Handing over China's Internet to the Corporations

China's internet development, as the world's fastest growing online population and quickly maturing cyberspace, is built around two guiding principles: political control and economic progress. This situation reflects a longstanding dilemma. While the government desperately wants to control the flow of news and opinion, especially dissent, it also wants an open, modern, and efficient economy, including a state-of-the-art telecommunications and information infrastructure (China sites pledge, 2002). As such, authorities have implemented a range of strategies to guide China's media modernization, diversification, and commercialization. Although China's moves towards overt control, such as selective censorship of the news and increased monitoring of internet chat rooms, are well documented (editors note: see Tsui essay on the previous page), less well known are the solutions that are less draconian, but more effective. One key example of this is the promotion of self-regulation within the commercial sector using the 2002 'Public Pledge on Self-discipline for China's Internet Industry' as a mechanism for standardization and self-censorship.

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Within the first six months the Pledge had been signed by over 300 internet news information service companies, including Renmin, Xinhua, Sina, Sohu, and NetEase. The Pledge's aims seem fairly benign as it seeks to aggressively promote internet use, prevent cyber crimes, foster healthy industry competition, and avoid intellectual property violations. Such an approach projects an image to the world of a more conscientious government embracing WTO reforms and promoting the commercial use of the internet. Other clauses in the Pledge, however, are not so innocent, given the government's extreme sensitivity to criticism and political challenges. Those companies signing the Pledge must refrain from 'posting or disseminating pernicious information that may jeopardize state security and disrupt social stability'. The prohibition also covers information considered illegal such as the spreading of 'superstition and obscenity' (China sites pledge, 2002). For example, any reference to the outlawed religious movement, Falungong, constitutes a breach of the Pledge. Signatories must also remove material deemed offensive and monitor content of foreign-based websites and block those containing unspecified harmful information or face expulsion from the group. These 'family rules' firmly place the responsibility on internet service providers for content posted on hosted websites. As such, the strategy is designed to give the internet room to develop commercially while placing corporations on notice not to push the envelope politically (China sites pledge, 2002).

This situation of 'controlled commodification' illustrates the fundamental contradiction of China's economic openness: the body that exerts the greatest influence over commercial media, in a market economy, is the state (Wong, 2001). However, allowing such self-regulation essentially means handing over control of the internet to large, multinational media corporations so long as they pledge their allegiance and operate within the hazy confines of the rule of law.

Going online

Certainly the Hollywood adage that 'build it and they will come' holds true in China's internet development. As reported elsewhere in this *Newsletter*, recent internet research figures indicate there are now almost 80 million *netizens* online, an increase of 11.5 million compared to the first half of 2003 (CNNIC, 2003). China's internet population is second in the world to that of the United States. In addition, the report indicates that 30.9 million computers were connected to the internet (+20.1 per cent), with almost 60 million websites (+25.7 per cent) (Chinese Internet surfers, 2004).

Who are these internet consumers and what are they consuming? Official government research by CNNIC indicates that the internet user demographic is changing with technology adoption penetrating a younger audience. Whereas 91 per cent of all *netizens* in 1998 were aged 18-30 years, this percentage has since dropped to 51.3 per cent. The largest growth area is in *netizens* younger than 18 years, which has increased to 18.8 per cent. The survey indicates that most people use the internet to obtain information, including news, e-books, and daily life information. Leisure ranks second among users, before study, getting to know friends, research or sending and receiving emails. Shopping online or doing e-business only accounted for a meagre 0.4 per cent of internet usage (Chinese Internet surfers, 2004).

A visit to a local internet cafe (*wangba*) in Beijing or Shanghai provides a better insight than do government statistics into one of the main drivers of internet adoption in China: entertainment. One of the first things a visitor notices, is that each computer-filled room is dark and noisy, crowded with

Chinese teenage internet users make the most of their school lunch hour by spending time playing their favourite online games at an internet bar (*wangba*) in Shanghai, China.

Photograph Michael Wolf

hundreds of young, male *netizens* celebrating their online freedom by playing war games, such as *Schroet Commando*. These games provide teenage users the space to navigate their way through a virtual battlefield, hunting down and killing enemy soldiers for around 3 yuan (30 Euro cents) an hour during lunch breaks or after school. One well-known story making the rounds is of a university student who spent all his time and money on virtual games. When asked by his parents to find a job, he replied that if there was a job where he could play games, he would.

Once considered the catalyst for democratic reform and a platform for civic engagement, today the internet has become the virtual playground of the young looking for entertainment. And lurking online are global media companies offering to quench that desire with a range of online games and value-added mobile phone services. In late September 2003, global media company Disney Corporation announced it had formed a partnership with Sohu.com, a leading Chinese company offering online media, communications, commerce, and mobile value-added services. The joint venture reflects recent moves by global media players to link with local providers as a way of accessing China's growing consumer market. In doing so, Disney leverages Sohu.com's China market expertise and consumer reach with its experience as a leading content provider across multiple business and technology lines, delivering online and wireless content and services to the growing online masses. The site features mobile phone content such as wallpapers, animated cards, logos and picture messages; online games and activities based on their brands Mickey Mouse, Winnie the Pooh, and the Lion King; and movie content from Touchstone Pictures, Miramax, Hol-

lywood Pictures, ABC, and ESPN. The strategy is designed to access the growing younger online audience in China by meeting the 'demand for trustworthy, quality entertainment with educational values ... that are fun and entertaining for kids while simultaneously promoting valuable information skills' (Sohu.com brings magic, 2003).

Not all fun and games

Will the Chinese government be able to reconcile the standardization of the internet under the auspices of controlled commodification with the promotion of national development (*guojia fazhan*) and nation building (*guojia jianshe*)? According to Wong (2001), controlled commodification is best understood within the political economy perspective, which requires a deeper understanding of the evolving government-media relationship within the material context of global capitalism. Given China's balancing act between opening up through the WTO agreement and its political sensitivities, the process of thinking globally and acting locally is vital to understanding the country's fundamental contradiction in relation to its information management strategy. On the one hand, the government uses the media to assist in nation building, or the bringing together of peoples by adopting common values and practices under the banner of national identity, and national development, in the form of socio-economic development or *Socialism with Chinese Characteristics*. On the other, the government actively supports the development of a commercial media, which functions to sell audiences (consumers) to advertisers. As such, media organizations like Disney Corporation produce cultural commodities (content) – movies, games and mobile phone content – that is calculated to ensure maximum returns to capital. Simply put, these cultural commodities are for entertainment: to amuse, divert, and distract the online masses from the alienation or marginalization from the fast-paced change surrounding and enveloping their daily lives (Wong, 2001). Such cultural commodities are stamped with the 'sameness' for interchangeability across media platforms, which increases profitability within a vertically integrated business structure, and complies with the aims of the Pledge.

Within this platform of commodification, the four Cs – control, consumerism, content, and corporatization – play out in ways to benefit the government's vision of national and socio-economic development, which promotes consumption of 'approved' commodities. But while the Pledge establishes standardization of content, it does not adequately identify standards *for* content, despite claims by media corporations to the contrary. At this stage of controlled commodification, with the internet becoming a cyber arcade of entertainment instead of an important forum of free speech and a source of information, little is known of the long-term consequences to the value system of young Chinese in relation to national identity and the rise of civic society. <

Quake III Arena is an internet 'first person shoot-it-up' game. Companies or private individuals make the game available through the internet. The former charge for this service; the latter provide it for free. The popularity of the game inspired Chinese artist Feng Mengbo to the work 'SHOT0010 Q', 75x100 cm, photo, 2003.

Courtesy of Feng Mengbo and ShanghART

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