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International Journal of Cultural Studies, Vol. 7, No. 1 (March, 2004), 9-19.

Before departing for the QUT Symposium in December 2002, I had a brief encounter with our Dean of the School of the Humanities, Arts and the Social Sciences at MIT. Upon finding out that I was going to a university which audaciously renamed its old Arts and Humanities Faculty into the *Creative Industries* Faculty, he was both curious and excited. “Bring me back the model,” he said. But I brought to Queensland an inquiry of a different kind that had less to do with “creative industries” as a new curricular paradigm than with its potential as a traveling discourse.<sup>1</sup>

For me, there are two trajectories underlying the intellectual agenda of the QUT Symposium on creative industries, one distinctly articulated, an institutional project which should engage any deans eyeing for cutting-edge visions; and another, an international project embedded in aggressive discursive movements. Those are two distinctly different projects with varied prospects of success and are therefore in need of an evaluative framework that acknowledges the scalar distinction. My concern lies with the international project. But a quick look at the institutional project will familiarize us with some of the staple questions regarding “creative industries.”

### **The Institutional Project**

Of course, QUT’s institutional experiment has stakes far beyond the academy. But because much of the deconstructive criticism voiced during the Symposium was directed to the normative

discourses of the “new economy” and “consumption,” little light was shed on how those state funded, newly established university R & Ds ( housed in QUT’s Creative Industries Research and Application Center) will build knowledge integration communities that incorporate not only research, industry, education and public components but a significant interface with the creative industries sector emerging within the precincts of Queensland. Exactly how the creative industries paradigm of a three-way partnership of the university, industry, and government would pan out (auspiciously visualized in John Hartley’s small tripod) remains a phantom question sitting on the back burner. To me, however, growing our curiosity about European models of kindred collaborative schemes (such as Ars Electronica FutureLab in Linz) and cultivating a parallel interest in asking how stakeholders in those existing models develop *substantive* terms of partnership (not to be completely conflated with the financial terms of exchange) constitutes the real challenge for the humanist advocates of “creative industries.” This challenge goes beyond the ingenious shuffling of the old “arts and culture” from a spending portfolio to an investment one in the name of “emerging industries” (Cunningham, notes on the Symposium). Kate Oakley’s cautionary note that there is a “widening gap” between the growing rhetoric and the small “evidence data” of creative industries in the United Kingdom points to the same concern of mine with the question of substance (Oakley, 73).

This said, the conception of “creative industries” as an institutional project specific to the state of Queensland makes a lot of sense to a convert of applied humanism like myself. Thinking ‘culture’ as an economic activity and questioning the “general, prior, analytic distinction between ‘culture’ and ‘economy’ (du Gay and Pryke, 9) are new intellectual orientations conducive to academic humanists’ lagging engagement with social spaces outside the ivory tower. Therefore, mindful as I am of the political and social pitfalls of hyping the flexible

working regime (McRobbie 105) to which the future QUT trained “creative class” would likely be bound, I nonetheless appreciate the rare blend of pragmatism and utopianism registered in John Hartley and Stuart Cunningham’s theoretical attempt of appropriating the rhetoric of the new economy to advance the creative disciplines (and content industries) from the margins to the mainstream (Cunningham, QUT volume; Harley and Cunningham, 2001). “Creativity” is redefined as an enterprise sector, intrinsic, not external, to contemporary technologically accented knowledge economy.

### **The International Project**

As an institutionally driven project specific to the context of QUT and Queensland, “creative industries” may well develop into a sustainable vision of its own. But the Symposium had a higher purpose of internationalizing the discourse which inevitably raised the intellectual stakes and brought us to a point of contention, namely, whether the discourse of “creative industries” travels well from continent to continent, and from one mode of production to another. My answer to this straightforward question is not a simple no. I am keenly aware of the developed world’s interest in seeking its own mirror image in developing countries. If the locale or the country of your research is slow in “transitioning” into capitalism and if it sits outside the world trade legal regime, or if you fancy to say that not all oceans connect, the first world elite may just lose their desire to find out more about your locale or your ocean, and along also goes the possibility of meaningful dialogues.

Our symposium struggled with staying away from such a trap. But I found our budding curiosity about the *other* locale was at the risk of being overtaken by our more compelling professional anxiety about discursive stakes. Thus, when a Western normative discourse such as

creative industries was found not equally applicable to every locale under the sun, the remedy we sought was the deconstructive strategy of “emptying its analytical content,” a move prematurely drawing a closure over those productive, fertile moments of contestation which could have led us to ask: what is the particular socio-economic ecology of some locales (in my case, China) that sustains the currency of old terms such as “cultural industries” in lieu of “creative industries”?

Indeed, why do I, a cultural critic susceptible to the alluring call of global theories, think that the mainland Chinese, fast as they are in appropriating traveling discourses, would not, and should not, jump on the band wagon of this new discursive movement any time soon? That is because the “cookie-cutter approach” is applicable only to places that do not have an history and human geography. If, as Oakley cautions, sectors such as creative industries cannot be replicated in different regions of the UK (Oakley, 76), what makes one think that a country on a different continent would be a blank canvas awaiting earnest cookie-cutters to carve and paste? The issue at stake is not my problem with sameness, or your right to difference, but how *we* imagine “difference” in such a way so as to undermine the pseudo-proposition that every place is unique. The way to do it is to think about “difference” *relationally* as critical human geographers suggest. (Doreen Massey et al, 1999; Pratt, 2002). Therefore, instead of emptying the analytical content of creative industries understood in the Australian, British, or Scottish contexts, let us keep all of them but at the same time turn to infrastructural inquiries about the other locales. Then and only then might a whole spectrum of the complex local agendas and conditions begin to emerge and thus enable us to track the crisscrossing economies of culture, creativity, and content production all within a comparative trajectory better prepared to respond to the *place specific articulations* spawned from the universal strategic thinking of writing ‘culture’ into policy lexicons.

## **The Hong Kong Campaign on Creative Industries**

This long detour returns us to my initial question about the traveling capacity of “creative industries,” and specifically, the degree of its (discursive) relevance to mainland China. First of all, a summary review of what is taken for granted in the creative industries discourse is in order here. A successful creative industries sector is highly dependent upon the socio-economic opportunities opened up for the “organic, bottom-up development” of small enterprises characterized by “flat hierarchy and project-based work patterns” and the clustering of autonomous, risk taking, and avant-garde free-lance producers who specialize, among other things, in the post-broadcast media content production (Oakley, 77; Hartley and Cunningham, ??). We can hardly miss the *sine qua non* for the sector in those various definitions, i.e., a (free) market economy which takes competition, intellectual property rights, and most importantly, a *commercialized* culture industries sector, as givens.

Let us fast-forward to mainland China where none of the conditions named above can be taken for granted. Since the mid-1990s, administrative orders rather than the market principle have been driving frenzied media conglomeration and some convergence activities. And above all, the commercialization of cultural industries (especially television and news media) - state-owned to this day - is still a much contested goal two years after China’s accession to the WTO. The recent conservative backlash on press freedom - a battle between President Hu Jintao’s right-hand men and the Party’s propaganda Czars - is just a small indication of the difficult Chinese long march toward reform in the media and cultural realm.<sup>2</sup>

Imported key terms, however, bring in a heightened awareness of sites of crises embedded in the local norm. One such site, the thorniest question triggered by the paradigm of

creative industries, is that of “creativity” - the least problematic in the western context. How do we begin to envision a parallel discussion of something like “creative industries” in a country where creative imagination and content is subjugated to active state surveillance? Let me run an update on the censors’ latest activities: distributors of “cultural products” via the Internet will require state licenses starting in July 1, 2003; content censorship of imported video games will be strengthened (“Gaming industry”); only ten firms approved by the state can now run national Internet cafe chains which will push independent operators out of the market soon. The setback of the Internet in the past two years - a medium theoretically most immune to boundary policing and centralized monitoring devices - is highly symptomatic of the Chinese problematic. China, of course, has a creative content industry. But it has yet to deliver the “unfiltered, market-led content” in Michael Keane’s words. In what conceptual terms, then, can we talk about an anomalous industry which clearly compromises the Western concept of creative freedom?

Certainly “creative industries” is not the answer. But it is not utterly irrelevant because the discourse, awkwardly translated into Mandarin Chinese as *chuangyi gongye*, has taken off in Hong Kong, now part of China’s territory since 1997. Who is behind the media blitz of this discourse, you ask? None other than the Chinese Communist government. Faithful to its much hyped policy of “one country and two systems,” China has allowed the former colony to cook up policy terms appropriate to its particular social and economic infrastructure. Commissions were set up to explore strategies of developing creative industries. The film industry, a comparative advantage that Hong Kong once leverage well, was singled out as a sector for strategic rejuvenation. Not only was a credit fund for new film productions established (“Tang Yingnian <http://www.cctv.com/news/financial/inland/20030116/100555.shtml>”), but a preferential policy treatment will strip the quota restrictions on Chinese films made in Hong

Kong for their entry into the mainland market (“Hong Kong Films,” 2003). Hong Kong’s “three-pronged approach” of developing the creative industries sector even includes its key sectoral *raison d’etre*, i.e., the drive to seek export markets, much in the same fashion as the British Council is eyeing places like Japan and Singapore as the priority export markets for the UK creative and media industries (<http://www.info.gov.hk/gia/general/brandhk/1212229.htm>) (“Hong Kong developing a strategy,” 2002). What is the designated primary export market for Hong Kong’s creative industries? The Pearl River Delta in Guangdong Province.

This is a very interesting development especially for those who subscribe to the politics of sameness. Does that mean that some day the Hong Kong influence will spill inland and corrupt the ideological rigidity of the mainlanders? And perhaps this discourse of creative industries will infiltrate China in the next five or ten years? This is far too complicated a question to address in a think piece. I will take a short cut by saying, infrastructurally speaking, China will not become Hong Kong in much the same way as Beijing will never be like Guangzhou. More importantly, let us take a close look at the popular assumption about the alleged influence of “(foreign) capital” on (liberalizing) Chinese media, an analogy categorically close to those speculations about the possible impact of the Hong Kong model on the mainland through the Pearl River Delta.

### **The Logic of (Foreign) Capital**

“AOL to Sell 64 Percent China TV Stake to Li Firm” (Young, 2003)

“MTV to Dance to Communist China’s Tune” (Galupo, 2003)

Two headlines, two different story lines, but the same dream. AOL Time Warner entered the Chinese market with unrealistic expectations about the profits to be reaped there. In less than

two years, it sold the majority stake of its China Entertainment Television to tom.com - Hong Kong billionaire Li Ka-shing's media and advertising company. Asset release may be particularly a pressing problem for the debt-ridden AOL, but news has been widely circulated that Phoenix, the TV station owned by Rupert Murdoch who knew how to tango with the Chinese leaders to perfection, is also losing money.

But the News Corp. and AOL hang on in China because there is no shortage of foreign investors lining up to compromise not just in financial terms but ideologically. Entered Viacom, the company that owns the MTV. It struck a deal this March with China to launch a twenty-four hour music-video channel in Guangdong Province. What about the potential "influence" of foreign creative industries on the freedom of artistic expressions in China? The President of MTV made a pledge that it would not associate itself with underground dissident artists. This story is one of the many featured in neo-conservative critic Ethan Gutmann's upcoming book Losing the New China (2003) in which he condemns the routine practice of American media companies' ideological capitulation to the Chinese content-regulators. But in between lines, Gutmann rationalizes (just as any Western neo-conservative *and* liberal would) on behalf of those businessmen and finds apologies for them by tracing their aberrational practices to the fundamental the logic of capital, i.e., their wishful thinking that "the cultural cross-pollination and financial linkages will liberalize China"- in the long run (Galupo). My cautionary tale, of course, is different from Gutmann's. For the problem lies not just with the capitalists but with capital itself.

Why should anybody be surprised that capital is ideologically blind in China? Capital - this is old news - is not *inherently* liberatory. The MTV example tells us just that - foreign capital enters the third world to make money, not to emancipate the mind of the locals. The

liberal master narrative may pit a “weakened” Chinese state against the Messianic capital/market. But that paradigm has outlived its usefulness. It is time that we look into the collusive aspects of such a relationship and think about how such an acknowledgment would complicate our assumptions about the difference that new discourses such as the “new economy” and “creative industries” would make in the mainland.

### **Asset Hybridization and Its Impact on the Chinese CI (“Cultural Industries”)**

Like the UK and Australia, China’s policy on the “new economy” has so far concentrated on infrastructure, connectivity, IT, and information science. The term, introduced officially at the Fifteenth Party Congress in 1997, refers specifically to the triple alliance of three entities: (1) state-owned and industry-sponsored science and technological R & Ds; (2) institutions of higher education; (3) corporate China, especially the industrial sector. The policy slogan underlying the new economy is “merging industry, higher education, and science research in one” (Zhu and Liu, 1998, 164) - the usual hackneyed rhetoric about knowledge integration current in the West too.

The Chinese policy discourse of knowledge economy, however, did make a theatrical difference. It cracked open a forbidden territory with its legitimation of the IT sector’s privatization of “knowledge goods.” For the first time in the history of the PRC, national universities like Beida (Peking University), a state-owned, public cultural institution (*shiye danwei*), previously ineligible for privatization initiatives, can now create semi-autonomous R&Ds such as Beijing Beida Founder Group Corp. that formed joint ventures with industry partners and became listed companies in China’s stock exchange. What this entails is that creativity, or innovation at least in the high-tech sector, has now earned a better chance of facing market demands and breaking away from content control. Soon this revolutionary practice, what

I will call “asset diversification or hybridization,” spread to the media industries and raised the public’s expectation for the commercialization of a sector hitherto considered off limits.

This formula, which lends a hand to a hidden process of privatization, is in fact an old protocol reinvented. It is a simple variation of the classic logic underlying the mixed Chinese mode of economy that permits both domestic and foreign capital entities to gain a footing in the market through *indirect entry*. Let me start with the simpler category - the entry of foreign capital. Transnational advertising agencies entered China during the 1980s and 1990s by attaching itself to Chinese ad agencies that owned majority stakes. In the print sector, similar hybrids came a bundle. While a range of foreign titles - including *Cosmopolitan*, *Elle*, *Business Week*, *Advertising Age* - all have Chinese editions, they are not only published under license by Chinese owned companies, but they carry a large doze of sanitized “Chinese content.” So what’s new about this formula if it seems to bring us back to the beginning of the vicious cycle - the regulatory state and its hype about the Chinese characteristics of this and that?

What is new can only be comprehended if we turn to the entry of domestic capital into the publicly owned media industries and ask how some of them succeeded in entering the stock market. What hybrid form of ownership does such an entry require? How is public listing to be achieved for a cultural industry that is barred from commodification altogether earlier and total marketization now?

None of this would make any sense to those who take for granted the meaning of cultural industries” understood in the Western context. The Chinese CI is a different kind of an animal. While the Western term “cultural industry” means what it says, its Chinese counterpart - *wenhua chanye* - contains within itself at least three subtexts - a state-owned sector undergoing the rugged process of partial commercialization; the tenacious hold of state monopoly even while it

is pushing the agenda of commodifying public cultural goods; and the thorny issue of mixed ownership and the debate over the hidden process of privatization.

Compare this indigenous term, *wenhua chanye*, which alludes to all the crucial terms of debate construing the politics of Chinese cultural industries, with the hypothetical discourse of *chuangyi gongye* (creative industries). The double reference of the word *chanye* to *chanquan* (“property ownership”) and *shiye* (“public institutions”), the eye of the storm, together with the local agendas would be totally lost, were the neutral term *chuangyi gongye* were to take its place.

“Creative industries” as a discourse is thus of little practical value to the mainland Chinese at this moment. The engine of desire driving the Chinese cultural industries is named *shang shi*, “going for stock market listing,” something only joint venture heavyweights capable of asset diversification are well-positioned to do. This is all about asset concentration and economies of scale prescribed by the policy directive of “securing the big and letting go the small” (*zhua da fang xiao*) - a vision contrary to that of “creative industries.” After all, we also need to remind ourselves that place specific priorities (or constraints) drove the same socialist government to embrace the discourse of “creative industries” in Hong Kong while stepping up the development of “cultural industries” on the mainland.<sup>3</sup> Is this a contradiction? Hardly. The marketization level of cultural industries on the mainland is simply too low for the “creative industries” model.

Of course lowering the threshold for market entry has been an industry demand to which the state responded with measured caution. But predictably, asset transfusion from the public to semi-private domain is a prerogative for large media and cultural companies in the coming decade. This brings us back to the question of market entry rules as well as the hybridization of assets and ownership of the cultural sector.

China's Securities' Regulatory Commission recently included media and cultural industries in the newly released Directory of Industry Categories of Listed Companies. But this is a far cry from liberalizing the content industry. The government's logic is a hair-splitting one. Since China's commitments to the WTO bind it to liberalizing retail and distribution, but not content, the "media and cultural industries" allowed to go public are specifically defined as publishing, audio-visual production, film distribution, and information transmission - technical and service subsidiaries that have little to do with news and culture content and national security issues (Jiang and Xie, 2003, 44-45). It follows that companies specializing in those above named, potentially commercialisable sectors, or totally commercialized ones such as the real estate, are fervently sought by non-commercialisable content sectors for joint venture formation, asset investment and transfusion in preparation for public listing. It is worth noting that cross-sectoral asset diversification was legalized by a new, albeit experimental policy allowance for trans-sector convergence.

This policy provision, together with the breakthrough achieved under the regime of knowledge economy mentioned earlier, has given rise to the curious practice of identity borrowing (*jie ke*, literally, living in somebody else's skin) and made possible the listing of Hunan TV & Broadcast Intermediary Co., Ltd. Conversely, it should also make possible, theoretically, the entry of non-media entities - the skin providers - into the domain of media content. Just how the capital influx from those non-media entities for whom media licenses are off limits might impact media content remains a subject for speculation. One can only imagine the complicated task that die-hard regulators will confront in the face of such increasingly routinized practices of asset hybridization.

In the meantime, small project-based, private content producers and post-production

companies can be spotted in the big metropolises. The few examples I encountered during my recent visits to Beijing bore testimony to the fallacy of the automatic association between marginality, dislocation, and progressive politics. Different from their Western counterparts, many members of the rising “creative class” in Beijing and Guangzhou have deep pockets, networking capital with the state, and a lifestyle characteristic of the nouveau riche. Totally indifferent to public issues concerning the truly socially dislocated (i.e., rural migrants), those twenty and thirty-somethings are a species even the most enthusiastic advocates of “creative industries” would find difficult to romanticize.

So what are our prospects of finding regulation-free creative space in Chinese media in the short run? Chances are slim regardless of the Western press hype about the “revolutionary restructuring” of the cultural sector in progress. In the meantime, Chinese content is being transmitted by one hundred European channels including Murdoch’s British Sky Broadcasting Group, via CCTV-9, the English channel of China Central Television (Wang, 2002). I am now afraid this think piece would end on the ironic scenario, undesirable as it was, of European audiences watching the Sixteenth Party Congress and absorbing the Communist Party’s discourse of the “Three Represents.”

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Notes

1. In 2003, the research team headed by John Hartley at QUT received a grant from the Australia Research Council for a project titled “Internationalising Creative Industries: China, the WTO and the Knowledge-based Economy.” I participated in a brainstorming session with the team about how to plan that project during the Symposium.

2. During the SARS outbreak, Chinese media enjoyed a brief period of relaxed news control. But in June, the Propaganda Department suspended the Beijing Xinbao tabloid and the Caijing magazine. They also pulled the plug on a popular TV series “Marching toward the Republic.” See Willy Wo-lap Lam, “China’s conservative backlash,” CNN.com (June 25, 2003).

3. Two research institutes of cultural industries were established by the state at Peking University and Shanghai Jiaotong University. They are charged with the mission of developing policy research and training talents for the sector.