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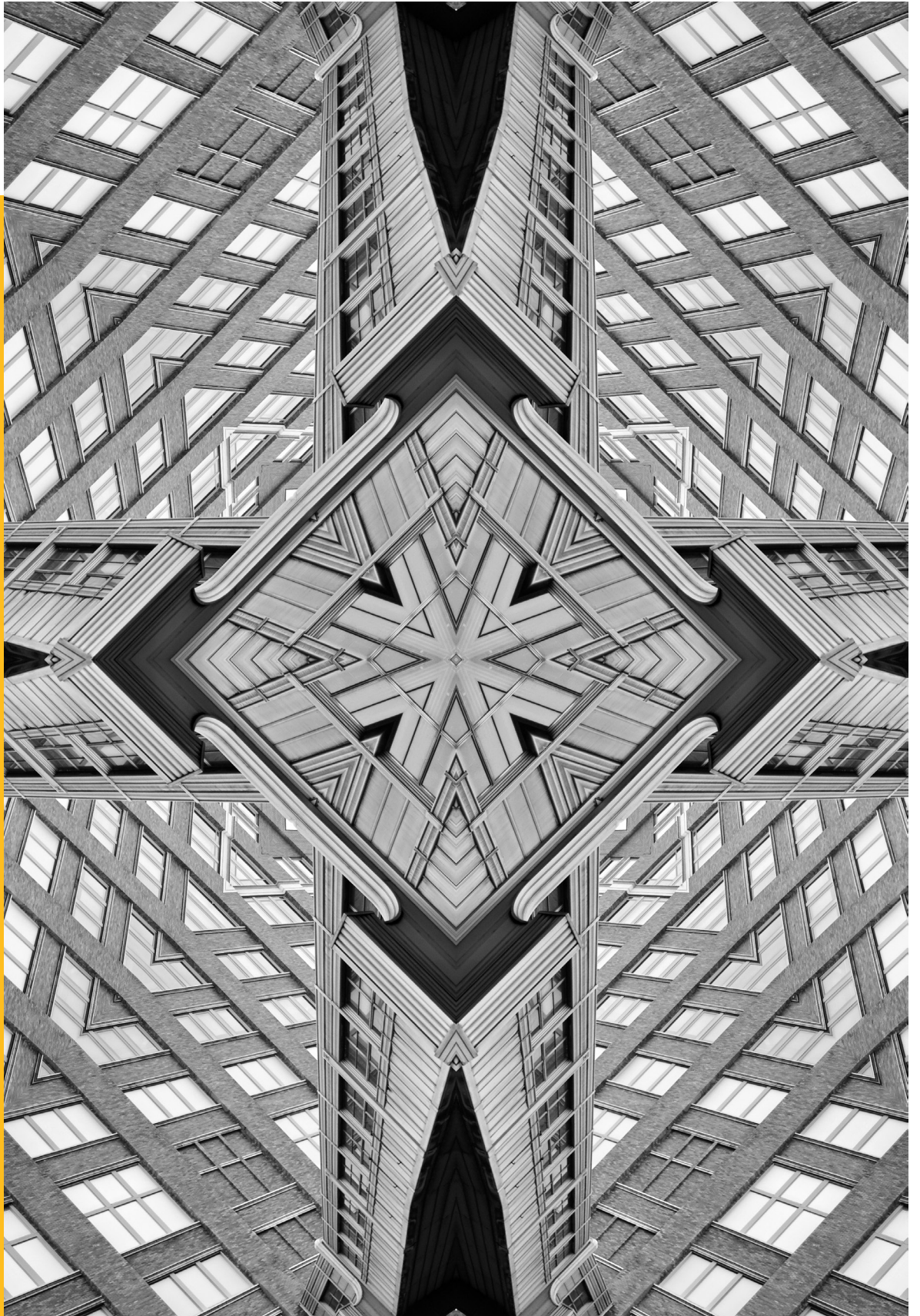
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# Occasional Paper



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# *Art Not For Art's Sake: China and Hollywood's Mutual Gains From a Symbiotic Relationship*

**Sitara Srinivas and  
Noyontara Gupta**

## **Abstract**

The use of America's movie industry, or Hollywood, to advance an agenda is not new. This paper explores how China has expanded its financial footprint in Hollywood and consequently is able to use films for propaganda. It engages with the importance of propaganda and censorship in China, and how China has historically used mass media and other cultural tools to serve its political interests. It underlines the symbiotic nature of the relationship between China and Hollywood, and places it in the context of the evolving landscape of international relations.



Throughout its journey to becoming a global powerhouse, China has always understood the importance of how it is perceived by the international community. Over the years, the country that calls itself ‘dragon’ has driven a definitive shift in strategy—from looking inwards and censoring all forms of media domestically, to seeking to influence the global information landscape.<sup>1,a</sup>

In this effort, China has manipulated and managed domestic media and culture to serve the state’s interests. It has extended its aim of increasing its ‘discourse power’ through the strategy of *‘jie chuan chu hai’*, (借船出海, or ‘borrowing a boat to go out to the ocean’), in an effort to control domestic and international narratives via the media, such as radio and print earlier, and today, through films produced in Hollywood.<sup>2</sup>

The role of art in Chinese society has remained consistent since the modern Chinese nation state was established in 1949. Mao Zedong, the first head of state of the People’s Republic of China (PRC) once said, “There is in fact no such thing as art for art’s sake, art that stands above classes, art that is detached from or independent of politics.”<sup>3</sup> With the Chinese Communist Party<sup>b</sup> (CCP) seizing power, all artists were required to adhere to the party line on art.<sup>4</sup> This control allowed the Party to promote its narratives within China and shut down contrary ones. To be sure, this changed to a degree in the 1980s with China’s liberalisation. Seventy years later, in 2019, President Xi Jinping<sup>c</sup> echoed Mao’s sentiments: “Socialist culture and art is, in essence, the culture and art of the people”; he said art should not be a “slave to the market” or “bear the stench of money”.<sup>5</sup>

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a The PRC has been keen to use international mediums to push Chinese narratives ever since Chairman Mao outlined his strategy of “making the foreign serve China”. However, the 2003 edit to the “Political Work Guidelines of the People’s Liberation Army” introduced modifications—what is today known as the Three Warfare Strategies—the second of which is ‘Overt and Covert Media Manipulation’. See: Grunfeld, A. Tom. *The China Journal*, no. 52 (2004): 146–48. <https://doi.org/10.2307/4127904>; Peter Mattis, “China’s ‘Three Warfares’ in Perspective”, *War on the Rocks*, January 30, 2018, <https://warontherocks.com/2018/01/chinas-three-warfares-perspective/>

b The Chinese Communist Party (or the Communist Party of China) was founded in 1921. In 1949, it won power and began to govern what it called the People’s Republic of China (PRC).

c Xi’s position on this has endured throughout his elevation through the ranks. Years ago, as Party chief of Ningde city he had written an essay on the relation between literature and art, and politics, where he said: “We must oppose those who, under the guise of freedom of creation, use literature and art as a political tool to promote bourgeois liberalisation, and repudiate the lines, directives, and policies of the Party and negate the leadership of the Party.” See: Xi Jinping, “Art, and Politics after Tiananmen,” USCNPM Translations, <https://uscnpm.org/2022/10/07/translation-xi-jinping-on-literature-art-and-politics-in-1989/>



# The China Story

Thus, at the core of the Chinese brand of governance is the pervasive use of propaganda. David Shambaugh, professor and expert on China suggests that the Chinese propaganda system extends “into virtually every medium”<sup>d</sup> that disseminates information.<sup>6</sup> China’s censorship efforts enable the party’s propaganda machine. There are two forms of censorship: self-censorship, where artists pre-emptively censor their own work; and proactive censorship, which the CCP uses to disseminate favourable content and prohibit that which is not.<sup>7</sup> Over the years, censorship strategies have evolved according to the means available.<sup>e</sup>

In the same manner, America’s movie industry (or ‘Hollywood’ as it is called) has historically been wielded as a tool of political influence. As an industry, its reach and influence has extended far beyond entertainment—a fact that has been acknowledged and leveraged by governments, political groups, and corporations, both domestic and foreign. In some cases, Hollywood producers and studios have collaborated with these entities in their search for funding and future benefits. One example is the US military, which has a long history of using Hollywood as a vehicle to promote its image and interests. During the Second World War, for instance, the US Army took part in the film-making process in its war effort. The Pentagon’s relationship with the industry continues to this day—the Department of Defense collaborates on several Marvel movies, films such as *Jurassic Park*

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- d A Chinese encyclopaedia on the building of the CCP, suggests that the propaganda system’s scope includes “newspaper offices, radio stations, television stations, publishing houses, magazines, and other news and media departments, universities, middle schools, primary schools, and other vocational education, specialised education, cadre training, and other educational organs; musical troupes, theatrical troupes, film production studios, film theatres, drama theatres, clubs and other cultural organs, literature and art troupes, and cultural amusement parts; cultural palaces, libraries, remembrance halls, exhibition halls, museums, and other cultural facilities and commemoration exhibition facilities.” See: Zhongguo Gongchandang jianshe dazidian 1921-1991 (An Encyclopedia on the Building of the CCP) (Chengdu: Sichuan Renmin Chubanshe, 1992), p. 676.
- e China is known to use search engines to spread propaganda globally. A Brookings study found Beijing-backed influencers, Chinese state media platforms, and Chinese-origin accounts dominating the content available online on Xinjiang, the origin of the novel coronavirus, and even the Russian invasion of Ukraine. Within China, the Party has used propaganda to justify – among others – the harsh lockdowns it imposed to control the spread of the virus, elaborate testing schemes, and the closing of international travel. See: Jessica Brandt, et al., ‘Winning the Web: How Beijing exploits search results to shape views of Xinjiang and COVID-19’, Washington DC, Brookings Institute, 2022, <https://www.brookings.edu/research/winning-the-web-how-beijing-exploits-search-results-to-shape-views-of-xinjiang-and-covid-19/>; Zixu Wang, ‘China’s ‘Absurd’ Covid Propaganda Stirs Rebellion’, *New York Times*, September 29, 2022, <https://www.nytimes.com/2022/09/29/business/china-covid-propaganda.html>



# The China Story

*III* and *The Silence of the Lambs*, TV shows, and game shows. Conscripting media has allowed the US military to have greater control on how it may be presented to viewing audiences. The long-standing partnership with Hollywood has provided the US military access to advanced technology and locations, boosting recruitment and public support for military operations. Indeed, Hollywood's power as a socio-cultural and political influence tool is undeniable, making it a near-perfect "sharp power"<sup>f</sup> vehicle for China.

The CCP views propaganda as a tool to educate the masses, and to project Chinese society as a socialist utopia. To drive, reshape, and re-imagine China's global image, using Hollywood for propaganda was thus the most natural next step. Scholars such as Aynne Kokas have maintained that collaborating rather than competing with the West has also been one of China's means to try and overcome its "cultural trade deficit".<sup>8</sup> Yet, building from Shambaugh's work, this is also part of the "discourse war" between China and the West.<sup>9</sup>

Be it competition or collaboration, the relationship between China and Hollywood is complex and symbiotic, but not parasitic—it has mutual and independent benefits for both parties. From the perspective of international relations, it enables China to use Hollywood to influence the global audience. It is the contours of this relationship that this paper engages with.

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f Simon Shen describes 'sharp power' as one "wielded by authoritarian regimes to manipulate and co-opt culture, education systems, and media." See: Simon Shen, "The World is Awakening to China's Sharp Power," *The Diplomat*, June 23, 2020, <https://thediplomat.com/2020/06/the-world-is-awakening-to-chinas-sharp-power/>



# The China-Hollywood Relationship: A Timeline

China's engagement and relationship with Hollywood is closely related to its domestic political circumstances, and tied to its notions of both art *and* propaganda and art *as* propaganda. The sections that follow draw out this relationship.

- **1930s and 1940s**

In the 1930s and 1940s, while a battle for power between the Communists, the Nationalists, and the Japanese raged in China, Hollywood reigned supreme in Chinese theatres. American movies represented more than 75 percent of the Chinese box office.<sup>10</sup> This changed with the transition in 1949.

- **1950s to the early 1990s**

On 1 October 1949, the CCP established the PRC, ushering in a new era. Like other industries, the Chinese film industry was also nationalised—16 state-owned studios were created, which eventually would produce around 150 films every year. According to Isaac Stone Fish, author of *America Second: How America's Elites Are Making China Stronger*, many of the movies were poorly made, and records suggest that the better ones had no takers.<sup>11,g</sup>

The year 1966 saw the launch of the 'Great Proletarian Cultural Revolution'. Fearing that his country would stray from the path of true communism as he believed the Soviet Union had, Mao attempted to renew the spirit of the Chinese revolution. Lasting until Mao's death in 1976, the 'cultural revolution' did not spare the domestic film industry, and the making of films based on fictional stories was banned.<sup>12</sup> Many suggest that this stemmed in part from Mao's fourth wife Jiang Qing's—one of the spearheads of the Cultural Revolution—animosity towards 'creative people', having earlier worked as an actor in Shanghai. What is clear is that the prohibition on fiction films in China reflected the revolution's twin ethos: national form and social purpose.

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g American movies were banned, with the exception of the 1954 release *Salt of the Earth*, a film about striking miners blacklisted in the US. Chinese films in those days had little to no funding, and the economic conditions did not allow for generating much interest in the public.



# The China-Hollywood Relationship: A Timeline

Hollywood movies disappeared from Chinese theatres during Mao's rule. However, they continued to be available to select Party members and key individuals in film circles. Jiang Qing led in organising these screenings, even as she continued to attack Hollywood in public.<sup>13,14</sup> Ostensibly, they were made available for internal viewing so that domestic film professionals could pick up "advanced production techniques". The government's propaganda department went on to issue a production plan which permitted the use of advanced Hollywood techniques in making 'socialist films'. China was a ready student in learning the ways of Hollywood. This continued till a few years after Mao's death.

While American media executives had begun to travel to China in the late 1970s, the market opened gradually only in the 1980s.<sup>h,15</sup> However, following the pro-democracy protests and their brutal suppression in Tiananmen Square in June 1989,<sup>i</sup> the Chinese market shut itself off again, opening for only a few American movies that enjoyed an enthusiastic audience.<sup>16</sup> As Chinese films grew more conservative after the Tiananmen Square incident, cinema attendance declined, from 27 billion viewers annually in 1979 to 10.55 billion in 1992. At the same time, the industry began looking beyond its shores to improve its output.<sup>17</sup> Acknowledging the power of Hollywood to spread propaganda, it began to 'go to sea' by 'borrowing a boat'—using Hollywood expertise and channels.<sup>18</sup>

- **1995 to 2000**

China began allowing Hollywood films into the country again—at first, just 10 films a year—only from 1994-95. It soon realised its leverage over Hollywood producers, given its growing economy and rising consumption power, its large population that served as a willing audience, and its market, which had few competitors, if at all. As a result, 1997 marked the last unfavourable depictions of China in mainstream Hollywood,<sup>19</sup> with Beijing learning to "trade access to the Chinese box office for acquiescence".<sup>20</sup>

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h One of the first deals signed was a licensing agreement with Disney to supply Donald Duck cartoons for Sunday evening broadcast in China.

i 1989 saw a series of largely student led protests in China, which culminated on the night of June 3-4, with a crackdown by Chinese authorities on demonstrators at Tiananmen Square, Beijing.

# The China-Hollywood Relationship: A Timeline

Three movies released that year—*Red Corner*,<sup>j</sup> *Seven Years in Tibet*,<sup>k</sup> and *Kundun*<sup>l</sup>—with their critical descriptions of aspects of China, created strife and put a pause on the China-Hollywood business relationship, signalling a shift in who held the reins.

By then, the relationship was no longer just about movies, but also included movie merchandise and amusement parks. Many Hollywood studios were also funded by corporations that had other ventures in different sectors in China, from liquor to technology. China made it clear that it would extend its displeasure with unfriendly movies to their other businesses.

Fish has highlighted the two-pronged strategy China used to counter the three controversial 1997 movies. The last two critique China's role in Tibet, and China's first move was to provide the world a different perspective on Chinese-Tibetan relations. This included releasing a film of its own, *Red River Valley*, in the same year, which showed Chinese and Tibetans working together to oppose a 1904 British invasion of Tibet. When this had limited impact, China shifted focus to business relationships.<sup>21</sup> The Walt Disney Co., the makers of *Kundun*; Universal Studios, which produced *Seven Years in Tibet*; and Metro-Goldwyn-Mayer and United Artists, the makers of *Red Corner*, found themselves banned from the country for “viciously attacking China and hurting Chinese people’s feelings.”<sup>22</sup> While the studios stood

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j *Red Corner*, starring Richard Gere, was about an American businessman in China, framed for the murder of a high-profile Chinese national and jailed, who gets caught up in the corrupt Chinese legal system. Gere has argued that his stance on Tibet and his role in the film cost him prominent roles in Hollywood. Gere is banned from entering China. See: Matt Glasby, “Did China ruin actor Richard Gere’s career after 1997 film *Red Corner*?”, *South China Morning Post*, October 7, 2022

k *Seven Years in Tibet*, starring Brad Pitt, is a biopic of the life of Austrian mountain climber Heinrich Harrer, a prisoner of war in World War II, who after his escape befriended the 14<sup>th</sup> and current Dalai Lama, acting as a friend, mentor and confidant. The movie is based in the period when the Dalai Lama escaped to India in 1959, with the Chinese taking over Tibet. Brad Pitt was banned from China for almost 20 years. Pitt simultaneously also offended the Tibetan community by stating that he refused to take a stand on the issue. See: Matt Glasby, “Why Brad Pitt was banned from China after 1997 movie *Seven Years in Tibet*”, *South China Morning Post*, February 4, 2023

l *Kundun*, a Martin Scorsese directed drama about the Dalai Lama, similar to *Seven Years in Tibet*, showcased the Chinese takeover, Mao’s views on religion, and the excesses of the Chinese on ethnic Tibetans. While details are hazy, it is clear that Scorsese was at least temporarily banned from entering China. See: Calum Russell, “How Martin Scorsese was once banned from visiting China”, *Far Out Magazine*, June 30, 2021



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behind these productions, going ahead with their domestic release, albeit with less than the usual publicity, the implications of such a ban were clear.

The cancellation of a high-level Chinese delegation's visit to Disney headquarters in Burbank, California, and the removal of *Dragon Club*—a popular Disney programme, raised concerns for Disney. After all, it had plans to sell everything from toys and books to its animated film library in China, and to set up amusement parks as well. Universal Studios faced a different sort of pressure.<sup>23</sup> In 1995, Edgar Bronfman Jr., the head of the Seagram conglomerate which had a vast spirits and wines business in China, bought an 80-percent stake in Universal. The studios found it necessary to make up with China.<sup>24</sup>

Michael Eisner, the CEO who revitalised Disney in the 1980s, quietly brought in former US Secretary of State Henry Kissinger as the company's emissary to China.<sup>m</sup> Kissinger soothed Chinese government sentiments and assured it that *Kundun* would “die a quiet death”. Disney released *Kundun* under a loss-making strategy while offering China a formal apology and distributing two Chinese films in the US. In February 1999, Beijing overturned Disney's China ban. In November 1999, Disney announced Hong Kong Disneyland, a joint venture with the Hong Kong government,<sup>n</sup> which would hold majority share. It became the first Disney theme park largely owned by a political entity.

Around the same time, China also actively invested in learning from the showbusiness industry in the US to replicate it domestically. Efforts included sending Chinese artists to American film schools, having Chinese artists and bureaucrats observe US filmmakers on their sets and bringing back critical learnings.

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m As US Secretary of State under President Richard Nixon, it was Kissinger who had led the historic step of re-establishing diplomatic relations between the US and China in the early 1970s, suspended since the Communist takeover in 1949. He was considered the US's top fixer in China-related matters.

n Hong Kong, formerly a British colony was handed back to China in July 1997.

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Three things became apparent in these years: first, that China could now control how Hollywood would depict China;<sup>25</sup> second, that it would go to any lengths to ensure that Hollywood played by its rules; and third, that China was now ready to make in China.

- **The 2000s**

In the 2000s, China officially opened up to international films and simultaneously to investing directly in Hollywood movies. In 2001, it joined the World Trade Organization (WTO),<sup>o</sup> enabling it to finance films in mainland China by liberalising Foreign Direct Investment (FDI) rules, and increasing the quota<sup>p</sup> of foreign films permitted to be screened in the country from 10 per year to 20.<sup>26</sup> FDI also allowed filmmakers to circumvent the quota system by co-producing with local entities. At first, China remained a minor film market, since its piracy rate was the highest in the world while film profit sharing was the lowest. There was growing recognition of its market potential, however.<sup>27</sup>

Cognisant of the prominence, and position it held, the party established first-mover's advantage by setting out the rules it wanted Hollywood to follow. Then CCP Chairman Hu Jintao said in a speech at an event marking the centenary of Chinese cinema in 2005, "All those working with China's film industry should stick to the correct political direction all the time."<sup>28,q</sup>

But what was the correct political direction and where was the rule book available? This was, and continues to remain, unanswered, with films being subjected to the whims of the censors.<sup>r,29</sup> While there are some clear no-go areas, such as homosexuality, nudity, excessive violence and anything detrimental to China, their contours are still vague. Till at least 2017, China did not have an age rating system for its movies—all movies screened had

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o This was partly achieved by the lobbying efforts of many Hollywood media houses.

p Having a limited quota allowed the authorities to be picky about the films they allowed in, giving them more control over content and making film makers more dependent on appeasing them.

q Isaac Stone Fish maintains that "Beijing does not force corporate self-censorship because it does not tolerate dissent or because the Party is so brittle that criticism would destroy it. Rather, it does so because it can."

r It can be argued that many films are censored differently in different countries, having segments screened in one country and cut out in another. However, in China's case, the difference is that it is no longer censoring movies screened in China, but also, in some cases, their versions shown the world over. This is often without the audience in another country knowing.



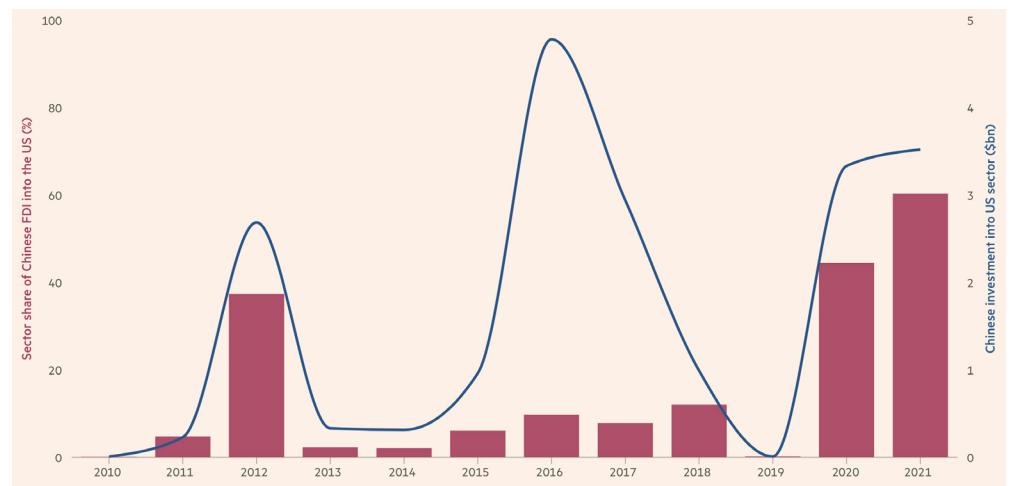
# The China-Hollywood Relationship: A Timeline

to be suitable for all ages.<sup>30</sup> Films co-produced also had to run their scripts past the Chinese film bureau<sup>s</sup> even before shooting the first take.

The ambiguity helps Chinese censors, and remains a cause of anxiety for filmmakers. It has created a system of pre-emptive censoring with movies being made as kosher as possible.

- **The Rise and Fall: the 2010s**

**Figure 1. China’s Investments in US Entertainment, Media & Education (US\$ bn); Share of Total Chinese FDI into the US (%)**



Source: Rhodium Group visualized by Financial Times<sup>31</sup>

The early 2010s saw many business deals being negotiated between China and Hollywood. Many films depicted China or Chinese characters in heroic light, and did very well in China.<sup>1</sup> In 2012, US\$ 2.7 billion, or 37 percent of China’s total FDI in the US, was in the media and entertainment sector. This was the same year that the US-based DreamWorks Animation

<sup>s</sup> This at least gave filmmakers *some* idea about what was not going to pass muster.  
<sup>t</sup> The ‘hero’ in almost all movies made in this period was China. In the late 2009 release, *2012*, for instance, as the world was slowly engulfed in water following a natural disaster, it was a China-led invention that saved it. Not surprisingly, the movie opened to an enthusiastic audience in China, easily becoming the top grosser that year and one of the most successful Chinese films of all time. Similarly, while the filmmaker argues that the ‘invention’ was based on the international spaceship structure of that time, in the film, it is the Chinese space station Tiangong and Chinese space ship Shenzhou that saves the lone American astronaut.

# The China-Hollywood Relationship: A Timeline

formed Oriental DreamWorks as a Chinese-American joint venture based in Shanghai.<sup>32</sup> The trend peaked in 2016 with investment rising to US\$ 4.8 billion, China's Wanda Studios acquiring the US studio Legendary Pictures, and Disney opening another Disneyland in Shanghai.<sup>33</sup> However, despite a blockbuster beginning, the story fizzled with trade slowing down in 2017.<sup>34</sup>

There were two key reasons. The first was Donald Trump's election as US President.<sup>35</sup> Trump's campaign used anti-China rhetoric and once elected, he brought in tariffs on Chinese goods.<sup>u</sup> The second was Beijing's response: even before the tariffs were imposed, it too, began to take a nationalistic view. It introduced regulations to control "irrational investments" and thereby constrain the exodus of capital. A third reason can also be considered here: China's growing confidence that its film industry had grown into its own and no longer needed the United States. It had been delivering local hits such as *Wolf Warrior 2*, which focused on the protection of China, its people, and its global interests, and grossed more than US\$ 850 million (though most of it was from the domestic market). While the film did imitate many Hollywood movies, its reception, and the awards it won, made it stand in a class on its own.<sup>v,36</sup>

The Chinese box office had also crossed its US counterpart in growth rate. Between 2012 and 2015, the market grew 33 percent, from US\$ 2.7 billion to US\$ 6.8 billion, while the US market grew only 2 percent, from US\$ 10.8 billion to US\$ 11.1 billion in the same period. Few American films, however, benefited from this growth, with Hollywood's share of the Chinese market rapidly declining.<sup>37</sup>

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u The China-US trade war followed the tariffs and trade barriers set by Trump starting January 2018. He claimed that this was a response to China's unfair trade practices, accusing it of stealing US intellectual property and creating 'debt traps' for developing countries. In March, China retaliated by announcing the first in a series of its own tariffs and penalties on US imports to China. China largely saw the trade war as an attempt by the US to stifle its continued development. See: Yukon Huang, "The U.S.-China Trade War Has Become a Cold War, Carnegie Endowment, September 16, 2021

v *Wolf Warrior 2* remains the highest-grossing Chinese film ever released, also becoming the second highest-grossing film of all time in a single market (second only to *Star Wars: The Force Awakens* in North America. See: Patrick Brzekski, "China Box Office: 'Wolf Warrior 2' Becomes Second-Biggest Single-Market Film Ever After 'Force Awakens'", *The Hollywood Reporter*, August 20, 2017



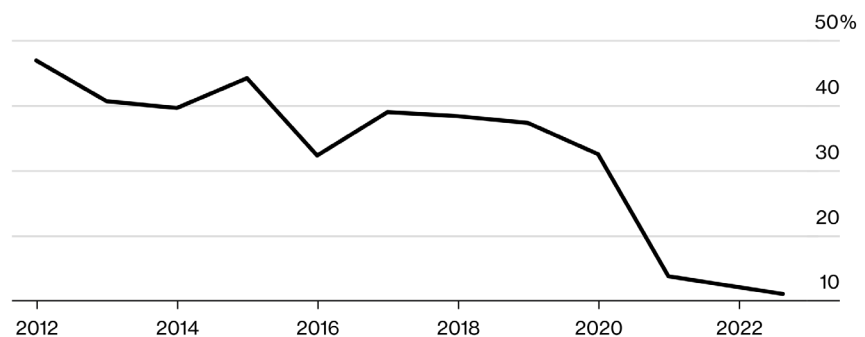
# The China-Hollywood Relationship: A Timeline

- **The Post-2017 Relationship**

Beginning in 2016-17, the decline in relations between the US and China, and its resultant geopolitical tensions, marked a significant change in Hollywood-China dynamics.

In 2018, the CCP increased its control of the Chinese film industry and consequently the China-Hollywood relationship. Films were transferred from the government's State Administration of Press, Publication, Radio, Film and TV department, to the CCP's propaganda department.<sup>38</sup>

**Figure 2. Hollywood's Share of the Chinese Market**



Source: Maoyan Entertainment visualized by Bloomberg<sup>39</sup>

Note: Figure for 2022 is as of August 18; US films include titles where revenue is shared between American studios and Chinese importers, those bought exclusively by Chinese importers and co-productions.

The release of *Wolf Warrior 2* also marked the beginning of the decline of American market share in China. From a peak of 46.9 percent at end-2011, it declined to 38.4 percent by end-2017 and 13.7 percent end-2020.<sup>40,w</sup> In the same year, Chinese box office collections surpassed their US counterpart's for the first time.<sup>41</sup>

w 2021 also saw a record low of 12.1 percent.

# The China-Hollywood Relationship: A Timeline

In 2020, the Covid-19 pandemic disrupted the Chinese film industry, as it did other sectors across the globe. Following the lockdowns in the country, theatres were naturally closed, reducing revenue. There was also a definite shift in the priorities of the Chinese state and thus, of the film industry.

“It was in the 2000s when China officially opened up to international films and simultaneously to investing directly in Hollywood movies.”

# What China Gains From Hollywood Today

**H**ollywood has not just helped expand the reach of Chinese propaganda through its global footprint, but also legitimised and added credibility to China's claims.<sup>42</sup> Viewers are likely to believe what they see on screen. Through movies, China has attempted to shape global public opinion in a way that could nudge governments into making policies that could be favourable to the CCP.<sup>43</sup>

The push by US film producers, media brands, and related companies to collaborate with Chinese firms to access the Chinese market has helped China shift the balance of global media capital. Today, given their strong linkages and partnerships with China, global brands are tweaking their identities and making products exclusively for the Chinese market.<sup>44</sup>

China has also benefited from its artists being given film roles and showcased globally. In *The Atlantic*, entertainment journalist Shirley Li has noted that with the Chinese audience growing more discerning, these are no longer token roles to appease Chinese regulators—but well thought out, prominent ones. While years ago, the chief antagonist in a Hollywood movie was often a Chinese actor playing a Chinese stereotype, that is almost non-existent today.

While Hollywood has also benefited financially from the Chinese market, ideologically, it is stuck between two unpleasant alternatives. If it engages in self-censorship to appease China, it could face a blowback from domestic viewers. There could also be legal repercussions. Besides, to avoid the bad press that would inevitably ensue, China could stop working with Hollywood. But if it does not, it risks losing the Chinese market.<sup>45</sup>

# What China Gains From Hollywood Today

Hollywood has helped the Chinese government whitewash some of its dubious activities. Parts of the live-action remake of Disney's *Mulan*, for instance, were shot in the Xinjiang region, where China is accused of serious human rights violations against the local Uyghurs.<sup>x</sup> The movie's credits thank four propaganda departments in Xinjiang and the Public Security Bureau in Turpan.<sup>y</sup> Fish, in his book, *America Second*, maintains that Disney "worked with regions where genocide is occurring and thanked government departments for helping to carry it out."<sup>46</sup>

“Hollywood has benefited financially from the Chinese market but ideologically, it is stuck between two unpleasant alternatives.”

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x The Xinjiang Uyghur Autonomous Region is the only region in China with a Muslim-majority population. Since May 2014, when the Chinese government launched its "Strike hard against violent terrorism" campaign, there have been reports of "serious human rights violations" in the province. These include detention of residents in political education camps, detention centres, and prisons—part of a larger system of mass surveillance, movement control, arbitrary arrest and enforced disappearance, culture and religion erasure, and family separation (including forced sterilisation). See: Ayjaz Wani, "The OHCHR report: Exposing atrocities in Xinjiang", Observer Research Foundation, September 5, 2022

y A dozen other Chinese institutions were also thanked as the movie was filmed in several regions across China. See: Credits, *Mulan*



**F**rom producing movies that engaged with Chinese atrocities in Tibet, to those that include the propaganda departments of Xinjiang in their credits, Hollywood’s relationship with China has indeed transformed over the years. While it is too soon to gauge the full impact of the pandemic and the post-pandemic global order on this relationship, two trends are discernible.

First, Chinese talent—and not just in media, as is the focus of this paper, but also in academia, sports, and other fields—may be gaining widespread recognition lately, but the Chinese state will only endorse such talent so long as it speaks and acts as the state wants. For example, the Chinese-origin director Chloe Zhao, whose 2021 film *Nomadland* won several Oscars and other awards from bodies based in the West, was acknowledged by China’s English daily *Global Times* as the “pride of China”. As soon as some of her previously made anti-China statements were highlighted in the press, she was never mentioned officially again.<sup>47</sup>

Second, there seem to be limits to which Hollywood will go to appease China. When the trailer of the much-awaited sequel to *Top Gun*, *Top Gun: Maverick*, came out in 2022, viewers quickly noted that two patches on lead actor Tom Cruise’s uniform, which showcased US power in the Pacific—particularly the patch indicating the US cruiser, *USS Galveston*, which included the flags of Taiwan and Japan—differed from what he wore in the earlier film.<sup>48</sup> With Chinese entertainment conglomerate Tencent being one of the sequel’s financiers, it was evident why.<sup>z</sup> But when the movie did get released, it was found that the patches had been restored. Between the trailer and the final film, Tencent had had second thoughts and withdrawn from the film, fearing that since it glorified the US’s military prowess, the CCP would not approve of it.<sup>49</sup> The makers knew that bringing back the earlier patches could cost them a theatrical run in China—and yet went ahead.


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<sup>z</sup> Tencent is one of the largest companies in the multimedia and video games industry. It has closely collaborated with the CCP, including in creating a game to mark the 19th National Congress of the CCP—where players have to clap as much as possible for Xi Jinping in 19 seconds. In 2018, Tencent bought a minority stake in the US film financing and production company, Skydance, which has produced movies such as *Star Trek*, *G.I. Joe*, and *Mission: Impossible*.

# Conclusion

Even so, it is unlikely that there will be a Chinese villain in a big Hollywood production anytime soon. Before being seduced by Chinese box office numbers, Hollywood's depiction of Chinese people in films would vary depending on the political climate. During the Second World War, films such as *The Mountain Road* and *Thirty Seconds Over Tokyo* depicted the Chinese as US allies. The script flipped in the Mao period, and the following decades saw some of the most memorable Chinese villains on screen. The story changed once again when China's box office surpassed the US's in 2020. Today, Hollywood has little incentive to write a Chinese villain into its movie scripts.

China's own film industry has also thrived. It may not enjoy the global success that Hollywood has, or achieve the heights of soft power clout reached by South Korean films, given how party politics will always trump its aesthetics. Yet, in the local market, homegrown narratives have the edge over global, putting another medium of proactive censorship at the Chinese government's disposal. It matters little that China has yet to achieve its '*Gangnam Style*' moment.

China has determinedly met its short- to medium-term aims. It has created an industry of its own. Further, to some extent, Hollywood plays messenger to its beliefs. It has both built its boats and crossed the oceans. 

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