

FREEMAN REPORT

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Quote Of The Month

"China is a major energy consumer as well as producer...Although energy consumption has seen faster growth in recent years in the wake of rapid economic and social development, the overall level of consumption remains fairly low." ~ Chinese Vice President, **Xi Jinping**, speaking at the International Energy Conference in Jeddah, Saudi Arabia. Xi was in the Saudi capital as part of a five-nation trip that also included Mongolia, North Korea, Qatar, and Yemen. Xi discussed international energy issue and China's energy policy. Pointing to global economic uncertainties, he called for "a new energy concept" for international energy cooperation in an apparent response to the blame on China for skyrocketing oil prices.

Source: BBC, June 22, 2008

Trivia Question

How many Chinese visited the United States in 2007? (cont pg 3)

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FEATURE ESSAY

China Puzzle: Media and Government Strike A New Balance

BY WINSTON CHEN

Once again, Western observers are puzzled by China.

Most China observers would agree that following the tragic, massive Sichuan earthquake in May that claimed over 120,000 casualties and affected over 45 million people, the Chinese government demonstrated an unprecedented –and effective – approach toward media and information release.

CCTV, China's only national network and the government's propaganda giant, set up a live program immediately after the earthquake, broadcasting nonstop from the earthquake site. This was the first time CCTV had a live broadcast of a major disaster.

Xinhua News Agency, another propaganda giant, dispatched more than 70 reporters to the earthquake area on the first day of the disaster. Reporters from many other media outlets across the country were dispatched to Sichuan as well. Xinhua reportedly generated more reports than the three major Western news agencies – AP, Reuters and AFP – combined.

Several thousand journalists were reported to have been in the field at the height of media coverage. Among them were many foreign reporters, who are often normally barred from covering major disasters. What's more unusual this time was the extensive and detailed coverage reporting death tolls and sometimes graphic images and stories. These stories deeply affected the emotions of the nation and created a national sense of sorrow.

As an AP report pointed out, it was "a historic event for journalism in China." The Chinese government demonstrated surprising openness and members of the Chinese media (cont pg 2)

In The News

WASHINGTON The United States and China held the fourth round of the bilateral Strategic Economic Dialogue (SED) on June 17-18. A major achievement of this round of semiannual talks is the ten-year energy and environment framework signed by both sides. The framework, which sets goals and lays out steps to expand U.S.-China cooperation in areas of energy and environment, is expected to influence future bilateral economic cooperation. The two sides also agreed to launch negotiations on a bilateral investment protection accord. As some critics continue to dismiss the high-level talks as producing few substantive results, officials from the two governments stressed the importance of sustaining the SED mechanism.

TAIPEI China and Taiwan held their first official meeting in a decade. The two sides agreed on regular nonstop charter flights, increased bilateral tourism, and further talks, with planned establishment of offices on each others' territories. The meeting marked a political breakthrough since 1999 when China suspended talks in response to Taiwan's focus on independence. As a major mechanism for advancing cross-Strait dialogue, the renewed talks have focused on a few practical issues while avoiding sensitive political concerns.

showed impressive resilience following the earthquake. However, the questions of how this change was made and whether it will have a lasting impact on Chinese politics and media remain to be answered.

Observers mentioned many factors they believe have influenced the outcome of the Sichuan earthquake coverage. They argued that China might have learned lessons from Myanmar, struck by Cyclone Nargis not long before the Sichuan earthquake and whose government was heavily criticized by the international community for its slow reaction, poor information disclosure, and reluctance to seek international aid. China might also have been attempting to transform its negative image shaped by Western media during the Tibetan protests in March. Finally, China might have been mindful of the upcoming Beijing Olympics and therefore softened its attitude toward media in hopes of winning popularity.

Others argue the key factor might have been China's new Regulation on Open Government Information, a law designed to promote more information transparency, which took effect less than two weeks before the earthquake.

All of these factors certainly might have impacted the earthquake coverage. However, it is doubtful that any single event or factor, let alone a new law, would change China so dramatically. Data suggest that the wide-ranging coverage was not planned and coordinated by the government, or more particularly by the Party's Propaganda Department, who would have nominally been charged with this responsibility. As news reports indicate, CCTV's senior leaders only had a clear idea of how to plan the coverage by late evening of May 12 after they received instructions from the Politburo. But by that time CCTV had already been broadcasting live, nonstop, for several hours.

The Propaganda Department reportedly issued an order immediately after the earthquake, forbidding media to dispatch reporters to the field, although CCTV and Xinhua were likely to be exempted from the order. But two days later, the Propaganda Department apparently issued another order which did not mention the previous order and instead asked media to focus on positive reporting.

What made the Propaganda Department change its position? This itself would be a great news story for the media to uncover. But at least one key reason is that the media's collectively quick response to the disaster forced the Department to rethink its strategy to catch up with fast-moving events.

Some media, especially newspapers that are more market-oriented, decided to ignore the order from the Propaganda Department. For example, the Guangzhou-based Southern Metropolitan Daily, which is well known for its investigative reports on sensitive topics, dispatched a team of more than 10 reporters to Sichuan immediately after the earthquake. Eventually the newspaper had 50 reporters or so in the field.

Some newspapers cautiously went around the restrictions. For example, China Business News, a leading business newspaper based in Shanghai, did not confront the Propaganda Department directly. Instead, they dispatched two reporters, on the premise that they were visiting relatives in the area by coincidence.

The media's quick and aggressive actions revealed the sea change that members of the Chinese media have been experiencing over the last three decades. Since 1979, there has been a ten-fold increase in newspapers, a twenty-fold increase in magazine titles, and a thirty-fold rise in television and radio outlets. Without financial support from the government, most of them must compete fiercely for audience and revenue shares.

One often-used tactic is *Da Ca Bian Qiu* (Hit the ball right down the foul line). Media often aggressively push the limits, but avoid direct confrontation with the Propaganda Department. A well-known phenomenon is *Yi Di Jian Du* (Extraterritorial Supervision). Following this principle, many media often heavily criticize local governments outside of their own headquarter areas, but avoid criticizing the local government responsible for their regulation under China's highly decentralized system.

Competition has fostered a new generation of journalists who are more professional, more aggressive, and more familiar with Western styles of media operation. They showed their muscle during their earthquake reporting.

However, the other side of the coin is that the government has been struggling for years with how to not only regulate media and information more effectively, but also more appropriately. Facing the challenges posed by a more aggressive media and even more uncontrollable netizens and bloggers, many officials still lack a sense of information openness and favor the old-fashioned idea of hiding information and controlling the media through abusive executive orders.

The worst case in recent years is the SARS epidemic in 2003, an episode in which the government's initial cover-up led to a national crisis. Many journalists believed the lesson from SARS could be one key reason for the government to take a softer position after the earthquake. Often the officials, especially local officials, used "social stability" as the excuse to block reporting on tragic incidents, mistakes, or scandals involving officials. (*cont pg 2*)

Nevertheless, the government has attempted to improve the situation. The central government has taken steps to establish a system of information release, including moving to establish a ministerial spokesperson system. The new Regulation on Open Government Information is the latest development.

Although the government is not willing to relinquish information control, it hopes to manage information and media more skillfully, in part with a view to better public relations and image building. The transformation has already led to a mindset change, which has finally spurred the government to act more flexibly.

It will be interesting to watch how the earthquake will change the dynamics between the media and government. Both sides can claim victory this time. The government was applauded for its flexibility and openness by the international community, and given credit for a quick, reasonably effective response to the emergency. The media gained valuable experience, through which they realized their reportorial strength once again.

With confidence boosted by the experience, both sides might be more willing to repeat this experience in the future. But one must not forget that the earthquake might be a relatively unique event. Will the coverage of the earthquake be a one-of-a-kind experience, or will the improved dynamics be reproduced in the future with respect to normal coverage of daily events?

This question remains to be answered. However, witnessing the systemic changes that have unfolded gradually over the last three decades, at least we can be cautiously optimistic.

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Editor's note: On June 28, rioters in southwestern China torched a police building and vehicles to protest the alleged cover-up of a teenage girl's rape and murder. According to Xinhua, 30,000 people took part in the riot in Weng'an county, Guizhou province. The riot, relatively larger and more destructive than usual, reflects the underlying distrust of local officials. Reportedly, pictures and video from the Weng'an incident were posted on Chinese online discussion forums and websites, but many of the postings were immediately removed as government censors stepped in. The Weng'an incident comes at a particularly sensitive time when China seeks to quell any social unrest in the run-up to the Olympics in August. Media coverage this time appears to be much more restricted than in the earthquake context, at least as of the date hereof.

Publications

La Democrazia Gestita [Managed Democracy], *Aspenia*, No. 41, 2008, Aspen Institute Italia
By **Melissa Murphy** (contributing author), Research Associate, Freeman Chair in China Studies, CSIS

In the latest issue of its journal *Aspenia*, the Aspen Institute Italia published an abstract translation of the CSIS report authored by Melissa Murphy, entitled Decoding Chinese Politics: Intellectual Debates and Why they Matter.

Conference & Event

July 9 *International Economic Policy in a Globalized World*

David H. McCormick, Under Secretary for International Affairs, is the principal advisor to Secretary Henry M. Paulson, Jr., the Secretary of the Treasury on international economic issues. He will deliver a keynote address at CSIS on international economic policy in the context of globalization. He will discuss the new challenges facing policymakers, reforms within government, and how the international financial architecture must also adapt to reflect the changing balance of economic power. **Charles Freeman**, Chairholder of the CSIS Freeman Chair in China Studies, will deliver opening remarks.

TRIVIA ANSWER

539,000 Chinese visited the United States in 2007. As of June 2008, a new agreement between China and the United States has permitted travel agencies for the first time to offer package tours to the United States. The new deal is expected to significantly increase the flow of Chinese tourists, since previously only business and government travelers were approved.

Source: "New York sees big potential in a new wave of Chinese tourists," *International Herald Tribune*, June 24, 2008.

PUBLICATIONS FROM THE FREEMAN CHAIR 2007/2008*

* Please visit our website to access archived publications dating back to 2002.

2008

June

La Democrazia Gestita [Managed Democracy], *Aspenia*, No. 41, 2008, Aspen Institute Italia
By **Melissa Murphy** (contributing author), Research Associate, Freeman Chair in China Studies, CSIS

May

"China-Europe Relations: Implications and Policy Responses for the United States," CSIS, May 2008
By **Bates Gill**, Director, Stockholm International Peace Research Institute (SIPRI), and **Melissa Murphy**, Research Associate, Freeman Chair in China Studies, CSIS

February

Foresight: 2008, Exclusive Analysis Limited, London: 2007
By **Melissa Murphy** (Contributing Author), Research Associate, Freeman Chair in China Studies, CSIS
"Assessing China's Response to the Challenge of Environmental Health," *China Environment Series 9*, China Environment Forum, Woodrow Wilson International Center for Scholars, 2007
By **Xiaoqing Lu**, Research Associate, Freeman Chair in China Studies, CSIS, and **Bates Gill**, Director, Stockholm International Peace Research Institute

January

"Trade with China: The E.U. Speaks with an American Accent," *Atlantic Outlook*, vol. 2, no. 1, CSIS, January 29, 2008
By **Charles Freeman**, Freeman Chair in China Studies, CSIS
"Critical Questions: China's Economy and the Subprime Crisis," CSIS, January 29, 2008
By **Charles Freeman**, Freeman Chair in China Studies, CSIS
"Decoding Chinese Politics: Intellectual Debates and Why They Matter," CSIS, January 2008
By **Melissa Murphy**, Freeman Chair in China Studies, CSIS

2007

November

"China: An Olympic Hangover?," *Global Forecast: The Top Security Challenges of 2008*, CSIS, November 2007
By **Charles Freeman**, Freeman Chair in China Studies, CSIS
"China's Civil Society Organizations: What Future in the Health Sector?," CSIS, November 2007
By **Bates Gill**, Director, Stockholm International Peace Research Institute, **J. Stephen Morrison**, Director, Africa Program, CSIS, and **Xiaoqing Lu**, Research Associate, Freeman Chair in China Studies, CSIS

The China Report 2008
Melissa Murphy (contributing author), Exclusive Analysis Limited, London: 2007

October

"China's Response to HIV/AIDS and U.S.-China Collaboration," CSIS, October 2007
By **Xiaoqing Lu**, Research Associate, Freeman Chair in China Studies, CSIS, and **Bates Gill**, Director, Stockholm International Peace Research Institute

September

"Assessing China's Growing Influence in Africa," *China Security*, vol. 3, no. 3, Summer 2007
By **Bates Gill**, Freeman Chair in China Studies, CSIS, **Chin-Hao Huang**, Research Assistant, Freeman Chair in China Studies, CSIS, and **J. Stephen Morrison**, Director of the Africa Program, CSIS

August

"The Mist Lifts over China's Sky-high Railway," *Asia Times*, August 29, 2007
By **Eve Cary**, Research Assistant, Freeman Chair in China Studies, CSIS

FREEMAN FACTS:

Oil in China

1. Chinese oil demand is rising by about 7% a year. It is projected to double by 2030.
2. Oil meets 19% of China's total energy demand.
3. China now imports 40% to 50% of its oil. 60% of China's oil imports come from the Middle East.
4. Xinjiang, with estimated reserves of 20.8 billion tons of oil and 10.8 trillion cubic meters of gas, overtook Heilongjiang in 2007 as China's top oil and natural gas producer.
5. China's per capita oil consumption and per capita oil import account for 50% and 37% of the world's average respectively.

Sources: International Energy Agency, New York Times, United Press International, Xinhua

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Center for Strategic and International Studies 2007

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The *Freeman Chair in China Studies* was established at the Center for Strategic and International Studies in 1994 to advance the study of China and to promote understanding between the United States and the countries of the Asia Pacific region. The Freeman Family—Luther Freeman as a clergyman, Mansfield Freeman as a scholar-business leader, and Houghton Freeman as a corporate executive in a global enterprise—have established a tradition of contributing to international understanding through practical experience in East Asia and China.

The United States has a long-standing relationship with China and the countries of East Asia, which play increasingly important roles in future international economics, politics, culture, and security. In the diplomatic, public policy, business, and government fields, the peoples of both China and the United States will benefit from greater mutual appreciation and understanding through broadly based international exchange.

The Freeman Chair's active policy-oriented agenda is dedicated to delivering informed public policy debates, expert briefings, and strategic policy recommendations on Greater China and East Asia to the diplomatic, policymaking, business, and government arenas.

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- China's domestic challenges and their consequences for U.S.-China relations and U.S. strategic interests
- The emergence of Chinese civil society and nongovernmental organizations
- China's HIV/AIDS crisis and its implications for U.S.-China relations
- Examining the economic, trade, and financial tensions in U.S.-China relations
- China's relations with key regions—including Central Asia, Europe, and Africa—and their implications for the United States
- China's military modernization and its impact on regional security
- U.S-China-Taiwan relations

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