Chinese Cinema Cities: From the Margins to the Middle Kingdom

6

Michael Curtin

Writing about screen media and Chinese identities is a contentious and complicated task. In some ways it's similar to writing about "European media," an endeavor that would seem odd to most readers given the diverse terrain traversed by these media, a terrain on which societies have struggled for centuries to sustain distinctive voices in numerous languages. Although political regimes have at times brought Europeans together through military might and strategic alliances, their successes have been comparatively fleeting. Europe today continues to struggle with the process of unification and remains differentiated along lines that were solidified by the Westphalian system of states and the waves of nationalism that washed across European societies during the nineteenth century.

By comparison, China over the course of two millennia experienced enduring dynasties, each anchored by an imperial court that was the center of politics and civilization. Despite a diversity of languages and cultures, imperial elites shared a written script, a sophisticated administrative infrastructure, and an officially sanctioned set of cultural practices. They celebrated the emperor's vast domain as the "middle kingdom," outside of which laid the lands of barbaric others.[1] Even while modern nation-states were emerging across Europe, China's final imperial dynasty soldiered on through the end of the nineteenth century, despite its doddering ineptness in both domestic and foreign affairs. To the very end, imperial elites saw

---

[1]Even today, the Chinese characters for middle kingdom (中国) are used to represent the nation of China.

M. Curtin (✉)
Department of Film and Media Studies, University of California, Santa Barbara, CA, USA
e-mail: mcurtin@filmandmedia.ucsb.edu

contact with the West as fraught with the risk of cultural contamination and nowhere did that appear more evident than the treaty ports of the east coast, among them Shanghai, Hong Kong, and Macau.

Interestingly, as nationalism first took hold in China, it was crucially dependent on the media infrastructure of these colonial enclaves, which both nourished an air of innovation and global interconnection. Telegraph facilities and diasporic newspapers in Hong Kong and Shanghai helped to knit together the spatially extended networks of an emerging nationalist movement (Zhou 2006). Meanwhile cinema delivered intriguing glimpses of western societies and fashions; and as local filmmakers developed their own productive capacity, their movies became a site of popular deliberation over Chinese traditions, modernization, and social relations (Huang and Xiao 2011; Zhang 2004, 2010). Then as now, media were a means of cultural experimentation and an object of intense scrutiny, sparking passionate debates about identity, authenticity, and contamination. Thus it was at the very margins of an ancient imperial system that China's modern national consciousness first emerged, and cinema played an especially important role.

Film technology first arrived in Shanghai and Hong Kong around the turn of the twentieth century and by the 1920s both cities had thriving exhibition venues and an emerging creative community. Moviemakers soon extended their reach to prosperous overseas Chinese communities in Southeast Asia and to Chinatowns around the world. Although influential, movies played mostly to urban audiences along the major inland trading routes and throughout the network of port cities inhabited by the Chinese diaspora. Civil war on the mainland and the Japanese invasion during the 1930s pushed the commercial industry to expand southward and by the end of World War II the two largest Chinese movie companies were based in Singapore. The establishment of the Republic of China on Taiwan and the surging prosperity of Hong Kong encouraged a remapping of the cinematic landscape with the latter becoming so prolific that it was often referred to as "Hollywood East." Popular commercial cinema was from the outset both mobile and marginal, thriving not at the center of political power but rather on the fringes of the middle kingdom.

In 1997, with the end of the British colonial era and the return of Hong Kong to Chinese sovereignty, the movie industry struggled increasingly under the thumb of a national government that sought to shift the center of cultural power and popularity back to Beijing. As we shall see, the complex history and spatial trajectory of Chinese cinema help to explain the recent media policies of the People's Republic of China, a regime that now holds sway over the world's largest population of Internet users, the second largest television advertising market, and the second largest theatrical market. Given the rapidly growing scale of mainland media, one might expect twenty-first century popular culture to be increasingly dominated by Chinese interests and audiences. Yet despite the government's explicit desire to exercise cultural leadership at home and soft power abroad, state-sanctioned media have proven remarkably ineffective at either task.

This essay focuses on struggles between the Chinese state and commercial film industry, considering the spatial and power dynamics of their relationship in the past, present, and future. It explains why the Chinese film industry has shifted its

geographical center of gravity over time and raises intriguing questions about logics that inform the spatial deployment of media institutions, what I refer to as "media capital," a concept that at directs attention to the conditions under which cultural resources concentrate in particular cities (Curtin 2004, 2011, in progress). The first section of the essay explains the concept of media capital and the principles by which it operates. The second describes the institutional characteristics and enabling conditions that transform a city into a media capital. And the third section returns to the Chinese case example, explaining the rise and demise of Hong Kong as a media capital and exploring the Chinese state's efforts to reassert the cultural leadership of Beijing. Although the state has been arguably successful in some respects, the essay concludes by explaining why, under current conditions, Beijing is unlikely to become a media capital and unlikely to extend its cultural influence globally or even regionally.

Understanding Media Capital

Media capital refers to a set of interacting processes that can best be understood by directing attention to three principles that have played a structuring role in screen industries since the early twentieth century. They include: (1) the logic of accumulation, (2) trajectories of creative migration, and (3) contours of socio-cultural variation.

The logic of accumulation is not unique to media industries, since all capitalist enterprises exhibit innately dynamic and expansionist tendencies. As David Harvey (2001: 237–266) points out, most firms seek efficiencies through the concentration of productive resources and through the expansion of markets so as to fully utilize their productive capacity and realize the greatest possible return. These tendencies are most explicitly revealed during periodic downturns in the business cycle when enterprises are compelled to intensify production and/or extensify distribution in order to survive. Such moments of crisis call for a "spatial fix," says Harvey, as capital must on the one hand concentrate and integrate sites of production so as to reduce the amount of time and resources expended in manufacture and on the other hand it must increase the speed of distribution in order to reduce the time it takes to bring distant locales into the orbit of its operations. These *centripetal* tendencies in the sphere of production and *centrifugal* tendencies in distribution were observed by Karl Marx more than a century earlier when he incisively explained that capital must "annihilate space with time" if it is to overcome barriers to accumulation (Marx 1973: 539). As applied to contemporary media, this insight suggests that even though a film or TV company may be founded with the aim of serving particular national cultures or local markets, it must over time re-deploy its creative resources and reshape its terrain of operations if it is to survive competition and enhance profitability.[2] Implicit in this logic of accumulation is the contributing influence

---

[2]Monopoly rents are an exception, but as shown in this essay, monopoly rents have proven less tenable in an era of changing technologies and increasing transborder flows.

of the "managerial revolution" that accompanied the rise of industrial capitalism (Chandler 1977). Indeed, it was the intersection of capitalist accumulation with the reflexive knowledge systems of the Enlightenment that engendered the transition from mercantile to industrial capitalism. Capitalism became more than a mode of accumulation, it also became a disposition towards surveillance and adaptation, as it continually refined and integrated manufacturing and marketing processes, achieving efficiencies through the concentration of productive resources and the extension of delivery systems (Giddens 1990).

The second principle of media capital emphasizes trajectories of creative migration. Audiovisual industries are especially reliant on creative labor as a core resource due to the recurring demand for new prototypes (i.e., feature films or television programs). Yet the marriage of art and commerce is always an uneasy one, especially in large institutional settings, and therefore the media business involves placing substantial wagers on forms of labor that are difficult to manage. As Aksoy and Robins (1992: 12) observe, "Whether the output will be a hit or a miss cannot be prejudged. However, the golden rule in the film business is that if you do not have creative talent to start with, then there is no business to talk about at all, no hits or misses." In fact, attracting and managing talent is one of the most difficult challenges that screen producers confront. At the level of the firm this involves offering attractive compensation and favorable working conditions, but at a broader level it also requires maintaining access to reservoirs of specialized labor that replenish themselves on a regular basis, which is why media companies tend to cluster in particular cities.[3]

Geographer Allen J. Scott contends that manufacturers of *cultural* goods tend to locate where subcontractors and skilled laborers form dense transactional networks. Besides apparent cost efficiencies, Scott points to the mutual learning effects that stem from a clustering of interrelated producers. Whether through informal learning (such as sharing ideas and techniques while collaborating on a particular project) or via more formal transfers of knowledge (craft schools, trade associations, and awards ceremonies) clustering enhances product quality and fuels innovation. "Place-based communities such as these are not just foci of cultural labor in the narrow sense," observes Scott (2000: 33), "but also are active hubs of social reproduction in which crucial cultural competencies are maintained and circulated."

This centripetal migration of labor encourages path dependent evolution, such that chance events or innovations may spark the appearance of a creative cluster, but industrial development depends on a spiral of growth fueled by the ongoing migration of talent in pursuit of professional opportunities. Locales that fail to make an early start in such industries are subject to "lock-out," since it is difficult to disrupt the dynamics of agglomeration, even with massive infusions of capital or

---

[3]Although it does not address media industries specifically, an extensive literature discusses the impact of human capital on the clustering of business firms in particular locations (Jacobs 1984; Porter 1998; Florida 2005).

government subsidies. The only way a new cluster might arise is if a dominant media capital were to falter or if a new cluster were to offer an appreciably distinctive product line.

Despite the productive power and structural advantages of media capitals, the symbolic content of media products attenuates their geographical reach. That is, the cultural distance between say Chinese filmmakers and Turkish or Indian audiences introduces the prospect that the meaningfulness and therefore the value of certain products may be undermined at the moment of consumption or use. Although the centripetal logics of accumulation and of creative migration help us identify concentrations of media capital, the centrifugal patterns of distribution are much more complicated, especially when products rub up against counterparts in distant cultural domains that are often served, even if minimally, by competing media capitals.

Cities such as Cairo, Mumbai, Hollywood, and Hong Kong lie across significant cultural divides from each other, which helps to explain why producers in these cities have been able to sustain distinctive product lines and survive the onslaught of distant competitors. These media capitals are furthermore supported by intervening factors that modify and complicate the spatial tendencies outlined above. Consequently, the third principle of media capital focuses on contours of socio-cultural variation, demonstrating that national and local institutions have been and remain significant actors in the global cultural economy.

During cinema's early years of industrial formation, market forces and talent migrations fostered the growth of powerful producers such as Hollywood, but as of the 1920s governments around the world reacted to Hollywood's growing influence by developing policies to limit imports and foster local media production. Attempts to develop local filmmaking institutions often proved difficult, but many countries were nevertheless successful at promoting radio and later television (most of them public service broadcasters) that produced popular shows and attracted substantial audiences. Broadcasting seemed an especially appropriate medium for intervention, since many of its cultural and technological characteristics helped to insulate national systems from foreign competition. The ensuing parade of broadcast news and entertainment punctuated daily household routines, interlacing public and private spheres, thereby situating national culture in the everyday world of its audiences (Scannell 1991; Silverstone 1994; Morley 2000).

It should also be pointed out that state institutions were not the only actors to organize and exploit the contours of socio-cultural variation. Media enterprises have for decades taken advantage of social and cultural differences in their production and distribution practices, especially by employing narratives and creative talent that resonate with the cultural dispositions of audiences within their spheres of influence. They furthermore made use of social networks and insider information to secure market advantages, and they invoked ethnic and national pride in their promotional campaigns. Contours of socio-cultural variation have provided and continue to provide opportunities to carve out market niches that are beyond the reach of powerful but culturally distant competitors.

Overall, media capital is a concept that at once acknowledges the *spatial* logics of capital, creativity, culture, and polity without privileging one among them. Just as the logic of capital provides a fundamental structuring influence, so too do forces of socio-cultural variation shape the diverse contexts in which media are made and consumed. As a concept, media capital encourages dynamic and historicized accounts that delineate the operations of capital and the migrations of talent, while at the same time directing attention to socio-cultural forces and contingencies that can engender alternative discourses, practices, and spatialities. Such an approach furthermore aims to address the supposed tension between political economy and cultural studies scholarship—and between the media imperialism and global studies approaches—by showing how insights from each of these schools can productively be brought to bear on the study of film and television.

Characteristics of Media Capitals

Media *capitals* are powerful geographic centers that tap human, creative, and financial resources within their spheres of circulation in order to fashion products that serve the distinctive needs of their audiences. Their success is dependent on their ability to monitor audience preferences, tap the popular imagination, and operationalize resources within their cultural domain. A media capital's preeminence is therefore relational: its bounty flows outward while in turn it gathers and exploits the very best human and cultural resources within its sphere of circulation. Its preeminence is dynamic and contingent, for it is subject to competition from other cities that aspire to capital status. Dubai, for example, is self-consciously attempting to challenge the leadership of Beirut within the sphere of Arab satellite television and Miami has recently arisen as a transnational competitor to Mexico City. Thus, the concept of media capital encourages a spatial examination of the shifting contours of accumulation and dissemination, which both shape and are shaped by the imaginary worlds of audiences. Such research seeks to understand why some locales become centers of media activity and to discern their relations to other locales. Media capitals emerge out of a complex play of historical forces and are therefore contingently produced within a crucible of transnational competition. Cities as diverse as Hollywood, Mumbai, and Lagos operate as media capitals within their respective spheres of circulation. Although qualitatively different in many respects, cities that become media capitals exhibit a shared set of characteristics with respect to institutional structure, creative capacity, and political autonomy.

Institutionally, media capitals tend to flourish where companies show a resolute fixation on the tastes and desires of audiences. In order to cater to such tastes, they adopt and adapt cultural influences from near and far, resulting in hybrid aesthetics. Such eclecticism and volatility are moderated by star and genre systems of production and promotion that help to make texts intelligible and marketable to diverse audiences. The bottom line for successful firms is always popularity and profitability. Although often criticized for pandering to the lowest common denominator, commercial film and TV studios are relentlessly innovative, as they

avidly pursue the shifting nuances of fashion and pleasure. In the early stages of development, a media capital may be characterized by small businesses with an opportunistic outlook, many of them chasing the latest trend with abandon, churning out products on shoe-string budgets and releasing them into the market with little promotion or strategic calculation. As media capitals mature, however, firms begin formalize their institutional practices and in most cases they begin to integrate production, distribution, and exhibition within large corporations. Profitability is derived from structured creativity that feeds expansive (and expanding) distribution systems. Marketing considerations become woven into the conceptual stages of project development and financing. Media capitals therefore emerge where regimes of capital accumulation are purposefully articulated to the protean logics of popular taste. The mercantilist opportunism of an emerging filmmaking community gives way to industrialized modes of production and distribution.

Just as importantly, media capital tends to thrive in cities that foster creative endeavor, making them attractive destinations for aspiring talent. The research literature on industrial clustering shows that creative laborers tend to migrate to places where they can land jobs that allow them to learn from peers and mentors, as well as from training programs that are sponsored by resident craft organizations (Porter 1998). Job mobility and intra-industry exchanges further facilitate the dissemination of skills, knowledge, and innovations. Thus a culture of mutual learning becomes institutionalized, helping to foster the reproduction and enhancement of creative labor (Scott 2000). Workers are also inclined to gravitate to places that are renowned for cultural openness and diversity (Florida 2005). It's remarkable, for example, that the most successful media capitals are usually port cities with long histories of transcultural engagement (Hesse 2010; Jacobs et al. 2010).

It's furthermore noteworthy that national political capitals rarely emerge as media capitals, largely because modern governments seem incapable of resisting the temptation to tamper with media institutions.[4] Consequently, media capitals tend to flourish at arm's length from the centers of state power, favoring cities that are in many cases are disdained by political and cultural elites (e.g., Los Angeles, Hong Kong, and Mumbai). Successful media enterprises tend to resist censorship and clientelism, and are suspicious of the state's tendency to promote an official and usually ossified version of culture. Instead, commercial media enterprises absorb and refashion indigenous and traditional cultural resources while also incorporating foreign innovations that may offer advantages in the market. They do this even though such appropriations tend to invite criticism from state officials and high-culture critics. The resulting mélange is emblematic of the contradictory pressures

---

[4]London, the national capital of the United Kingdom, is an exception, largely because of the residual advantages of empire that made it such an important maritime and financial center. Its importance as a center of media activity has been perpetuated largely because it has exploited its access to the wealthy global Anglophone market and because the state has exercised restraint in its oversight of creative institutions.

engendered by global modernity, at once dynamic and seemingly capricious yet also shrewdly strategic. The choice of location is no less calculated: media capital tends to accumulate in cities that are relatively stable, quite simply because entrepreneurs will only invest in studio construction and distribution infrastructure where they can operate without significant interference over extended periods of time.

Contested Capital, Contested Identities

The commercial Chinese movie industry was, during its prime, a fundamentally transnational medium. Expansive and mobile, it emerged in the 1920s in Shanghai and Hong Kong, and soon expanded into export markets in Southeast Asia. During by the 1930s, the mainland movie market was beleaguered by war and revolution, so the center of Chinese commercial cinema shifted south to Singapore, only to be buffeted yet again by waves of nationalist fervor on the Malay Peninsula during the 1950s. The industry then relocated to Hong Kong, where it matured and flourished, serving local audiences but also fashioning products with an eye to overseas markets (Fu 2003, 2008; Uhde and Uhde 2000; Zhang 2004). Chinese movie executives pursued opportunities wherever they arose and the industry was therefore proto-global in orientation, even if its products were not ubiquitous worldwide. It was anchored moreover by a resident creative community that tapped talent and resources from near and far, making Hong Kong the central node in the intricate circuits of Chinese popular culture.

Although transnational in orientation, it was also quite local in many respects. In the latter decades of the twentieth century, during the heyday of Hong Kong cinema, filmmakers shot most of their productions on the streets of the city and consciously fashioned their movies for local fans. Hong Kong's film culture was then renowned for midnight premieres, where cast and crew would mingle among the moviegoers, taking the pulse of the audience and sometimes adapting the final cut of the film accordingly (Teo 1997; Bordwell 2010). Movies were made for locals and their response was considered a rough indicator of potential success in overseas markets such as Malaysia, Singapore, and Taiwan. The creative community made its home in a colonial city, among a population that had largely migrated from elsewhere and was then in the process of developing a distinctly indigenous but also cosmopolitan identity. Moviemaking was a local business with a translocal sensibility (Zhang 2010). Aspiring Chinese talent moved to Hong Kong from many parts of Asia— and even as far afield as Europe and North America—seeing the city as the most promising place to build a career. Movie executives similarly saw it as the best place to secure financing, recruit labor, and launch projects.

The movie business operated outside the reach of national politics, sheltered by the benign neglect of the British colonial regime. Producers cobbled together feature films in a freewheeling fashion and at a ferocious pace, turning out popular products, occasional gems, and a good deal of rubbish. Nevertheless the tempo, scale, and diversity of production helped to foster a flexible ensemble of film companies that provided job opportunities to thousands of professionals as well as training for those

that aspired to join the industry. Hong Kong became a magnet for talent from near and far, and became an incubator for creative experimentation (Curtin 2007). It was home to Tsui Hark, Maggie Cheung, and Leonard Ho. Home to Ann Hui, Peter Chan, and Michelle Yeoh. Home to Peter Pau, Wong Kar-wai, and Christopher Doyle. It was also home to a vibrant ensemble of newspapers, music labels, and broadcasting stations.

In 1997, the People's Republic of China reclaimed Hong Kong after more than a century of British rule. The terms of transfer provided a 50-year transition in which the city would operate as a relatively autonomous Special Administrative Region, but it was clear from the beginning that Beijing intended to exert its authority and many believed that government scrutiny of the media industries would increase. This posed a problem for Hong Kong film companies that were accustomed to producing satirical and ribald comedies, as well as fantasy, horror, and crime stories. The city's creative class grew nervous as the deadline for transition approached, for the very genres that had proven most prosperous were likely to become targets of censors and propaganda officials. Consequently, many producers, directors, and actors began to explore job options abroad and even those that remained in place quietly began moving resources and families overseas in case of an official crackdown (Chan 2009). The industry also entered into a cycle of hyperproduction, spewing out as many movies a as possible, hoping to maximize profits before the fateful moment of transition. This flooded the market with low-grade products that alienated loyal audiences both at home and abroad. Hong Kong's reputation suffered tremendously as a result, most tragically with its audiences, who by the late 1990s had grown accustomed to cultural alternatives from Tokyo, Seoul, Europe, and Hollywood that were readily available at movie multiplexes, on video, and over the Internet. No longer willing to risk the expense of a theater ticket for a Hong Kong feature film, consumers bought (or downloaded) pirated Chinese movie videos that sold for only a fraction of retail price (Wang 2003). As audiences turned a cold shoulder to the industry, so too did media professionals in other parts of Asia. Distributors stopped buying, producers stopped collaborating, and directors declined to take Hong Kong talent onto their projects. In the decade following the handover, the industry's transnational network of audiences, distributors, and creative talent slowly dissolved (Curtin 2007; Chan et al. 2010; Bordwell 2010).

In retrospect, anxieties about the handover to Chinese sovereignty were somewhat exaggerated and the industry was therefore ill-served by the opportunistic mentality that prevailed throughout much of the 1990s and into the new century. In fact, the industry suffered less from censorship than it did from a fear of censorship that fueled a self-destructive cycle of hyperproduction. The Beijing leadership therefore didn't need to dip its hands directly into the messy mechanics of content regulation. Instead it kept its distance and withheld assistance during a time when the Hong Kong industry was under tremendous stress. Interestingly, Chinese state enterprises hatched numerous joint-ventures with Hollywood partners while snubbing the Hong Kong industry, whose films were treated as foreign imports for seven long and turbulent years after the city's return to Chinese sovereignty. The PRC government essentially starved the industry at a moment of crisis and only

opened the door to the mainland market slowly after it was sure it had the upper hand in its relationship with "Hollywood East."

As the irreverent and innovative qualities of Hong Kong media products diminished, export revenues declined and producers were confronted with two options: focus on the tiny domestic market of the SAR itself or enter into projects (usually coproductions) with mainland media partners.[5] The former would entail significant downsizing while the latter would require feature films that were fashioned as much for PRC censors as audiences. The Beijing government furthermore sent signals that it would brook no challenges to the supremacy of state institutions such as China Film and CCTV. If Hong Kong firms were to participate in the rapidly growing mainland media economy, they would do so within parameters established by the Communist Party (Yeh and Davis 2008; Yeh 2010; Davis 2010).

Today, Hong Kong is but one node in a geographically dispersed circuit of deal-making and creative endeavor that is increasingly driven by the exigencies of the mainland market. Filmmakers must be attentive to government officials who explicitly make use of import policies, subsidies, and regulations to shape movie messages and to nurture the development of large national enterprises that they hope will someday compete with Hollywood counterparts. They favor big movies with big stars. Themes and dialogue are cautious, even at times stilted, but the production values are growing more competitive with global standards and much of this has to do with the skills and insights that Hong Kong talent bring to these coproductions. Indeed, the leading box office performers during the first decade of the 2000s were Hong Kong-PRC blockbusters. Most were historical dramas (e.g., *Hero* 2002, *Red Cliff* 2008, *The Warlords* 2008), which were safe with censors because they displaced controversial issues onto a distant past and were furthermore acceptable to officials because they promoted the image of China as a grand and ultimately united civilization with a long and distinguished history (Wang 2009; Zhao 2010).

Audiences in East Asia outside the PRC seem to sense the caution and calculation behind these efforts, and many moviegoers consequently opted for Hollywood products, which are arguably no less cautious or calculated. The difference is that Hollywood filmmaking is periodically rejuvenated by sleeper films and independent features. It also has a film rating system that makes it possible for filmmakers to target particular segments of the audience and to explore mature themes and offbeat topics. These structural mechanisms have allowed innovative projects—such as *Juno* (2007), *Slumdog Millionaire* (2008), and *The Hurt Locker* (2009)—to break through the institutional inertia and insider dealings of the industry. As currently constituted, the mainland movie industry has few such mechanisms. Instead there is a yawning gap between state-sanctioned feature film extravaganzas (all of them G-

---

[5]Recently, a third option has begun to present itself. The terms of the Closer Economic Partnership Agreement between the PRC and Hong Kong has made it possible for filmmakers to target a provincial Guangdong market (Pang 2010). It is still too soon to know whether this possibility will provide greater autonomy to the Hong Kong industry.

rated) and sadly undernourished mid-range and independent movies (Zhang 2010; Song 2010). Chinese independent films are micro-budgeted projects that are either destined for the international festival circuit or they are opportunistic features that are produced largely for the satellite television market. The former are seen as unprofitable art cinema that rarely make it into theaters while the latter tend to be "main melody" films that are subsidized by the state and conform to ideological guidelines that favor uplifting characters and pro-social themes (Song 2010).[6]

Television likewise suffers from various institutional constraints, so that mainland China—which has by far the world's largest national television audience—remains a net importer of programming (Keane 2010). Low-cost genres (talk, reality, and variety) flourish, but few are innovative and those that are find themselves quickly besieged by imitative competitors (Keane et al. 2007). Drama and comedy—signature genres of the world's most successful television enterprises—remain underdeveloped, largely because of the same caution and calculation that prevails in the movie business. Besides the constraints on content, mainland television enterprises also suffer from structural limitations. Shanghai and Guangzhou media have exploded in size and Hunan provincial television has proven itself to be a shrewd innovator, but most TV companies are run by provincial or municipal units of government that are eager to maintain their authority and ownership status. This makes it difficult for companies to merge and makes it difficult to shake out the weakest performers (Diao 2008). Provincial and municipal TV enterprises are hampered as well by regulations that favor the state-sanctioned national champion, China Central Television (Zhu 2012). Provincial and municipal telecasters are furthermore discouraged from building overseas distribution channels, a privilege that largely belongs to Beijing-based institutions that nest snugly under the wing of the state, where they are closely monitored for content and tone.

If today there is a geographic center to Chinese media, it is within the Communist Party offices in Beijing, not because the party micromanages the day-to-day operations of television and film enterprises but rather because it systematically doles out favors and franchises to those that acknowledge its supremacy. The party leadership is quite successful at keeping a leash on domestic players and at exploiting joint venture partners from overseas.[7] The PRC government has cagily manipulated both Western and Hong Kong movie companies to serve its own

---

[6]In 2013, several popular micro-budgeted films (*Lost in Thailand*, *So Young*, and *Tiny Times*) bucked the system, proving massively popular with audiences due to their off-beat and blatantly commercial qualities, but they quickly became the subject of official condemnation, leaving many to wonder if one of the periodic government campaigns against "cultural pollution" might be in the offing.

[7]For example, both News Corporation and Warner Bros. have experienced very uneven success after decades of effort devoted to the mainland market. Many Western media executives express outright frustration with the manipulative practices of Chinese officials, arguing that India is a better bet for foreign investors (Frater 2008). Most prominently, News Corporation decided to sell its ownership stake in Star TV after close to twenty years of assiduous attention to the mainland market, literally throwing in the towel and redeploying its resources (Young 2010).

ambitions, which are to build a movie infrastructure that will ultimately be popular with national audiences and competitive with Hollywood, both at home and abroad. To the extent that it has succeeded, it is largely because China's moviegoing public is expanding at a breath-taking pace, with box office receipts of \$2.7 billion in 2012, making it the second largest theatrical market in the world (China Screen 2013). Television is undergoing a similar growth trajectory with CCTV announcing that its 2010 annual advertising auction drew \$1.9 billion in revenue, rising more than 15 % over the preceding year (Coonan 2010b); by 2013 that figure had doubled.

Yet despite these impressive figures, mainland media have little influence abroad, casting barely a ripple through media markets in Korea, Taiwan or Japan, let alone Europe or the United States. This is due largely to the fact that PRC cinema has, since its inception, been an instrument of the state, a bridge between the Communist Party and the people. Since the 1980s, the government has reorganized and marketized the national economy so that media institutions now operate in a more decentralized fashion and they pursue audiences as they might pursue media consumers, but their overriding mission is to serve the party and therefore media ownership remains squarely in the hands of the state (Zhu 2003; Diao 2008). This system of control is fairly obvious to viewers in the mainland who commonly seek alternatives via the Internet and the DVD black market. Young people especially rely on Internet viewing, employing a host of strategies to circumvent the "Great Firewall" in order to acquire products that could never find their way into cinemas or onto the airwaves (Barboza 2010; Chua and Iwabuchi 2008). As for overseas markets, audiences seem occasionally interested in historical dramas that emanate from the mainland, but their tastes are quite diverse and they have access to a great range of media products and services. Mainland movies have therefore performed modestly overseas and television exports have proven to be of little interest to audiences in Hong Kong, Taipei, and Singapore. As for projecting soft power even further afield in Asia, state media products have enjoyed little success in Tokyo, Seoul, or Bangkok.

Conclusion

Beijing's apparent success at controlling its domestic film industry runs counter to what many critics and researchers see as the unrelenting global expansion of Western media conglomerates. It raises the prospect of a new center of cultural power based in the national capital under the watchful eye of the state, suggesting that under certain conditions, state regimes may indeed be able to assert their cultural influence domestically, and may furthermore be able to tame the power of nearby competitors in cities such as Hong Kong. Yet regime's apparent triumph also undermines its explicit soft-power ambitions. For Beijing is unlikely to become a global media capital so long as it is remains the seat of national government. This is because media capital flourishes at cultural crossroads, not at the centers of political power. Beijing may build and manage a vast domestic media infrastructure, but it is likely to struggle in its efforts to influence popular culture beyond its borders. Quite

simply, media capitals tend to prosper at a distance from state power—Mumbai vs. New Delhi, Lagos vs. Abuja, Miami vs. Mexico City. Although London might be seen as an exception, that's largely because its creative industries tend to be resolutely capitalistic and are insulated from state pressures by a common law tradition that sets limits on the exercise of state power. Even the national public broadcaster, BBC, has a long tradition of creative independence and insulation from the political imperatives of the ruling regime. If Chinese media can someday achieve this level of relative autonomy, Beijing might indeed emerge as a transnational media capital, but until that time its cluster of media institutions is perhaps more appropriately seen as a center of *official* rather than *commercial* media, as an instrument by which the ruling regime reaches outward in its quest to impose an monological vision of China and Chineseness.

As for Hong Kong, the (soft) nationalization of its film industry helps to explain why its status as a media capital is declining. Once known for its rambunctious, reflexive, and visceral cinema, the city's creative community has shriveled and those who remain have capitulated to a system that is built around the cautious, calculated blockbuster feature film that will appease state censors, party officials, and major financial backers. Audiences matter, but not the way that they used to matter when the Hong Kong industry was in its prime, and not the way they continue to matter to filmmakers in Los Angeles or Mumbai. Chinese commercial cinema has by comparison turned inward and one therefore wonders where (and if) a new center of gravity will emerge? Will it remain a national industry nestled in Beijing under the watchful eye of the state or might a transnational media capital reemerge in one of the seaport cities along China's coast? For if China is truly to assert its cultural soft power, it is less likely to emanate from a state apparatus based in Beijing than it is from a popular culture industry located at a cosmopolitan crossroads.

References

Aksoy, A., & Robins, K. (1992). Hollywood for the 21st century: Global competition for critical mass in image markets. *Cambridge Journal of Economics, 16*(1), 1–22.

Barboza, D. (2010, April 18). For Chinese, web is the way to entertainment, *The New York Times*, p. B1.

Bordwell, D. (2010). *Planet Hong Kong: Popular cinema and the art of entertainment* (2nd ed.). http://www.davidbordwell.net/books/planethongkong.php

Chan, P. interview (2009, April 2). A discussion with producer/director Peter Ho-San Chan on global trends in Chinese-language movie production. *Taiwan Cinema* website, Government Information Office, Republic of China (Taiwan). http://www.taiwancinema.com/ct.asp?xItem=58252&ctNode=124&mp=2

Chan, J. M., Fung, Y. H., & Ng, C. H. (2010). *Policies for the sustainable development of the Hong Kong film industry*. Hong Kong: The Chinese University of Hong Kong Press.

Chandler, A. (1977). *The visible hand: The managerial revolution in American business*. Cambridge: Belknap.

China box office round-up 2012: China becomes world's second biggest market. (2013, January 21). *Screen Daily*. http://www.screendaily.com/china-box-office-round-up-2012-china-becomes-worlds-second-biggest-market/5050843.article

Chua, B., & Iwabuchi, K. (2008). *East Asian pop culture: Analysing the Korean wave*. Hong Kong: Hong Kong University Press.

Coonan, C. (2010b, November 8). Ads auction up 15.5% for CCTV. *Variety*. http://www.variety.com/article/VR1118027181

Curtin, M. (2004). Media capitals: Cultural geographies of global TV. In J. Olsson & L. Spigel (Eds.), *Television after TV: Essays on a medium in transition* (pp. 270–302). Durham: Duke University Press.

Curtin, M. (2007). *Playing to the world's biggest audience: The globalization of Chinese film and TV*. Berkeley: University of California Press.

Curtin, M. (2011). Global media capital and local media policy. In J. Wasko, G. Murdock, & H. Sousa (Eds.), *Handbook of political economy of communication*. Malden: Blackwell.

Curtin, M. (in progress). *Media capital: The cultural geography of globalization*. Manuscript.

Davis, D. W. (2010). Market and marketization in the China film business. *Cinema Journal, 49*(3), 121–125.

Diao, M. M. (2008). *Research into Chinese television development: Television industrialisation in China*. Dissertation, Macquarie University, Sydney.

Florida, R. (2005). *Cities and the creative class*. New York: Routledge.

Fu, P. (2003). *Between Shanghai and Hong Kong: The politics of Chinese cinemas*. Stanford: Stanford University Press.

Fu, P. (Ed.). (2008). *China forever: The Shaw Brothers and diasporic cinema*. Urbana: University of Illinois Press.

Frater, P. (2008, August 1). Hollywood weighs China yin-yang. *Variety*. http://www.variety.com/article/VR1117989939?refCatId=2520&query=yin+yang

Giddens, A. (1990). *The consequences of modernity*. Stanford: Stanford University Press.

Harvey, D. (2001). *Spaces of capital: Towards a critical geography* (pp. 237–266). New York: Routledge.

Hesse, M. (2010). Cities, material flows and the geography of spatial interaction: Urban places in the system of chains. *Global Networks, 10*(1), 75–91.

Huang, X., & Xiao, Z. (2011). *Shadow magic* and the early history of cinema in China. In S. H. Lim & J. Ward (Eds.), *The Chinese cinema book* (pp. 47–55). New York: BFI Palgrave.

Jacobs, J. (1984). *Cities and the wealth of nations*. New York: Random House.

Jacobs, W., Ducruet, C., & De Langen, P. (2010). Integrating world cities into production networks: The case of port cities. *Global Networks, 10*(1), 92–113.

Keane, M. (2010). Keeping up with the neighbors: China's soft power ambitions. *Cinema Journal, 49*(3), 130–135.

Keane, M., Fung, A. Y. H., & Moran, A. (2007). *New television, globalisation, and the east Asian cultural imagination*. Hong Kong: Hong Kong University Press.

Marx, K. (1973). *Grundrisse: Foundations of the critique of political economy* (p. 539). New York: Vintage.

Morley, D. (2000). *Home territories: Media, mobility, and identity*. New York: Routledge.

Pang, L. (2010). Hong Kong cinema as a dialect cinema? *Cinema Journal, 40*(3), 140–143.

Porter, M. (1998). Clusters and the new economics of competition. *Harvard Business Review, 76*, 77–90.

Scannell, P. (1991). *A social history of British broadcasting*. Cambridge: Blackwell.

Scott, A. J. (2000). *The cultural economy of cities*. Thousand Oaks: Sage.

Silverstone, R. (1994). *Television and everyday life*. New York: Routledge.

Song, T. (2010). *Independent cinema in the Chinese film industry*. Dissertation, Queensland University of Technology, Queensland.

Teo, S. (1997). *Hong Kong cinema: The extra dimensions*. London: BFI.

Uhde, J., & Uhde, Y. N. (2000). *Latent images: Film in Singapore*. Singapore: Oxford University Press.

Wang, S. (2003). *Framing piracy: Globalization and film distribution in greater China* (p. 2003). Lanham: Rowman & Littlefield.

Wang, T. (2009). Understanding local reception of globalized cultural products in the context of the international cultural economy: A case study on the reception of *Hero* and *Daggers* in China. *International Journal of Cultural Studies, 12*, 299–318.

Yeh, E. Y. (2010). The deferral of pan-Asian: Critical appraisal of film marketization in China. In M. Curtin & H. Shah (Eds.), *Reorienting global communication: Indian and Chinese media beyond borders*. Urbana: University of Illinois Press.

Yeh, E. Y., & Davis, D. W. (2008). Re-nationalizing China's film industry: Case study on the china film group and film marketization. *Journal of Chinese Cinemas, 2*(2), 37–51.

Young, D. (2010, August 9). News corp sells controlling stake in china tv channels. *Reuters*. http://www.reuters.com/article/idUSTRE67810L20100809

Zhang, Y. (2004). *Chinese national cinema*. New York: Routledge.

Zhang, Y. (2010). Transnationalism and translocality in Chinese cinema. *Cinema Journal, 49*(3), 135–139.

Zhao, Y. (2010). Whose hero? The 'spirit' and 'structure' of the made-in-China blockbuster. In M. Curtin & H. Shah (Eds.), *Reorienting global communication: Indian and Chinese media beyond borders* (pp. 161–182). Urbana: University of Illinois Press.

Zhou, Y. (2006). *Historicizing online politics: Telegraphy, the internet, and political participation in China*. Stanford: Stanford University Press.

Zhu, Y. (2003). *Chinese cinema during the era of reform: The ingenuity of the system*. Westport: Praeger.

Zhu, Y. (2012). *Two billion eyes: The story of China central television*. New York: The New Press.