

13 China's influence on Taiwan's media

A model of transnational diffusion of Chinese censorship¹

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Accompanying the trend of China's economic rise, concerns have been growing in international society about the potential impacts of China's authoritarian regime on human rights and democracy around the world. Its impact on the media's liberal practices is one of the issues attracting the most attention. In this regard, the Taiwanese experience warrants attention. Despite two-decade improvements in the post-democratization era, Taiwan's media freedom seems to have been eroding from the late 2000s until today (see Figure 13.1) (Reporters Without Borders, 2020a), after Taiwan gradually deepened its economic ties with China since the 1990s. This phenomenon motivated this chapter's main inquiry: How did China extend its influence, if any, on the extra-jurisdictional media in Taiwan? After probing into this issue, this chapter will also explore how Taiwan responded to Beijing-induced media control.

Existing literature offers a sufficiently detailed analysis of China's influence on Taiwanese media (Cook, 2013; Hsu, 2014; Kawakami, 2017; Huang, 2017); however, these studies rarely suggest a theory systematizing the mechanisms by which Beijing exerts its influence on other countries' media. From the perspective of the 'ladder of abstraction' (Sartori, 1970), the mechanisms identified by these studies remain largely factual, incapable of transferring to other countries, and thus require further abstraction to the level of theory. To fill this gap, this chapter proposes a theoretical framework of the 'transnational diffusion of Chinese Censorship' to systematize the mechanisms through which the Chinese government extends its authoritarian influence on the extra-jurisdictional media.

This theoretical framework is constructed by integrating Kurlantzick and Link's model of the 'commercialization of censorship' (Link, 2002; Kurlantzick and Link, 2009) with Wu Jieh-min's model of the 'China factor' (2016). It involves three steps corresponding with three levels of analysis, by which the Chinese government 'outsources' its censorship to private media companies abroad (see Figure 13.2). The first step is to create an asymmetric economic structure at the international level, making the target country economically dependent on China as a rising regional hegemon. The second step is to co-opt media capitalists at the sectoral level to become CCP collaborators in the target country, by offering them financial interests in the Chinese circulation, advertising and capital markets. The third step is to implement and routinize external-oriented self-censorship at the

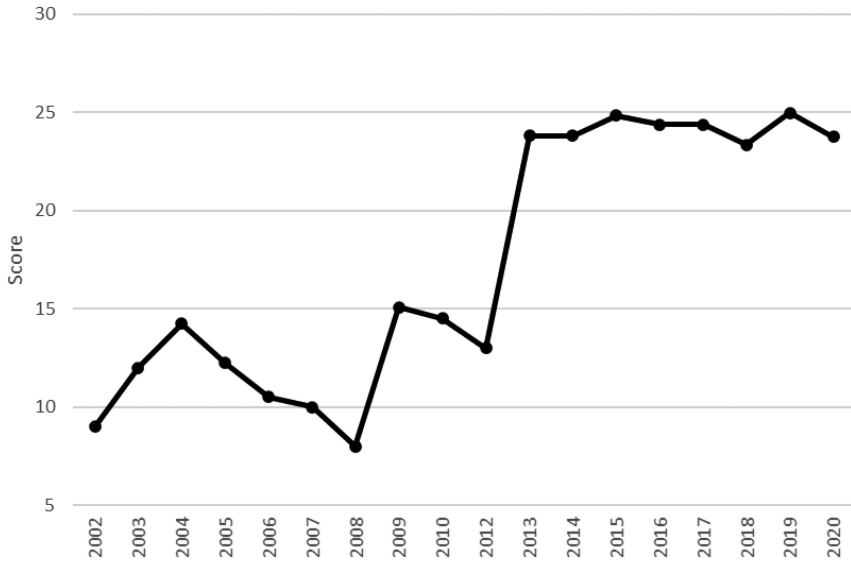


Figure 13.1 Taiwan's press freedom index

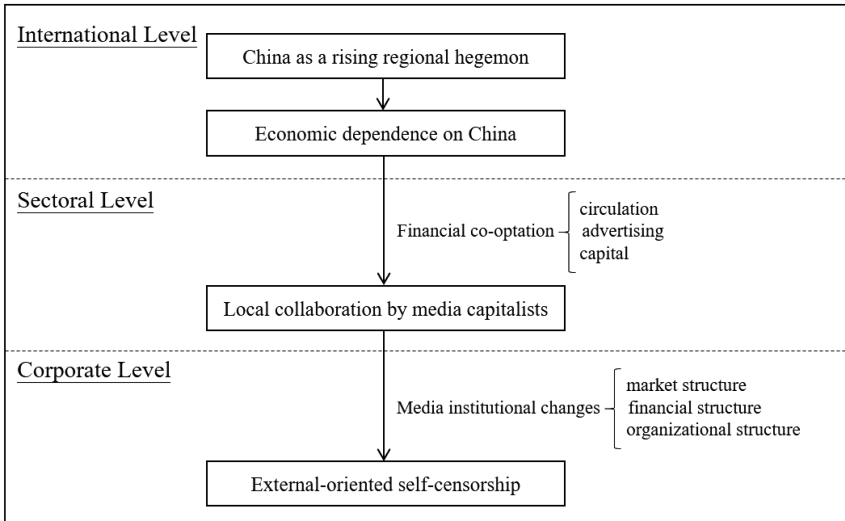


Figure 13.2 A theoretical framework of the transnational diffusion of Chinese censorship

corporate level, by accommodating the corporate and market structures of the target country's media to Beijing's mass communication policies.

Based on this framework, this chapter argues that a media company outside China will exercise self-censorship on Chinese-sensitive topics when its country becomes economically dependent on China and when it becomes commercially tied with the Chinese market. To examine this theory, a process-tracing case study will be conducted on Taiwan's experiences. Applying purposive and quota sampling, the Want Want-China Times Media Group, the *United Daily News (UDN)*, Sanlih E-Television (SET) and Formosa Television (FTV) were selected as principal subjects of study, as the former two and the latter two respectively represent pro-Chinese unification and pro-Taiwanese identity media in Taiwan. Archives, secondary literature and semi-structured interviews with Taiwanese journalists are the main sources of research data.

13.1 China's direct influence: inducements and dereferences from CCP-state apparatuses in Taiwan's media

From no later than the 2000s, Taiwan has become increasingly economically dependent on China. Taiwan signed a series of free trade agreements (FTAs) with five Latin American diplomatic allies (Panama, Nicaragua, El Salvador, Honduras and Guatemala) in the 2000s, with China in 2010, with New Zealand in 2013 and with Singapore in 2013. Taiwan also signed an investment agreement with Japan in 2011 and continued negotiating with the United States (US) over the Trade and Investment Framework Agreement. Among these countries, China developed the strongest economic influences on Taiwan, replacing the US and Japan as Taiwan's largest trade partner from 2005 until the present. For instance, China was responsible for 22.67% of Taiwan's total trade in 2015, while the US and Japan respectively accounted for 11.92% and 11.39%, and Singapore, New Zealand and the five Latin American diplomatic allies represented only 4.79%, 0.25%, and 0.16%, respectively (The Taiwan Bureau of Foreign Trade, 2016). China also replaced the US as Taiwan's largest export market in 2004. As Figure 13.3 shows, in 2000, the US accounted for 23.42% of Taiwanese annual exports, whereas China was only responsible for 2.89%. However, as Taiwanese annual exports to the US dropped to respectively represent 14.67%, 11.46% and 12.21% of total Taiwanese annual exports in 2005, 2010 and 2015, Taiwanese annual exports to China rapidly rose to 21.99%, 28.02% and 25.40% of the total correspondingly (Taiwan Economic Data Center, 2020). China has served as Taiwan's main source of a trade surplus. In terms of capital, Taiwan's relationship with China increasingly intensified. To illustrate, since the Taiwanese government lifted its restriction on Taiwanese investment in China in 1991, China has gradually become the most popular location for Taiwanese people to invest. As Figure 13.4 shows, Taiwanese investments in China rose since 1991 and even surpassed all the Taiwanese outward investments in other foreign countries from 2002 to 2015. Similarly, after the Taiwanese government incrementally loosened its restrictions on Chinese

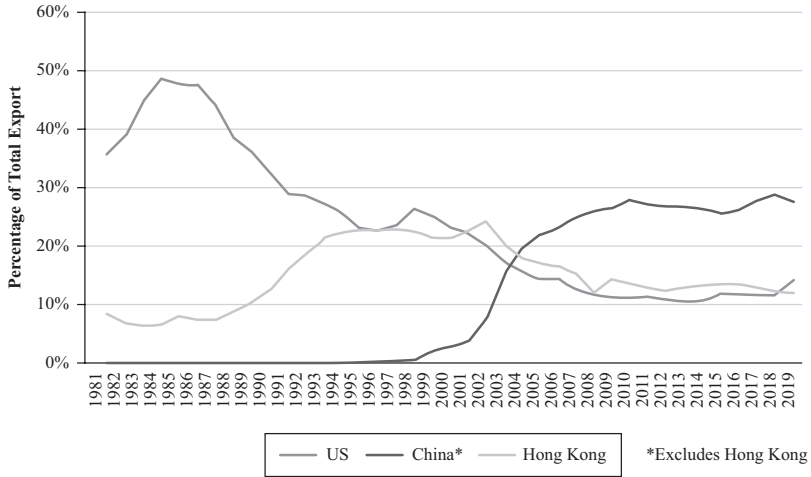


Figure 13.3 Percentage of Taiwan's total export volume, 1981–2019

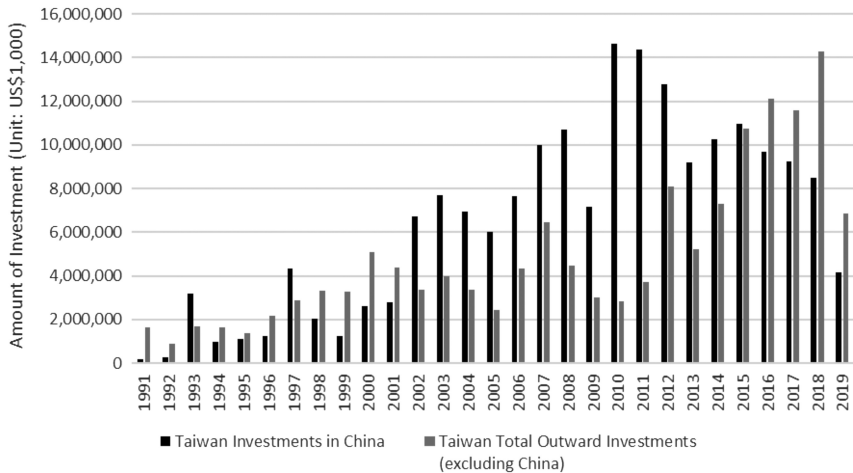


Figure 13.4 Taiwan outward investments, 1991–2019

investments in certain Taiwanese industries, starting from 2009, increasing direct investment flows from China to Taiwan have appeared (The Taiwan Investment Commission, 2020).

China was eager to reinforce this structure of economic dependence by incorporating Taiwan into its international economic order. As a rising regional hegemon, China has sought to counter American hegemony to establish an alternative world order since the 2000s. In 2003, the phrase ‘peaceful rise’ was

proposed by the Chinese government to describe its national development blueprint for the 21st century. The government later replaced 'rise' with 'development' in 2004, to soften the perception that China would threaten the established world order. However, 'peaceful development' was understood as China's new national development strategy, which sought to internally establish a series of Chinese-style 'harmonious' political, economic and social institutions, and externally establish an alternative world order by challenging the US for the hegemonic position. Regarding regional economic order, China did not embrace the prospect of open-regionalism advocated by the US and other Asia-Pacific developed countries, involving strengthening cooperation between East Asia and other regions and realizing financial and trade liberalization. Instead, China undertook to promote another version of regionalism in which the East Asian states cooperated with one another to confront the US-led open-regionalism and globalization (Shiau, 2004). As part of the Chinese Communist Party's (CCP) unification strategy towards Taiwan, Beijing has also long-attempted to 'promote unification by economic means', though it never abandoned the possibility of unifying Taiwan by force. Therefore, to isolate Taiwan from international connections and absorb Taiwan into its international economic order, China kept Taiwan away from signing FTAs with Taiwan's important trading partners throughout the 2000s, and encouraged Taiwan to sign the Economic Cooperation Framework Agreement (ECFA) with itself in 2010 by surrendering part of its own profits (Tung, 2011).

In correspondence with the asymmetric economic structure, an asymmetric information structure was also created across the Taiwan Strait. To strengthen China's media warfare against Taiwan, former Chinese President Hu Jintao announced 'Entering the Island, Entering the Household, and Entering the Mind' as a new principle of the CCP's unification propaganda towards Taiwan at the Central People's Broadcasting Station's 50th anniversary of its first broadcast to Taiwan on 12 August 2004. For this purpose, Beijing endeavored to exert three direct influences on the media in Taiwan. First, the Chinese government narrowed Taiwanese media's access to international institutions and events. In recent years, Taiwanese journalists were denied access to the United Nations' and its affiliated institutions' activities under Chinese pressure. According to China's State Council Taiwan Affairs Office, the fundamental reason why Taiwan was not invited to the World Health Assemblies in 2017 and 2018 was the refusal of Taiwan's ruling Democratic Progressive Party (DPP) to recognize the '1992 consensus' (Central News Agency, 2018a). As Reporters Without Borders remarked, 'over the past years, China has been lobbying in every possible way to isolate Taiwan on the international stage, including preventing its journalists from doing their job' (2018). Even during the 2019–2020 coronavirus pandemic, the 'WHO [World Health Organization]—under pressure from China— continues to bar Taiwanese media outlets and reporters from its events and press conferences' (Reporters Without Borders, 2020b).

Second, Chinese authorities also strived to create communication networks with Taiwanese media organizations and officials in order to adapt Taiwanese media to the rules of the game in the Chinese media sector. From 2009 to 2017, Chinese

official media groups, such as the Fujian Daily Press Group and the China Central Television (CCTV) Station, co-organized ‘Cross-Strait Media Summits’ with Taiwanese media firms, such as the Want Want–China Times Media Group and the UDN Group, almost every year. Many mainstream media outlets in Taiwan, such as Television Broadcasts Satellite (TVBS), Eastern Broadcasting Co, Ltd (EBC), Business Weekly and the Journalist, sent delegates to participate regularly. Even the Taiwanese government-owned Central News Agency and some pro-Taiwanese identity media firms, such as SET, Formosa E-paper and GreenPeace Broadcasting Station, occasionally sent representatives to attend in 2009, 2011, 2013 and 2014 (Yang, 2014). In the summits, participants not only discussed themes oriented to Chinese culture and nationalism, but also signed joint statements/initiatives that posit cross-strait media a normative role to raise the ‘peaceful development of cross-strait relations’, the ‘soft power of Chinese culture’, the ‘discourse power of Chinese-language media’ and the ‘fundamental interests of the Chinese nation’ (Huang, 2019a). Though the Cross-Strait Media Summit broke off since 2018, similar media forums are still held frequently even now.

Third, Beijing moreover attempted to launch disinformation campaigns to disturb the functioning of mass media and public opinion in Taiwan. In 2014, the CCP founded a ‘Central Leading Group for Cybersecurity and Informatization’ with President Xi Jinping himself serving as the leader to formulate and implement internet-related policies. In 2015, China’s People’s Liberation Army (PLA) also established a ‘Strategic Support Force’ to operate space, cyberspace and electronic warfare. In recent years, it has been reported that the CCP’s Central Leading Group for Cybersecurity and Informatization and its Publicity Department have jointly formed a ‘Taiwan Affairs Task Force’ to develop guidelines for disinformation campaigns towards Taiwan (Central News Agency, 2018b). It was also believed that the PLA’s Strategic Support Force has started to serve as the managers of some ‘content farms’ in China and systematically activate disinformation campaigns towards Taiwan (Central News Agency, 2018c). Generally speaking, false information produced by official media or content farms in China was disseminated from China to Taiwan by journalists, cyber armies or common people for commercial, political or emotional reasons via media outlets or social media in Taiwan, which weakened the Taiwanese media’s capacity for offering credible information and Taiwanese people’s capacity for forming authentic public opinion. For example, the CCP-owned *Global Times* released several pieces of news and editorials starting on 12 April 2018 which indicated that a non-routine large-scale live-fire military exercise was about to be held in the Taiwan Strait on 18 April as a response to the claim of Taiwan’s Prime Minister Lai Ching-te to be a ‘Taiwan independence activist’ (Global Times, 2018a; 2018b). Mainstream media in Taiwan then followed up with a series of relevant news reports during the period; some of them even sent reporters to the scene of the exercise (i.e., Quanzhou, China) for on-the-spot interviews (TVBS News, 2018), which resulted in people’s concerns about cross-Strait instability and accordingly a decline in stock prices in Taiwan on 17 April. However, it was confirmed afterward that the so-called exercise was just a routine small-scale artillery training geographically limited to the offshore area of

Quanzhou, China (Central News Agency, 2018d). Such disinformation prevailed during Taiwan's 2018 local campaigns and 2020 presidential campaign, undermining both freedom of the press and democracy in Taiwan (Huang, 2019b).

13.2 China's indirect influence: co-optation and mobilization of CCP collaborators in Taiwan's media

Alongside Taiwan's increasing economic dependence on China, Taiwanese media companies became increasingly commercially tied with the Chinese market from the 2000s. In the mid-2000s, 38.4% of Taiwanese media companies had expanded their businesses overseas and over 90% were doing business in China. While overseas business represented on average 34% of a media company's total business volume, the business in China accounted for 40% of the total overseas business volume. China was, thus, the most important overseas market (Chen, 2006). Since the late 2000s, Taiwanese media companies moreover craved financial resources from China to improve their finances. This was because advertising revenues from Taiwanese private enterprises declined due to the 2008 financial crisis, compounded by lost revenues following the prohibition of government-sponsored embedded marketing in 2011 (Chung, 2012).

In these circumstances, the Chinese government had more opportunities to incorporate Taiwanese media companies as instruments for its hegemonic and unification propaganda towards Taiwan, by either offering financial resources in the Chinese circulation, advertising, and capital markets, or threatening to deny access to the profitable Chinese market. As an authoritarian regime with strict media censorship, the Chinese government is devoted to preventing its domestic media from covering certain forbidden topics (such as the Tiananmen Incident, Taiwan independence, Tibetan or Xinjiang autonomy and Falun Gong), and it also endeavors to guide editors and journalists to express views the government favors (such as those stimulating people's identification with the CCP, patriotism and animosity against external threats) (Kurlantzick and Link, 2009). To ensure their corporate interests in China, many Taiwanese media companies, regardless of their positions on the unification-independence issue, started to cooperate with Beijing's mass communication policies by adjusting their news editing principles according to 'hidden rules' (Huang and Lu, 2014; Huang and Feng, 2014) favoring the Chinese authorities. Generally, Taiwanese media were discouraged from presenting some sensitive issues that might annoy the Chinese authorities (consistent with the aforementioned forbidden topics for China's media). Instead, Taiwanese media were encouraged to promote perspectives propagandized by the Chinese government, such as social harmony, cross-strait exchange, mutual understanding and peaceful development (Huang and Ho, 2014; Huang and Hu, 2014.).

13.2.1 Circulation

Given China's huge circulation market of 1.3 billion people, many Taiwanese media companies sought to establish offices, circulate newspapers, broadcast TV

programs and reveal websites there to earn more subscriptions, copyright fees and advertising revenues (Huang and Lee, 2014; Huang and Chen, 2014). However, the Chinese government explicitly or implicitly required these companies to conform to Chinese censorship not only in China but also in Taiwan in exchange for circulation revenues and subsequent advertising incomes from China. This applied to both print and electronic media.

For instance, the two traditional newspapers in Taiwan, *China Times* and *UDN*, have strived to distribute their newspapers in China since the 1990s. *UDN* even won the special right to directly print and distribute its newspapers in Dongguan, China since 1 April 2006 (China Times, 2012a). For such privileges to be granted by China's State Council Taiwan Affairs Office, both newspapers had to prevent their news reports and commentaries from annoying Chinese authorities. *UDN* even frequently carried embedded advertisements for Chinese local governments in its mainland edition (China Times, 2012b). Despite these privileges, the circulation of both newspapers in China was still restricted to certain regions, organizations and people, such as Taiwanese enterprises, foreign businesses, five-star hotels and academic institutions for Taiwan studies (Huang and Su, 2014).

Regarding television media, there are several examples. According to Hu Yuan-Hui (former General Manager of the Taiwan Television Enterprise (TTV)), the TTV planned to establish new offices in Beijing and other cities in China in 2001. However, the Chinese government passed a clear message to TTV's management via a TTV reporter: no permit for the new offices would be issued until broadcasting of a TTV program about Falun Gong was halted. The permit's issuance was continually delayed while the Falun Gong program was broadcast; it was only issued when the program was terminated as originally scheduled by TTV (Huang and Hu, 2014). Due to this incident, most Taiwanese media planning to enter the Chinese market became reluctant to produce news reports and TV programs about Falun Gong.

Even pro-Taiwanese identity television companies, such as FTV and SET, once strived to sell the copyrights of their TV programs and dramas to China for additional financial incomes from the late 2000s until the mid-2010s. In particular, FTV sought cooperation with CCTV to have some Taiwanese-language soap operas dubbed into Mandarin Chinese and broadcasted in China. Probably to smooth such business transaction, FTV tended to avoid broadcasting TV programs on Chinese-sensitive topics (Huang and Anonymous, 2014a). For instance, as the founder of FTV and a member of the DPP Central Standing Committee, Chai Trong-rong declined a mid-2009 proposal in the DPP Central Standing Committee for FTV to purchase and broadcast the film 'The Ten Conditions of Love', a documentary about Rebiya Kadeer, the Xinjiang independence movement's spiritual leader (Hsu, 2014).

Similarly, SET strived to broadcast their TV dramas in China after 2008. Its President Chang Jung-hua even replaced the term 'Taiwanese drama' with the SET-created term 'Chinese drama' in December 2011 to facilitate SET's business in China. However, China's National Broadcasting Headquarters hinted that SET should axe 'Big Talk News', a high-rating, pro-Taiwanese identity, anti-Beijing

political talk show in Taiwan, to smoothen its business in China. Consequently, Big Talk News was finally cancelled in May 2012, under pressure from the Chinese authorities (Sun, 2012; Chung, 2012).

A similar phenomenon struck internet media. According to a media survey conducted from 12 January to 1 April 2015, the amount of the Taiwanese media's web content blocked in China basically mirrored the level of the media's friendliness/animosity towards Beijing. For instance, while the websites of the pro-Taiwanese entity *Liberty Times* and the anti-Communist *Apple Daily* were respectively 95% and 92% blocked in China, those of the pro-Chinese unification newspapers *UDN* and *China Times* were respectively 67% and 0% blocked (The UDN New Media Lab, 2015). Taiwanese media seemingly needed to avoid using Chinese-sensitive keywords in cyber space to ensure a high level of traffic flow in China and accompanying advertising revenues (Huang and Lee, 2014).

13.2.2 Advertising

The Chinese government also incorporated Taiwanese media companies into the advertising market. From the late 2000s, China's State Council Taiwan Affairs Office and provincial/municipal governments became eager to provide Taiwanese media with embedded advertisements promoting Chinese business and tourism (Huang and Ni, 2014; Huang and Ho, 2014), treating the recipients as their propaganda channels in Taiwan. Though such advertisements were illegal in Taiwan, according to Taiwan's Control Yuan (2010), *China Times* and *UDN* still accepted financial resources from Chinese provincial/municipal governments and carried numerous embedded advertisements regarding tourism promotion.

The Want Want Group even established the Want Want-China Times Cultural Media agency in Beijing to subcontract advertising packages from Chinese authorities to other media firms in Taiwan. As NewTalk reveals, when the Governor of China's Fujian Province visited Taiwan in March 2012, the Want Want-China Times Media Group cooperated with the propaganda plan of the Fujian Provincial Government and the Amoy Municipal Government, receiving money from both via Want Want-China Times Cultural Media in Beijing, then carrying a series of relevant embedded news in the *China Times* and its affiliated newspapers throughout the governor's Taiwan visit (Lin, 2012).

13.2.3 Capital

The Chinese government also incorporated Taiwanese media companies in the capital market. In particular, it has sought to purchase ownership of Taiwanese media outlets with official financial sponsorship. As Boxun revealed in its late-2010 investigation reports (2010), China's State Council Taiwan Affairs Office has prepared a huge amount of capital, at least 300 million USD, with a clearly identified purpose of purchasing stock in some Taiwanese media companies, such as the TVBS channels and the UDN Group's affiliated institutions. However, it is

suspected that this vast sum was finally diverted and transferred to Taiwan, Hong Kong and other countries before 2007.

The Chinese government also encouraged some Taiwanese capitalists basing business interests in China to purchase ownership of Taiwanese media companies. Taiwanese capitalists had incentives to do so, not because they wanted to earn money from media businesses themselves, but because they considered buying Taiwanese media as a strategy to increase their political leverage for receiving privileged favors from Chinese authorities (Huang and Chen, 2014; Huang and Su, 2014). Take the Want Want Group, for example. Beginning with manufacturing and selling rice crackers in Taiwan, the Group started to expand its food business to the Chinese market from 1989, subsequently becoming the largest manufacturer of rice cakes and flavored milk in China, and investing in hotels, hospitals, insurance and real estate there. Unexpectedly, Want Want suddenly purchased *China Times* in 2008 and further merged with China Television (CTV) and Chung Tien Television (CtiTV) in 2009. In an interview, Tsai Eng-meng, chair of the Want Want Group, denied being the agent sent by Beijing to purchase the China Times Group, but he admitted knowledge that China's State Council Taiwan Affairs Office had tried to commission agents to do so (Tien, 2009). However, according to a senior Taiwanese government official, China's Taiwan Affairs Office actually cooperated with a senior Kuomintang (KMT) leader to convince Tsai to purchase the group under the direction of the CCP's Publicity Department, to prevent its acquisition by the anti-communist Next Media Group (Hsu, 2014). After purchasing *China Times* in November 2008, Tsai immediately met with Wang Yi, head of China's State Council Taiwan Affairs Office, in December 2008. There, Tsai expressed to Wang that one of his goals in merging with the China Times Group was to 'advance the further development of cross-strait relations with the power of the media'; Wang replied that the Taiwan Affairs Office would support the Want Want Group's food and media businesses uncompromisingly (Lin, 2009).

After the merger, the Want Want Group's Chinese subsidiary company, Want Want China Holdings Ltd, received much more subsidies than before from the Chinese government (Nikkei Asian Review, 2019). The Group also strived for special benefits from Chinese authorities through its media influence. For example, when the Chinese State Council issued the Number 62 Document in November 2014, which aimed to cancel and recover all tax preferences offered by local governments to foreign investors without the central government's prior approval, Want Want cooperated with Taiwan's six major industrial and commercial associations, Taiwanese businesses associations in China, and the Taiwanese government-sponsored Straits Exchange Foundation to request reservation of, or at least compensation for, the tax preferences previously approved to Taiwanese businesses. In particular, the group held forums for Taiwanese businesses during April 2015 and produced extensive relevant coverage via its print and electronic media. In response, the Chinese State Council decided to restore all the favors local governments had already offered and already agreed to offer to Taiwanese businesses in May 2015.

Probably encouraged by Tsai Eng-meng's experience, some other Taiwanese capitalists basing business interests in China also sought to engage in the Taiwanese media sector. For instance, Wang Cher, president of the High-Tech Computer Corporation (HTC), a mobile phone company mostly basing its manufacturing and sales in China, purchased a considerable percentage of the stocks of the TVBS Media Group in June 2011 and then gained full control over the group in January 2015. Other examples include: the Want Want Group further proposed acquiring the China Network Systems in 2011; Tsai Eng-meng attempted to cooperate with two other Taiwanese capitalists to purchase Next TV in 2012–2013; the Ting Hsin Group, the largest instant noodle producer in China, intended to acquire the China Network Systems in 2014; even foreign entrepreneurs, such as Dan Mintz – the head of US-based DMG Entertainment and DMG Yinji, which he founded with two Chinese nationals in China – proposed acquiring EBC in 2015. However, all these four cases ultimately did not come off due to concerns from civil society groups and regulators over the potentially negative impact of allowing mainland control (Huang, 2019c).

13.2.4 Routinizing external-oriented self-censorship in Taiwan

Embedded in the Chinese circulation, advertising and capital markets, many Taiwanese media companies, regardless of their positions on the unification-independence issue, had incentives to accommodate their corporate and market structures to Beijing's rules on mass communication. Such structural changes, in turn, facilitated and routinized Taiwanese media's self-censorship and subsequent news biases favoring Chinese authorities.

Regarding financial structure, many Taiwanese media companies relied increasingly on their financial resources in China, especially after the key aforementioned developments in 2008 and 2011. FTV and SET, among others, strived for opportunities to sell copyrights and broadcast TV programs in the Chinese market. Conversely, the Want Want-China Times Media Group and *UDN*, for example, received subscriptions, advertising fees and some other special benefits from Chinese authorities. The Want Want Group even accepted subsidies from the Chinese government.

Regarding organizational structure, the editorial department was increasingly pressed to cooperate with the media owner, business department or programming department, with editorial independence partly restrained and self-censorship exercised regarding Chinese-sensitive topics to ensure the continuation of financial resources coming from China. In the Want Want-China Times Media Group, the staffs and businesses devoted to cross-strait affairs at *China Times* were moved from the political division to the mainland center within two years of the 2008 merger, as news reports about China and cross-strait relations came under direct control of the new owner and high-level managers (Huang and Huang, 2014). In addition, a new newspaper named the *Want Daily* was also established by the Group in August 2009, aiming to focus on providing Chinese

and cross-strait information, and improving mutual understanding between China and Taiwan.

In the news editing process, two patterns of self-censorship appeared. First, top-down, in which the owner explicitly or implicitly delivered his ideas about news editing and reporting to the chief editor, the chief editorial writers, and other high-level managers through weekly executive meetings or other informal communications. Second, bottom-up, in which reporters and editors tried to discern the owner's ideas themselves and then slanted news and opinion content to cater to the owner. Initially, the functioning of either pattern was largely based on the owner holding the highest power to decide on employee retention and promotion (Huang and Ni, 2014; Huang and Wang, 2014). However, through a daily process of socialization in the corporate hierarchy, such self-censorship became a culture that reporters and editors grew accustomed to, took for granted, and, finally, complied with naturally (Kawakami, 2017).

With these corporate structures adjusted, the media content of many Taiwanese news organizations was partially slanted in favor of Chinese authorities. Such news biases occurred especially in media firms already embedded in the Chinese market, rather than those not yet there. For instance, *China Times* and *UDN* tended to employ a more detailed, positive approach to reporting news about Chinese leaders and their visits to Taiwan, compared to the two other major newspapers (Chang, 2011). When covering the Xinjiang conflicts, *China Times* and *UDN* also tended to reply exclusively on Chinese official news sources and thus conform to the 'China official frame', compared to their two major rivals in Taiwan (Chang, 2015). The situation was even worse on the opinion pages. *China Times*'s opinion pages, traditionally regarded as a liberal sphere for public discussion, is now considered a 'mouthpiece of the Chinese government', which increasingly clearly promoted China's official viewpoints, defended Beijing's and its incumbents' images and even refuted the Taiwanese majority's perspectives (Huang and Tsai, 2014; Huang and Wang, 2014).

A similar phenomenon occurred in the pro-Taiwanese identity media. According to an SET senior news editor, the SET management established an implicate principle of news reporting in its News Department in 2008 to reduce reports about the Tiananmen Incident, Tibet independence and Falun Gong, as a response to Beijing's warning to refuse the broadcasting of its drama in China (Huang and Anonymous, 2014b). Consequently, SET did present fewer pieces of news on Tiananmen from 2010 to 2014 (Hung, Yang and Chen, 2014).

Concerning market structure, pro-Beijing capitalists' expansion in media ownership reinforced the trend of media conglomeration and cross-media convergence in Taiwan. In particular, the Want Want Group further proposed to acquire the China Network Systems in 2011, after its merger with *China Times*, CTV, and CtiTV in 2008–2009. Though this proposal was finally rejected by Taiwan's National Communications Commission (NCC) in 2013, the group still successfully grew into a cross-media conglomerate. Such merger and acquisition actions were considered by many as a threat to the diversity of news and opinions offered to the Taiwanese public (Lin et al., 2012).

13.3 Counter-China influence mobilizations: resistances from Taiwan's government and civil society

Confronted with China's interference in Taiwan's media, both the government and civil society in Taiwan took action to moderate the impact at latest since 2010. Prior to 2016, civil society played a more pioneering role than the government, as social movements occasionally tacitly cooperated with the opposition DPP to press the ruling KMT for policy changes regarding China's influence. Two social movements and subsequent government responses were especially worth attention. The first was the *Anti-Media Monopoly Movement*. It was organized by the academia, civic groups, student organizations and the Association of Taiwan Journalists from July 2012 to January 2013 with an aim of opposing the proposal of the Want Want-China Times Media Group to merge with the China Network systems. As a response, the NCC eventually decided not to approve the merger proposal in February 2013. Also, it immediately raised anti-media monopoly legislation in April 2013 which, however, remains in progress at present. The second social movement of importance was the *Sunflower Movement*. It was organized by a coalition of multiple student and civic groups, inherited to a degree from the Anti-Media Monopoly Movement, in March and April 2014 to protest against the quick passing of the Cross-Strait Service Trade Agreement (CSSTA) by the ruling KMT at the legislature without a clause-by-clause review. Part of the concern that the agreement raised lay in the exposure of Taiwan's freedom of speech, expression and the press to China's intervention due to its openness of Taiwan's printing, circulation, retail and advertising sectors to Chinese investments (Lin et al., 2014). As a response, the government postponed the legislative review of the trade pact since April 2014, waiting for the passing of the legislation that monitors all cross-strait agreements. Compared to civil society, the government and political parties tended to play a larger role in resisting China's impact after 2016, as social movements leaders founded new political parties (i.e., the New Power Party and the Social Democratic Party) in 2015; the New Power Party succeeded in gaining legislative seats in 2016; and the DPP took power from the KMT in 2016.

In correspondence to the three steps that Beijing extended its influence on Taiwan's media, all the efforts that the Taiwanese government and civil society made to counter Beijing-induced media control could be synthesized at the international, sectoral, and corporate levels. At the *international* level, Taiwan sought to reduce its economic dependence on China. For instance, the Sunflower Movement kept Taiwan away from being further economically integrated with China by hindering the CSSTA from being carried out in 2014, after the KMT administration signed the ECFA with China in 2010 and deepened cross-strait economic relationships for nearly six years. Moreover, the DPP administration managed to diversify Taiwan's trading partners and investment targets by implementing the New Southbound Policy after the alternation of the ruling party in May 2016. The policy aimed at enhancing economic cooperation and exchanges between Taiwan and 18 countries in Southeast Asia, South Asia and Australasia.

From 2016 to 2019, Taiwanese exports to China remained 26–29% of Taiwan’s total export (Taiwan Economic Data Center, 2020). However, Taiwanese investments in China, which exceeded Taiwan’s total investments in other countries from 2002 to 2015, have steadily declined to become smaller than all the other Taiwanese outward investments from 2016 to 2019 (see Figure 13.4). In contrast, Taiwan’s investment cases in the 18 New Southbound countries rose 2.6 times from 2015 to 2019, reaching an amount of 2.8 billion USD and 40.7% of Taiwan’s total investments in foreign countries in 2019 (The Taiwan Investment Commission, 2020).

At the *sectoral* level, Taiwan sought to keep Taiwanese media companies from being overly incorporated into the Chinese circulation, advertising and capital markets. Specifically, the government and civil society strived to avoid financial co-optation suspected to be steered by Beijing and its local collaborators in Taiwan. For instance, the Anti-Media Monopoly Movement urged the NCC to disapprove the Want Want-China Times Media Group’s plan to take over the China Network Systems, discouraging the Group from further expanding in the Taiwanese media market. The Sunflower Movement also pressed the government to postpone the CSSTA that intended to open Taiwan’s printing, circulation, retail and advertising industries to Chinese investors, protecting Taiwan’s freedom of speech, expression and the press from potential interference of Beijing. To respond to civil society, the government not only has started to examine media investments and mergers more carefully, but it also sought to build an institution capable of managing investments in the media, preventing media monopoly, and promoting press freedom. In particular, the NCC proposed several drafts of the *Media Monopoly Prevention and Diversity Protection Act* since 2013. Take the 2019 version, for example. Several measures were designed to avoid immoderate control over Taiwan’s media by influential investors at home or those from abroad, including (1) preventing financial and insurance enterprises from overly investing in media businesses, (2) imposing restrictions on concentration of media ownership and cross-media convergence and (3) requiring the NCC to consult related agencies when investors or their financial sources are suspected to involve any affairs regarding China, Hong Kong and Macau, or threaten national security and financial order (The Taiwan National Communications Commission, 2019). In addition to preventing financial co-optation, Taiwan also endeavored to counter Beijing-conducted disinformation campaigns. Civic organizations jointly founded a non-profit ‘Taiwan Fact Checking Center’ as Taiwan’s first fact-checking organization in July 2018, and then created some more counterparts one after another. The NCC also started to warn and fine several TV stations since late 2018 for their violation of fact-verification mechanisms stipulated in the *Satellite Broadcasting Act*. Taiwanese authorities moreover proposed to revise the *Digital Communication Act* and other laws/acts with an aim to endow social media companies with the responsibility to create mechanisms for reporting and managing fake news on their social media platforms (Huang, 2019b). The latest development was the implementation of the *Anti-Infiltration Act* in January 2020, which forbids any person directed or sponsored by ‘foreign hostile forces’ to

propagandize for any candidates/referendums or engage in any other democratic activities in Taiwan (The Taiwan Ministry of Justice, 2020).

At the *corporate* level, Taiwan sought to strengthen each media organization's capacity for resisting self-censorship. Civil society certainly played a role here. Many scholars and columnists raised an *Anti-China Times* Movement in 2012 which preached columnists not to write for *China Times* and readers not to buy the newspaper (Taipei Society and Taiwan Democracy Watch Association, 2012), due to their disaffection with Tsai Eng-meng's pro-Beijing untrue remark on the Tiananmen Incident when interviewed by the *Washington Post* (Higgins, 2012). Many senior journalists also left *China Times* for which they worked for decades either by resigning or by being laid off since 2012, due to their discontent with the newspaper's news biases regarding Chinese-sensitive topics and self-related news. Some of them created new media firms, such as Storm Media, the Reporter and Initium Media, providing the public with alternatives to old, self-censored media firms (Huang and Ho, 2014; Huang and Wang, 2014; Huang and Yo, 2014). Compared to civil society, the government has the potential to more directly assist media firms in resisting self-censorship by establishing institutions that promote the financial and editorial autonomy of media organizations. Take NCC's draft of the *Diversity Protection and Media Monopoly Prevention Act*, for example (2019). The NCC is required to reward and subsidize media organizations for cultural diversity and journalistic professionalism, which may help improve Taiwanese media's financial autonomy by providing an alternative source of finance other than political and commercial forces at home and from abroad. Also, each media organization is required to create an independent editorial system, an editorial statute, a journalistic ethics committee and a guideline for reporting and remarking self-related news. All of these may help enhance media firms' editorial autonomy by protecting editorial activities and decisions from inappropriate intervention of the business department, the programming department and media owners. Similarly, the Ministry of Culture proposed a draft of the *Public Media Act* (2018) to strengthen the public broadcasting system's financial autonomy by forming a cultural development fund, reinforce its decision making autonomy by modifying the rules regarding board member assignment and enhance its journalistic publicness by establishing a public monitoring system (Huang, 2019c).

13.4 Conclusion: lessons from Taiwan's media

This chapter builds a theory from a case study of Taiwan to systematize China's influence mechanism upon the extra-jurisdiction media. It finds that, in addition to flagrant or direct influence, Chinese authorities also exerted covered or indirect influence on Taiwanese media through the following three steps: (1) making Taiwan economically dependent on China at the international level, (2) co-opting Taiwanese media capitalists as CCP collaborators in Taiwan with financial interests at the sectoral level and (3) implementing and routinizing Beijing-induced self-censorship by accommodating Taiwanese media's financial and

organizational structures to Chinese rules of the game at the corporate level. This chapter also finds that the Taiwanese government and civil society have made and will keep making efforts to counter China's interference in Taiwan's media by (1) internationally reducing Taiwan's economic dependence on China, (2) sectorally keeping Taiwan's media industries from being overly incorporated into the Chinese market and (3) corporately strengthening Taiwanese media organizations' capacity for resisting self-censorship.

This chapter provides implications. Theoretically, it integrates Kurlantzick and Link's model of the 'commercialization of censorship' with Wu Jieh-min's model of the 'China factor'. While the former is extended beyond China to the international level, the latter is applied to Taiwan's mass media. The new theory resonates with the center-periphery thesis in critical international relations theory. Empirically, if China's rise does pose threat to liberal ways of life around the world, Taiwan, as the country in which China has especially intense interest, is most likely to be the first affected. Therefore, this paper's value may move beyond Taiwan by applying to other countries which increase economic linkages with China and thus expose media freedom to Chinese hegemony.

Note

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