.

The SARS epidemic came to an abrupt end at the onset of summer. As the SARS virus evaporated, so did the hope for any meaningful change on the part of the Chinese press.

Gone also was the hope that the SARS outbreak would lead to any meaningful political reform and a new era of openness. Soon after the World Health Organization lifted the travel warning to Beijing and other major cities, Party officials in charge of propaganda began to rein in those whom they believed had gone too far in reporting the outbreak. Several newspapers were ordered to close or were warned for interviewing a military doctor who wrote to the western media to reveal the true states of the SARS outbreak, for reporting a major corruption case in Shanghai or discussing any "sensitive" topics, such as political reform and Tibet independence. People who sent short messaging texts on cell phones were also prosecuted.

A telling example of the increased control of the Chinese media was the massive demonstration in Hong Kong on July 1 against the proposed anti-subversion legislation. After the demonstration broke out, there was a blackout on the part of the Chinese media. Official news media, including CCTV, did not report the mass rally at all. TV signals from Hong Kong to the mainland containing the demonstration were cutoff immediately. It was only 12 days later that the China Daily, the official English newspaper, mentioned the demonstration in a commentary. Callers to VOA



shows commented that they would have been kept totally in the dark about the July 1 and subsequent demonstrations had it not been for the reporting of VOA and other international radio stations.

The ever increasing control of the Chinese media did not mean that people stopped talking about political reform, corruption, the revision of the Chinese Constitution and similar sensitive topics. A number of publications carried articles on these issues, and a conference was held on June 19–20 in the coastal city of Qingdao to debate constitutional reform.

This led the Propaganda Department of the Communist Party to take more action. In August, the department ordered party organizations, research institutes and universities to stop all conferences and suppress all essays on political reform, revisions to the Constitution and the 1989 Tiananmen Square crackdown. The department also instructed China's news media not to report on these "three unmentionables." An associate of Mr. Cao Siyuan, the organizer of the June conference and a leading advocate of political reform, told VOA that Mr. Cao was under a lot of pressure from the authorities and it would be "inconvenient" for him to make any more comments on revising the Constitution.

This month, the government held another meeting on "consolidating and rectifying" newspapers and periodicals. Decisions made at the meeting included closing several hundred local papers and magazines and upholding the Communist Party's guidance in news reporting.

At the same time, broadcasting of VOA and other international radio stations continues to be jammed and overseas web sites continue to be blocked.

However, we can not say that there has been no change for the better in the Chinese news media. One "bright spot" is the reporting of accidents. For many years, natural disasters and man-made calamities were deemed "negative news." Reporting of such negative news, it was believed, would only bring shame to the leadership of the Communist Party and socialist system. One lesson the Chinese leaders must have learned from the SARS outbreak, I think, is that diseases, natural disasters and accidents happen to any country, regardless of its political system. At the height of the SARS outbreak, the Chinese official media reported a major submarine accident. After SARS, we have seen more and more reporting on food poisoning, coal mine explosion and other accidents. These reports even lead to the imprisonment of a number of officials who were accused of being responsible for the accidents or covering up the accidents.

Now how do we explain the back and forth in the battle for control of the Chinese media? To me, the measures that were taken at the height of the SARS outbreak were merely measures of necessity. China was under a great deal of criticism from the international community, especially the WHO. The Chinese citizens had also lost faith in the Chinese media. They would rather rely on the grapevine, that is, word of mouth, short texts on their cell phones and the Internet, for news of SARS. The central leadership took those measures to repair its badly tarnished international image and to restore some faith in its legitimacy. Had the SARS outbreak lasted a bit longer, it might have built some momentum for press reform. As it so happened, the SARS virus evaporated at the onset of hot weather, and the party officials congratulated themselves on their good luck, and went on doing things the old way.

What about the future of the Chinese press? I see two forces at work: one is the conscientious effort on the part of Chinese journalists to break the control of the government. Journalists continue to report on sensitive political issues either out of their sense of social responsibility or because of the forces of market economy. As more and more newspapers and other news organizations fight for their survival in an ever-growing market economy, they feel the need to increase their market share by reporting on topics people are concerned about. The other force is the Communist Party's desire to polish its image and consolidate its rule. Reporting of large scale corruption and systematic failure would only weaken its rule.

In any case, the fight for freedom of the press cannot be won overnight. After all, it will take a Chinese Gorbachev, not a virus, to bring down the iron rule on the Chinese press.

## PREPARED STATEMENT OF BU ZHONG

SEPTEMBER 22, 2003

Distinguished representatives of the CECC, Ladies and Gentlemen:

China has been in the midst of rapid change in all sectors. Media reform, though much slower than other sectors, is now beginning to catch up.

Perhaps few predicted that the SARS epidemic could bring such a widespread panic across China, and a not so widespread, but still heavy, push to China's media reform.

## CHINA'S MEDIA DURING SARS

As we know, the SARS epidemic first originated in South China's Guangdong Province in February. It then spread to Beijing and several other provinces. Not surprisingly, the government-controlled media kept tight-mouthed about the disease at the beginning. During that period, Beijing residents mainly depended on the Internet, e-mails and cell phone messages for SARS information. The Internet came to China as the first forceful reminder that the days of censorship and suppression of information are numbered.

The media silence was broken in early April after China's new Premier Wen Jiabao admitted that the SARS situation was "grave." In those days the reporting was mainly about government efforts to contain the spread of the disease and heroic medical workers saving lives.

In May and June, however, a few newspapers began to criticize the government's handling of SARS information. More criticism came after the government declared it would punish any officials who tried to cover up SARS information from the public.

Let me describe a few of the important ways I see China's media evolving today in the wake of the SARS epidemic.

## MEDIA'S COMMERCIALIZATION

As one of the first signs of media reform, the media's commercialization started silently about 10 years ago. The most dramatic step of the commercialization came in June when the central government announced that it would end its direct financial support to all but three newspapers and one journal.

This means that most government-owned print media will soon have to sever ties with government agencies. (I'm not sure how the broadcast media will be affected.) As People's Daily reports, these media "would then be free to operate in the marketplace rather than continuing to serve as cultural units under government departments or social organizations."

China now has more than 2,000 newspapers, 9,000 magazines, and 2,000 TV stations. But 25 years ago, there were fewer than 200 newspapers. The rapid growth of the news media has made government control less effective, and no one can prevent them from going to the market.

## THE END OF COMPULSORY SUBSCRIPTIONS

Another sign of China's media reform is the end of compulsory subscription, which also happened this June. In the past, before the end of each year, the government used to issue circular orders requiring all its departments and agencies subscribe to official publications. Now this practice is becoming history because the government has decided to stop it.

## CHANGES WITHIN OFFICIAL NEWSPAPERS

Over the past 10 years, the official media have become increasingly unpopular. On Beijing's streets, no People's Daily can be found on newsstands. At the same time, the government has been cutting off its financial support to its mouthpieces. In late 1990s, the financial support China Daily received from the government accounted for less than 10 percent of what it needed, while the remaining 90 percent came from its ad revenue and a few tabloids it published.

Nowadays all the official newspapers publish one or more tabloids, which carry a lot of ads and have cut their officialdom to a minimum. These tabloids make so much money that they can comfortably support their more official big brothers. In Beijing, the Beijing Daily publishes a tabloid, the Beijing Evening News, and the People's Daily's publishes the Jinhua Daily.

## JOURNALISTS PUSH FRONTIER

Many Chinese journalists are pushing the frontier to put their “controversial” stories in print or on air. China Central Television’s TV magazine, “News in Focus,” offers a good example. Now and then, it has to pay lip service to the official line for survival, which is fully understandable. But from time to time, it airs the deepest grievances and the indignation of those oppressed by the sheer greed and shamelessness of the lower-level government bureaucracy. To me, the show is mainly a muckraker, occasionally, a shocking muckraker, in the best tradition of the American muckrakers.

## CHANGES IN TOP LEADERSHIP

The majority of the new top leadership, once in full power, clearly has in mind the need to ease media control, but to ease it little by little. As high technology develops at breakneck speed and out of their control, the Chinese media becomes more and more open almost against their will. Some degree of disobedience and even defiance on the part of the media can be observed in the past couple of years. And also some official tolerance.

As soon as he gained the power, China’s President Hu Jintao invited experts to give regular lectures to all the Politburo members. The main contents of each lecture (already 10 or so lectures to date) have been reported in the press as a subtle means of letting attentive people know what’s in the minds of the top leaders right now.

As I remember, the first study session was on the Constitution and Rule of Law—a manifest enough hint to the public that during Hu’s reign, he’s going to rule by law, not by his personal authority. The latest lecture they had is about the industrialization of media contents. The concept is nothing new in the West. But it is in China, where media outlets had long been taken as tools of ideology, and propaganda machines.

## NO CHANGE IS INSIGNIFICANT

It seems to me that no change in China’s media is insignificant. Right now, the gains made at every step might seem too insignificant to matter, but the progress is there for people to see, if they care to notice it. These modest gains will in time amount to marked and important change.

In China, growth in press freedom and independence will likely be a painfully slow process, but the media are shuffling their feet forward in the right direction. One can coax, cajole and coerce it to move a little more quickly. But it is unwise, even undesirable for one to exercise undue pressure on it, which may yield an effect to the contrary. If you refuse to believe things are going in the right direction, pick up any newspaper, even the People’s Daily, and compare it with what it was, say, 10 or even 5 years ago. In those old, dark days, news of a plane crash was suppressed in media if there were no foreigners on board.

And next to Internet then came the second great shock that shook the leaders to their nerve-ends, the misfortune of SARS. It showed the deep-rooted practice of suppression of information and of public deceit in the worst possible light. Now all see that this hated practice can quickly and directly endanger the lives of thousands of people. And the epidemic drove the lesson home in the most convincing manner that the denial to the people’s right to know could be the denial of their very lives.

Finally, I hope the voices from the Chinese people can be heard here. To find out what’s happening in China’s media, we must listen to those who still live in China and those who work in Chinese news media.

Thank you very much.

## PREPARED STATEMENT OF LIN GANG

SEPTEMBER 22, 2003

One by-product of China’s economic reform is the growing commercialization of the Chinese media. According to official statistics, between 1978 and 2002, the number of newspapers in China increased from 186 to 2137, while the number of magazines increased from 930 to 9029. Most of these media are still owned by the Party-state, receiving more or less subsidy from the government. However, advertising and subscribing income has become the major source of revenues for the media, except for newspapers and magazines directly run by Party and government organs (*dangzheng jiguan*). Media commercialization has provided new incentives and op-

portunities for journalists to cover lively, sensational, provocative and diverse stories, and expose political corruption, even though it may offend government officials.

Amid media commercialization, Party-state organ newspapers and magazines continue to lose their readership. The circulation number of the People's Daily, the principal mouthpiece of the Chinese Communist Party, decreased significantly from 6.2 million in 1979 to about 2 million two decades later. To increase readership, many Party organ newspapers have to rely on their subordinating newspapers for financial support. Two-thirds of Party organ newspapers run by provincial Party committees have evening newspapers (*wanbao*) or metropolitan newspapers (*dushibao*). The Guangming Daily, a national newspaper run by the Party, targeting intellectuals, has benefited from its subordinating Life Times. Even the official New Chinese News Agency carries some sensational stories related to sex in its web site.

To increase readership, China's new leadership under Hu Jintao has called for the Party's media to be "close to the mass, close to the realities and close to life," reducing the exposure of leaders' activities in the media to give more coverage to ordinary people. Most recently, the Party plans to end its direct financial support to and mandatory subscription requirement of most Party-government newspapers and magazines. At the national level, only three newspapers and one magazine are the exceptions, including the People's Daily, Guangming Daily, Economy Daily and the Seeking Truth (*Qiushi*), which will still be run by the Party's central leadership. At the provincial level, the central leadership will allow each Party committee to continue operating one newspaper and one journal. Each municipal Party committee will be allowed to operate one newspaper only, and county-level Party committees and government can no longer operate media publications.

Beijing's reform plan on Party media is based on at least two considerations:

- Reducing the financial burden. In today's China, each province can have as many as several dozen of Party newspapers and magazines, starting from the provincial level down to the county level. These media are dull in content, relying heavily on subsidy and mandatory subscription by governments at the different level. The lower level of the government, the more Party newspapers and magazines are to be subscribed; thus creating heavy burden for the grassroots.
- Strengthening the Party media. To maintain too many Party newspapers and magazines not only increases government's financial burden, but also make Party media either more boring—repeating the same tune here and there—or inconsistent. By keeping limited number of Party newspapers and magazines, Beijing apparently tries to make a distinction between Party media and mass media, freeing the former of fiery market competition with the latter without losing the Party's guideline.

The relative retreat of Party newspapers and magazines from media market follows Beijing's strategy of retaining large state-owned enterprises and privatizing smaller ones (*zhuada fangxiao*) in economic reform. The commercialization of mass media does not necessarily mean that the Chinese media will gradually gain political independence from the State control. For the foreseeable future, political taboo will co-exist with Beijing's one-Party rule. Chinese journalists have to be cautious in exposing the dark side of the society, because too much exposure of social problems will not only shake people's faith in the performance of the Party-state, but also challenge the legitimacy of the political regime. In the absence of significant political reform, we should not expect media freedom in China as we understand in the United States.

