

**Materialism, Middle Class Aspirations, New
Youth Lifestyles and Behavior, and a Growing
Self-Confidence:
The Implications of a Rising China
for American Business**

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How Can We Know What's Going On in China?

Some **Debates** among Western analysts

- 1. How **Competent** are China's Leaders in Managing the Economy?
- 2. Is the **Anti-Corruption Campaign** primarily about arresting corrupt officials or eliminating Xi Jinping's factional enemies?
- 3. Is there a Political or Economic **China Model** and, if so, is "**Chinese Meritocracy**" superior politically to Western electoral democracy in terms of good governance? Economically, can we talk about the "**Beijing Consensus**" and the "**Washington Consensus**" as competing economic models?
- 4. Is China "**Cracking Up**"? [NO]
- 5. Is **Xi Jinping** as Powerful and Unchallenged as he seems to be? [YES] Preparations for 19th Party Congress favor him

“China’s President Assuming New Status: Push for Praising as ‘**Core Leader**’” *NY Times*, 2/5/16

- 1. Building up his undisputed power in preparation for personnel changes at the 19th Party Congress in 2017; getting rid of Hu Jintao/Jiang Zemin holdovers
- 2. Has removed all the senior officials – like Zhou Yongkang and Bo Xilai – who opposed his rise to power
- 3. The anticorruption campaign; the law and order campaign and the crushing of any dissidents in society; reform of the military
- 4. Widely circulated Party commentaries celebrating Xi have not mentioned Deng or Mao

Xi Jinping, Seeking to Extend Power, May Bend Retirement Rules [*NY Times*, 3/2/17]

- Five of seven members of the Politburo Standing Committee must retire at the 19th Party Congress this fall, under the current age limits, including close ally Wang Qishan.
- But the rule, known as “[seven up, eight down](#),” is not codified in any public documents. It says members of the Politburo Standing Committee who are 68 or older when the party congress meets every five years will retire, while officials 67 or younger remain in contention for the next term.
- The retirement age has been changed for political ends before. In 1997, President Jiang Zemin imposed a ceiling of 70 to dispense with one rival, and five years later reduced it to 68 to push out another. (He made an exception for himself, staying on as party leader until he was 76.)
- The rules for succession are all unwritten and largely up for negotiation. All Xi has to do is play the ‘exceptional times need exceptional remedies’ card.

Chinese congress names Xi associates to fill top economic jobs [*South China Morning Post*, 2/24/17]

- The National People's Congress appointed He Lifeng, 62, who worked under Xi in Fujian province, as director of the National Development and Reform Commission. The commission is known as the mini cabinet because of its extensive powers, from setting petrol prices to approving airport construction.
- Zhong Shan, a former deputy to Xi in Zhejiang province, was named minister of commerce. Zhong, 62, was Zhejiang's deputy governor under Xi for four years more than a decade ago.
- Zhang Jun, a deputy of the party's anti-corruption watchdog, was appointed minister of justice. Zhang, 61, has worked under the party's anti-graft chief Wang Qishan since 2012, and was a deputy director of the Supreme People's Court before 2012.
- Like Xi's associates, Wang's proteges have grown in influence in the government and the party. Zhang's appointment brings to four the number of serving ministers who have worked under Wang, an official widely seen as a close ally of Xi.

Trump to focus on ‘**peace through strength**’ over Obama’s ‘**soft power**’ approach [*Washington Post*, 12/29/16]

- President-elect Donald Trump has stacked his Cabinet with military generals, pushed for more Pentagon spending and a bigger Navy, threatened to slap tariffs on China and Mexico and, last week, suggested that he was open to expanding the U.S. nuclear arsenal.
- If Trump follows through with this confrontational approach, it will represent a sharp break with the multifaceted foreign policy strategy that both Democratic and Republican presidents have practiced for decades, including reliance on what diplomats call “**soft power**” to achieve objectives and avoid conflict. Instead, Trump views foreign policy as largely transactional, aides say, and his goal is to win — by speaking loudly and carrying a big stick.

China is spending billions to make the world love it: The subtleties of soft power

Can money buy that sort of thing? [*Economist*, 3/25/17]

- To help craft such an image, China has been investing massively in its foreign-language media. **Xinhua** opened nearly 40 new foreign bureaus between 2009 and 2011, bringing its total to 162—at a time when cash-strapped media organisations elsewhere were shutting them down (it hopes to have 200 by 2020). The number of Xinhua correspondents based overseas doubled during that time. In December the state broadcaster rebranded its international media service, calling it **China Global Television Network**. Its six channels aim to compete with global services such as the BBC, CNN and Al Jazeera. **China Daily**, the government's main English-language mouthpiece, pays for inserts in newspapers such as the *Washington Post* and the *Wall Street Journal*.
- **Online**: Last year a government-affiliated media group spent 30m yuan (\$4.35m) to launch a free, English-language website called **Sixth Tone**.
- **Private companies**: **Alibaba** paid \$260m for the *South China Morning Post*, Hong Kong's flagship English-language newspaper
- China's richest man, **Wang Jianlin**, CEO of Wanda, is trying to buy film studios and production companies in Hollywood

Turtle Disguised As Burger Smuggled Through Airport In China



Chinese Swimmer Fu Yuanhui Cites Being "Really Tired" From Her Period After Team Finishes Fourth at Rio Olympics

[Hollywood Reporter, 8/16/2016]



Recent Headlines in Trump's Early Days

- “For Wary World, **True Trump Aims Remain Unknown:** Remarks **Alarm Allies**” (*NY Times*, 1/17/17)
- “**Injecting Risk in China Ties,**” (*NY Times*, 1/25/17)
- “**Globalization Gives Way to Nationalism in U.S.**” (*Wall Street Journal*, 1/28/17)
- “**In a Week, Trump Reshapes Decades of Perceptions About America**” (*NY Times*, 1/30/17)
- “U.S. Allies Gird for a **Trade War**” (*NY Times*, 1/31/17)
- “A Contentious Call Strains an Alliance: A Political Storm in Australia” (*NY Times*, 2/3/17)
- “Mattis, in South Korea, Tries to Reassure an Ally as Regional Tensions Rise” (*NY Times*, 2/3/17)
- “Trump Reverts to Pillars of Obama Policies Abroad: A Contrast with Campaign Vows on Israeli Settlements, Ukraine and Iran” (*NY Times*, 2/3/17)

“China Can Thrive in the Trump Era” [Yan Xuetong, Dean of the Institute of International Relations, Tsinghua University [NY Times, 1/25/17]

- President Trump and the Chinese president, Xi Jinping, are in a bind. Mr. Trump’s slogan is to **“Make America Great Again,”** while Mr. Xi’s motto is **“Great Rejuvenation of the Chinese Nation.”** The phrases have the same meaning: Each leader suggests his country has declined and claims that he will restore it to the top position in the world. But **the triumph of one country is built on the failure of the other. It’s a zero-sum game.**
- Mr. Trump’s **scrapping of the Trans-Pacific Partnership** is a **chance for Beijing to strengthen its position as the economic leader of East Asia** by bolstering regional trade.
- The Chinese leadership should also end its long-held policy of avoiding formal alliances, including military alliances.
- **An illiberal turn in the United States could drive talented Americans to seek careers abroad,** while skilled workers the world over may start looking somewhere other than the United States to make a better life.
- **Relations between China and the United States will inevitably deteriorate under Trump. The nuclear deterrent should still prevent an all-out war, but confrontation will be the core of these two giants’ relationship for the foreseeable future.**

China Wants to Attract More Foreigners (of a Certain Kind) [*NY Times*, 2/23/17]

- 1,576 foreigners were granted permanent residency in China last year. That figure represents a 163 percent year-on-year increase in a so-called green card program that [began in 2004](#).
- China's 2013 law was the first major overhaul of national immigration policy since 1985 and helped to lay the foundation for a raft of new residency rules in China's major cities.
- In Shanghai, a 2015 rule relaxed the criteria for green card eligibility for local foreign residents. Although applicants must still show four years of residency and a yearly salary of at least 600,000 renminbi, or about \$87,000, she said, the new rule no longer requires them to be top executives.
- A new work permit system has placed restrictions on which foreigners will be allowed to work in China. It came into effect in November in nine cities and provinces, and aims to build an information-driven economy by "[encouraging the top, controlling the middle and limiting the bottom](#)" of the pool of foreign workers. It is scheduled to go nationwide in April.

“Make China Great Again” (David Leonhart, *NY Times*, 1/31/17)

- The undermining of both American values and interests has been an early theme of the administration. And the ultimate beneficiary is not likely to be ISIS. Although it poses serious threats, it is not a serious rival to the United States. **The ultimate beneficiary is instead likely to be America's biggest global rival: China.**
- In another executive order, Trump pulled the United States out of the **Trans-Pacific Partnership**. Whatever you think about the deal's economic effects they were likely to be modest. The United States already has few barriers to Asian imports, which is why some combination of your car, television, computer, phone and clothing comes from Asia.
- The pact was more about geopolitics than economics. It was primarily a tool for spreading U.S. interests abroad. Much of the Pacific Rim, including Australia, Vietnam and Malaysia, welcomed it, too.
- They welcomed it because they want a strong American presence to offset Chinese power in Asia. These countries have close commercial ties with China, but they are afraid of becoming merely moons that orbit Beijing. They tend to prefer the American model to the Chinese model.

China 2017: New global agenda [Jonathan Fenby, T S Lombard Research, 1/27/17] (1)

- **Instability Set to Rise**
- “A stable East Asia requires the resolution of the maritime sovereignty disputes, the Taiwan issue and the threat from North Korea, along with the development of regional agreements that translate the region’s strong economic links into strategy and politics. Given China’s definition of its “core interests”, this has always been a distant prospect. **As the US pursues a unilateralist course and talks about intervening to check the PRC**, regional instability is set to increase even if a trade war does not break out. Domestic considerations will add to the mix – for both the Trump and the Xi administrations.”

Fenby: New Global Agenda (2)

- “If China bases its policy on the belief that the new US President will pull back when seriously challenged, it runs the risk of provoking a radical response from a man who cannot allow himself to be seen to have been faced down. If, on the other hand, Trump thinks he can destabilise China by his unpredictability, as over Taiwan, he is likely to run into areas that are both ultra-sensitive and non-negotiable struts for the regime. Muddling through in the way that China and the US have done to mutual advantage since the 1970s is thus an increasingly unlikely outcome – with global consequences”

Mattis says no need for dramatic U.S. military moves in South China Sea

(Reuters, 2/3/17)

- U.S. Defense Secretary Jim Mattis on Saturday played down any need for major U.S. military moves in the South China Sea to contend with China's assertive behavior, sharply criticizing Beijing for "shredding the trust of nations in the region."
- "What we have to do is exhaust all efforts, diplomatic efforts, to try to resolve this properly, maintaining open lines of communication."
- In his Senate confirmation hearing, Secretary of State Rex Tillerson said China should not be allowed access to islands it has built in the contested South China Sea. The White House also vowed to defend "international territories" in the strategic waterway.
- But how the United States would achieve that has been unclear, including whether it would have a military dimension.
- Analysts have said Tillerson's remarks, like those from the White House, suggested the possibility of U.S. military action, or even a naval blockade.
- Yet when Tillerson was in Beijing to work on Xi's April 6-7 trip to the U.S. he repeated standard Chinese phrases on their policies.

U.S. Policy Toward China: Recommendations for a New Administration: Task Force on U.S.-China Policy [US-China Relations Center, Asia Society; 21st Century China Center, UCSD, **February 2017**]

- The six most immediate and urgent priorities are to:
- Work with China to halt North Korea's nuclear and missile program
- Reaffirm US commitments to Asia
- Deploy effective tools to address the lack of reciprocity in US trade and investment relations with China
- Intensify efforts to encourage a principled, rules-based approach to the management and settlement of Asia-Pacific maritime disputes
- Respond to Chinese civil society policies that harm US organizations, companies, individuals, and the broader relationship
- Sustain and broaden US-China collaboration on global climate change

Xi Jinping portrays China as a rock of stability: But does he really want to be a global leader? *Economist*, 1/21/17 [**The new Davos man**]

- DELEGATES at the World Economic Forum Davos often treat politicians as rock stars. But the fawning reception given to China's leader, Xi Jinping, on January 17th was extraordinary. He was the first Chinese president to attend the annual gathering of the world's business and political elite. Even an overflow room was packed when he delivered, in his usual dour manner, a speech laced with literary references—rendered through bulky headsets into equally monotone translations. Mr Xi said little that was new, but the audience lapped it up anyway. Here, at a time of global uncertainty and anxiety for capitalists, was the world's most powerful communist presenting himself as a champion of globalisation and open markets.

In Rare Move, Chinese Think Tank Criticizes Tepid Pace of Reform [*NY Times*, 3/27/17]

- Most prescriptions call for China to ease reliance on exports and government spending, nurture its growing ranks of middle-class consumers and let companies make decisions based on market forces instead of political mandates. Toward many of those ends, in 2013 Xi unveiled a [set of 60 main reform goals](#).
- The new report, a 217-page study titled “The Reform Obstruction Phenomenon,” was written by researchers from the [Economic System and Management Institute](#) of China’s [National Development and Reform Commission](#), which steers policy on industry, energy and many other sectors. The head of the commission, [He Lifeng](#), and his deputy, [Liu He](#), both have ties to Mr. Xi.
- **Local officials** have been besieged by conflicting demands to be both cautious and courageous, and have become allergic to taking risks that could end their careers or even land them in detention on charges of violating party discipline.
- **“A bigger reason why reforms in some of our country’s key sectors have had difficulty moving forward may lie in the thinking behind the top-level design of these reforms”; “the source of the obstructions lies in the policy making.”**

Chinese Lawmakers' Wallets Have Grown Along With Xi's Power [*NY Times*, 3/2/17]

- The combined fortune of the wealthiest members of **China's Parliament** and its advisory body amounts to \$500 billion, just below the annual economic output of Sweden. **Among that group of 209 entrepreneurs and business tycoons, the 100 richest saw their net worth rise 64 percent in the four years since Mr. Xi took power**, according to the Hurun Report.
- The increasing wealth of lawmakers “tells us that **political power and money have remained tightly intertwined in China**: this is a structural issue that Xi cannot solve,” but only hide. Despite Xi's austerity campaign, the influence of the rich in Chinese politics continues to grow. While delegates to China's Parliament do not have a lot of power as they rubber-stamp most of the policies set out by the party's leadership, **they get access to top leaders at the gathering. It is also a place that will allow them to network with other potential business partners.**

China's Capital Controls Trigger a Backlash

After Scrapped Deals [Bloomberg, 3/6/17]

- Chinese corporate chiefs are turning vocal critics of the nation's capital controls as the pile of scrapped deals grows.
- While the restrictions have helped alleviate pressure on the yuan, they've also curbed overseas acquisitions. Executives in Beijing during the National People's Congress bemoaned the measures, saying they're derailing expansion abroad -- a key tenet of China's long-term economic ambitions.
- The complaints reflect a tumble in foreign deals, with the \$19 billion of acquisitions abroad announced by Chinese companies so far this year amounting to a 74 percent drop from a year ago. The blow has seen Chinese executives join their foreign counterparts in criticizing the Communist leadership's restrictions.
- China's leadership faces a balancing act in trying to stoke domestic companies' influence on the international stage while avoiding the kind of bad investments that Japanese firms became famous for in the 1980s.
- One of the executives said that part of the problem lies in the process. While the Commerce Ministry may green-light a prospective deal, the National Development & Reform Commission, China's top economic planning body, may refuse a company's request to complete an acquisition on grounds it should have sought approval before the deal was agreed. Without the NDRC's approval, the foreign exchange regulator won't give companies permission to convert funds, the executive said.

Mystery deepens over apparent abduction of Chinese billionaire in Hong Kong [*LA Times*, 2/13/17]

- **Xiao Jianhua**, a 45-year-old Chinese-born Canadian citizen, vanished from his home at the Four Seasons hotel in Hong Kong in the early hours of Jan. 27, raising suspicions that he was abducted by Chinese security agents and whisked onto the mainland.
- The [South China Morning Post](#) reported last week that Xiao returned to the mainland to “help authorities in investigations related to the Chinese stock market crash in 2015 and **over his business ties with relatives of some top Chinese leaders.**”
- **Xiao had two political liabilities — his financial dealings with the son of Zeng Qinghong, China’s vice president from 2003 to 2008, and with family members of Xi himself.**
- Top Chinese officials rarely engage in trading or investments themselves, for fear of attracting undue scrutiny. “So they usually have **go-betweens, or bookers.** Mr. Xiao is a booker, in terms of handling financial transactions for, I think, a few dozen major clients — and several of them, including Zeng, happen to be political enemies of Xi Jinping.”

Nationalism unleashed: China is whipping up public anger against South Korea [*Economist*, 3/18/17]

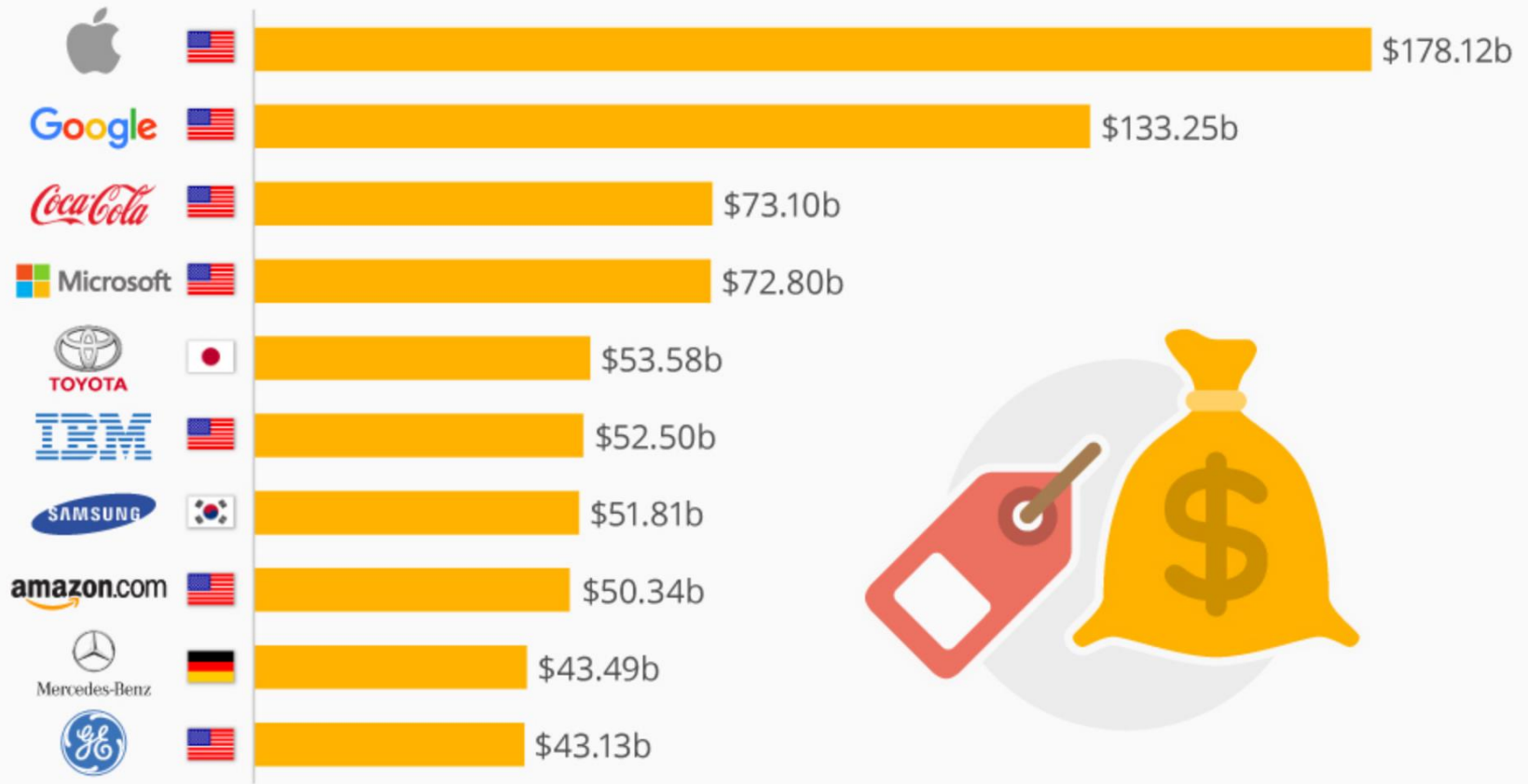
- China is furious at its decision to deploy the missile-defence system, known as THAAD (the first components of which arrived in South Korea on March 6th). America says THAAD will help defend the peninsula against North Korea. China says America will use the system's powerful radar to "snoop" on its missiles too, reducing their potency as a deterrent.
- In recent weeks state media have been publishing daily attacks on South Korea's "erroneous decision". The *Global Times* has encouraged Chinese consumers to "become the main force in teaching Seoul a lesson". It said they should "make it hurt".
- The tourism industry has also been disrupted.
- No South Korean artist has been granted approval to perform in China since September.
- Lotte owns about 100 supermarkets in China, as well as other businesses. They have been badly hit. The company has been subjected to sudden and simultaneous tax and safety inspections. Ten of its shops have been shut for violating fire codes. The website of Lotte Duty Free crashed after a cyber-attack. Several e-commerce sites have stopped selling Lotte's goods and some suppliers have ceased doing business with the company.

Chinese students in South Korea feel heat from recent tension over THAAD missile defense system [Global Times, 3/23/17]

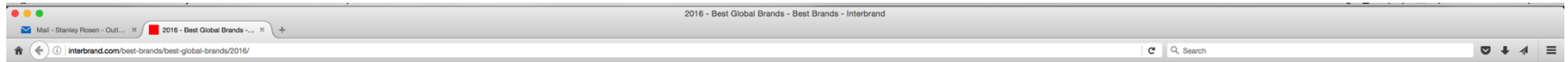
- *Chinese students in South Korea feel pressure from what they say is a growth of anti-China sentiment in the country*
- *The students also face criticism from nationalists in their motherland for being "unpatriotic" by studying in a country that's supposedly turning against China*
- *Observers forecast that the education sector in South Korea, where China contributed most foreign students, may face a downturn*

The World's Most Valuable Brands

Estimated value of the world's most valuable brands in 2016



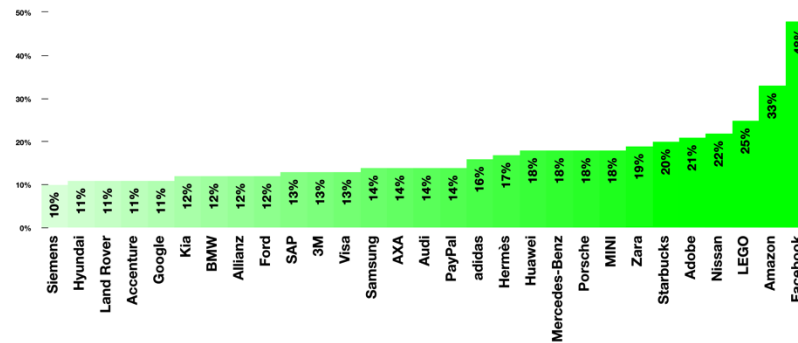
Top Growing Brands



Interbrand



Top Growing Brands



What Is Most Representative of the United States' Image?

[*The Chinese Public's View of the World, Vol. 1, 社会科学文献出版社, 2014*] N=2,772, 2008-2009 Multi-Province Survey; 25 and under=53.9%; Students=43.2%]

• Hollywood	54.91%
• The White House	44.73%
• Wall Street	41.16%
• The Statue of Liberty	40.26%
• The US Dollar	34.20%
• Coca Cola	33.62%
• The Pentagon	26.37%
• Aircraft Carriers	20.31%
• I am unclear about this and will not answer	2.06%
• Others	1.23%

What's Behind China's Sudden Box-Office Slump?

[*Hollywood Reporter*, 7/20/16 and 1/1/17]

- **1) A Weak Crop of Films and Increased Consumer Discernment among China's New Moviegoers**
- **2) Changing Demographics**
- **3) More Expensive Movie Tickets**
- **4) Diminishing Returns From Theater Construction**
- **5) Entertainment Sector No Longer Bulletproof?**
[Economic Downtown Overall]
- **6) A Crackdown on Box-Office Fraud**
- **7) Cutbacks in last year's generous ticket subsidies from fast-growing online platforms**

China Lifts Summer Blackout on Hollywood Films Amid Box-Office Slowdown

[*Hollywood Reporter*, 7/8/16]

- For years, Chinese regulators have imposed a blackout on foreign-film imports during the peak summer blockbuster season. Known locally as a "domestic movie protection period," the policy was designed to boost the local industry by giving Chinese-made movies an uncontested run at cinemas during the summer school break, which lasts roughly from late June through August. Additional blackouts are instituted during Chinese New Year in February and during the Golden Week holiday in October.
- There are two stats that matter to the people who make these decisions. One is the market share of foreign films versus local movies, and the other is the overall growth rate at the end of the year, which is probably more important.
- **SHOWS THE FLEXIBILITY OF CHINESE POLICY, WHICH INCLUDED GOING BEYOND THE 34 FILM QUOTA IN 2016**

China's Box Office Flat in First Two Months of 2017 (*Variety*, 3/1/17)

- Theatrical box office in China edged ahead by 1% in the first two months of the year to \$1.57 billion (RMB10.9 billion). After a dramatic slowdown in the second half of 2016, the figures will come as a relief to many in the Chinese industry.
- But distorting the comparison is a new methodology. Since Jan. 1, gross figures include the booking fees charged by online ticketing agencies. Subtract those fees and the first two months show a 4% decline at RMB10.3 billion.
- Grosses (including booking fees) were down 13% in February at \$873 million (RMB6.03 billion) compared with February last year. They followed a blockbuster January in which takings were up 27% year-on-year. But with the important Chinese New Year holidays this year in different months from 2016, a meaningful comparison only arises by taking the two months together.

Chinese Film Market (entgroup) [Post-Lunar New Year; Hollywood Allowed Back]

02/20/2017-02/26/2017

Movie

Gross

Admissions



Resident Evil: The...

Gross: **US\$** 90.86(M)

Admissions: 18246816

Total: **US\$** 827.36(M)

2

xXx: The Return of Xand... **US\$** 18.33(M) 3618174

3

Assassin's Creed **US\$** 16.55(M) 3236981

4

Sing **US\$** 11.60(M) 2368293

5

La La Land **US\$** 5.88(M) 1208922

6

Kung Fu Yoga **US\$** 4.84(M) 917107

7

Duckweed **US\$** 4.62(M) 1039305

8

The Game Changer **US\$** 3.28(M) 661417

9

Boonie Bears : Entangled ... **US\$** 1.11(M) 245705

10

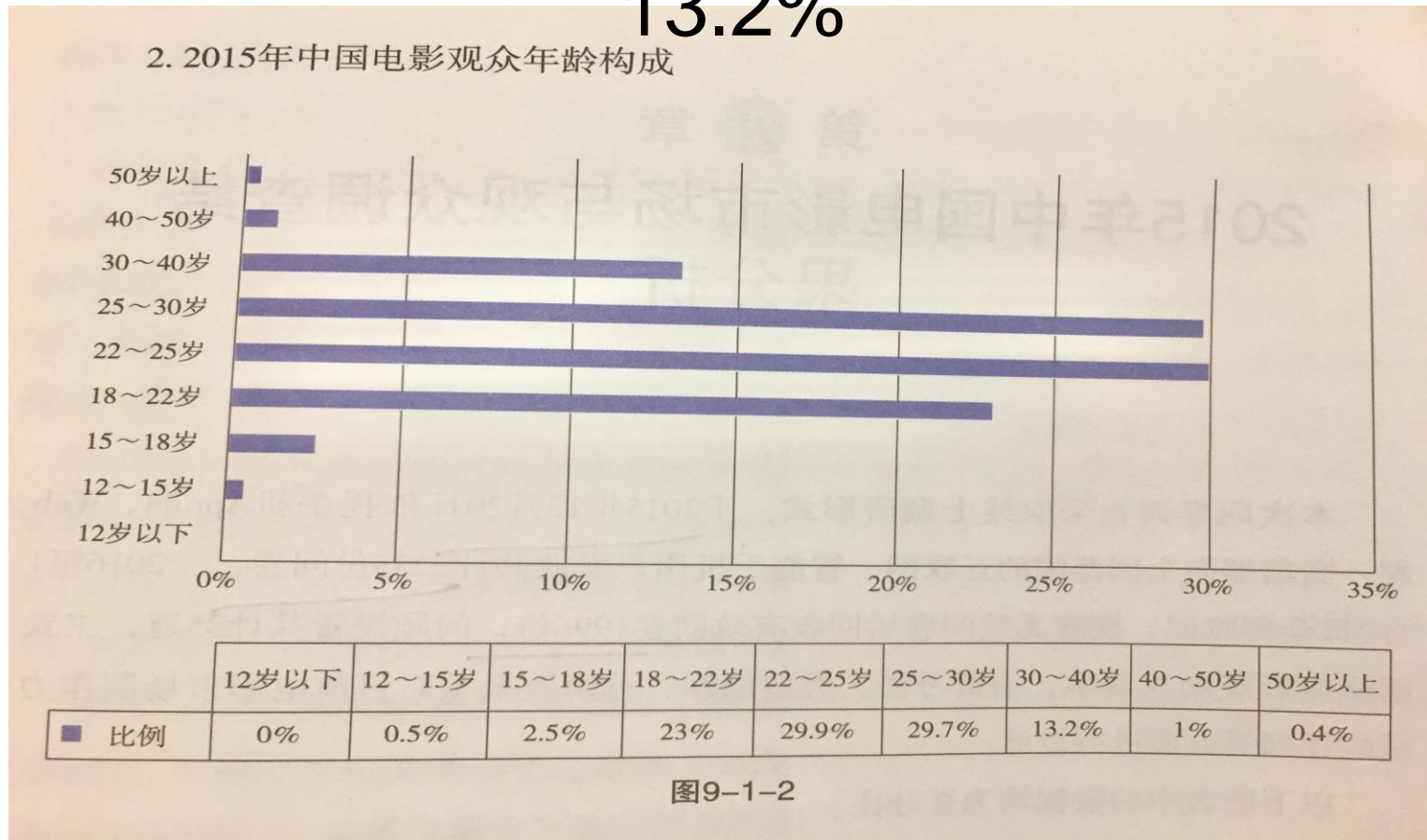
Journey to the West: De... **US\$** 1.07(M) 202719

Web, WeChat Survey of Chinese Film Audience Tastes (12/20/15-1/2/16) [*2016 Research Report on Chinese Film Industry*] N=1,996

- Age of Film Audience
- Where Do You Watch Films?
- What Country's (Territory's) Films Do You Like Most?
- Which Film Format Do You Prefer?
- What Film Genres Do You Like Most?

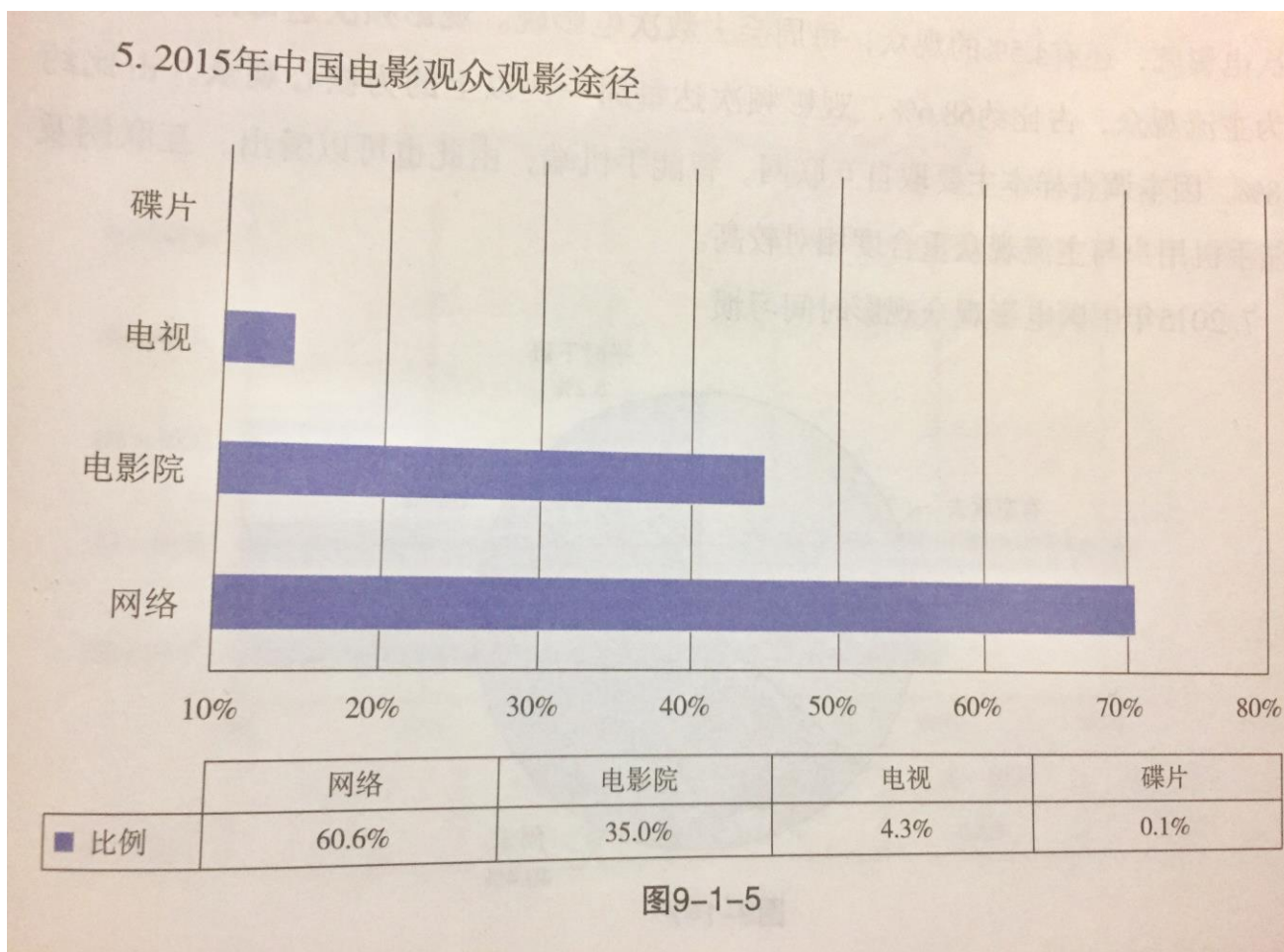
Age of Film Audience

22-25 years old: 29.9%; 25-30 yrs.
old: 29.7%; 18-22: 23%; 30-40:
13.2%



Where Do You Watch Films?

Internet 60.6%; Movie Theater 35%; TV: 4.3%; DVD Disk; 0.1%



Which Country's (Territory's) Films Do You Prefer?

American: 38.2%; Chinese: 28.9%; European: 3.5%; Other Asian Countries (Japan, Korea, Hong Kong, Taiwan): 2.9%; No Special Preference: 26.5%

13. 2015年中国电影观众国别电影偏好

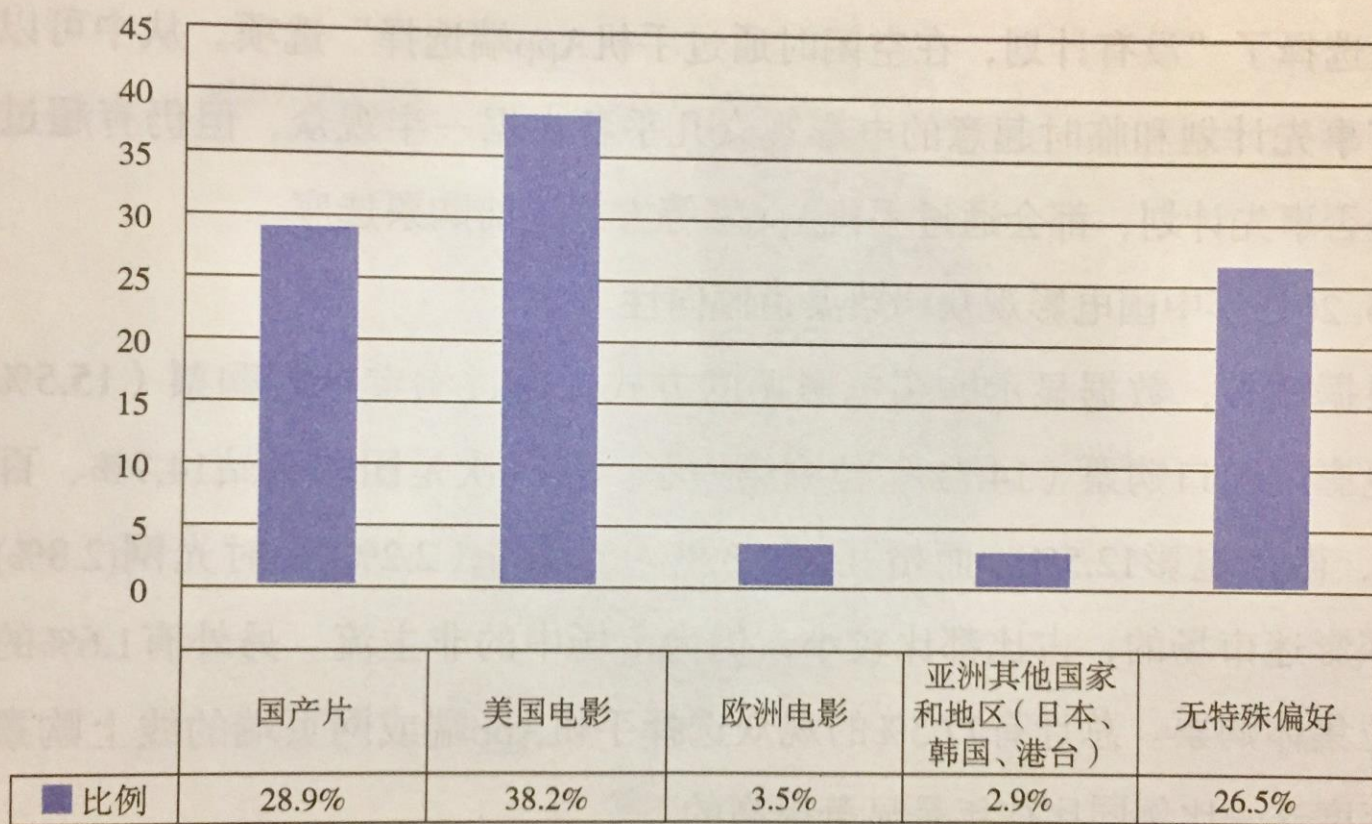


图9-1-13

Which Film Format Do You Prefer?

3D: 36.4%; Depends on the Film: 24.7%; 3D IMAX: 24.2%; No preference: 7.5%; 2D: 7.2%

16. 2015年中国电影观众在内容相同票价有异情况下不同规格电影的选择

可以看出，选择3D观影的倾向性最高，达36.4%，选择3D+IMAX的倾向性次高，达24.2%，有超过半数的观众更倾向于3D观影，另有24.7%的观众会视影片情况而确定。只有7.2%的观众选择2D观影，7.5%的观众选择无特别倾向。

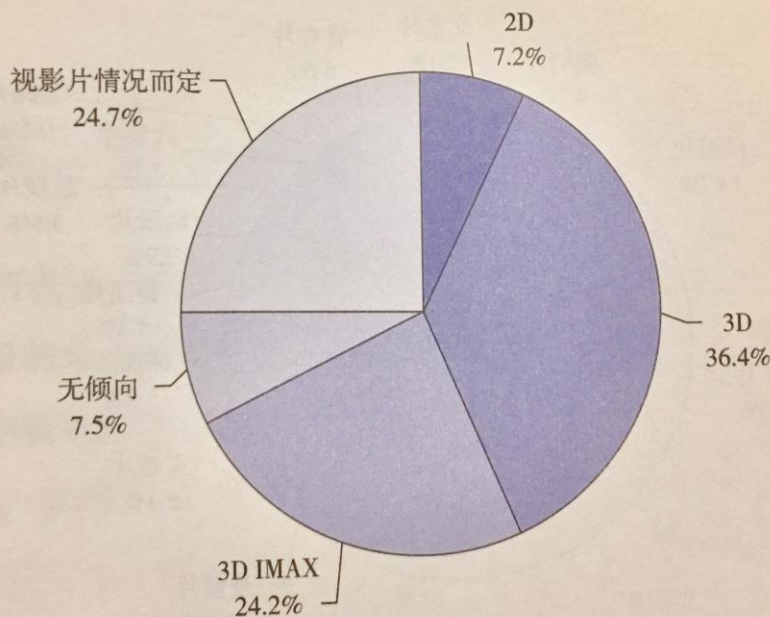


图9-1-16

Which Film Genre Do You Prefer? Comedy: 22.2%; Science Fiction: 14.7%; Action: 14.6%; Love Story: 11.8%; Youth: 6.6%

18. 2015年中国电影观众类型偏好

关于类型偏好，最受欢迎的前三甲依次是喜剧片（22.2%）、科幻片（14.7%）、动作片（14.6%）。其他类型的受欢迎程度由高到低依次是：爱情片

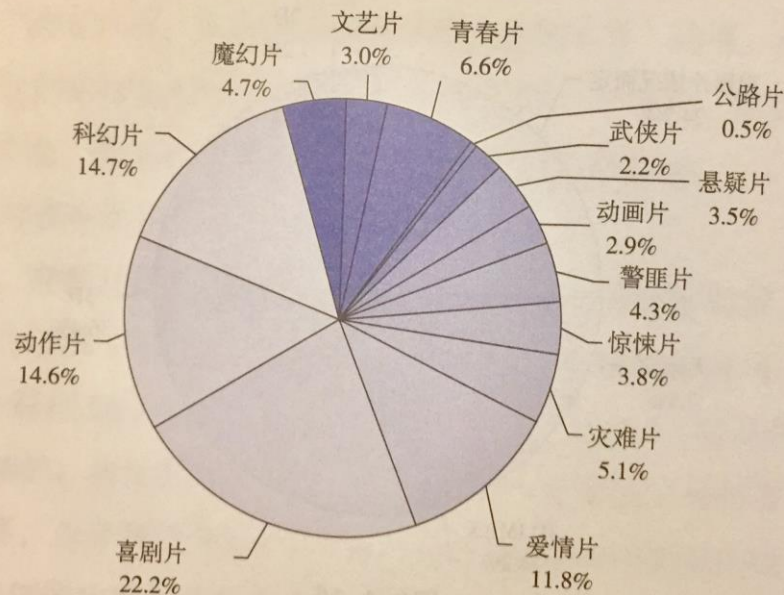


图9-1-18

Chen Xi, Institute of Sociology, CASS, “An Analysis of China’s Post-80’s Youth”

领导参阅, *Lingdao canyue [Reference Reading for Leaders]*, No. 10, 2010 (Sept. 5)

- “It may appear that post-80’s youth have no particular ideology, and any belief system or ism is pretty far from their daily concerns. But they do react politically. They can manifest a defense of CCP leadership, enthusiastically support Western multi-party politics, or take part in patriotic activities. But the bottom line is their concern for their own benefits. It doesn’t matter which political system, so long as it can ensure their development it will gain their support, if it doesn’t, they will oppose it. They are increasingly worldly (世俗化).”
- It is estimated that employment opportunities will be reduced, but already for the large majority their income does not meet their expectations. Housing prices and income inequalities cause more and more of them to be intensely dissatisfied with their income, especially those with low skills.

“The Chinese and American Dreams: Seven Big Differences” [Shi Yuzhi, “Zhongguo meng yu meiguo meng de qi da qubie”] (*Gaige neican: wenzhai* No. 10, 2013, pp. 36-37)

- 1. **Geographical and historical differences:** America has no invasions, China has a porous border with constant security threats, so **America focuses on individual wealth and China focuses on increasing the nation's prosperity and strength**
- 2. China has many nationalities, when they haven't been sufficiently united, life and property were unprotected; America is a nation of immigrants so less attachment to one's native place (no concept of “*minzu*”), the focus is on the individual
- 3. **American Dream stresses one's birth or social class is irrelevant, relying on own strength everyone has equal opportunity to be successful, a great attraction for immigrants; China has to rely on the 1.3 billion people already there**
- 4. Since ancient times China has had the concept of the country as a family (*jiaguo*), with a **strong collective consciousness**, so that happiness can only be shared together (*gongxiang*), both for family and state. European and American culture stresses individualism and the pursuit of individual freedom and success
- 5. China's deep sense of 5,000 years of history and civilization, and former great power status; America has 200-300 years of history and reliance on immigrants
- 6. China Dream relies on collective consciousness; American Dream is the search for individual happiness; country's strength comes from these individual efforts
- 7. **China has dealt with pain and adversity since Opium War; China Dream for glory of nation (*minzu*); American Dream about individual prosperity, success and rise in social status [CHINA DREAM DEPENDS MORE ON SELF-SACRIFICE; ARE YOUTH AND THE MIDDLE CLASS WILLING TO ACCEPT THAT?]**

The Chinese Dream in surveys: a happy middle class

[*South China Morning Post*, 12/18/13]

- Three in five working-age Chinese consider themselves to be middle class, according to a survey at Guangzhou's Sun Yat-sen University.
- Not as many people actually belong to China's middle class. A study by the Organization for Economic Co-operation and Development in 2010 estimated China's middle class to stand at 157 million people in 2010.
- Happiness is more tied to material possession in China than anywhere else, another global survey by Ipsos, published last week, found. Globally, 34 per cent of 16,000 people across 20 countries said they measured their success by the things they owned. In China, the percentage was more than double the global average and stood at 71 per cent.
- Two out of three Chinese respondents said they felt "under a lot of pressure to be successful and make money", more than in any other surveyed country.

Shanghai Daily weekly series on China Dreams by different generations [7/13/2013]

Martin Luther King's "I have a dream" speech became the catchphrase of the American civil rights movement, and Walt Disney built an empire by creating dream worlds. US presidents are fond of evoking the "American Dream" concept to convince people that they control their own destinies. Last November, Chinese President Xi Jinping sounded a similar theme when he talked about the "Chinese Dream." He said it means pursuing "economic prosperity, national rejuvenation and public well-being."

- [Youngest in Survey]: Ding Yihong, 6, a first grader: "My dream is to study in America, to play piano better than Lang Lang and give concerts all over the world."
- Kay Gao, 22, a sales representative: "My dream is to find a good husband who is honest, economically stable, owns a downtown apartment and has a car."

PEW SURVEY, July 2014

Wide Generation Gap on Views of U.S. in Many Countries

Favorable view of U.S.

	18-29	30-49	50+	Youngest- oldest gap
	%	%	%	
Vietnam	89	74	64	+25
Thailand	87	71	65	+22
China	60	50	39	+21
Tanzania	81	74	62	+19
Mexico	71	65	52	+19
Senegal	80	76	62	+18
Peru	75	63	58	+17

Older generations viewed each other's countries more negatively in 2016 [Pew Research Center, Spring, 2016]

Older generations viewed each other's countries more negatively in 2016

	18-34	35-49	50+	Oldest - youngest gap
	%	%	%	
Chinese unfavorable view of U.S.	36	42	55	+19
U.S. unfavorable view of China	45	57	60	+15

Note: Differences shown are statistically significant.

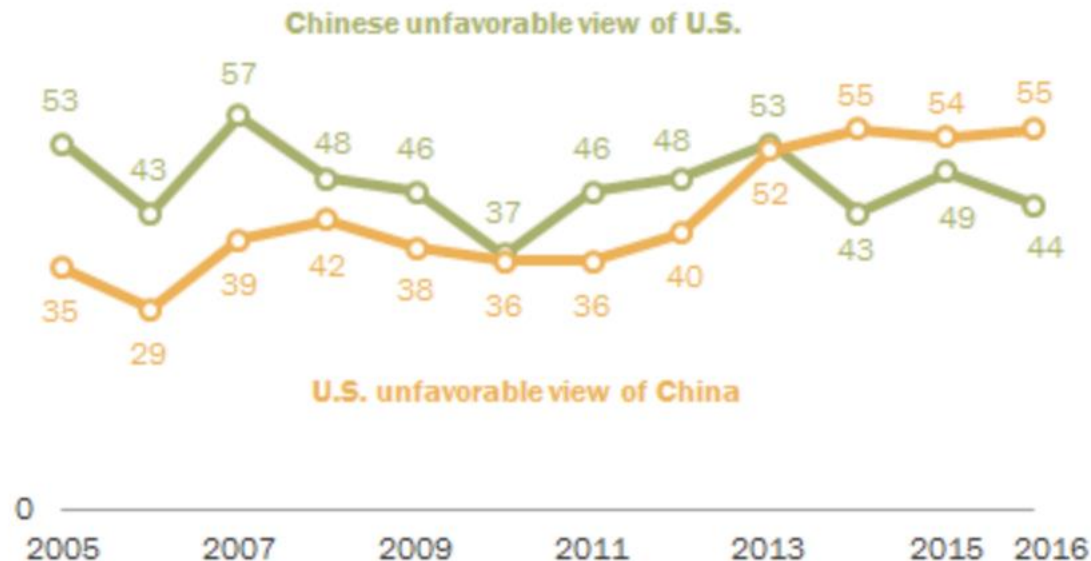
Source: Spring 2016 Global Attitudes Survey.

PEW RESEARCH CENTER

Americans have grown more negative toward China over the past decade [PEW RESEARCH CENTER, FEBRUARY 2017]

Over time, American animosity toward China surpasses Chinese animosity toward U.S.

80%

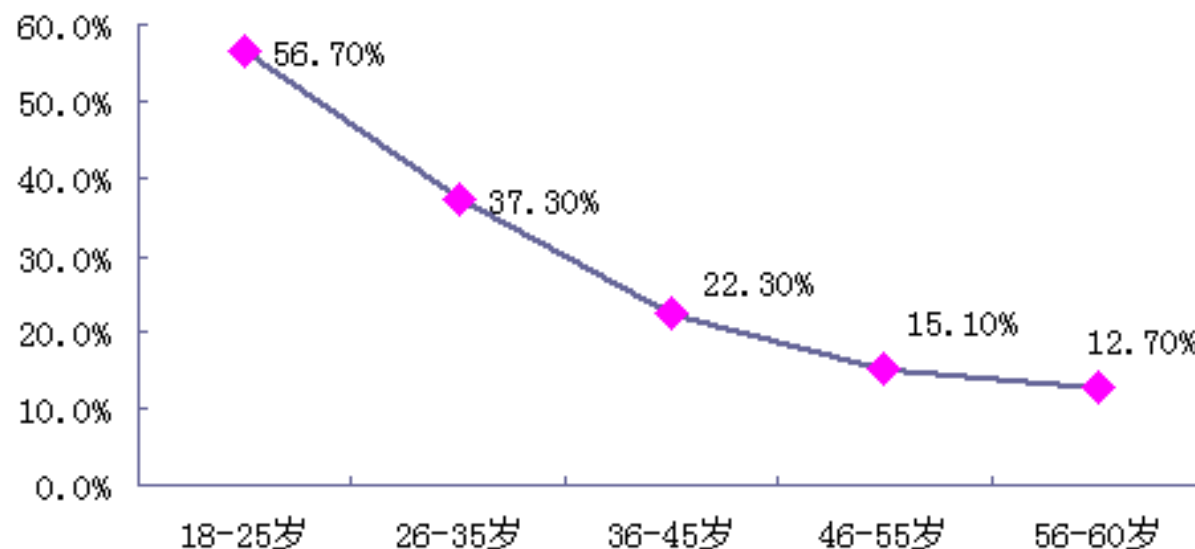


Source: Spring 2016 Global Attitudes Survey.

PEW RESEARCH CENTER

The Celebration of American holidays in China (August 2007)

附图：表示会过美国节的人数与该年龄段的总人数比例变化分析



资料来源：零点调查&指标数据于 2007 年 8 月北京、上海、广州、武汉、成都、沈阳、西安 7 个城市，浙江绍兴诸暨、福建福州长乐、辽宁锦州灯塔、河北石家庄辛集、湖南岳阳临湘、四川成都彭州、陕西咸阳兴平 7 个小城镇的 2791 名 18—60 岁常住居民进行随机入户访问。

Xinhua: “April Fools’ at Odds With Tradition, Socialist Values” [from China Digital Times, 4/4/16]

China’s state news agency Xinhua issued a brief statement on its official Sina Weibo account on Friday warning the Chinese public that April Fools’ Day is “at odds with Chinese cultural traditions and the country’s core socialist values.”

The official news agency Xinhua’s stiffly worded post on micro-blog Weibo declared: “Today is the West’s so-called ‘April Fools’”.

The occasion “does not conform with our nation’s cultural traditions, nor does it conform with the core values of socialism”.

“Don’t believe rumors, don’t create rumors and don’t spread rumors,” it said, capping off the note with a smiley emoticon.

A cartoon accompanying the post showed two phones “spreading rumors.” A finger pointing at them is accompanied by a word bubble that says “breaking the law”.

The post generated numerous reposts and commentary from Chinese netizens—many of which aimed at the Party and state media—before the story’s comment function was disabled






新华视点  

 关注



4月1日 08:05 来自 政务直通车

今天是西方所谓的“愚人节”。“愚人节”不符合我国的传统文化，不符合社会主义核心价值观，希望大家不信谣，不造谣，不传谣。😊

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@新华视点

Actual Values Compared to Socially Sanctioned Values (N=1,168)

- **What Is Your Belief System?**

- Buddhism: 17.3%
- Christianity: 5.6%
- Islam: 2.5%
- Communism: 17.8%
- Marxism-Leninism-Mao Thought: 7.7%
- **No Belief System: 41.4%**
- The researchers interpreted the results as “a belief system crisis for society”
- SOURCE: Zhang Jianfeng, “Research on the Social Psychological Basis of the Socialist Core Value System Popularization from the Perspective of Political Science,” *中国青年研究* [China Youth Study], No. 3, March 2012, p. 27. The study was conducted in three districts of Zhejiang province at the end of 2010.

Reasons Why University Students in China Choose a Profession (N=942)

- **Income: 45%**
- Work Environment: 24%
- Interest: 15%
- Opportunities for Advancement: 12%
- **Needs of Society: 4%**
- **But, Graduates won't take jobs considered beneath their status, regardless of high pay**

SOURCE: Du Kunlin and Zhu Fengjuan, “Empirical Analysis on the Value Orientations of Post-90’s College Students,” *中国青年研究* [China Youth Study] No. 3 (March), 2012, p. 54. Study conducted at a university in Zhejiang, 2011.

Anger, confusion, sarcasm: China's VPN crackdown sparks uproar

[Nikkei Asian Review, 1/24/17]

- China outlawed the use of VPNs to prevent users from circumventing the state-imposed firewall. The VPN ban is to prevent users from accessing blocked websites including YouTube, Facebook, Google and Twitter. Foreign media such as the Wall Street Journal, Bloomberg and Reuters are also blocked and can only be accessed on VPNs.
- China's Ministry of Industry and Information Technology said it would wage a 14-month campaign to eradicate the use of VPNs. The Great Firewall blocks over 173 websites among the top 1,000 most used, according to GreatFire.org which monitors China's vast internet surveillance and censorship machine.
- According to the government, the campaign is targeted at internet data centers, internet service providers, and content delivery networks, in order to "strengthen cyberspace information security management." The aim was to "end illegal business activities." The ban was immediately effective and will remain so until March 31, 2018. During the period, companies will need regulatory approval to use VPNs.

Beijing Says Multinationals Need Not Fear VPN Crackdown

[*Caixin*, 1/25/17]

- China's new crackdown on unlicensed virtual network providers (VPNs) is aimed at parties engaged in unauthorized cross-border online activity and shouldn't affect international companies using legal channels, the nation's telecom regulator said.
- The move raised concerns that some multinational organizations might lose access to their VPNs, which are needed in China to view pages on services like Google's search engines and news sites like Reuters, Bloomberg, the New York Times, and on social networking sites like Facebook and Twitter.
- Addressing those concerns, the MIIT issued a follow-up statement discussing the reasons for the crackdown.
- The statement said the crackdown is aimed at service providers that have not been approved by the ministry, including companies and individuals who were unauthorized to offer international telecom services. China tightly regulates such services, which are mostly confined to the nation's three big state-run carriers — China Mobile, China Telecom and China Unicom.
- It said foreign trade companies and multinationals that require such private services can turn to officially authorized offerings.

Uncertainty Over New Chinese Law Rattles Foreign Nonprofits

(NY Times, 12/29/16)

- The uncertainty has also unsettled groups far removed from political concerns. Numerous aspects of the law remain opaque, and many groups are anxious about the vagueness and expense of the new requirements, while some fear their work will be curtailed or even banned.
- “Nothing’s clear, we’ve got vague directives and guidelines.” Ambiguity about how the law will be enforced is likely to make foreign groups extra cautious, and the Ministry of Public Security, which administers the law, “has every incentive to maintain uncertainty”.
- “This will mean that the government is able to more closely monitor the foreign NGOs, and, more importantly, the Chinese citizens working and interacting with them, while allowing them to continue the work that the government deems beneficial,” “The NGOs have every right to fear the closing off of space for advocacy and programs, but I think the impact will be really differentiated.”

China Orders Registration of App Stores

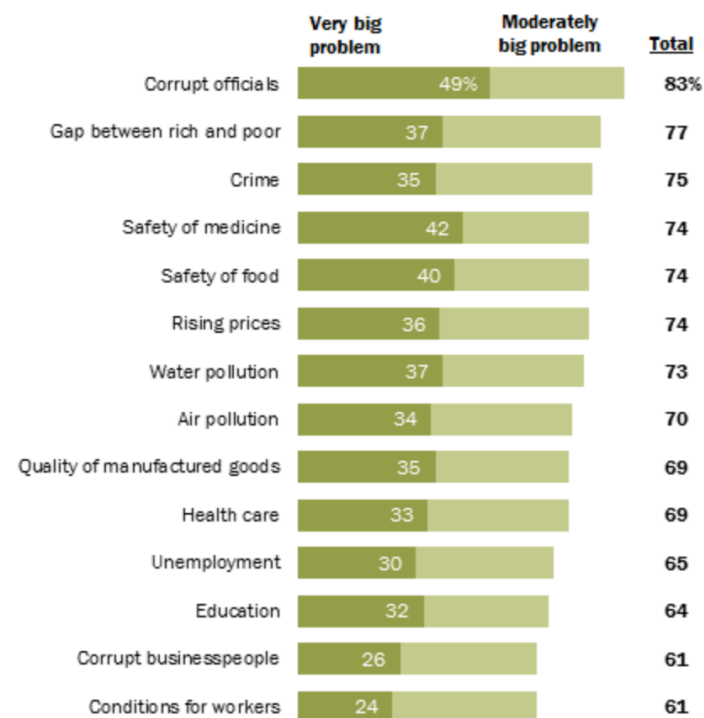
(NY Times, 1/14/17)

- While the Chinese authorities have long maintained tight controls over the internet, smartphone apps have presented new challenges. Apple removed the English and Chinese-language news apps of The New York Times from its China app store. Apple said the government had told it that the apps violated local regulations, but declined to specify which regulations.
- As with many Chinese laws and government orders, the notice posted Friday is vague, but it does appear to place some responsibility for policing apps' activity on the app stores themselves.
- It is also significant because it indicates that the regulator is taking concrete steps to follow up on the law passed last summer.
- Chinese laws are often intentionally broad and open-ended to allow regulators discretion in enforcing them. For that reason, concrete steps like the registrations ordered Friday can provide the first indication of how laws will be carried out in practice.
- It may take years for the government to exert control over all the app stores in the country. Carrying out such edicts is often a slow process; for example, efforts to ensure that online profiles are linked to the user's real name have been continuing for more than a decade.

Top Concerns of Chinese Citizens

Corrupt officials are top Chinese concern

How big of a problem is/are ...



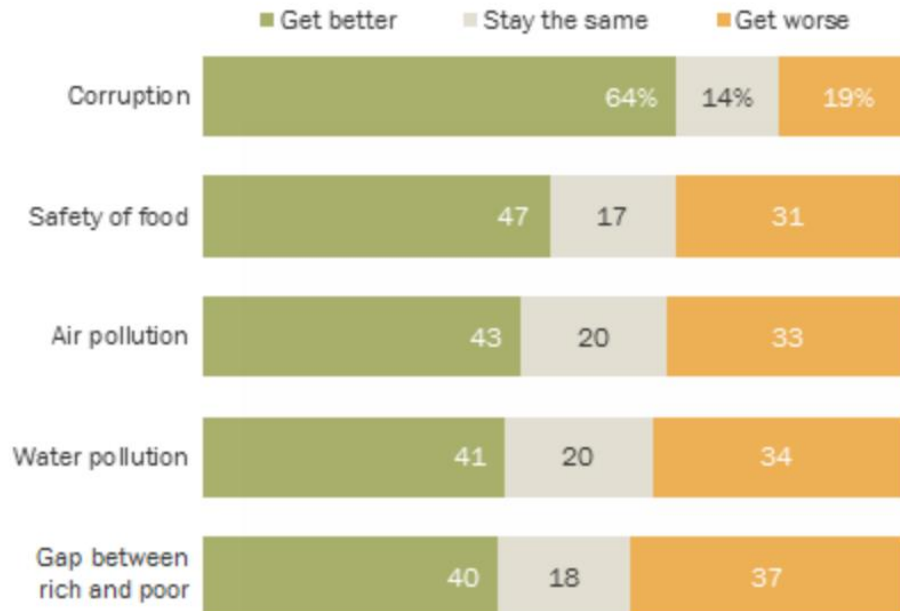
Source: Spring 2016 Global Attitudes Survey, Q60a-n.

PEW RESEARCH CENTER

Optimism in China Things Will Improve

Chinese optimistic that corruption will get better

In the next five years, do you expect ___ to ...



Source: Spring 2016 Global Attitudes Survey. Q61a-e.

PEW RESEARCH CENTER

SURVEY: PEOPLE ARE UNHAPPY: 人民网 2009.12.24

- **“腐败问题突 民众承受底线” corruption [82.3%]**
- **“贫富差距拉大，分配不公激化社会矛盾”
increasing income gap [80.6%]**
- **“基层干群冲突” cadre-mass local conflicts
[63.2%]**
- **“高房价与低收入的 矛盾” housing too
expensive for many [62.8%]**
- **“诚信危机，道德失 范” crisis of trust,
absence of moral standards [61.7%]**
- **“民主政治改革低于公众预期” democratic
reforms don't meet expectations [52.3%]**
- **“环境污染，生态 坏” pollution and ecological
damage [51.6%]**

China buys soft power with hard cash in Hollywood [Yahoo News, 3/14/16]

- The Beijing-based Wanda Group's record-breaking deal in January to buy US film studio **Legendary Pictures** finally confirmed the long-heralded emergence of the world's second biggest box office as a major player in Tinseltown.
- The **\$3.5 billion** agreement is the largest-ever cultural takeover by China; Beijing is pushing entertainment as a source of "soft power."
- Legendary, the maker of "**Jurassic World**," "**Godzilla**" and the latest **Batman trilogy**, has grossed more than \$11 billion worldwide since it was founded in 2005, mostly with the kind of big-budget blockbusters popular with Chinese audiences.
- **Wanda's AMC theater chain to buy Carmike for \$1.1 billion [3/3/16]**
- The combined company will be the **dominant theater chain in North America** and signals Wanda's further expansion into the entertainment industry.

China's influence over Hollywood grows

[Washington Post, 9/24/2016]

- China's bid for soft power was on show as Sony Pictures Entertainment formed an alliance with Dalian Wanda, a Chinese company that has become one of the world's largest media empires, in a deal announced Friday. While the partnership was smaller than some of Dalian Wanda's previous acquisitions, it attracted attention as the Chinese company's third major deal in Hollywood this year.
- These deals have sparked concern over whether China's expanding influence in Hollywood could lead to more pro-Chinese propaganda in U.S. films. The Chinese government tightly controls media content, and Hollywood studios have been known to alter films to feature China or the Chinese government in a more flattering light to gain access to the country's lucrative film market.
- On September 15, **16 members of Congress** mentioned the Chinese company by name in a letter that called for greater scrutiny of foreign investments. The 14 Republican and two Democratic members said that Dalian Wanda's acquisitions **have raised concerns "about China's efforts to censor topics and exert propaganda controls on American media."**
- **In announcing the Sony Pictures deal, the Chinese company vowed to increase China's influence.** Dalian Wanda said it **would "strive to highlight the China element in the films in which it invests."** "The alliance will help strengthen Wanda's power to influence the global film industry, and set a good precedent for Chinese film producers in their international investment," the company said.

The Economist, 4/2/16 [Cover leads to block of *Economist* website; *Time* magazine website also blocked]



Great Leader **Chairman** Xi Jinping
(from Panjiayuan Market, Beijing)



Mao in Tiananmen Square,
refreshed every year:
The Maoist Legacy [old CCP]



Abide with Mao [*Economist*, 9/10/2016]

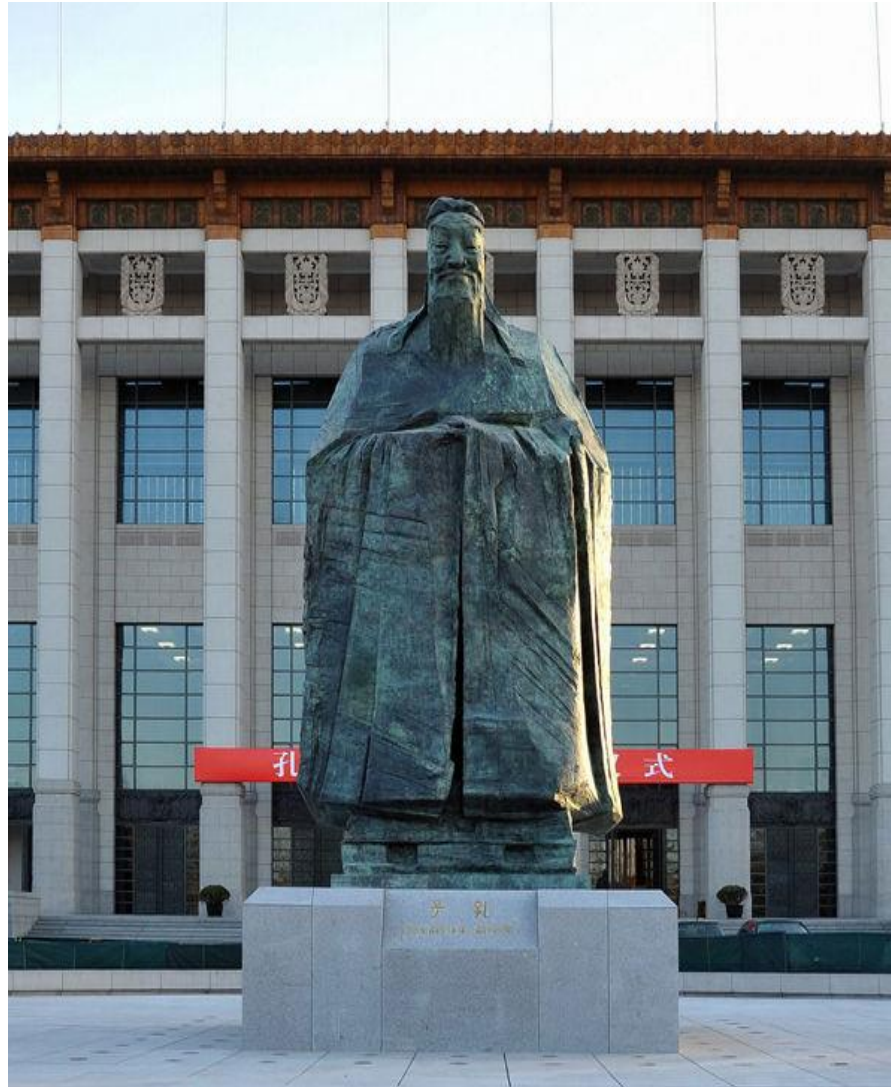


Abide with Mao: China still struggles to stuff the Great Helmsman underground

[*Economist*, 9/10/2016]

- 18 years after the death of Mao Zedong, it was possible for a notable book on Chinese reforms to have the title “*Burying Mao*”. The point of all the market-led economic change that Deng Xiaoping had promoted seemed to be to put as much distance as possible between his China and the era of Mao’s rule, so full of violence, trauma and human suffering. And yet. With the 40th anniversary of Mao’s death this month, a Sinologist now would think twice before choosing a similar title. “*Mao Unburied*” is more like it.
- It means that China’s Communist rulers have to put up with Mao. His craze for permanent revolution and popular attacks on the party are anathema to President Xi Jinping. *Confucius*, whom *Mao* reviled, is much more Mr Xi’s fellow, with his precepts of order, hierarchy, loyalty and uprightness. But Xi has a problem. A party with its roots in terror, illegality and revolution has today to present itself as the bastion of stability and justice. Xi knows that Mao remains the bedrock of his power. It is why the regime allows no chipping away—recently closing the only Chinese museum dedicated to the horrors of the Cultural Revolution, and shutting down a journal that questioned Maoism. Mao positively oozed power, thrilling even Henry Kissinger. Mr Xi knows his power is merely borrowed.

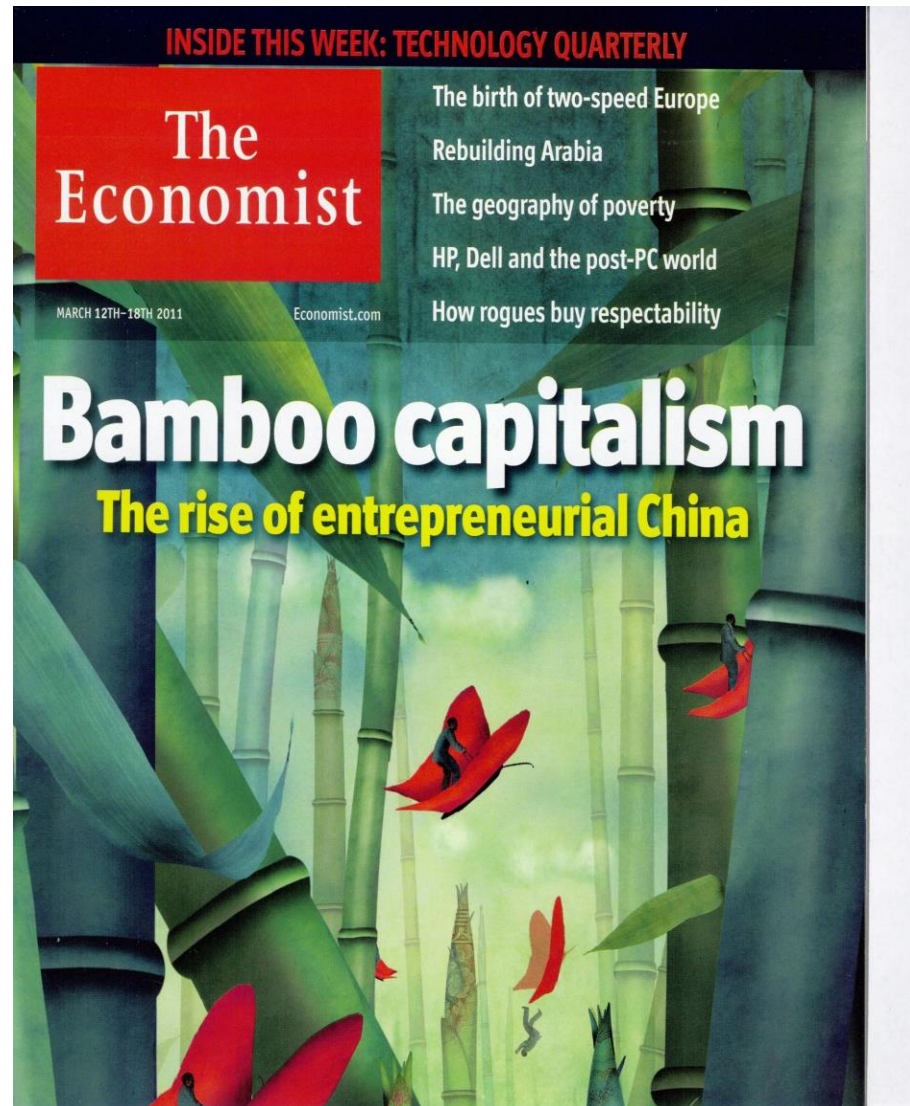
Confucius in Tiananmen Square, new for 2011: Chinese Confucian Party [CCP]



The Disappearing Statue of Confucius:
Explanations Vary Widely (*City Weekend*, 4/25/11)



Economist, March 12, 2011
on the secret of China's success:
Chinese Capitalist Party [CCP]



China Dream(s)



This is the Real Chinese Dream:
Xi Jinping, Putin, Obama and Abe



CHINESE YOUTH ATTITUDES TOWARD WESTERN 'CULTURAL PENETRATION'

(N=629, FROM 33 CHINESE UNIVERSITIES) [Conducted by the Institute of World History, Chinese Academy of Social Sciences]

QUESTION 1: "ON THE ISSUE OF BELIEF SYSTEMS"

"STRIVE TO REALIZE COMMUNISM":	17.2%
"STRIVE FOR INDIVIDUAL SUCCESS":	72.7%
"DON'T KNOW":	10.0%

QUESTION 2: "DO WESTERN VISUAL CULTURE PRODUCTS DIRECTLY OR INDIRECTLY PROPAGATE WESTERN POLITICAL CONCEPTS AND LIFESTYLES"?

"YES":	82.2%
"NO":	11.6%
"NOT CERTAIN":	6.2%

QUESTION 3: "ON ATTITUDES TOWARD THE AMERICAN CULTURAL CONCEPTS BEING PROPAGATED BY AMERICAN VISUAL CULTURE"

"IDENTIFY WITH THEM":	51.2%
"DON'T IDENTIFY WITH THEM":	17.2%
"IT MAKES NO DIFFERENCE" (<i>wusuowei</i>)	31.7%

SOURCE: "Dui woguo qingnian xuesheng zai xinyang deng 21 ge zhongda wentishang de wenzhuan diaocha ji jian'ao fenxi" [A Brief Analysis of Responses to a Survey Questionnaire on Belief Systems and 21 other Important Questions given by Young Chinese Students], in *Lingdao canyue* [Reference Reading for Leaders] No. 19, July 5, 2007, pp. 24-28. The title of the survey was "The Influence of Western 'Cultural Penetration' and our Countermeasures".



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17

2010/9/237

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公主嫁到

独家专访 梅小青 监制

白客/洪武三十二
雅典娜:战争的女神
神探夏洛克/GM

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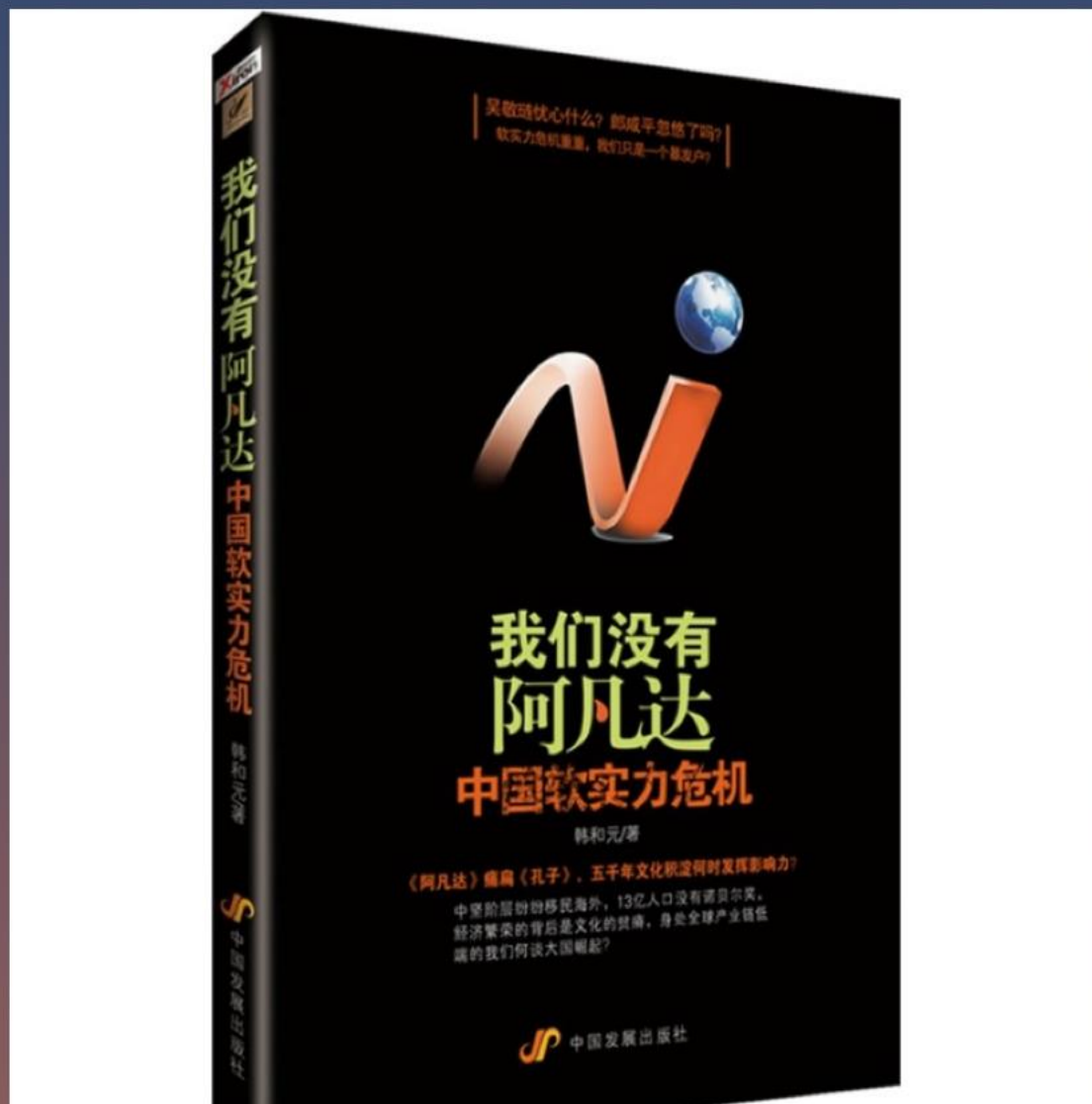
17

封面故事
THE BIG BANG Theory
4 生活大爆炸

特别企划 我们编剧有力量

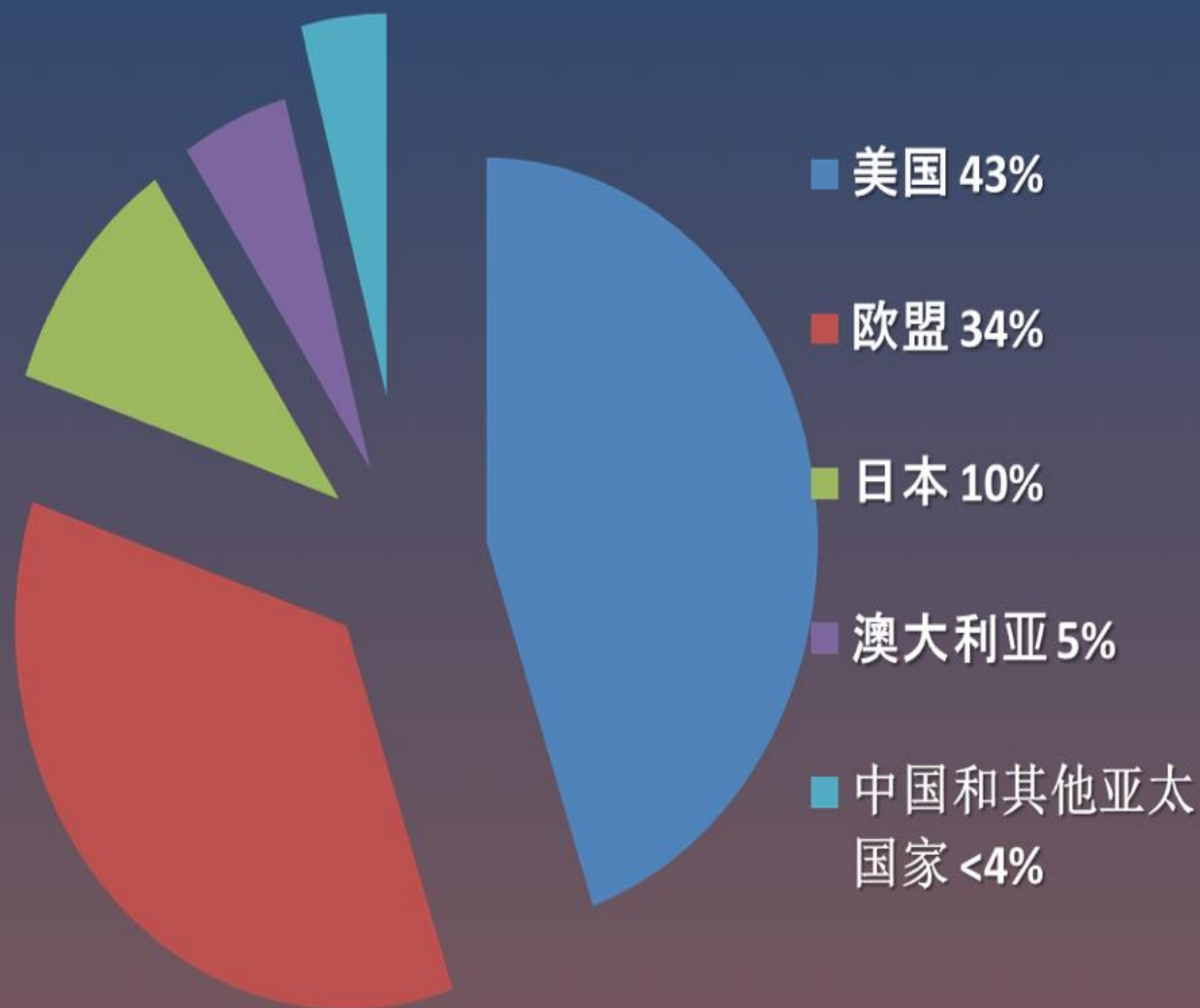
我们没有阿凡达:中国软实力危机

"We Don't Have Avatar: The Crisis in Chinese Soft Power"



Cultural Industry Market Share

部分国家文化产业在世界文化市场中所占比例



Is “House of Cards” a Victory for China’s Soft Power?

[“Democracy is so overrated”]

“How Could the American Ministry of Propaganda Allow this Show to Air?”



'House of Cards' Breaks Barriers in China; Online Show, With a Major Beijing Plot Line, Airs Uncensored (*WSJ*, 2/19/14)

•House of Cards embodies the corruption in American politics, says Chinese ambassador Cui Tiankai (*SCMP*, 3/12/14),

•A *Financial Times* editorial (3/9/14) by Kurt Campbell, former US assistant secretary of state, asserts that many mainlanders are enamored of House of Cards because it portrays American politicians who may “echo something familiar in the modern Chinese experience [such as] the recent saga of Bo Xilai”

•Liu Yu, a liberal columnist for *Southern People Weekly*, says the show's depiction of corruption is exaggerated; Washington politics are not nearly so simplistic.

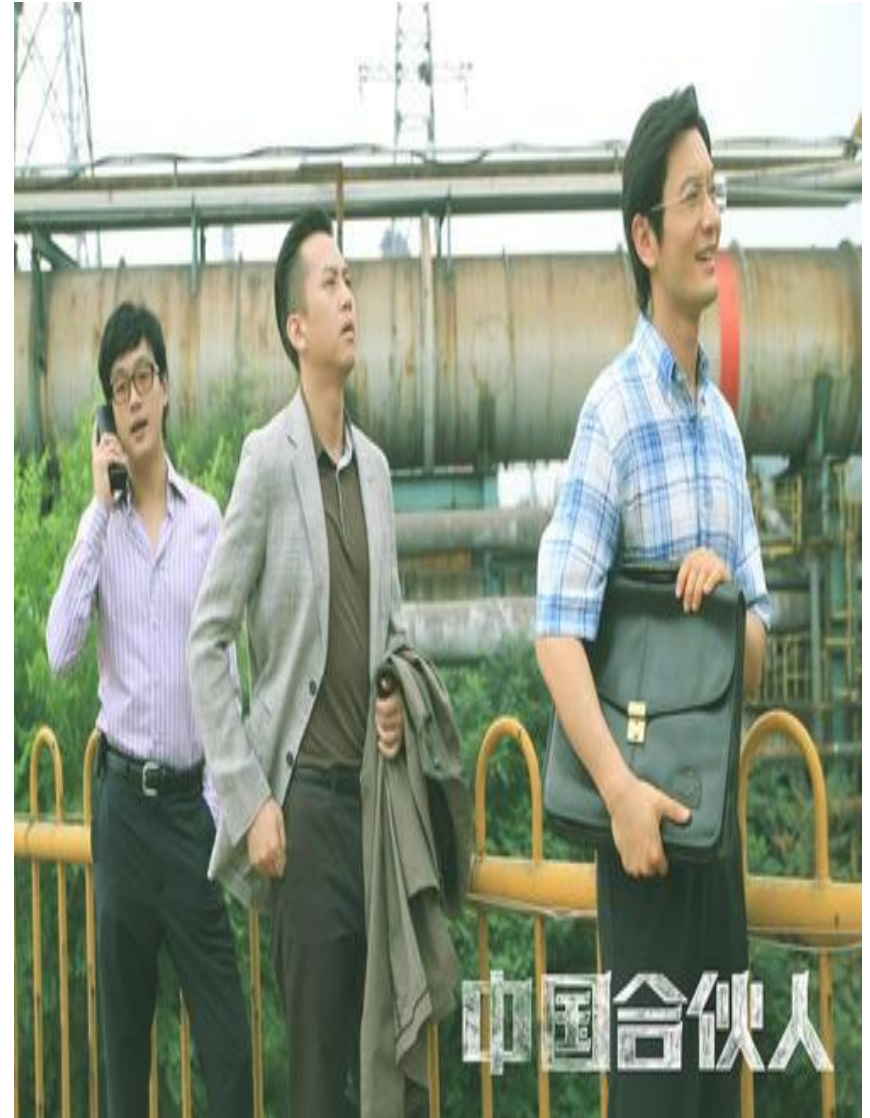
•Members of China’s online microblogging community offered an alternate voice, and several criticized Cui for his comments.

•“Americans are such that they do not hide their drawbacks, and through debate, constantly compromise to improve their government,” one Sina Weibo commentator wrote. “They see the problems of their [government], and also recognize their own shortcomings.”

•“Of course there are issues with a two party system,” mused another blogger. “But a one party dictatorship can really harm people.”

American Dreams in China 中國合伙人

- Hong Kong/China
Period light drama
2013
Directed by Peter Chan (陳可辛)
- **BOX OFFICE:**
- **(RMB538 million;
US\$87.6 million);
NUMBER 4 FOR 1ST
HALF OF 2013**



China's Post-1980s Generation, Between the Nation and the World

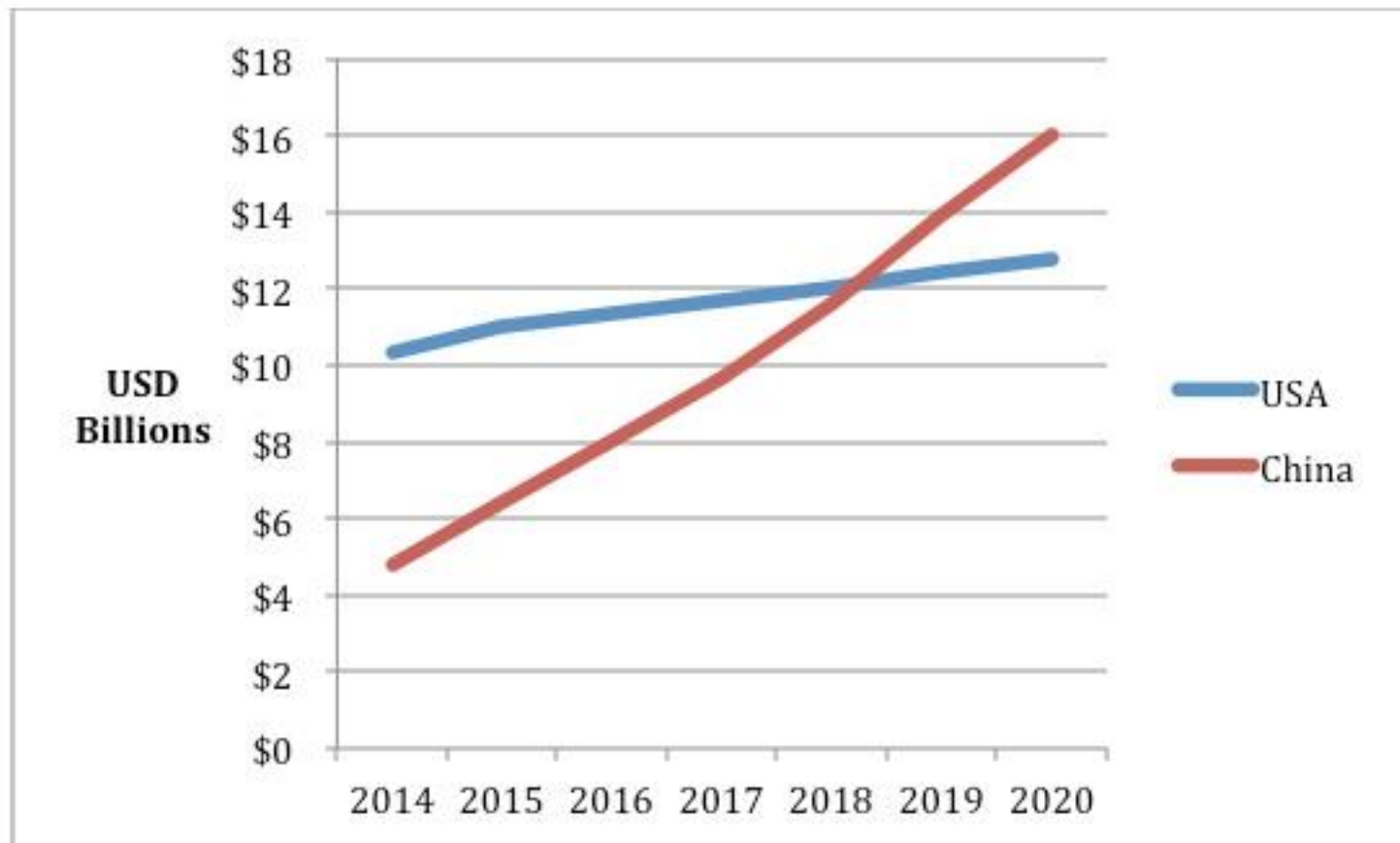
[S. Rosen, *World Politics Review*, 7/15/14] {1}

- Survey in 2013 on Chinese who have already become “internationalized,” the Generation of International Floaters. 4,900 people in 62 cities; the post-1980s generation constituted 59.3 percent of these “floaters,” while the post-1990s generation made up 18.6 percent
- 53.3 percent like to watch English-language films without Chinese subtitles and to use foreign websites such as Facebook and Twitter, which are banned in China. They favor international brand-name products because of their high quality and durability. They prefer to drink Starbucks and Chivas Regal and to drive Volkswagens, Audis and Fords. Recognizing the attractiveness of the foreign, Chinese entrepreneurs have built hotels in China with names like **Marvelot** (using the same Chinese characters as the Marriott), **Haiyatt** and Peninsula.

67.4 percent prefer English and American TV series, with only 20.8 percent choosing Chinese domestic shows. American shows that were particularly popular included “The Big Bang Theory” (streamed more than 1.3 billion times over the past five years), “The Vampire Diaries” and “2 Broke Girls.” Other recent popular shows include “House of Cards,” the British show “Sherlock” and “Masters of Sex.”

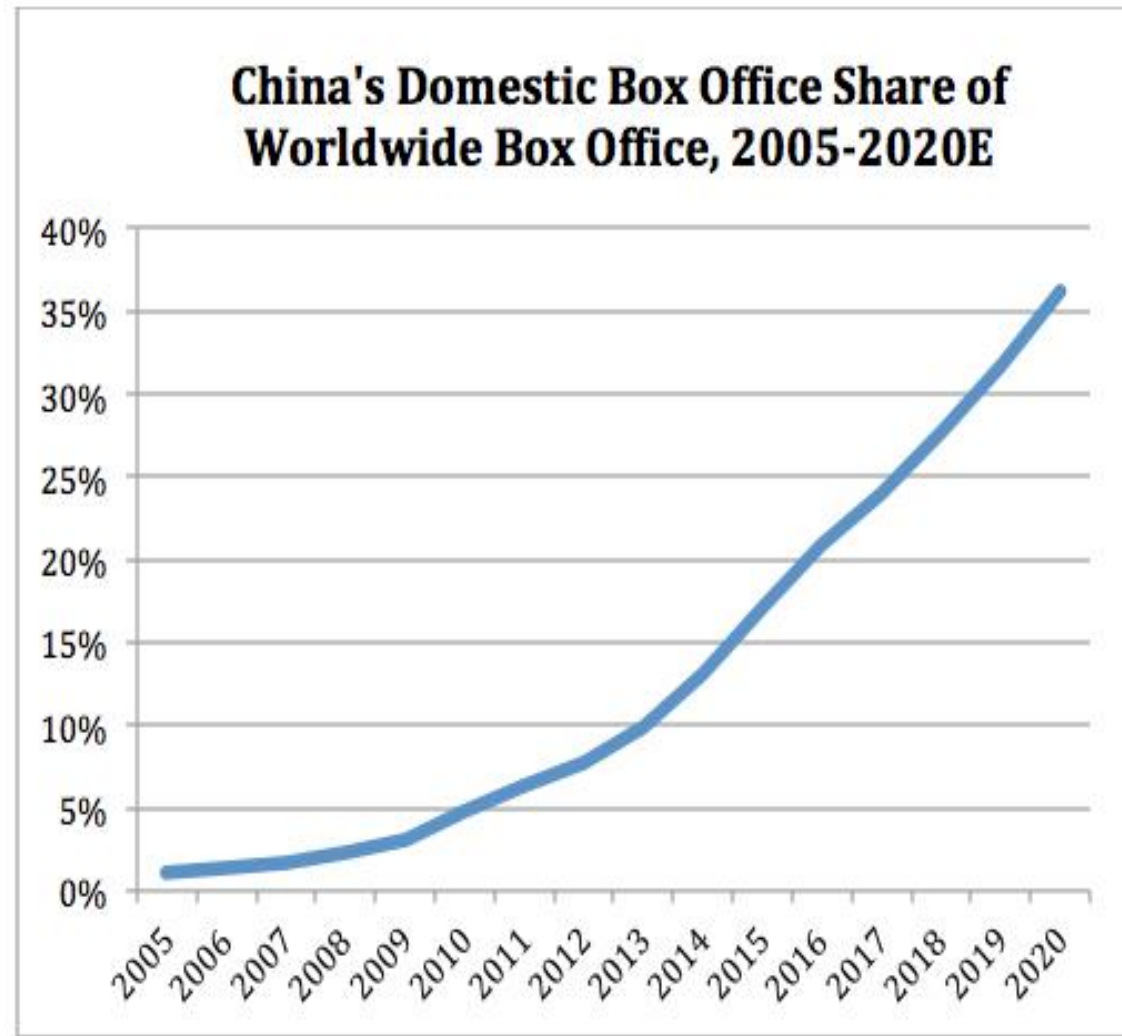
Many of the most popular shows are legally licensed and are shown on streaming sites, which have been less subject to censorship than regular TV. In 2012 Sohu had 144 American and British TV shows available for streaming, Tencent had 123 shows and Youku Tudou had 109; these channels of distribution are even more important in introducing Western culture to China than regular TV or theatrical films. This “loophole” in the censorship system has allowed Chinese viewers to watch shows with the type of violence, scandal, superstition or other sensitive themes that would not otherwise be approved. This has now been plugged.

Projected Annual Box Office, China vs. North America, 2014-2020 [Robert Cain, *chinafilmbiz*, 4/8/2015]



China's Domestic Box Office Share of Worldwide Box Office, 2005-2020 (projected)

[Robert Cain, chinafilmbiz, 4/8/2015]



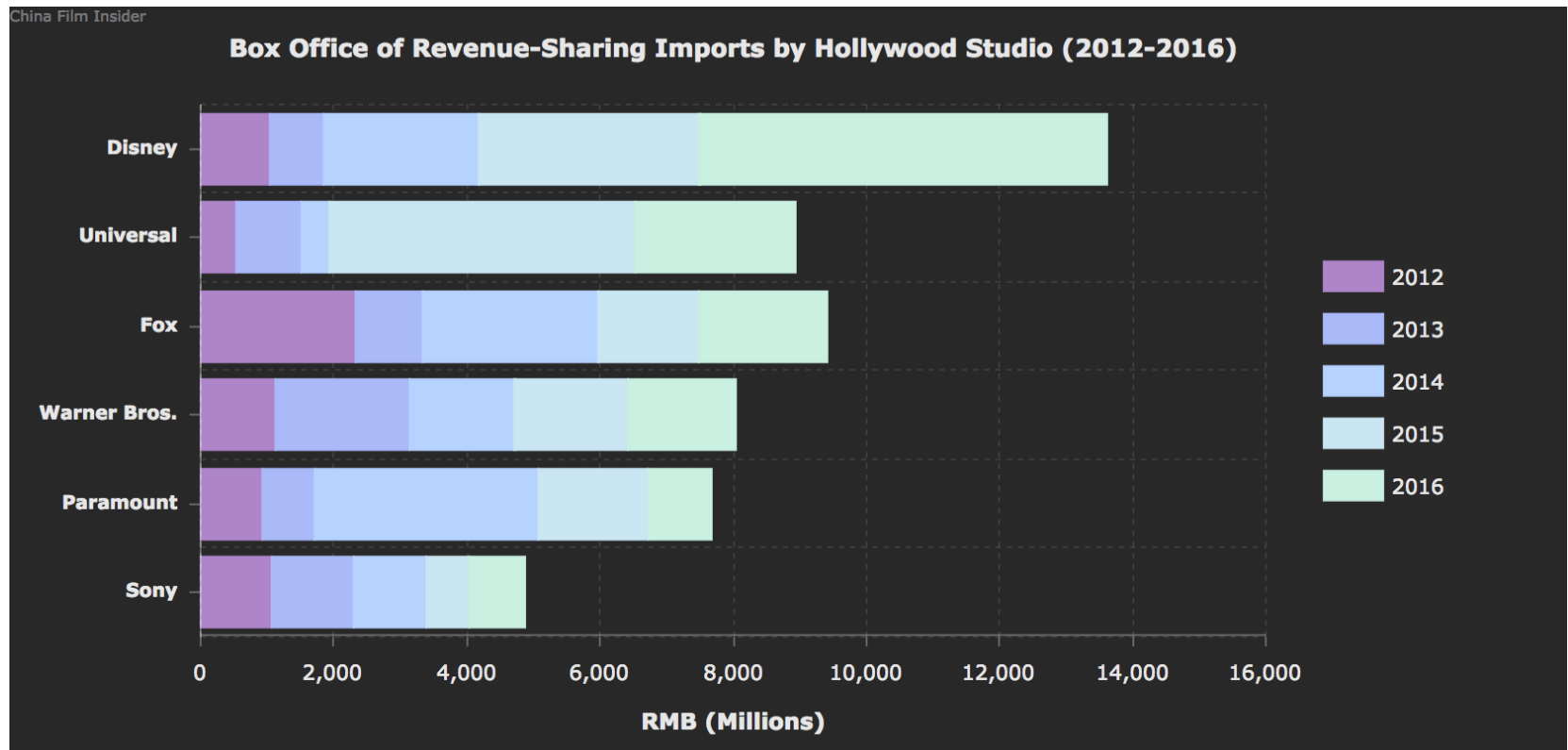
China Blamed for Slow 2016 Global Box Office Growth [S. Schwankert, *China Film Insider*, 3/24/17]

- China's single-digit growth in 2016 pulled down the overall numbers of the global film industry, which despite that slowing still set a record with US\$38.6 billion in revenues.
- The box office in China, which had grown in double-digits since 2003, still set its own record with \$6.6 billion in 2016, but grew overall only [3.7 percent](#). North America took in \$11.4 billion, up only two percent over 2015. In China, a total of 10 films reached RMB 1 billion or higher.
- China ended the year with the world's largest number of cinema screens, with just over 41,000.
- China's box office total also reflected 40 foreign films that were imported on a revenue-sharing basis, six more than are officially permitted, the result of a relaxation of import policies that sought to boost cinema earnings. However, of the six additional films, only Mel Gibson's World War II story *Hacksaw Ridge* found any real success, earning RMB 373 million (\$53.7 million).

China Box Office, 2016

- 1 The Mermaid **\$526,848,189**
- 2 Zootopia **\$235,591,257**
- 3 Warcraft **\$220,841,090**
- 4 Captain America: Civil War **\$190,429,000**
- 5 The Monkey King 2 **\$185,402,420**
- 6 From Vegas to Macau 3 **\$172,104,369** 2/8
- 7 Operation MeKong **\$170,482,937**
- 8 The Great Wall **\$169,719,131** [Co-production/Matt Damon]
- 9 Kung Fu Panda 3 **\$154,304,371** [Co-production]
- 10 Time Raiders **\$150,486,525**
- 11 The Jungle Book **\$150,140,000**
- 12 Skiptrace **\$133,164,034**
- 13 Star Wars: The Force Awakens **\$124,159,138**

Box Office Revenue-Sharing Imports by Hollywood Studio (2012-2016) [J. Papish, *China Film Insider*, 3/21/17]



China Film Box Office, 2015

- 1 **Furious 7** **\$390,910,000**
- 2 **Monster Hunt** **\$381,860,000**
- 3 **Mojin: The Lost Legend** **\$255,774,166**
- 4 **Lost in Hong Kong** **\$253,590,000**
- 5 **Avengers: Age of Ultron** **\$240,110,000**
- 6 **Jurassic World** **\$228,740,000**
- 7 **Goodbye Mr. Loser** **\$226,161,196**
- 8 **Jian Bing Man** **\$186,350,000**
- 9 **The Man from Macau II** **\$154,130,000**
- 10 **Monkey King: Hero Is Back** **\$153,020,000**
- 11 **Mr. Six** **\$135,698,410**
- 12 **Mission: Impossible - Rogue Nation** **\$135,653,541**

China Yearly Box Office, 2014

<u>Rank</u>	<u>Movie Title</u>	<u>Distributor</u>	<u>Gross</u>	<u>Release</u>
1	Transformers: Age of Extinction	HuaXia	\$301,000,000	6/27
2	Breakup Buddies	n/a	\$187,970,000	9/30
3	The Monkey King	n/a	\$167,840,000	1/31
4	The Taking of Tiger Mountain	HuaXia	\$141,020,000	12/23
5	Interstellar	China Film	\$121,990,000	11/12
6	X-Men: Days of Future Past	HuaXia	\$116,490,000	5/23
7	Captain America: The Winter Soldier	China Film	\$115,620,000	4/4
8	Dad, Where Are We Going?	n/a	\$111,870,000	1/31
9	Dawn of the Planet of the Apes	HuaXia	\$107,355,317	8/29
10	The Breakup Guru	n/a	\$106,590,000	6/27
11	The Continent	HuaXia	\$100,110,000	7/24
12	Guardians of the Galaxy	HuaXia	\$96,470,000	10/10
13	The Amazing Spider-Man 2	China Film	\$94,430,000	5/4



Inspired by '*Zootopia*,' kids in China are begging for rare, protected foxes as pets [*Los Angeles Times*, 3/30/16]



A pair of fennec foxes, male and female, in their owner's basement in Beijing, were being offered for sale for \$6,150. (Yingzhi Yang)

苹果的粉丝 [Apple Fans] {Many Blogs exchanging news on Apple products}



- “Edible Apple Lust in China” (from Bill Bishop’s *Sinocism China Newsletter*, 4/12/15)
- “Recently a man placed an order with CCSweets for a birthday cake for a buddy, an Apple fanatic and a *Tuhao* 土豪, or ‘uncouth nouveau riche’. In case you were wondering, the girls are not his daughters, and everything is edible.”

'Cultural threats' among five focuses of new national security panel, colonel says

South China Morning Post, 1/14/2014

- National security committee will plan response to **extremists, online agitators and West's cultural influence**
- "No single agency can handle such threats," Gong said in an article for the *Study Times*, the daily newspaper of the Communist Party's Central Party School. "It is necessary to set up a high-level agency that has the proper authority to co-ordinate all forces involved."

China Takes Aim at Western Ideas,

NY Times, August 19, 2013

- Communist Party cadres have filled meeting halls around China to hear a somber, secretive warning issued by senior leaders. Power could escape their grip, they have been told, unless the party eradicates seven subversive currents coursing through Chinese society.
- These **seven perils** were enumerated in a memo, referred to as **Document No. 9**, that bears the unmistakable imprimatur of Xi Jinping, China's new top leader. The first was "**Western constitutional democracy**"; others included promoting "universal values" of human rights, **Western-inspired notions of media independence and civic participation**, **ardently pro-market "neo-liberalism,"** and "**nihilist**" criticisms of the party's traumatic past.

China Warns Against ‘Western Values’ in Imported Textbooks

[*NY Times*, 1/31/2015]

- This week, China’s ideological drive against Western liberal ideas broadened to take in a new target: foreign textbooks.
- Meeting in Beijing with the leaders of several prominent universities, Education Minister Yuan Guiren laid out new rules restricting the use of Western textbooks and banning those sowing “Western values.”
- On Jan. 19, the leadership issued guidelines demanding that universities make a priority of ideological loyalty to the party, Marxism and Mr. Xi’s ideas.
- Just how the Education Ministry’s demands regarding foreign textbooks will play out remains unclear. In many Chinese colleges and universities, English-language textbooks and translations of them have become widely used in the natural sciences, economics, law, journalism and the social sciences. **Many students aspiring to study or work abroad believe mastering foreign works is essential to their success.**
- Academics who have felt Mr. Xi’s ideological tightening said **the room for candid debate had shrunk drastically, even compared with the restrictions of past years.**

China Says Its Students, Even Those Abroad, Need More ‘Patriotic Education’ [NY TIMES, 2/11/16]

- Chinese students, already immersed in classes and textbooks that promote nationalist loyalty to the Communist Party as a bedrock value, must be made even more patriotic and devoted to the party, even when they are studying in universities abroad, according to a new directive sent to education officials.
- The directive, issued by the Communist Party organization of the Ministry of Education, calls for “patriotic education” to suffuse each stage and aspect of schooling, through textbooks, student assessments, museum visits and the Internet, which is the chief source of information for many young Chinese.
- “Organically instill the patriotic spirit into all subjects, curriculums and standards for primary, secondary and higher education in morals, language, history, geography, sports, arts and so on,” says the document, which was approved in late January but publicized only on Tuesday by Xinhua, the state-run news agency.

Positives for Business in China: Film, TV and Media

- 1. “**ESPN** Scores in China”: Deal with Tencent (*LA Times*, 2/4/16)
- 2. “**Wanda** Buying U.S. Movie Firm”: Wang Jianlin pays \$3.5 billion in cash for **Legendary** Entertainment (*LA Times*, 1/12/16)
- 3. “Chinese Theater Firm to Import **Dolby** Technology”: Wanda to open 100 premium theaters (*LA Times*, 1/28/16)
- 4. “‘**Star Wars**’ Still Tops but ‘**Panda 3**’ Kicking Off” (*LA Times*, 1/27/16)
- 5. “**China-Hollywood Deals** likely: market turmoil isn’t expected to slow the rapid rise of its movie business” (*LA Times*, 1/8/16)
- 6. “**Universal** Poised to Close \$500 Million Slate Deal with China’s Perfect World” (*Variety*, 1/22/16)
- 7. “China’s **Tencent**, **Huayi Bros.** Pact With **Jack Ma** to Produce Hollywood Films” (*Hollywood Reporter*, 12/11/15)
- 8. “**Bona Film’s Yu Dong** on Partnering with Hollywood: ‘For Chinese Companies, Credibility is Key’” (*Hollywood Reporter*, 11/5/15)

Potential Negatives for Business in China

- 1. Dangerous Love on National Security Education Day [*China Law Translate*, 4/16/2016] {Don't Date Foreigners!}
- “China Uses **Foreigners' Confessions** as Televised Propaganda” (*NY Times*, 1/22/16)
- 2. “**Panic in China?**” For Second Time This Week, **Trading** Grinds to a Halt after 7% Drop” (*LA Times*, 1/8/16)
- 3. “**Microsoft** Faces New Scrutiny in China” (*NY Times*, 1/6/16)
- 4. “In Praise of **Web** Freedom, **Censorship**-Style” (*LA Times*, 12/17/15)
- 5. “China Says It Will **Expel Journalist** Over Article” (*NY T*, 12/27/15)
- 6. “”An Internet Giant Seeks to Polish China's Image”: **Alibaba** purchases HK's **South China Morning Post**” (*NY Times*, 12/14/15)
- 7. “**Antiterrorism Law** Expands China's **Surveillance Power**” (*NYT*, 12/28/15)
- 8. “**Dumping** Day and Night in **Shenzhen**, Ignoring the Growing Peril” (*NYT*, 12/23/15)
- 9. “**Chinese Politics, A Crisis of Faith: In Their Response to Wobbly Markets, China's Leaders Reveal Their Fears**” (*The Economist*, 1/16/16)

Crackdown in China: Worse and Worse

by Orville Schell [*New York Review of Books*,
4/21/16]

- Not since the 1970s when Mao still reigned and the Cultural Revolution still raged has the Chinese leadership been so possessed by Maoist nostalgia and Leninist-style leadership
- What has been happening lately in Beijing under the leadership of Chinese Communist Party General Secretary Xi Jinping is no simple fluctuation of oscillating cycles of political “relaxation” and “tightening”. It is a fundamental shift in ideological and organizational direction that is beginning to influence both China’s reform agenda and its foreign relations.
- What is most striking about these new tactics is their boldness and unrepentant tone. Instead of denying or apologizing for them, the CCP seems to proudly proclaim them as part of a new Chinese model of development, albeit one that has no use for liberal values from the West. In the new world of resurgent Chinese wealth and power, what is valued is strong leadership, short-term stability, and immediate economic growth.

David Shambaugh: “The Coming Chinese Crackup” [*Wall Street Journal*, 3/16/15, and *China’s Future*]

The endgame of communist rule in China has begun

- 1. China’s economic elites have one foot out the door, and they are ready to flee en masse if the system really begins to crumble.
- 2. Since taking office in 2012, Xi has greatly intensified the political repression that has blanketed China since 2009 [Insecure and Anxious Leadership]. {2000-2008 was the high tide of reform efforts}
- 3. Even many regime loyalists are just going through the motions.
- 4. The corruption that riddles the party-state and the military also pervades Chinese society as a whole; it is stubbornly rooted in the single-party system, patron-client networks, an economy utterly lacking in transparency, a state-controlled media and the absence of the rule of law.
- 5. China’s economy—for all the Western views of it as an unstoppable juggernaut—is stuck in a series of systemic traps from which there is no easy exit; Xi’s ambitious goals have been stillborn. The reform package challenges powerful, deeply entrenched interest groups—such as state-owned enterprises and local party cadres—and they are plainly blocking its implementation.

Is China Really Cracking Up?

A ChinaFile Conversation

(3/11/15)

On March 7, *The Wall Street Journal* published an opinion piece by David Shambaugh arguing that “the endgame of Chinese communist rule has now begun...and it has progressed further than many think.” Shambaugh laid out a variety of signs he believes indicate a regime on the cusp of failure. Do you agree with his assessment? Why or why not? — *The Editors*

Responses

Suisheng Zhao, Arthur R. Kroeber, Ho-fung Hung, Howard W. French, Peter Mattis, Ryan Mitchell, Chen Weihua

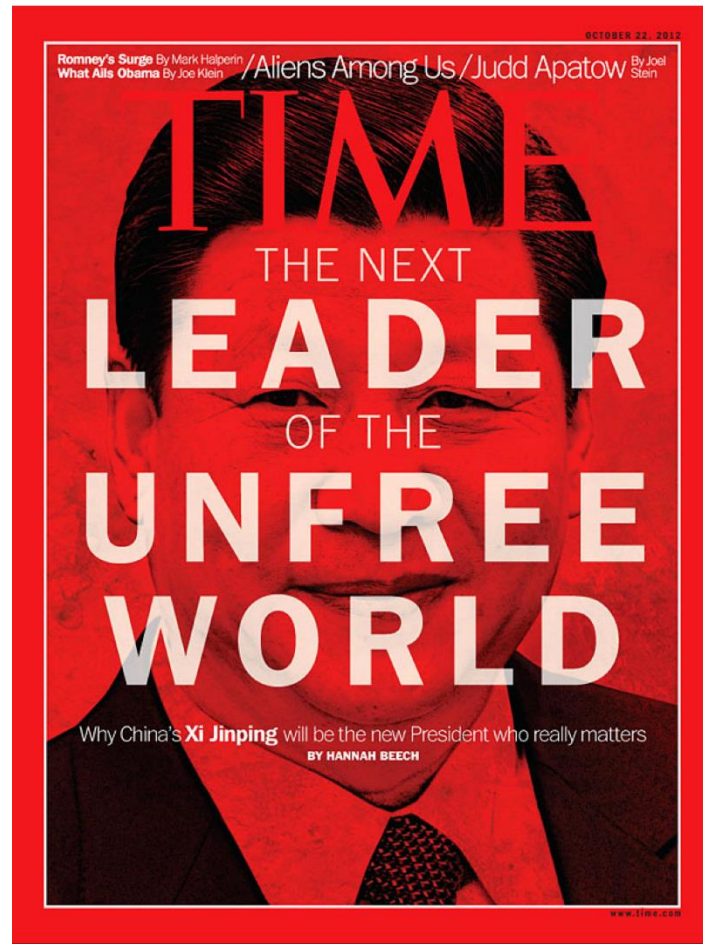
Responses to Shambaugh (1)

- "[Is the Chinese Dragon Losing its Puff?](#)"
Sydney Morning Herald, March 16, 2015
- "[Q. and A.: David Shambaugh on the Risks to Chinese Communist Rule](#)," *The New York Times*, March 15, 2015
- "[Shambaugh China Essay in Shambles](#),"
China Daily, March 13, 2015

Responses to Shambaugh (2)

- "[Watching the New Emperors](#)," CHINET, March 12, 2015
- "[Sorry America: China is NOT Going to Collapse](#)," *The National Interest*, March 10, 2015
- "[Why Is Shambaugh Suddenly Shouting About 'China's Collapse'?](#)" *The Global Times*, March 9, 2015 (Chinese only)

Time magazine, 10/22/12



The
Economist

Emerging markets: don't panic
Mobile health, miracle cure
Behold Bello, our Latin American column
Brands in the age of scepticism
How Neanderthal are you?

The triumph of Vladimir Putin

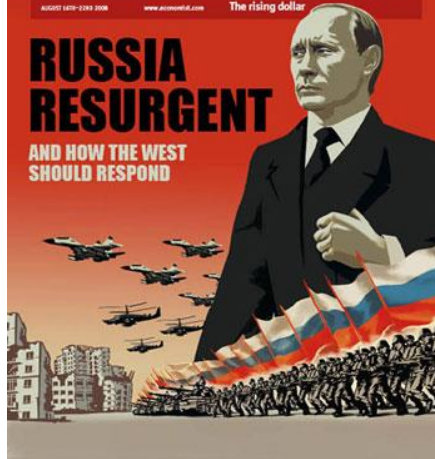


The
Economist

Medical tourism
What to do about Musharraf
How touch makes people generous
Who's winning in European retail
The rising dollar

RUSSIA RESURGENT

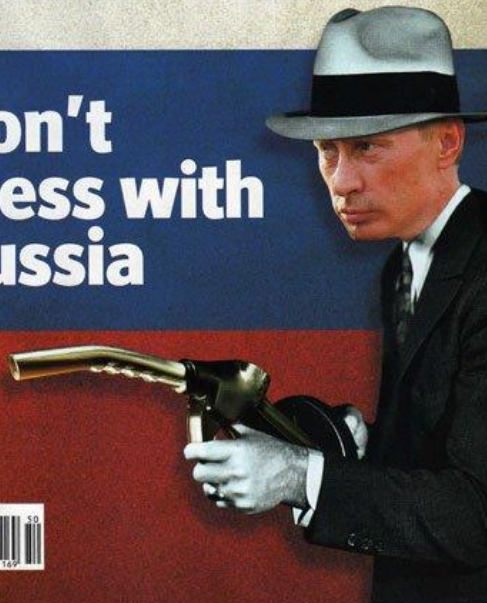
AND HOW THE WEST
SHOULD RESPOND



The
Economist

Monoglot Britain
Europe goes cold on Turkey
Dubai as a financial centre
Trouble in America's mortgage market
How bad was Pinochet?

Don't mess with Russia



“*Economist*” Covers:
Putin vs. Xi Jinping
[Xi Cover from May 4, 2013]

The
Economist

Just close Guantánamo
The lills are alive: thriving musicals
The sharp end of Europe's credit crunch
Enter Gnatbot, the tiny flying robot
Britain's posh schools go global

Let's party like it's 1793

Xi Jinping,
the “Chinese dream”
and a return to
greatness



The Economist, 9/20/14

COE [Chief of Everything]



The Economist, 1/25/2014: “Life is getting tougher for foreign companies; those that want to stay will have to adjust.”

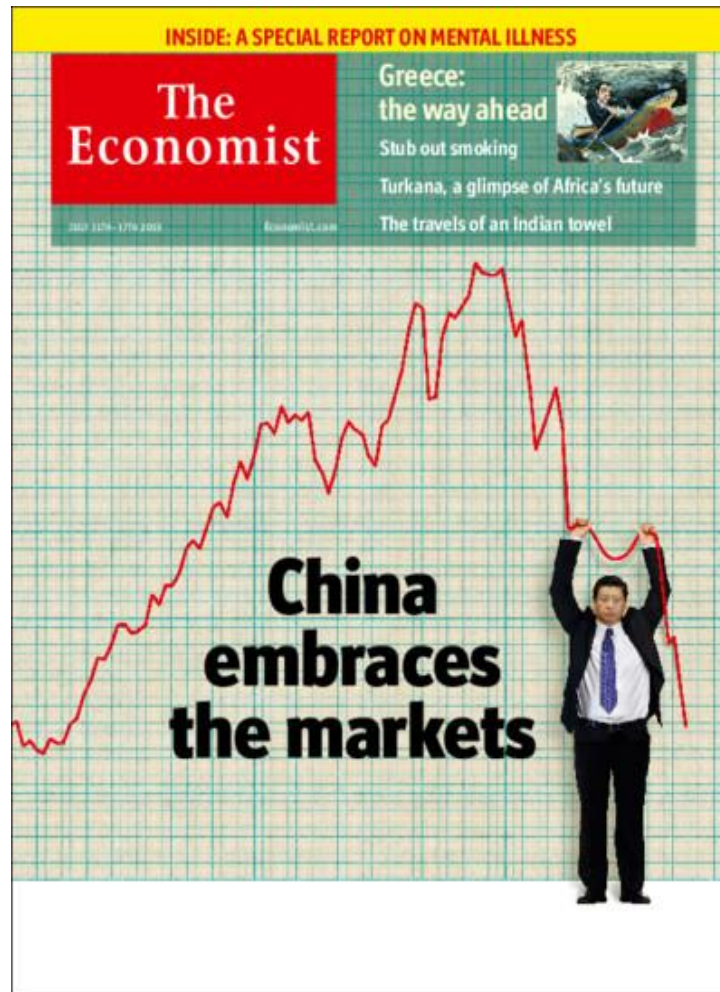


- Rising costs requires a shift from growth to productivity.
- Tighter control from headquarters (GSK case)
- A one China policy no longer makes sense. Localize marketing and even product development.

The Economist, 3/14/15



The Economist, 7/11/15



The Economist, 8/15/15



The Economist, 8/29/15



The Great Fall of China

The Economist, 8/29/15

- **Fear about China's economy can be overdone. But investors are right to be nervous**
- Rich-world markets have regained some of their poise. But three fears remain: that China's economy is in deep trouble; that emerging markets are vulnerable to a full-blown crisis; and that the long rally in rich-world markets is over.
- China, where share prices continued to plunge, is the source of the contagion. Around \$5 trillion has been wiped off global equity markets since the yuan devalued earlier this month. That shift, allied to a string of bad economic numbers and a botched official attempt to halt the slide in Chinese bourses, has fueled fears that the world's second-largest economy is heading for a hard landing. Exports have been falling. The stock market has lost more than 40% since peaking in June, a bigger drop than the dotcom bust.

The Economist, 1/16/16



“Feeling Twice Victimized: **Ponzi Scheme** in China Gained Credibility From State Media” (NYT, 2/6/16)

MATERIALISM AND SOCIALIST MENTALITY

- Ezubao sold itself as a peer-to-peer lender, which matches investors with potential borrowers online.
- “Many people joined Ezubao because they saw the support from the government and from some government officials”.
- Ezubao had received positive reviews and coverage in articles posted on a number of central government websites. The charges were conveyed by the same official outlets whose favor Mr. Ding once curried — CCTV, the official TV broadcaster, and Xinhua, the main government news agency. And for some investors and employees, that apparent reversal smacked of hypocrisy.
- The company also placed advertisements on CCTV, the state broadcaster, which Mr. Luo took to mean it had passed some level of official scrutiny.
- “Those advertisements usually would require strict vetting.” “After all, CCTV is a media organization, but also part of the state.”



Slogan of the Week: Smog the People

喂人民服雾 (wèi rénmin fú wù): smog the people

(China Digital Times, 4/6/2014)

- Literally “feed smog to the people.” A play on Mao Zedong’s motto “serve the people.” While “smog the people” has been in use for several years, the phrase gained currency in October 2013, when smog stopped traffic and hindered tennis matches in Beijing and brought an “airpocalypse” to Harbin.
- Around New Year’s 2014, many Weibo users called “smog the people” the biggest “watchword” of 2013 [2013最响亮的口号 喂人民服雾](#)



Behind China's woes, myth of competent autocrats, Pei Minxin, *Nikkei Asian Review*,
2/1/16

- The relentless economic slowdown and the unfolding panic in China's financial markets have blasted apart several long-cherished myths. One of them is that of a competent autocratic regime run by clever technocrats and decisive politicians. Recent stumbles by Beijing, such as the ill-fated and costly decision to save a crashing stock market bubble, the surprise devaluation of the yuan, and the subsequent massive intervention by the People's Bank of China to support the currency, demonstrate that Chinese technocrats may not be as clever as many thought. As for the country's politicians, they appear to be decisive, but only in making bad calls.

Is There a China Model and Is it Superior to Western Democracy? **A ChinaFile Conversation,** 10/16/15

Daniel A. Bell, Timothy Garton Ash, Andrew J. Nathan, Taisu Zhang, Mark Danner, Rebecca Liao, Ryan Mitchell

- Daniel A. Bell's controversial book, *The China Model: Political Meritocracy and the Limits of Democracy*
- "Debating the China Model of Modernization: The Beijing Consensus and the Washington Consensus" *Journal of Contemporary China*, June 2010, pp. 419-477

Hong Kong's SCMP (*South China Morning Post*) Paywall Falls as State Media Look Abroad, [*China Digital Times*, 4/6/2016]

After last year's announcement of the purchase, concerns surfaced that the paper—long known for objective coverage of sensitive issues in China—would forfeit some editorial independence when under control of a mainland-based company with deep ties to the government. **Alibaba officials explained that one objective of the purchase was to offset “biased” portrayals of China from Western media that influences the Wall Street-listed company's share prices, with more “fair and accurate” coverage.**

The Xi administration is involved in a largely successful campaign to discredit Western media in the eyes of the Chinese public, and amid a steady tightening of control over domestic media that has recently attracted backlash from several high-profile media figures. While on a tour of leading state media outlets in February, Xi stressed that official media must “speak for the Party,” asked state news bureaus abroad to better tell China's story to the world, and called for the creation of “flagship media with strong international influence.” This week, state-owned Shanghai Media Group launched **Sixth Tone**, an English-language new media venture. Sixth Tone is sister publication to hip web-2.0 style news blog The Paper (澎湃), which debuted in 2014 after Xi called for an upgrade to traditional state propaganda.

China to Prosecute Taiwanese in Fraud Case Despite Acquittals in Kenya [*NY Times*, 4/13/16]

- The Chinese government announced that a group of Taiwanese citizens who were deported to China from Kenya would be prosecuted on charges of telecommunications fraud despite having been acquitted of the same charges in a Kenyan court.
- The move escalated a diplomatic battle that has outraged Taiwan, which sees the deportation of its citizens to China as an extrajudicial abduction. The case has also raised international legal questions and involved Kenya in the geopolitical maneuvering between China and Taiwan.



Taiwanese citizens accused of telecommunications fraud arrived in Beijing in handcuffs on Wednesday after being forced onto a plane by Kenyan police officers. Yin Gang/Xinhua, via Associated Press

“Leave China, Study in America, Find Jesus: Why a growing number of Chinese students at U.S. universities are coming home with Christian beliefs” [*Foreign Policy*, 2/11/16]

- Before 1989, when the Tiananmen crackdown occurred, “very few Chinese students would go to church when studying in North America they stayed far away from it.” When Yang converted to Christianity in the United States, his father, a life-long Communist party member who refused to visit him, called him a traitor. “For my generation, it was a real struggle between Marxism; communism versus Christianity.” But the younger generation of Chinese have grown up in what’s essentially a market economy; one stripped of religious meaning, but also of any competing ideology.
- Some ministry workers say they find Chinese students’ lack of experience with religion an advantage; it makes them more receptive to the gospel.



Soap Reignites Korean Culture Boom in China

Yonhap News Agency, 3/11/14

- Although the drama has never been broadcast on China's major television networks, the 21-episode series has recently topped 3 billion views in total on the country's major Internet sites that show old TV episodes.
- Proving the popularity of "**My Love from Another Star**" [来自星星的你] a television station in Nanjing in China's Jiangsu Province invited Kim to appear in a popular entertainment program. It reportedly offered Kim a chartered flight and 521 million won (US\$489,477) in appearance fees.
- Several Korean television shows such as "Where Are We Going, Dad?" "I am a Singer" "Superstar K" and "Hidden Singer" made big hits among Chinese viewers in recent months after Chinese networks produced their renditions of the shows.
- **My Love from Another Star** also sparked a craze in China for Korean-style fried chicken served with beer, after Jun was repeatedly shown eating the meal in the show.



Chinese officials debate why China can't make a soap opera as good as South Korea's [William Wan, *Washington Post*, 3/7/14]

- Well aware of the craze the drama has created in China, one committee of China's CPPCC spent a morning bemoaning why China can't make a show as good and as big of a hit.
- "It is more than just a Korean soap opera. It hurts our culture dignity" [CPPCC member]
- "Korean drama is ahead of us"; "The core and soul of the Korean opera is a distillation of traditional Chinese culture." "It propagates traditional Chinese culture in the form of a TV drama." [Politburo Standing Comm. Member Wang Qishan]
- At a meeting of delegates from the culture and entertainment industry, some blamed it partly on China's censorship. Feng Xiaogang said: "My heart trembles" when waiting for a movie to go through this rigorous censoring procedure.



The KBS2 drama *Descendants of the Sun* hit 440 million views on Chinese online video platform iQiyi. PHOTO: KBS

Chinese government warns of dangers of Korean dramas as *Descendants Of The Sun* hits 440m views in China

[*The Straits Times* (Singapore), 3/14/2016]

In China, it airs simultaneously with South Korea's broadcast where it is available to stream on iQiyi and has been streamed more than 1.5 billion times. Its popularity in China has caused concern with the country's Ministry of Public Security posting a warning on its official Weibo account against the drama warning viewers "watching Korean dramas could be dangerous, and even lead to legal troubles". It is part of a growing concern among Chinese officials who are wary of the growing influence of Korean pop culture on the Chinese populace since the similar success of *My Love from the Star* in 2014.

Will the Middle Class Shake China?

The New Yorker, 3/8/2013

- Let's be clear: the Chinese middle class is not preparing to take to the ramparts. But for years, people talked about the Chinese middle class as one caricature or another: an ardent protector of the status quo, or a ticking time bomb. On the ground, the men and women at the heart of it have turned out to be something more complicated: they have no appetite for outright revolution, but they are **weary of injustice and unfairness**, and the oligarchy provides a **vanishingly small outlet for them to seek redress on the issues they care about most**: the **availability of safe food, fair access to good education and health care, and, more and more, safe air**.

An Unhappy Middle in the Middle Kingdom

(*Wall Street Journal*, 3/7/2013)

- China has 408 billionaires, more than the 317 who live in the U.S., according to Hurun Global Rich list 2013.
- Although basic goods in China are still relatively cheap, it is costly to lead a middle-class life in China. A [Starbucks](#) grande latte costs \$4.81 in Beijing, compared with \$3.55 in San Francisco and \$3.87 in Hong Kong. A locally made [Volkswagen](#) Passat sedan retails for up to \$50,000 in China, versus up to \$33,000 in the U.S. Goods that are made in China, including clothing and electronics, are often more expensive there than they are abroad, partly due to inefficient distribution.
- The middle class in China also suffers from high housing costs. Average rent jumped 9% in Beijing in January, according to the Statistics Bureau. "If only because of rent, it is hard to save a lot of money in top-tier cities for the middle class"

Mistrust of Maoming officials raises concern of chemical plant protesters,

South China Morning Post, 4/3/2014

- **Maoming residents protesting against a proposed petrochemical project in the southern Guangdong city greeted local officials' vow to solicit public feedback with skepticism.**
- **The city government of Maoming - buffeted by corruption scandals - has resorted to violence to disperse peaceful protesters, while silencing public outcry over the project.**



Maoming Protest (2) [NIMBY and Middle Class]

- Demonstrations over the Maoming plant spread to Guangdong and Shenzhen even after the local authorities held two press conferences promising that construction would not start before consensus was reached.
- The city's public security bureau has admitted that police "accidentally injured" 11 protesters in the first protest on Sunday and has apologized.
- A deputy chief of the bureau denied online accounts that several protesters were killed in Sunday's protest.



China's Streaming Fans Face a Long Wait

[Bloomberg, 1/22/15]

- Binge-watching, that proud pastime of American TV addicts, may soon be the only legal way for viewers in China to catch up on their favorite foreign shows. The Chinese government has quietly instituted a censorship policy that bars video sites from streaming new episodes of programs—including *Mad Men* and *The Simpsons*—in the country until after the shows' seasons have ended.
- Video sites such as Sohu.com and Baidu's IQiyi, previously left to police themselves, can submit episodes to censors for approval only once the full seasons have aired. Seasons beginning in September and ending in May in the U.S. won't be legally available to Chinese Internet users until June at the earliest.
- The restrictions are a setback for foreign media companies such as 21st Century Fox and CBS, which have struck licensing deals with Sohu, IQiyi, and Youku Tudou in China for undisclosed sums.

China Readies New Film Regulations [*Hollywood Reporter*, 3/24/2015]

- Chinese audiences and streaming companies are waiting anxiously to assess the impact of a raft of tough new rules next week that will require close censorship of feature films, TV shows and other digital content.
- China is the world's second-biggest film market, and Hollywood studios have started reaping profits from selling content to sites such as Youku Tudou, Baidu's iQIYI, Sohu.com and Tencent.
- At Filmmart forums, officials and industry leaders have hailed the dawning a new era for streaming content, but **new rules due to come in effect on April 1 will give the State Administration of Press, Publication, Radio, Film and Television (SAPPRFT) more power to block movies and TV shows.**
- Local companies were resigned to the tougher environment, but were also waiting to see how the rules would be implemented and enforced. "The government regulations were made last year [and] we began to adapt back then, so that when April 1 comes around, we'll be ready," said a spokesperson for a large online streaming service, requesting anonymity.
- Online commentators blog on the regulations. Some online commentators have warned that the move could see a return to the days of pirate DVD stores selling fake box sets of U.S. TV shows. Weibo user: **"Now it is time for the DVD stalls, which have been silent for years, to make a comeback."**
- **My comment: "上有政策，下有对策"**

Plugging the holes: Circumventing internet controls is getting harder [*The Economist*, 2/7/2015]

- State media have suggested that **offering VPN services in China without registering should be seen as illegal**, even though the companies that do it are based abroad and are not violating laws in their own countries.
- Without these services, China's 649m internet users are blocked from all manner of forbidden fruit, including sites covering sensitive political topics as well as social media such as Facebook and Twitter. Interference with Google services, which had for years been reduced to excruciatingly slow speeds, is now near-total.
- It is also causing serious disruption to many Chinese users, who wish to heed the government's call to boost innovation and who need to collaborate with foreign colleagues in business or academia. It represents "a huge tax on efficiency".
- Some Chinese officials, however, see the controls as good for business. They boast that blocking access to swathes of the internet has created the space for China's internet giants such as Alibaba, Tencent and Baidu to prosper. Foreign companies suspect that China is using internet security as a pretext for protectionism.

How the *New York Times* is eluding censors in China

[Quartz, 4/6/2015]

- The *New York Times*' English and Chinese-language websites have been blocked since an October 2012 article about the wealthy family of prime minister Wen Jiabao, but the *Times* is quietly pursuing a new, aggressive strategy to reach readers in China.
- Foreign news outlets have spent millions of dollars in China in recent years, hiring journalists and Chinese-language translators and marketing their websites to local readers and global advertisers—only to see all but a handful of these sites blocked by China's censors. Many of these foreign media companies have been re-evaluating their strategy in China for months, weighing what to cover and how to cover it, and questioning what should be translated into Chinese, while failing to make a profit.
- The *Times* has taken a different approach in recent months:
- **Mirroring:** “mirror” sites scattered around the internet
- **Using apps:** Articles are published on apps targeting the Chinese-language market
- **Pushing news on social media:** publicize new articles on social media accounts
- **Syndicating to local websites and newspapers:** domestic news outlets continue to purchase the rights to run *New York Times* stories, like QDaily
- Mainland Chinese readers continue to read the *Times* (Chinese) and other blocked news and social media sites through VPNs; more than two years after the block, the *Times*' online audience in China has rebounded, and is growing fast. “We’re now back to where we were before the restrictions set in October of 2012, and still growing,” with “millions” of unique users a month. Advertisers are showing interest again.

Ex-president Jiang urges Beijing to curb anti-corruption drive (1),

Financial Times, 3/31/2014

- Mr Jiang sent a message saying “the footprint of this anti-corruption campaign cannot get too big” in a warning to Mr Xi not to take on too many of the powerful families or patronage networks at the top of the party hierarchy.
- Former President Hu Jintao, who was replaced by Mr Xi a year ago, has also expressed reservations about the anti-corruption drive and warned his successor not to expand it too far, according to one person involved in executing the campaign.
- Mr Zhou was detained by Communist party investigators late last year along with hundreds of family members and allies throughout the security services, energy industry and political bureaucracy [Corrupt assets reported to be \$14.5 billion].

Xi's Anti-Corruption Drive (2)

- Mr Hu and Mr Jiang have been broadly supportive of the anti-corruption drive until now and both accepted Mr Xi's decision to purge Mr Zhou, even though Mr Zhou was a Jiang ally for many years.
- Apart from concerns about attacks on their patronage networks, Mr Hu and Mr Jiang are worried that a campaign that lasted too long and was too harsh could erode support among the Communist party's rank and file and threaten the stability of its rule.
- Mr Zhou's corruption case has sent shockwaves throughout business and government bureaucracies. Since he stepped down a year ago, hundreds of officials and businessmen who owed their careers to him, including minister-level bureaucrats from the security services, state oil companies and the state asset administrator, have been detained on corruption charges.

Amid Corruption Crackdown, 10,000 Chinese Officials Want New Jobs

[Wall Street Journal China Real Time, 4/9/2015]

- More than 10,000 civil servants are looking to quit their jobs, according to an employment website; new sign-ups from government employees have spiked since late February.
- It isn't the first sign that China's civil service is no longer the holy grail for job seekers it once was. Last year, nearly a third of applicants dropped out of an opportunity to sit for the national civil service examination. Meanwhile last year, 16 of China's 23 provinces reported declining registrations for the exam.
- **President Xi Jinping's war on corruption** among officialdom has meant **sharp curtailments on civil service perquisites**. Government jobs are no longer as lucrative or cushy. Official cars for lower-ranking mandarins have been nixed. Gifts for civil servants, from alcohol to mooncakes, have become a target for graft-busters. Lavish funerals and weddings have also been targeted.
- The hottest new employment sectors, the report says, are Internet firms, property development, and finance and fund management.