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INTERNET DEVELOPMENT IN CHINA:
ITS IMPACT ON POLITICS AND SOCIETY

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P R O C E E D I N G S

MR. LI: Well, ladies and gentlemen, good morning. Thank you for coming out on a cold and a blustery day such as today in Washington, D.C. Please let me welcome you to this morning's event, Internet Development in China: Its Impact on Politics and Society. My name is Cheng Li. I'm a Senior Fellow with the John Thornton Center here at Brookings.

We have with us a distinguished group of panelists here to give you the benefit of their expert insights and new research on China's internet development.

Mr. Guo Liang in the middle is the Deputy Director of the Center for Social Development in the Chinese Academy of Social Sciences. He give his report, the report, two years ago, the first report here, and it's really the landmark report on China's internet development. Now, today, he will release, first time, the second report, and welcome back?

MR. GUO: Actually, it is the fourth report.

MR. LI: It's the fourth report?

MR. GUO: Fourth.

MR. LI: Okay, fourth report, but second time at Brookings.

Sorry about that.

And Mr. Randy Kluver, on the furthest of that side, is a Director of the Institute for Pacific Affairs, and a research professor in the Department

of Communications at the Texas A&M University. He is also an organizer of a well-known international conference, internet development in China, and you will have another meeting in Hong Kong.

DR. KLUVER: Right.

MR. LI: Yes, next summer. And welcome to Brookings.

The third speaker is Yang Guobin. He is from -- many audiences here are probably familiar with his work on civil society and the internet development because he was a Fellow at the Woodrow Wilson Center three years ago, right? Yeah. Welcome to Brookings.

And their bios are available in the program materials. I don't want to repeat them because of time concerns.

Now, in today's session, we will examine questions about the effect of the Information Revolution on Chinese society: who is benefiting from great access to ideas in the information; how is the Chinese government adapting and responding to the growth; growing number of Chinese citizens who has access to the internet. The most recent number is about 162,000 internet users, but this is the release in August.

And also, what are the implications of this increase in internet access to civil society, and to political development in China? Now, our experts will help us answer these questions.

Without further ado, I would like to turn the microphone over to Guo Liang. Now, each speaker will have about the 20 minutes, and then

after that we will have one hour Q&A.

MR. GUO: Thanks for Cheng Li and thanks for Brookings to give me this opportunity to talk about my research findings here. This is the second time I give talk in Brookings. The last time I had more than one hour, and today only 20 minutes. I have to in a hurry.

Okay, it's mainly about my survey research. It started from 2001. Today's presentation will first talk a little bit about the methodology, how I did the survey, and then how people use the internet in China, and the attitude toward the internet, what's people's attitude. And maybe lots of people here are intervening in government control, so I will talk a little bit about that.

And then the impact of the media. The internet is supposed to be a new media, then we'll talk about how the internet influenced other media here in China. And then it's also a very hot topic now because of YouTube and some other things, so we'll talk about interpersonal communication, and also compare with cell phones and land line phone to see what the difference and also I will -- before the second speaker, Randy, will talk about the government, so I will cover a little bit about my survey without about the government.

Okay, the survey started from year 2001. I did a survey in Beijing, Shanghai, Guangzhou, the largest three cities, and Chengdu and Changsha, two provincial capitals .

In 2003, funded by Nortel Foundation, I conducted another survey because of funding quite good so I added two more provincial capitals, Xian and Shenyang, in Northern provincial capitals, and five small towns in China. Every time when I say "five small towns" in a state, people say how many people there? I say, okay, something like 200,000 people. It's not a small town, but in China it's very small town. Some are very poor, some are very rich, and the result you could find on my website. It's very interesting.

And then 2005 because funding was limited I went back to Beijing, Shanghai, Guangzhou, Chengdu, Changsha, five cities, and this year I changed the method to -- I used to do the survey as don't to do a survey. I think first more reliable and because I don't think every household had a telephone, so I used door-to-door survey, although it's very difficult.

But now I think much more households now have telephones, and door-to-door survey become very, very difficult if not impossible, because in China most people are not like in the U.S. live in houses. In China they live in apartments, but the apartments have a security system now, so they cannot ring the bell and say, "I want to interview you." They won't open the door, so this year I did the telephone survey.

The weight and sample size is from 2001, and aged from 15 to 39. And the used number is about 1,300, and now you see 686.

So internet in China grow very fast, As Cheng Li mentioned,

now it's 162 million users in China, ranking the second after the U.S. in the world. Although the number is very large, but compared to the population in China, it's only 12 percent in China, so it still has very large space to grow. We can expect after several years it could be a very large number, and also, now the majority users are using the internet at home and using broadband. It changes out from several years ago. So this is how the internet user grows.

In the U.S. in the past two or three years, it's already something like 70 percent people use the internet, and others just don't want to use. But in China I think it will keep on growing and is the top 10 internet countries in the world.

Location. So you can see most users are using internet at home, but the big change in the past two years is that more people use the internet at school and the workplace. I think it's in part because of broadband use, so they can use unlimited internet, and they share the internet access in the same office.

But this is a big change of broadband use. ADSL, now about 50 percent users are using ADSL, but this part actually is also broadband. China uses satellite or cable to connect apartments in small areas, then they share the band.

So it's also broadband, cost about 100 yen per month, so unlimited use. It's not just because the speed is faster but also before this,

just pay monthly fees, so they keep online. Before broadband use, they dial up, and they hurry to get something and then log out. But now it's unlimited use, so they may spend more time on line, download bigger files, or even start trying to search some other information, so they change their online activities.

And who are using the internet? Generally, you can see more males than females are using the internet, and also younger people than older people are using the internet, and higher educated people than lower educated people to use the internet. And also those who have more money, have well-paid people, so you can see the internet users tend to be more like male, young, well-educated, and well-paid people.

So what are they doing online? Last year -- last time two years ago, I give talk, I said the internet is supposed to be an information highway. But actually, in China it's more like an entertainment highway. They use the internet more for fun, for entertainment. This year seems the same result, but people use the internet to search information more than before.

This also is the same trend but now I'll give a detailed question. Last year I just asked do you search news online? But this year I - - sorry -- I have a national news, local news and international news. So you can see this reading news in China is very, very popular online. Compared to the U.S., number one is checking email. I haven't got time to analyze the U.K. U.K. and U.S. in the past several years, because we share data and

the number one online activities are all checking email. But in China, checking email was the ninth place of online activities. Not many people check email, frequently.

This is a typical work site, it's a number one portal website in China. It's called Sina.com. It became popular because of the news. It provides news here. During the September 11 attack in New York, I did a research on that, and found People's Daily website. At that time the CCTV did a report of the event, but People's Daily worksite, the chat room, they talk about that only 17 minutes after the attack. So I told a reporter from the New York Times -- they reported my research -- then I found Sina was the first one. The reporter, he got the information from the online only 10 minutes after the attack, and the reporter got 10,000 yen for a reward. So it's very familiar to read news.

And, but the people's attitude seems still -- people still trust online content, but if you look at those who -- that most are complete -- who think online content is the most or completely reliable, you can see from 52 percent down to 25 percent, those people trust internet content less than before in the past five years.

But I asked the question in the first year in 2001, do you think internet should be managed or controlled? Most people think it should be managed or controlled. And when I gave a talk after that in USC, some professor said, "Maybe you're -- because you work for Chinese Academy of

Social Sciences, people worried to answer your question."

And I said, actually, it's fine to answer this kind of question, and we also have some other control question to see if the question is as reliable or -- the answer. But then another professor said, "You should ask two more questions. One is, what should be controlled, and who should control?"

So I asked what content should be controlled in the second year, but last time when I gave a talk in Brookings, I said the second question, who should control it, too sensitive for me, and so I didn't ask.

Anyway, from this chart you can see most people believe pornography should be controlled, and violence should be controlled, of course, and junk mail should be controlled. Then advertisements is much lower percentage than others.

And in 2005 I add two more questions. I think many parents may have worried about their kids, you know, going online, playing games, and chat with others, so I add two more questions of online gaming and chatting. But it seems people quite tolerant with that. Not so many people think online gaming and the chatting should be controlled. But this year things changed a lot. You can see this almost all the oldest questions more presentation than before thinks this should be controlled and that should be controlled. More people think this should control -- including politics. About 40 percent thinks.

But this year I added that question, who should control? Who

should control the internet content in China? So the number one is government should control. It's very different from other countries, but I don't have the data of compared to other countries, but I got a data from Oxford Internet Institute. They are also our partner in the world internet project. Their questions not about the total internet content but they're about children to access the internet. So the response, number one, is the parents should control. Second one is the IT company.

But in China it's different. And I also did another survey last year on privacy and civilians. It's also an international confederation. It seems in China also lots of people think government should evolve in this kind of control. I think it's partly because of culture, and a lot of people may already talk about culture difference and history difference, but I think also partly because of the economy and the political system difference.

Okay media penetration. How many people watching TV and how many -- it seems TV is still the number one media for the penetration, but it dropped from 97 to 87 from 2005 to 2007, less people watching TV now than two years ago. And newspaper also dropped, but internet users grow very fast, from about 50 to 56 percent. This is how many people use this media, but compared to how much time they spend on media, it's different.

So internet is people spend more time on the internet than watching TV. But I controlled this number by -- because not so many

internet users in China is about 50 percent, so when I saw how much time they spend online, I just controlled internet users' time online, so nonusers not counting in this chart.

And trust, media trust. So this result remain the same in the past four surveys that people tend to trust domestic media more than trust foreign media. People trust, the number one is TV. The former three times survey result, the number two is newspaper. But this year seems radio become little bit more than that, partly because now it more and more newspapers and different newspapers there.

And social relations in communication is another topic in this year's survey. I paid great attention to this part, but I am not sure if I will have time, so I just give a brief introduction. So we have different social relations. In the research, we used to ask people the true tie kind of tie. Taiwan is family tie, another is social tie. So, but I think a family tie is different. Our relations with our parents and the relations with our children are different. So I separate parents and children and the spouse experience, and the relatives. So the different family ties, and also friends.

Just a few days ago when Steven asked me, she met my friend at Harvard, and he told me the name. I said, "I don't know him." He said -- he works for Institute of Journalism in CASS. I said, "Oh, maybe I met him once." So he just called friends, so in this survey I separate close friend and common friends. Close friends means you're at least have contact with

this friend at least once in 10 days, Every 10 days you contact them once, so that's a close friend. Otherwise, it's not, it's just, you know, Chinese people like to say he's my friend, but may not be that close.

So this friendly tie and there's social tie, and there are different ways to communicate. So one is face to face, another is land-based phone, or mobile or voice call, or mobile text message, and email, and MSN, and Q-Ko. Q-Ko is kind of IC Field software, Chinese version, and many people use that. So my idea is to see what kind of relations use what kind of method to communicate.

It seems in this year more people use email than before, but they still don't check email frequently. So only -- only about a little bit more than 30 percent people check email every day. But the second speaker, Randy, just -- just said in one hour he got 15 messages, so you can see the difference. So someone suggested Chinese people may not like to use email to contact, but today they like to use Q-ko. It's the same thing like Chinese people don't like to use answering machine, but they like to use text message or telephone. They like instant contact, don't like, you know, different message and wait for one hour, two hour to get the response. Don't like that.

But for cell phones. Cell phone is, from this number you can see much more cell phone users than land line phones in China. So cell phone is very popular, but from this chart you can see people use cell phone

more for text message than voice call. And this is quite complicated. I may not have time to explain, but this on the page 80 is about what is relations with what kind of communication tools to contact each other.

And the red line means more than 60 percent people use this method to contact like their children, to contact children people like to use a face to face, but not many people use something like email to contact children. They don't use. Not many people something like this, but it's too complicated to explain this here.

And this is interesting about politics. We share these four questions in more than 25 countries. I think this year is the 25th country to compare by using the internet public officials will care more about people less using, and people like you can better understand politics by using the internet. People like you will have more say about what the government does, or by using the internet people actually can have more political power.

In the past three surveys, more people agree with that than disagree, and in my last presentation I also showed that compared with other countries, all these four questions, Chinese respondents all agree that internet will help government to understand people, and people can understand government and can contact government, and can better understand politics, have more power, player power. But all the other countries, more people disagree.

Okay, five minutes.

More people disagree than agree, but this year you can see one change is that -- from this part you can see in 2003 is 52 percent people agree or strongly agree. But this year it's a decline. It's dropped from 50 percent to 30 percent. So it seems more and more people realize internet not really can let them have more political power, but to this part it's okay for people like you can better understand politics. Anyway, they learn lessons about politics online. But compared to the U.S., this blue chart you can see, China is really still higher than U.S.

Okay, I add one more question other than these four questions on government -- on politics. I asked by using the internet, the government can better serve people like you? It seems most people agree with that. It's more than 50 percent agree that by using the internet government can better serve people like you. It seems that, including the former four questions, five questions seems people have strong expectation that internet can help raise the government and societies, people's relations.

But if I ask how much do you know your government, it seems not many people really know, so their knowledge about the government really limited. And also I asked, do you often visit government websites? It also seems not many people really visit government websites. So it seems not -- the government still hasn't done very well in China.

Okay, conclusion. Internet in China is growing very fast. It now has 162,000 users, and the majority still connect to the internet on

broadband and at home, but for entertainment purpose. But people tend to trust the internet content but the trust has declined in the past year. The internet still give us still truth -- tend to trust traditional media more than internet, and different interpersonal relationship use different method to communicate. And the potential for internet as a tool to contact government with citizens also has declined.

Okay, this is my favorite photo. I forgot if I showed it or not last presentation. It's taken in 2001 when I visited the U.S. in New York in broadband, there's a big internet cafe, the largest internet cafe in the world, which has 650 computers in that internet cafe. But this internet cafe that was outside Beijing University, it had 1,400 computers. But if you look at this photo carefully, you can see this one is playing game, this one play game. This one play chess, so this one also play game. We cannot see this clearly, but you can imagine most people playing games or chess with others.

Okay, thank you very much.

(Applause)

DR. KLUVER: So that internet cafe no longer exists, by the way, so -- I'm very happy to be here, and I'd like to follow up a little bit with some of the issues that Liang raised concerning the internet, particularly in relation to political relationships there.

I want to, if I can, talk a little bit about this triangular relationship between the state, the internet users, and the internet itself, the technological

infrastructure. When we try to understand that impact, the long-term political impact, of technology like the internet, it's important not just to understand the user experience, which is very much part of the equation, but also to understand the technological infrastructure itself and what the infrastructure encourages or inhibits. And so much of the early analysis of the internet focused on one or the other of those without getting a deeper sense of how they interact.

And then I finally want to look at the likelihood that the state will be able to effectively harness information technologies to fulfill their goals. I need to tell you a little bit about those goals, and I'm going to just focus on the political today, mainly because I've been asked to. There's a tremendous interest in the West focusing almost exclusively on the political impact of the internet in China, and in some ways it distracts us from some of the really much more interesting things that are going on. But it is of interest here, particularly in the United States -- it's been a tremendous issue in recent weeks -- so let me talk about that.

Number one, the first and foremost priority, I think, that must be understood about the Chinese government's attitude toward the internet is it was seen as an architecture, as an infrastructure that would support economic growth with, as very much as part of the reform program, the information technology was seen as something that could bring about greater economic opportunity. And there's been tremendous investment in this goal.

With that, however -- and the caveat is important -- create a network structure that is relatively easy to police. In the early days of the internet, it really very much was sort of a wild west. There were little ways to control information and where it was going. One of the Chinese government's goals has been to build a network that brings economic gain but also makes sure that we're not creating something that gets out of hand.

So how can we develop an infrastructure that gives us some sense of what people are doing and how they're using it? And this is very much a part of the goal. And western companies, particularly companies like Nortel, have often been critiqued for participating in this goal.

A third goal, which I really want to highlight today is the government has seen the internet as something that will help to overcome some endemic problems in Chinese political culture, notably corruption. Corruption, disinformation, misinformation, lack of central control, the wayward or disobedient local officials to the government has attempted to build a network, particularly through the E-government network, that will really help to minimize the potential for corruption. And in this way -- and I'll talk a little bit more about this -- but to use technology to overcome a culture of corruption.

And then, finally, the internet has tremendous symbolic value in that much of the legitimacy of the Chinese Community Party is in establishing its legitimacy as bringing home the goods, as bringing about the

benefits of a modern technologically advanced society, and that the Chinese Community Party make sure that the technology that exists in China is on par with the technology of everywhere else. That's a powerful symbolic legitimator of the Party's role.

Let's talk a little bit about what is often referred to in the West as "the great firewall." I think that it's a little misleading as an analogy, but it's very commonly used -- let me talk a little bit about this. There are multiple mechanisms for control of the internet, and my title is not accidental, "The Architecture of Control," because really, I think in this issue of architecture is important.

There are police mechanisms, and these are the things we're very familiar with -- the arrest of cyber dissidents, for example, people who have been -- who have used the internet to betray some sort of state secret or so on and so forth. And the actions against them are fairly harsh. The closing of cyber cafes as well as the regulatory retaliation have companies removing the ability of companies to do business if they don't cooperate with the police. All of these are real mechanisms of control.

However, it's important, and I want to say this, particularly. Let me just give you an example of number two: Several years ago there was a cyber cafe in Beijing, and a couple of, I don't know -- 12, 13-year-old children were tossed out of this cyber cafe because they'd been in there too long and, you know, the parents were concerned about them falling over dead after

playing games or something, you know -- like Koreans seem to do that a lot.

But anyway, so they were kicked out of the cyber cafe. In retaliation, they went and found some sort of petrol, they doused the front door of the cyber cafe, then they caught the place on fire. Every other person in the cyber cafe perished. As a result, there was a huge public outcry in Beijing, and the government then closed over 2,700 cyber cafes because when they looked at it, they said, "What is going on in these places?" And they found that most of these places were hobbles, most of these places were incredibly dangerous places to some backroom with a bunch of computers shoved in, no fire exits and so on.

Well, the closing of the cyber cafes was done in direct response to a public safety threat. How did the New York Times report it? Chinese government closed 2,700 cyber cafes, with no explanation given. And so the assumption, then, is that it's about political. And so I think it's important to remember that there are multiple kinds of agendas going on here.

In addition to what I'll just call the straight police actions, there's also the surveillance mechanisms, and you'll notice -- maybe you can see this, these characters on the right -- this is a brand new innovation. It just began about 10 days ago to show up on the internet browsers of surfers in Beijing. It'll soon extend to surfers in Shanghai.

And this is basically no more sophisticated technology than an advertisement when you go to any web page and there's a pop-up advertisement. This is basically just a pop-up advertisement that pops up and says, "By the way, pay attention to what you're surfing. We are. So should you." And so it's basically a pop-up ad just reminding people that their internet use is being monitored.

The question of an internet police often comes up. How many internet police are there? How many people are trying, are dedicated to doing this? And I have heard figures everywhere from 30,000 to 300,000. Let me just tell you in my studied opinion, it's absolutely impossible to know. The 30,000 figure, the 300,000 figure, all of those are guesses, just projections, because internet policing is part of a much broader variety of public security kinds of activities. And there are no published results on this, nobody has anything other than an educated guess. Some friends of mine in Singapore attempted to track this down.

And it's important to remember that not only are various people tasked with monitoring the internet at the central level, for example, but there are also people at every internet content provider, every ICP also has people who are tasked with monitoring content and removing content. Moreover, the ISPs themselves, the internet service providers, do that. But each of those persons has a very different task. When we, for example, in the United States we have police who also go on the internet, look for particularly child

pornography, things like that, and so there are multiple things that are going on within that. It's not just all about trying to crack down on political dissent.

Also local officials do monitoring surveillance of chat rooms and things like that to see what's being said about them. Forget the central government, we don't care what happens to those guys, we want to make sure we don't lose our position, all right, and so they're looking for local complaints.

Let me just mention this: It is multilayered, internet monitoring is multilayered, it happens throughout the system, and it's obvious as the animate characters more or less. The cyber cafe that Guo Liang showed you a minute ago I visited when I first actually met you, we had tea. I went into this cyber cafe, and there were signs on the wall saying, "By the way, we're watching you," right? Not quite that explicit but reminding people that they needed to watch what they were looking at.

Let me talk a little bit about sort of the architectural mechanisms or the technical mechanisms. One of the ways the Chinese government attempted to lessen the threat of the internet was to create an alternative internet, to create basically a vast national internet which would be exclusively Chinese sites so that you didn't have to worry about the content. It became fairly obvious after a bit of time that this was really kind of a dumb idea. The internet was already there, plug into it, draw from it, and

so rather than trying to recreate a safe version of the internet, rather just find a way to prohibit the certain kinds of sensitive sites.

Jack Chou from Hong Kong talks about the rise of virtual censorship, the attempt to very clearly delineate between the Chinese internet and the international internet, and by creating a virtual cyberspace, make sure then that people really don't go outside of that safe zone. Don't attempt to recreate it but just make sure that people stay within the area that you feel comfortable with them.

Of course, the most prominent and most discussed aspect of this is the blocking of overseas or troublesome sites. And this is again very difficult to document. There have been lots of attempts, notably Harvard's Bergman Center tries to do an overseas blocking analysis, but the technical issues that they face make the results a little suspect every time, because the blocking also happens at multiple levels. It's not just a straight across-the-board block.

For example, if you go into a cyber cafe on a university campus, you're going to have a much more constricted range of sites you can visit than if you were in a different kind of setting. And so, depending on where the cyber cafe is located, depending on who's the primary clientele and so on, you can have very different experiences. If you go into an international hotel in China, you'll find that actually very few sites are blocked at that level.

And then, finally, one of the other really interesting issues is the indigitization of technologies by which I mean particularly this example of the Chinese government working very closely with Nortel, Sisco, and other companies like that to design systems that really did give them a little bit more control over internet use and surveillance capacity.

Let me talk about this a little bit in context, because I think it is important to remember that the issues of control do happen within a social context. China's internet control is real, and it is disastrous for some, particularly the cyber dissidents, or those who are arrested for betraying state secrets online. The consequences can be very, very hard. For most internet users, I think the 162 million that Guo Liang talks about, most of them don't find a problem. As a matter of fact, as his research illustrates, most people think the government has a legitimate role in control.

The common perception in the West is that the overwhelming priority of the Chinese government is to control the internet. And I think that's a little bit of a false picture. When you look at budget priorities, for example, and it's very difficult -- I've spent lots of time looking for how much money is spent on this, but because it so diffused, it's very difficult to control. So I thought I'd just give you some representative issues.

If you wanted to find out my priorities for my life, one way to do it would be to look at my checkbook. Where do I spend my money? Whatever I spend a lot of money on, you can assume that I value. In 2001,

the Chinese government dedicated \$14.5 billion to develop an infrastructure in backwards autonomous areas. So Ching Hai, Tibet, areas like that, \$14.5 billion in one year to develop an infrastructure. In contrast, the entire expenditures that anybody has been able to basically estimate for the entire Golden Shield project, which is the blanket rubric that the Chinese government uses to refer to internet security, is \$800 million for the start-up, the initial phase of it over a period of about five years.

And so here you see less, really, than 10 percent is being spent on control, even compared to just one project to develop the infrastructure. So I think it is important to remember that the Chinese government has a much more proactive, much more positive attitude towards the benefits of the internet than it does have concern. Yes, concern is an issue, control is an issue, but the Chinese government spent far more trying to build the infrastructure than they have to limit it or to control it.

Control mechanisms are also critical to build trust in the internet. Unless people trust what's in the internet, there's not much point in getting them to try to use it. This is one of the big barriers to internet diffusion or to the diffusion of E-shopping in the United States, in E-commerce. Until people felt confident that their credit card numbers would not be betrayed, they wouldn't do online shopping. And so in another way much of the control needs to be kept in context, that if the government wants to roll out this money to build this infrastructure, they also need to put in some fairly

obvious, fairly visible control mechanisms so that people have trust in what's going on, particularly when we think about parents and their concerns for their children online.

The government of Singapore has done very similar kinds of activities in doing, building a certain amount of high-visibility control projects so that parents feel confident that their children are not being abused online.

Priorities based upon what we see in the infrastructure, based on what we know is blocked, seemed to be these -- now, there's no list of Chinese government priorities for blocking, but these seem to be the things that are of most concern:

Number one is pornography, it's a big issue. Parents are deeply concerned about it, as is the government. Enforcement of school hours is another big priority. Children love to skip school or to skip their homework hours and go over to the cyber cafes, and so there are actually monitors keeping people out of cyber cafes at certain hours. And then politically sensitive material, both national and local, and I think it's important to distinguish, because the national, of course, the T's, right, Tibet, Taiwan, Trade, whatever, these are politically sensitive at the national level.

But there's also politically sensitive material at the local level. One of the problems that China deals with is just the issue of local corruption, and local officials are very concerned that chat rooms don't become alive with that.

I'm going to move on fairly rapidly, because I just got five minutes, I need to go through this. But I just want to pay attention, or I just want to call your attention that when you look at the penetration rate, 93 percent of those in tertiary education are internet users. And if you compare that with other educational levels, you can see that, as Guo Liang says, it is a very elite phenomenon in China.

Let me -- this is a common example of what we have of the internet cafe in China, and I like the picture of the policeman because it kind of conveys that whole image of control. These are some more recent pictures of, for example, look at -- you can't see this picture very well, but it's a very modern building. I'll let you take a look afterwards or so. Very, very modern, lots of monitors, but the entire concept is built around gaming.

Here's another picture, and I think this is interesting. You do not see Chairman Mao on the wall; you rather see this highly popular character from World of Warcraft. I went into a cyber cafe in Shanghai last summer. I needed to print a document, and I went in, asked if I could use a computer, had to buy my little card, sat down at the computer, realized that Microsoft Word did not exist on that computer.

I went back and complained. I said I need a computer with Word. So I, you know, grumbled a little bit, took me but to the back -- backroom where there was one computer that had Microsoft Word, worked on my document, tried to print. Guess what? There were 60 computers in

that cyber cafe, not a single printer. No need to print, you're gaming, right? Why would you need to print?

Okay, China's investment in E-government is unprecedented among developing nations. They've spent at least \$3.6 billion. The final price tag is probably going to be about \$4.8 billion. Usually, E-government is about improving services to citizens and to implement cost savings. In China, however, it's a little bit different. They want to really change the culture of governance with E-government, and one way to do this is to reestablish to control the governing authorities by gathering better data that's not subject to manipulation, as well as a precise vehicle for citizen feedback.

Most importantly, E-government presents a promise of eliminating the possibilities of corruption. Let me change this a little bit, or develop this just briefly. Let me just focus on this phrase that within the political structure in China, there are structural disincentives for telling the truth. If you're a local official, accounting official, a township, or provincial official, if you want to be promoted, you've got to keep giving good news. And so production figures are inflated. Of course, the best example of this is the Great Report in the 1970s. And yet good information is critical in good governance. If you want to govern well, you've got to have good data. Import trade, exports, so on and so forth. And I'm just going to skip through all this.

What the Golden projects, particularly projects, particularly the e-government projects under the Golden Projects do is to try to take

decision-making power out of the hands of local authorities and to recentralize it within the central government.

So, for example, tax data, rather than relying on individual companies to report income and expenditures, can you automate that? The IRS in the United States has a vested interest in all of us e-filing because as we e-file, the potential for lying on our income taxes becomes more difficult, and it's the same in China. So one of the big emphases of e-government has been to find ways to do this, to remove the possibility to distort information.

Then let me just finish with this. Here's the real paradox of China's internet development. The government is attempting to use the internet, a technological mechanism to address non-technological problems. When you have cultural and systemic problems, can you use a technology to overcome them?

Clearly, the more we move towards a technologically-based society, the more ability you have to do that, but it does present a lingering question. Will the technology ever be able to keep up with the ways to get around it?

Going back to the metaphor of the architecture of control, the current architecture gives oversight ability to the central authorities but provides almost none to citizens. I thought that one of the statistics that

Liang mentioned a little bit earlier is the public confidence that the internet is giving them a voice to the government is quickly declining. Actually, in the next version, I'm going to use that chart if I can because it very clearly shows that initially there was a trust that the architecture is going to give us a better say in what the government is doing and so on and so forth, but in fact because the architecture isn't designed to do that, in fact, public confidence in that is quickly, quickly declining.

My conclusions: Number one, this triangular relationship between the architecture of the infrastructure, the citizenry and the state is far more complicated than is often suggested by some of the simplistic portrayals we often hear, particularly the idea that the Chinese Government is playing whack the mole with the internet. It's just not the case. The Chinese Government is actively trying to promote the internet as a means for commerce, as a means for social development but yet to minimize its particular political impact. The over-emphasis on censorship sometimes can blind us to really seeing some of the very promising developments that are happening, the way in which people are gaining much more control over their daily life decisions and so on.

Finally, both the state and foreign critics probably overstate the ability of the internet to transform social and political realities, and so there are cultural, larger cultural, political and social issues at stake. The

internet certainly interfaces with them, but it doesn't radically alter the rules of the game at this point.

So, that's it. Thank you very much.

(Applause)

DR. YANG: Good morning. I'd like to thank the Thornton China Center of the Brookings Institution and Dr. Li for inviting me to this wonderful event.

I came by train last night. Recently, I was planning to come actually this morning, taking a 7:00 train from New York City. Luckily, I didn't because last night the train was late by 45 minutes and before entering Baltimore we had to stop to pick up passengers from another train which broke down.

Now, that's interesting because trains are also, of course, technologies of communication, technologies of transportation at the very earliest forms of communication, and we have very modern systems of managing them, but they break down. So, there's a problem of contingency here that I think also applies to the internet, the understanding of the internet.

Also, besides contingency, there are also problems and issues about complexities of these systems, the multiple interrelationships among various actors that Randy and Guo have mentioned.

So, what I'm going to do is to talk about an aspect of internet culture and internet politics that I've been working on for years and the materials come from a chapter of the book I'm completing now. I thank my fellow panelists for providing really a very nice picture and broader context for what I'm going to talk about.

Online activism, there are various ways of talking about this. People call it digital contention, cyberactivism, internet activism, internet contention and all sorts of things. It is the result of the marriage between the internet and society, civil society in particular.

I take the occurrence of online activism as a sign of the co-evolution of the internet and civil society in China. By co-evolution, I really mean the mutual influences of these two, technology and society, in the broader context of politics, society, and economy is very important here. Gaming is very important in a different sense. So, they are two things that we often talk about, but we don't link them.

Why is that? From the newspapers and media here and all over the world, we often read all kinds of cases of protests and contention, activism using the internet. In some cases, the internet is used to mobilize demonstrations, organize demonstrations offline. In other cases, protest happens just in cyberspace, cyberspace contention. So, we see a lot of coverage of this kind of activities.

At the same time, we also see a lot of stories about political control of the internet that Randy has talked about. Now, this is an interesting paradox if we put together these two phenomena because from my observation these two phenomena have been developing basically at the same time. As internet control in China has been growing, internet contention and online activism has not been decreasing. Actually, it has been increasing as well.

So, the question is why is this paradoxical situation? What I want to do is really try to provide a few basic answers to this question.

First, to review the various types and frequency of online activism, I have a list of sample cases of online activism beginning from about 1998 until 2007. I have two slides here. There are various kinds of them, and let me just mention recent examples. This year, earlier this year, there were two very notable cases of protest activities related to the internet. You can see this at the bottom of my slide. Sorry.

One is, and we probably read about this story. It's a protest in Xiamen, in the City of Xiamen by residents of Xiamen City when they heard of a project, a chemical plant project, and they began to protest about it. It started online first. People circulated information, debated about why that particular kind of chemical -- I think PX is the shortened form for that term -- why that is harmful to the health of the people and

why it shouldn't be built so close to the local communities.

So, there were circulations of short messaging, BBS debates, so on and so forth. One message basically says that whoever receives this message should show up on June 1st in the center of the city for a peaceful leisurely walk. That's the literal translation of the term. I think more than 10,000 people did show up, and it was a major event. I saw quite a few YouTube videos of the protest activities. We see the kind of multimedia effects as well.

So, it happened and, peacefully, it happened. The local or municipal government eventually decided not to construct that factory. So, it suspended the project, indicating really the major impact now on policy.

Another interesting case also happened this year. In summertime when I was in Beijing actually, and there was a lot of coverage again in the media about a case of modern slavery in the coal mine areas of Shanxi Province. In some of these mines, illegally opened, the owners basically abducted young children and teenagers into a kind of slave labor, and these people disappeared from their parents, and their parents had been searching for them for a long time. Eventually, they found clues and tried to go there for an investigation, but they were blocked by the local police.

A group of parents eventually began to post this information, expose

this scandal on the internet, eventually attracting a lot of attention from the mass media, scandalized the whole thing. Again, it had real impact on society and helped the parents to find their children. I think several hundred children were in this case.

So many others which I'll have to pass, but just a sort of indication of the frequency and impact of this kind of protest, this is one screen shot from another case which happened in 2004 involving the killing of a farmer by a BMW driver, indicating another kind of social conflict between the rich and the poor. This is just one kind with slogans posting online, asking for Chinese all over the world to have an internet gathering to protest this event.

That's the YouTube video, one of the YouTube videos about the Xiamen protest that I saw recently.

We have very frequent cases, all kinds of cases involving internet activism. What kinds of issues are involved in this kind of activities?

There are a number of them. One is about the right to know. It is about communication freedom and, in this case, it's very often directly about why do I not have the freedom to post my posting, my message. This often happens in the online forums because there is a very strict foreign censorship system and the monitors often delete people's messages. Individuals and sometimes collectively within the forum or in

the broader context will protest against that kind of censorship.

Now, the important thing about this is in these recent years, because of these activities, because of these and party censorship and the protests against censorship, the whole issue about communication right, about the right to know has become a very important political issue. If we consider the longer term impact, this is a major outcome of this. It is really to push a new issue into the political arena in China.

Then we have many other issues like rights protection which is one of the major issues in internet contention. There are many cases. One of the most famous cases involved the death of Sun Su Gang who was taken into custody by police and died of beating. As a result, there was a lot of contention about the regulations behind this, and the regulations was a set of regulations that started and came into effect in the 1950s about custody of vagrants in the cities. Because of the contention, eventually, the Chinese Government cancelled this whole set of regulations.

There are also issues involving abuse of power, corruption in particular, and class conflicts between the wealthy and the poor. Popular nationalism is one of the major issues. It tends to attract a very huge number of postings and hits and visits to internet forums. Environmental protection is also one of the interesting cases.

There are various tactics and forms of online activism that we can

talk about. One thing that is often used in the global movement -- there is a global movement of online activism -- is bearing witness or monitoring. By bearing witness, for instance, I have this example of a China water pollution map which is run by a very influential environmentalist in China. Basically, he uses data published by China's State Environmental Protection Administration, data about industrial enterprises which pollute the environment. He put them on a map and set up a web site, and he has this for every region of the country. So if you live in Beijing, you can go to check whether you have a major source of pollution in your area. That's a kind of bearing witness.

I asked him, what else can he do? Not much, he said, but this is very important in putting the information there for the public to know. It is certainly a kind of pressure for the businesses, sometimes releasing critical information, exposure of information as in the case of the mining scandal I mentioned early on.

There are often online petitions, signature campaigns online. There is also the use of mobile contention, for instance, text messaging. Video activism, people are using video, flash video, all kinds in the environmental issues, a variety of issues using very interesting, entertaining sorts of new ways of delivering the message.

Then the most radical kind is hacking of web sites. This is not as

frequent at all as the other forms of contention. It is probably most often found in popular nationalistic contention and protest. Sometimes the hacking of web sites, for instance, during the anti-Japanese demonstration a couple of years ago, there were cases of hacking Japanese web sites. Thus, hacking of web sites is another tactic.

Then there is, also very important, online networking and organizing. People are using this new means of communication to organize, to network. The importance of this is long-term really because a particular case of contention may often not last for a long time, but the networks that appear as a result of this kind of activities often would last longer than that. In other words, it serves as a kind of organizational building function.

This is from the web site about the China water pollution map. This shows a few of the major factories which have pollution industries in the City of Beijing, in the neighborhoods, in the suburbs of Beijing City.

That's also from the same web site. Basically, at the bottom here, the web site owner explains, quoting actually from documents from the State Environmental Protection what kind of violations these enterprises have committed and the policy that they are citing from, the official document that they cite from.

Now, in terms of impact, there are a number of things we can talk

about. Sometimes people would argue that in online activism, to protest in cyberspace is something you can even consider as quite imaginary isn't that cheap, right? Think about the student demonstrations in 1989, huge crowds in Tiananmen Square. What about that? Isn't online activism cheap?

Why not street confrontations? Now, that's a very interesting question. There are a number of things we can say about this because, first of all, offline confrontations still happen quite often, actually also in growing numbers of them. Rural protest activities, urban worker strikes, demonstrations, street demonstrations have also been happening quite frequently. In that sense, we haven't seen the disappearance of those confrontational kinds of protests.

But also online activism is not separated from these demonstrations, offline activities because, as I said before, it's often used as a tool to mobilize demonstration. The online contention in cyberspace in some major cases attracts the attention of party policy, government policymakers, of the mass media and then eventually has a huge impact. So, in that sense, online activism is not cheap. It's a new development, a new form of contention made possible by the new technologies.

There are also practical outcomes which I will just mention very quickly: policy change in the case I mentioned above, public awareness

because of the online activism but then more general social, cultural and political impact in a number of ways. For instance, we can say and I would argue that in the recent few years, Chinese society has entered a contentious age. At a time when Hu Jintao and Wen Jiabao have proposed a new concept of harmonious society as an indicator that China has entered a contentious society, internet contention has posed a very important part of that and is a contributing factor to the rise of a contentious society.

The second kind of impact is the rise of a new kind of information politics where information rights and access to information becomes a stake of struggle, a means of struggle, an arena of struggle, a very important new development and then civil society development in terms of the development of civil society groups, citizens associations and so on.

I only have covered half of my slides. I think I'm just going to go very quickly. I've talked about the different types and examples of online activism and impact. Actually, I wanted to really analyze why this has happened.

Now, I'll just mention very briefly, first, what I call mutual attraction between the internet and civil society. Some scholars have argued there is a kind of elective affinity between the new technologies and civil society actors. As we look at the history, it was civil society groups and citizens

who, in the early years of the internet age, embraced the internet more enthusiastically than government and business sectors who later on found out this is so important that they came back to try occupy the new frontier. So, there's a mutual attraction.

This is particularly important in China if we consider the history and the present status quo of media control. The internet offers an alternative channel of communication. E-civil society, in that sense, outstrips e-commerce and e-government, not that e-commerce is not important. Gaming, in that sense, could be interesting because it provides a general social basis for internet activity because e-gaming is what attracts a lot of people. You need huge online traffic in order to have the business.

I have some comparison numbers, but I think I'm going to skip these. E-government, as the most recent surveys show, is still lagging behind.

Now, why does the internet matter for civil society? Historically, lack of channels of expression, mass media still much more under control and the capacity to use the internet to link, search and interact and the new possibilities for citizen participation and organizing.

I wanted to mention especially civic associations, civil society groups online. I did a survey a few years ago about how civil society or civic associations respond to the internet. Let me just show two basic

numbers. One is that this is the basic capacity of these organizations.

My sample was 129. So, basically, only 2 out of 129 organizations did not even own a computer, but most of them had at least 1 computer. That's the basic internet capacity of these organizations as of December, 2003.

Then connectivity of these organizations, 82 percent of them at that time were online, relatively highly connected among these organizations, considering that they were not very rich. Many of the organizations really lacked funding, but computer and going online seemed to be a priority for quite a number of them.

Overall, what kind of role has the internet played in your organization was one of the questions I asked. On a scale from five to one, five most important, the most important for them is organizational development, organizing activities, interactions with international organizations, with domestic peer organizations and then with government agencies. Then member recruitment/fundraising was not very important for them, for interesting reasons which I can't discuss now.

Then besides the mutual attraction between civil society and the internet, there are broader factors that need to be taken into consideration.

As I mentioned, Chinese society is a contentious society already. In that sense, online activism is a reflection of the broader landscape of contention, and China has entered a risk society. We have emergencies,

risks and all kinds of disasters. These are very important exogenous shocks that force the government to have to, under some conditions, keep the flow of information relatively open.

Business is very important. Now, we are talking about web tools, the age of web tools and user-generated content. The contention online has to depend on a very huge user base, users who can participate. In that sense, the business itself is very important to the occurrence of online activism and, in some cases, digital contention can be very good business because it significantly increases the number of hits.

The state has its own problems. It has ambivalence with regard to control, the contradiction between priority of development and the contingency I mentioned and then selective control of contents because of the hierarchy of priorities. Some issues are more important and more urgent than others.

To conclude, a number of implications: What I mean by co-evolution and online activism as an indicator of co-evolution raises the costs of control for the government, and the state will have to combine positive with negative approaches of control. I haven't had occasion to talk about what I mean by positive. Besides negative control, there are all kinds of ways of the government developing actually contents of their own as a way of expanding the influence of the state.

Then, finally, the co-evolution of internet and civil society will continue, and the main challenges will come from commercialization and state cooptation. Cooptation using more positive means of developing internet contents and government web sites, mass media web sites and so on and commercialization in a sense that nowadays, as I said, commercialization can be double-edged. It can contribute to internet activity, but it can also sometimes really bore the users because too many commercials, too many advertisements online.

Thank you.

(Applause)

MR. LI: Well, three excellent presentations. I'm sure that the audience has a lot of questions. Let me start with a question for each of the speakers and take advantage as the moderator.

The first question for Guo Liang. You talked about the high degree of tolerance, maybe even preference, among the Chinese public for government control. Now, how would you incorporate a reason for that, whether it is because of Chinese culture of Chinese political propaganda or at this moment of history people are obsessed with stability or maybe some other explanations for that high degree?

Let me also mention the second question. The second for Randy: You talked about the content of control and, on the international front, the

three Ts, maybe even anti-Japanese sentiment. Also, domestically, you talk about local officials that are concerned about corruption but, as we know, the anti-corruption has dominated the Chinese media. It's not controlled by the Chinese central government. But on a national level, what kind of areas are they are very, very sensitive on control?

Now, the last question for Professor Yang is that you talked about the government is a paradox of on one hand, growing activism, online activism and, on the other hand, government control. In the West, we have a general or conventional wisdom that under Hu Jintao and probably also the Wen Jiabao administration, there's much tighter control than previous governments like Jiang Zemin and Zhu Rongji. Now, first, is that true or whether this reflects the paradox and would you assess the future?

MR. GUO: It's an interesting question but difficult to answer. First, I think China has a long history of centralized system. The people just respect the emperor and just take orders and follow orders. That's a tradition and the culture also.

Once, I think several years ago, (Chinese), I saw so many army soldiers sent to there. Then I thought for this, a river and land, and almost every year there was a flood. Then the central emperor or later government should control this, and they have to organize so many things even under such low years. So I think there's respect of government

authority in history. This is one thing.

Also, in the past, I think it's about 50 years. For 49 years, the socialist system, I think also could have an influence. I just talk about this as interesting with some of my friends, that the relations between government and people in China and in the States is so different. I'll give you an example.

In the U.S., everyone should pay tax, right? So, you pay tax. So the government uses your money to do something. They do something good. They should do. You paid them. If they do something right, you believe them.

But, in China, most people don't pay tax. So the relation is very different. When the government does something, oh, thanks, Communist Party. Thanks, government. You do something for us. But, actually, the government also gets money because their salaries are quite low.

The economy and relation is different. I think this may also. The feeling is different, the relations between government and people.

Another thing I thought of when I talk to my friends about this is a few years ago, when my father died, I don't know how to manage this. In the West, you just have some company to help you to do this, but in China there's no such company. Our system is that in our workplace, they will manage all the things.

I talked to another friend of mine. His father used to work in Beijing and then retired. He lived in Shanghai or somewhere and died there. Some of his former colleagues when they saw, people feel just like in the family, their parents. You should follow them, this kind of thing. I think this could explain something.

DR. KLUVER: I would like to actually look at the survey data you have on that question of who should control because if that is users, internet users who are saying that we should control it or is that everybody?

DR. YANG: Everybody.

DR. KLUVER: That's just everybody.

DR. YANG: I have it separated, users and non-users, right.

DR. KLUVER: I think that's an interesting question too. Is it users or non-users?

In reference to the question you asked me, what are the key priorities of the central government for political control, of course, as you mentioned, the key contentious issues -- Taiwan independence, of course, any separatist sort of movement in Xinjiang or Tibet or those separatist movements.

There also seems to be on the internet playing out an actually much longer tradition of indirect criticism. So, there's a tremendous amount of

indirect using allusions or allegories of central government officials, but what is really cracked down on is the very direct, the direct challenges, the direct threats, particularly if something, a direct attack on a high level political leader or a direct attack on the legitimacy of the Chinese Communist Party. Those are the things that are very immediately acted upon.

There seems to be a much greater freedom to discuss policies in the abstract sense and say we should do this, we should not do this, even to criticize government policies as long as there's not a direct attack on the legitimacy of the governing structure and of the state itself.

DR. YANG: Thanks for the question about Hu's and Wen's approach to internet control. I think if we look at the longer history of the Chinese internet development which is only a little more than 10 years, the one thing that I would say is that the relationship between control and resistance appears to be dialectical in the following sense.

The year 2000 was a very important year in terms of internet content control because that was the year, at the end of the year in October and November, a set of policies came out that directly targeted the regulation of user contents, bulletin board forums, for example. That happened for a reason because earlier that year, in May 2000, there was a wave of very active kind of online contentious activity that really

cautioned the authorities about the real threat of user-generated contents, especially contentious contents. So, in that sense, contention leads to tighter control in 2000.

And, 2003 was a year of great contention. Initially, it was great silence because of the control and then suddenly the information was out, and then there were many, many cases of internet-related activism. As a matter of fact, if I chart all of those cases, 2003 would be the peak of online contention.

Now, 2004 was a year of importance, a turning point. Hu and Wen started, and that was the fourth meeting of the 16th Congress. They set up a whole new set of regulations about governance. I think that's probably very historical in terms of explicitly talking about governance issues, and internet governance was probably for the first time mentioned emphatically in this kind of central party document about the importance of control of the internet. That was in 2004.

So, 2004 was a turning point, I think, and 2004 was a year of terrible despair. I was there in wintertime, and I sensed the atmosphere of the cultural revolution because there was also a campaign against public intellectuals. *Guanming Daily* had editorials denouncing public intellectuals.

So, I think, in general, the patterns after that are internet control has

increased but in very interesting ways, not only using repressive measures but also using more technological means of control, surveillance. They have a new concept now which came out earlier this year, which is called something like soft control or soft management, which is to use legal approaches, legal-based approaches to control internet contents. That's what I mean by, in a sense, the Chinese party-state is consciously now, very consciously, to design and create huge amounts of its own content and information as a way, as a kind of counterbalance against very critical user-generated content.

MR. LI: Now, we're open for questions. First, introduce yourself.

Yes, Ambassador.

QUESTIONER: Thank you for a really excellent panel and lots of insights from your research and study.

My question is in the last few days, actually, we've had MI5 in Britain formally warned British companies against Trojans coming out of China to steal corporate secrets. I wonder if you could speak to your observations on that and perhaps, in addition, make some reflections on comparative situations.

We've had a lot of cyber crime and scams coming out of Russia. Have you had a chance to look at how the Russians are managing their internet and compare it to what the Chinese are doing?

DR. KLUVER: I'll address it very briefly by saying I don't really have a lot of data. The MI5 report that came out is probably correct in my guess.

I don't know to what extent that would be a central government initiative, to target the economic data, but there would be lots of players who would have the capacity to do that. This occurs frequently, for example, when the U.S. Department of Defense web site was attacked two or three months ago, and Robert Gates' web site was attacked, and evidence led back to China. But there was even a sense that even if the IP address was linked to a central government agency, was that an explicit command or was it somebody jumping ahead.

So I don't know that there's any direct governmental involvement in that, and I can't really speak to Russia. I'll defer to somebody else.

MR. GUO: There are lots of illegal CDs sold in China including movies and music and so on but also some software including hacker software. So you can easily buy a CD with lots of hacker software. Young people want to show their techniques to their classmates. They may buy some CD and do something like that.

The IP address cannot really show. The software can help you to hide your IP address, either hide your IP address or use a proxy server, different proxy servers. The experienced hacker won't show the IP

address. They could pass through four or five or even more IP addresses before they go to your web site.

DR. YANG: I've come across a little bit of evidence about hackers involving really nationalistic protest activities. There are some informal organizations, mainly web-based organizations that are really involved in popular nationalism, especially anti-Japanese kind of nationalism, and hacking of web sites is one of their tactics.

From what I have read, just a little of bit, it's as exactly as Guo Liang said. It involves mostly very young people, people mostly in colleges, college students who are playing with the technologies and wanted to show how smart they are, and then they use this in this kind of particularly political sort of activity.

Very little study, I have seen actually, about the real sociological or political sort of conditions of this kind of behavior.

QUESTIONER: Gene Martin.

I'd like to go back to some of the things that Randy said earlier on about the control and citizen feedback, talking about e-government. I'd like to get some ideas as to what you have and develop a little bit further. I like the idea of recentralizing decision-making.

When I was in Guangdong, the Cantonese had found all sorts of ways of not paying their taxes by calling it anything but taxes. So I think

centralizing will probably give the government more tax revenue.

Is e-government being used to be able to let citizens complain to the government?

I mean one of the things is a lot of the protests in the rural areas particularly are because the local people feel they cannot get their complaints through to responsible or uncorrupt officials. Is this something that the government is doing and, if so, how many government agencies really have a web site where people can lodge complaints and get an answer?

DR. KLUVER: Yes, those are some terrific questions.

The central government actually directed all local governmental bodies to establish their own web site, and many of them have done that. As with anything else in China, there's wild inconsistency from region to region.

The central government does have feedback mechanisms, particularly in relation to the reporting of corruption, web sites or anonymous places where you can go and report corruption. They make a lot of show of the fact that they monitor web conversations. I can't remember how made the speech a couple years ago, but somebody directly quoted from some emails they had received to talk about how they're responding to the citizens.

At the local level, I think many governments are actually implementing some fairly interesting citizen feedback mechanisms, but at the central level there's not a lot. At the local level, I think particularly it seems to me that Fujian Province has a pretty good local e-government site where there's a lot of feedback, a lot of opportunity for citizen participation and so on.

The Golden Projects that I was talking about, which is these 13 large projects, really aren't about interaction with the citizens. For the most part, they're about customs. They're about taxation. They're about other kinds of issues. One of the ways it would work, for example, is rather than relying on an importer to tell you much stuff they're bringing in, it's actually automated, and so there's no way for people to input new data or to manipulate the data along the way to either under or over-report what's going on.

The most aggressive initiatives in the e-government campaign have been about centralizing these kinds of government functions. As I said, citizen feedback has not been a big priority for the development of these web sites.

DR. YANG: About e-government web sites, there's a very good study by a political scientist, Kathleen Hartford, of two e-government web sites, one in Hangzhou and one in Nanjing, I think. What she found is that

the two city governments both have very good web sites for citizens to input their information, complaints of all sorts. It's because mainly the mayors of these two cities were ambitious young mayors, but then it was also meant to improve efficiency of the government more than really to provide a democratic channel for citizen complaints.

QUESTIONER: Hi. My name is Irene Wu. I'm at Georgetown University.

I wanted to ask all three panelists if you have observed any differentiated approach by the government or reaction by Chinese society to the evolution of a more participatory internet. I think Professor Yang referred to YouTube which is sort of the beginning edge of a very decentralized method of developing content on the internet, sort of a leap, the next generation of internet development beyond what we've seen with blogs and chat rooms, things like Wikipedia, things like the online gaming which sometimes are international sets of players together.

Have you see any evolution in the approach to the internet in China as a result of these technologies?

DR. YANG: I think the government really is trying to catch up in this respect. Again, this summer, I was at a number of forums involving new media of business people, and all they were talking about is about participatory internet, the next generation of internet. There was so much

enthusiasm about this.

I don't think the government is following what is happening in the business world yet but, as history can tell, it will try to catch up and come up with something. I'm not sure about what yet, but certainly the business world is far ahead in that respect, in the zeal about the participatory aspect of the internet than government.

MR. GUO: Also, related to the former question, actually, almost all the government web sites have email accounts so that you can ask questions by email. Some, you can get a reply, but some you cannot.

But there are some ways to get information. For example, I think at the end of 2002 someone posted an article on the internet and criticized the government of Xinyang, criticized the mayor of Xinyang. I think one month later the mayor found the author and invited him to the city government and talked to him.

He said, on the second day of posting your article, I read all of your article. Some of your suggestions are good, and some are because you don't really understand the whole situation. So he talked to him.

Also, now some mayors, I think, starting from early this year, some mayors started their blog, so they can ask questions. They also answer these questions on the web.

Also, another example is Premier Wen Jiabao, I think, started three

years ago. After the national congress, there's a release conference.

Before the release conference, they know that Premier Wen Jiabao will have the release conference, so they ask questions on the internet. On the second day, he said, before reporters ask questions, let me answer questions from the internet. So that evening, lots of users log on the internet and welcome Wen Jiabao online and give him lots of net names.

MR. LI: Okay, in the back, the gentleman.

DR. KLUVER: Can I?

MR. LI: Yes.

DR. KLUVER: Just briefly, it's the interactive part of the internet that the government has always been concerned about. They've been far more concerned about online comments. So, in that sense, their basic framework is not going to change with Web 2.0 because it's still tracking that citizen participation. As Guobin mentioned, what they now have to pay attention to are videos and blogs as opposed to just the chat rooms on normal media sites.

MR. LI: In the back.

QUESTIONER: Hayshee from the Voice of America.

I have a question for Mr. Guo Liang. You said that according to your survey, most of your surveys are for the government control of the internet. But I think some critics will challenge your findings, the reliability

or validity of your findings because many Chinese internet users and critics say that because of the government control, the Chinese internet is so sterile because the government wants to control or spread so much news, so many stories about corruption, about epidemics, about anything, about land disputes, about forced evictions.

How come, with so many complaints, that the majority of the internet users in China are for more government control? How do you answer such a challenge from critics?

Another question for DR. KLUVER: You said that the top priority of the Chinese Government control is about the pornography. As a matter of fact, before I came here, I did a little science experiment on my internet, and my finding is if you use the most popular Chinese search engine, Baidu, to search a word, a sensitive word, a political word like Falun Gong, a banned religious group in China, you will get an answer: No Such Site.

But if you want to find any pornography sites, you can get literally millions. Yeah. How do you explain such a phenomenon? Thank you.

MR. GUO: I think government control is not just about politics. Like I show, it's all kinds of different things. As a matter of fact, internet users, as I mentioned, tend to be young, male, well paid and well educated. If there's someone against government, if someone suffers from this system, they're not the worst, right. Also, as I showed, most of these

internet users are using the internet for entertainment, not really for politics.

I'm not sure in the U.S., but last time when I gave a talk at Brookings, I got the same response. In China, my generation really cares about politics or older than me, but the younger generation more like to make fun, make money. Not many people really care about politics.

But parents are really worried about their little emperors who spend their time on gaming and chatting. They spend so much time and all of their energy and their money on only one child, and they want that child to be somebody, not a game player.

So I think internet control is not like this political control, I'm very sure. It influences some people, but overall it's a very low percentage, not so many. My research is a survey. It tells about general things. If you talk of how many people really care about these politics, I don't think so many people really want to search Falun Gong.

Actually, many people may feel, I don't want to say intolerant, but they receive so many messages from Falun Gong. They get email and the Skype and even telephone. Sometimes at midnight, I receive phone calls. You should be against the Communist Party or something like that. I say, give me a break. I want to sleep. Okay?

DR. KLUVER: Actually, when I was recently in Beijing, I did the

same experiment you did. I typed Falun Gong into a search engine, and I didn't get a message that said no site exists. I got a message that says we've recorded your request and just want you to know that we're paying attention, and that's exactly the answer I got.

QUESTIONER: Which engine?

DR. KLUVER: It was Google, Google.cn, so I didn't try it on Baidu.

I think that the easiest way for me to answer your question is to say that Falun Gong probably maintains half a dozen to a dozen active web sites and, as you pointed out, there are millions of sex websites. It is just far, far more difficult to control or to block every new sex website. It's far easier to control web sites that the URL and the IP addresses remain constant over time.

So, I'm not sure that kind of empirical analysis really tells us a whole lot in terms of the government priorities because some things. Blocking the Falun Gong web site is very low-hanging fruit in terms of trying to show your effectiveness.

I should have mentioned that when you asked earlier, Cheng, what were the priorities. Falun Gong is definitely one that the Chinese Government is trying to control.

QUESTIONER: Hi. My name is Lu Yao Wong. I'm with the U.S.-China Business Council.

I have one major question for Mr. Guobin Yang and probably for Mr. Guo Liang. I have no idea whether any of you has been following the heated discussion on the internet about the photos of endangered species of tiger in the southwestern part of China. I'm curious about your opinions of this investigation initiated from grassroots, that is to say the general public of those lands, and this was challenged both by the general public toward the national level of media and provincial government of that province as to say the most trusted source of information as suggested by Mr. Guo Liang.

How do you relate to this, as a follow-up question, for cyber collective violence? That is to say if the majority of the public would like to intrude personal privacy issues as to harass family members or friends or other sources of contact information. Thank you very much.

MR. LI: Why don't you start with the background on the Hunan Tiger?

DR. YANG: The Hunan tiger has been thought to have disappeared. It hasn't been sighted for many years, I think. Then this farmer from Shaanxi in June revealed photograph that he said he took of a real Hunan Tiger. I don't know the particular name for this tiger. It immediately attracted a lot of attention. The environmental scientists responded and considered this a long shot because basically they thought

it's impossible.

Then there were, of course, debates about the authenticity of the photograph itself. Now, that's where it became interesting, and the internet users all tried to demonstrate their skills and identify the authenticity of the photograph. So there were discussions, and there were people who dug out New Year paintings from years back which showed that this is the tiger. The tiger was on the New Year painting, and so it's not an authentic, real tiger in the forest.

But, anyway, that's sort of the background and then very interesting debates and discussion, and web sites again made this a big business for them because it attracted a lot of hits.

MR. GUO: Just yesterday, the Forest Bureau released a report saying that there is some not obvious evidence to show there might be a tiger, but they refused to explain the photo, but it seemed to me it's not a real photo. Lots of internet users posted their analysis on this so-called Photoshopped photo.

MR. LI: We will probably take two or three questions and hold them because of time concerns. Yes, in the middle.

QUESTIONER: Thank you. My name is Yeshet Shi, Tibet Editor. I think I have three short questions.

The first one is to Mr. Guo Liang. Your survey has been done. I'm

looking at the map right here. Major cities and smaller cities, but the western part of the Chinese map is completely blank. Is it because of the difficulties or the political issues or you just didn't want to do it?

The next question is for Mr. Kluver. You said that the Chinese Government spends \$14.5 billion in the back areas of China for internet technology, and 14.5 is not small change. It's big money even in American standards.

But if I try to visit our web site, the National Chinese web site for Tibet, at the bottom there are like maybe 10 links. If I click on them, all 10 are exactly the same like the first one except the design. The templates are different, but all of them are the same. It looks like they didn't spend much money on the technology for people.

MR. LI: I think that's two questions, right.

QUESTIONER: This is a short one. We broke a story last week on Friday. There's a blog, UGC, User-Generated Content is a blog, a message board inside Tibet talking about Tibetan issues. The Chinese Government shut it down. These people who created this web site, just like he said, Mr. Guo Liang said, before the water flows like when you have to build a levy, they archived all the contents. They sent me through somebody, sent me an email, saying we saw this coming and we saved all the information. So they will come up with a new web site.

How far-reaching are the Chinese Communists controlling those web site, BBS, like bulletin boards? If they keep on shutting down like this, there's no internet contention.

MR. LI: One more question, anymore questions? In the back. In the middle, I'm sorry, in the middle.

QUESTIONER: I'm Bob Borsten, and I'm from Google, and I'd sure like to see that screen shot that you got when you were over there because that's not what we do on Google.cn.

DR. KLUVER: Okay.

QUESTIONER: It shows actually that you couldn't get certain sites because of government regulations. It doesn't say that.

To the person who was talking about Russia, I would recommend the recent Bergman study on Russian management of the internet.

Two questions very quickly: The \$800 million figure on the Golden Shield, is there anything besides a government figure to back that up and, second, what do you guys expect to happen during the Olympics, before and after and during?

MR. LI: Last question? Yes, last question here.

QUESTIONER: Hi. Shanty Colato, World Bank.

I'm just curious to know what you all think about not just Web 2.0 but the broader development of information technology. The internet is

really just a part of that.

The figure on email use actually not being that high is interesting because it possibly suggests greater use of cell phones, text messages, other things that are not necessarily text and screen-based, and it also potentially opens up more opportunities for surveillance and other types of tracking. So I'm just curious to know whether you've looked at this particularly.

MR. GUO: First, I'd talk about why not the West. I think mainly because of a limit of funding, but thanks for the Markle Foundation that gave me funding to do the former three surveys. But I'm not sure if I could get the next funding because I changed from a door-to-door survey to a telephone survey. If I could have funding the next time, I would cover the whole country, not just these major cities.

This is not about politics. It's just difficult to travel to there. You have to send people there to do the interviews and send another group of people to monitor the interviews because it's so difficult to knock on the door and get an answer. Some interviewers might cheat and fill in the questionnaire on their own. So you spend lots of money on that.

But next time, if I get funding and continue to do the telephone survey, I think I will have a national sample that will represent the whole situation in the cities. I still don't cover the countryside because more than

85 percent of Chinese people don't go online. So if I do a real national sample, most people are not internet users.

DR. KLUVER: A couple of questions were raised about the statistics. Number one, the \$14.5 billion is the amount that was announced. It was the amount that was committed. I don't know if it was actually spent or if it was spent wisely. Particularly in large infrastructure projects, lots of the money is usually spent unwisely and invested in inappropriate things.

In terms of somebody asked about the 800 million figure, that is actually not from the Chinese Government. That figure is from the Canadian Human Rights Organization, Greg Walton, who examined and wrote a very critical report of the Golden Shield Project. To my knowledge, the Chinese Government has never announced how much they spent, and so looking at this very devastating critique of the Golden Shield Project the best estimates they could come up with were 800 million. So I feel fairly confident that that's in the range.

In terms of the screenshot, now that you mention it, I really wish I would have kept it too. I wonder if it raises the possibility that there could have been intervention by an ISP instead.

QUESTIONER: They would never do that.

DR. KLUVER: They couldn't do that?

QUESTIONER: I'm just kidding.

DR. KLUVER: Although that's not Google's policy, the message I got was pretty clear that my request had been logged, and I wish I would have kept a screenshot of it.

Oh, Shanti, it's nice to meet you, Shanti. I think that you raise a really interesting question, that some of the technologies that are out there, we spend so much time focusing on broadband internet, that we really have to take into account a much broader ecology of information technologies. As far as I know, we're really not engaging as analysts or scholars, really trying to understand what is the impact of that. The business community spends a tremendous amount of time trying to understand that, but as analysts we don't have the capacity to really engage those.

DR. YANG: I'll quickly respond to all three questions. One is about the closing of web sites and what happens to contention afterwards, right, if I get your question. I think you already answered the question in a sense because you said users save the contents of the web sites. That happens quite often, that interested users regularly would save the contents, and they would be able to recover their contents afterwards even if in the face of a sudden closure.

Also, as I mentioned early on, there is already a social network built

after a relatively sustained period of communication. So that network may still be very important.

The second question is about the issue of the directions of new IT in the future. My thoughts on this is we have a lot of talk about convergence of media, new media integrated and so on and so forth. I see it somewhat differently. I see still a hierarchy of media, that media are stratified. In China, in particular, the mass media and new media people, sometimes they really quarrel and quarrel. The mass media people from People's Daily or from CCTV, they don't really think much of the new media, of the bloggers, for example. So they have a lot of contentious relationships, and I think this kind of contentious relationship and sometimes conflicts will continue, but we see a hierarchy there.

The last question, which is very interesting, is about what will happen to the media when the Olympics comes already. Actually, a lot of things are already happening with regard to media because media all over the world, in China and outside China, are already sort of taking the Olympics as a platform to plug in their own messages of all kinds, challenging the Chinese government, and then the Chinese Government itself is trying to showcase itself and so on and so forth. So there will be drama to watch by the time the Olympics comes. Thank you.

MR. LI: Well, internet development and technological development

in general, I think, is still in the early stage, particularly in China. It already has some strong impact to China's politics, society and economy. However, the great challenge and opportunity are still yet to come.

So I want to thank all the panelists who shared your views and expertise and particularly Guo Liang for releasing your report and also the Markle Foundation for supporting that research. I hope that you will come back in a couple of years, and I promise we will give you one full hour entirely.

Also, I want to ask the audience to join me in thanking all the presenters. Thank you very much. Thank you for coming.

(Applause)

MR. LI: We will stay here for a few minutes to answer questions if you still have any.

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