



STATE OF THE GAME

BUILDING PACAF'S COMPETITIVE MINDSET

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MOONCAKES TODAY, UNCERTAINTY TOMORROW

As the PRC celebrates its 71st birthday, Chinese citizens—and the world—question its future.

October 1 commemorates the founding of the People's Republic of China (PRC). For the average Chinese citizen, this occasion marks the start of one of the longest annual public holiday periods, known as Golden Week (October 1 to 7). This year the holiday was even more momentous, as it coincided with the October 4 Mid-Autumn Festival. The Mid-Autumn Festival symbolizes family reunion, a time for gathering, and a chance to indulge in mooncakes together.

A year ago, on the PRC's 70th birthday, President Xi stood on top of the Tiananmen Gate in front of a 15,000-person military parade and [announced](#): "There is no force that can shake the foundation of this great nation." Since that statement, China's failure to contain and accurately report on the COVID-19 virus has resulted in a global pandemic, causing [over a million deaths](#) worldwide. In the past year, China is embroiled in escalating tensions with the United States, India, and other regional powers, while struggling with a slowing Chinese economy. A year later, it is only natural for Chinese citizens to question the validity of Xi's statement.

"This party has become a political zombie. This system, fundamentally speaking, has to be jettisoned."

- Cai Xia

As families gather this year, they may wonder if the Chinese Communist Party (CCP) is truly moving China in the right direction. Since "opening up" in the early 1980s, the CCP [claims](#) around 700 million Chinese have been lifted out of poverty, solidifying China as the economic powerhouse we know today. As Chinese citizens and some CCP members look beyond 2020, they wonder if China's assertiveness and aggressive diplomacy are the most effective way for China to ascend onto the world stage.

As Cai Xia, a former CCP Central Party School professor, [argues](#), "In the longer term, Mr. Xi's policies would push China toward a political crisis by isolating the country and extinguishing domestic hopes for orderly economic and political relaxation." Ms. Cai wasn't always critical of the CCP leadership. In the early 2000s, Ms. Cai often appeared in Chinese news media, arguing the party could be a vehicle for steady political and economic liberalization. Shifts like this beg the question of whether an assertive China is in the nation's best interests.

While Xi has successfully "abolished" presidential term limits, the Chinese government still retains the ability to elect a new president in 2022. Will Xi have gained enough influence among prominent CCP members to continue his reign? Will citizens and members of the CCP continue to stand behind an aggressive China? In the meantime, grab a mooncake and hope the PRC government chooses not to continue down this uncertain path.



A mooncake is a Chinese pastry traditionally eaten during the Mid-Autumn Festival. Mooncakes include a thick filling usually made from red bean or lotus seed paste and may contain salted duck eggs.

CHINA'S GROWING INFLUENCE IN HOLLYWOOD

In pursuit of the Chinese market, Hollywood feels pressure to acquiesce to PRC censorship demands.

While Hollywood films are often seen as a form of American soft power, promoting US ideals to populations around the world, they can sometimes portray less than flattering interpretations of American society, history, and culture. [Protected by the First Amendment since 1952](#), the film industry's production process is not subjected to censorship or interference by the US government. (The [notable exception](#) to this rule is the Department of Defense, which reviews the script of every film produced with DoD assistance.)

Contrast this with the PRC, which insists on tight controls and censorship of all media production. Over the past few years, President Xi has consolidated all media under the Central Propaganda Department. This move means that as entertainment companies vie for Chinese access, every film released in China must be vetted by the Central Propaganda Department, as well as numerous other bureaucratic entities to ensure narratives and storylines are aligned to party interests. The effects of this have global consequences as China uses its influence in the film industry to bring public

opinion in line with the party's ideological world view—and the implications extend to films consumed by American audiences.

In the upcoming movie *Top Gun: Maverick*, a patch on Tom Cruise's leather jacket was [changed](#) to exclude the Japanese and Taiwanese flags, possibly to meet the demands of the Chinese firm that partially financed the film. Seen by many as a move to make the film more palatable to Chinese audiences, the exclusion of the two flags is likely about the PRC's battle with Japan for regional influence and a statement on any claims that portray Taiwan as a country independent of China. In another example, a script for the movie *Pixels* [included](#) a scene in which aliens attack China's Great Wall. Due to pressure from Chinese Sony Pictures executives, aliens instead strike the Taj Mahal, New York City, and the Washington Monument.

Why it matters: In order to influence world opinion, the PRC is coercively using its economic power to shape CCP-friendly film, game, and media narratives.

THE SPARK

Information to grow knowledge of China and spark curiosity about the Indo-Pacific region

A smart city is an urban area that uses different types of electronic methods, like facial recognition, to collect data that is used to improve city operations. However, there is much debate about the trade-off between privacy and security and whether some countries exploit these systems to perform surveillance on their own citizens. As China is home to half of all the world's smart cities, experts are [concerned](#): "China is subjecting its citizens to greater routine surveillance than citizens have experienced at any time in history. Sensors are now embedded throughout the urban infrastructure, in everyday home appliances, and in the devices citizens carry. These collect data 24/7 with or without the awareness and approval of citizens." The question is, how will smart city technology be tied to the PRC's Social Credit Score?

COMPETE DAILY

Want to learn more? The Strategic Competition Team recommends:

- Hollywood is losing ground in China. [Learn more.](#)
- [Examine](#) the trajectory of Chinese military developments and national strategy on the latest podcast episode from Bonnie Glaser at the China Power Project at the Center for Strategic and International Studies (CSIS).
- How are China's land-based conventional missile forces evolving? [Read](#) more from CSIS.
- Want even more? Visit the [Strategic Competition Team's NIPR Intelink page.](#)

