Chinese sports policy and globalisation: the case of the Olympic movement, elite football and elite basketball

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Chinese Sports Policy and Globalisation:
The case of the Olympic movement, elite football and elite basketball

Tien-Chin Tan

A doctoral thesis submitted in partial fulfillment of the requirements for
the award of Doctor of Philosophy of Loughborough University

April 2008
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by

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Abstract

This thesis seeks to analyse to what extent, in what ways and with what success does the Chinese government seek to manage its interaction with sport globalisation in Olympic Movement, football and basketball? Held et al’s (1999) conceptualisation of globalisation provides the major theoretical framework for the analysis. In order to analyse the behaviour of the Chinese state we adopt Houlihan’s (1994) concepts of ‘reach’ and ‘response’ which focus attention on global actors and pressures external to the country and state (reach) and the capacity of states to determine their response. A set of quantitative and qualitative indicators of globalisation have been identified. Data were collected from a number of sources including official government documents, news media, and a series of 32 interviews with Chinese officials. The analysis reveals that the Chinese government has demonstrated a desire and a capacity to manage the impact of the Olympic Movement, global football and basketball on domestic sport practices; and second, the Chinese government has attempted, with reasonable success, to manage the impact of commercial interests on Chinese domestic football, basketball and other Olympic sports practices, elite athletes and professional clubs. However, a number of tensions exist: first, between the priorities of commercial clubs and national teams’ development; and second, between the highly paid and internationally mobile ‘star players’ and the centrally controlled elite development system.

Key words: globalisation, commercialisation, sport policy, Olympic Movement, football, basketball, China
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<td>Asian Basketball Confederation</td>
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<td>All-China Sports Federation</td>
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<td>AFC</td>
<td>Asian Football Confederation</td>
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<td>BOCOG</td>
<td>The Beijing Organizing Committee for the Games of the XXIX Olympiad</td>
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<td>CAA</td>
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<td>CBA Equipment Committee</td>
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<td>CBIDC</td>
<td>China Basketball Industry Development Corp.</td>
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<td>CBISMC</td>
<td>China Basketball &amp; Infront Sport Management Company</td>
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<td>CCP</td>
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<td>Commission of China Football Association Super League</td>
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<td>CNAAF</td>
<td>China’s National Amateur Athletic Federation</td>
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<td>COC</td>
<td>Chinese Olympic Committee</td>
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<td>COCADC</td>
<td>Chinese Olympic Committee Anti-Doping Commission</td>
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<td>CPSL</td>
<td>Chinese Professional Soccer League</td>
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<td>CSL</td>
<td>The China Football Association Super League</td>
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<td>CSLC</td>
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<td>CTOC</td>
<td>Chinese Taipei Olympic Committee</td>
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<td>EU</td>
<td>European Union</td>
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<td>FDI</td>
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<td>FIBA</td>
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<td>GDP</td>
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<td>International Badminton Federation</td>
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<td>IGB</td>
<td>International Governing Body</td>
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<td>International Monetary Fund</td>
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<td>IMG</td>
<td>IMG Sports &amp; Entertainment and Media Company</td>
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<td>IOC</td>
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<td>ITTF</td>
<td>International Table Tennis Federation</td>
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<td>Japanese Basketball League</td>
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<td>KBL</td>
<td>Korean Basketball League</td>
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<td>KMT</td>
<td>Kuomintang Party</td>
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<td>MNC</td>
<td>Multinational Corporation</td>
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<td>NAFTA</td>
<td>North American Free Trade Agreement</td>
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<td>NCAAA</td>
<td>National Collegiate Athletic Association</td>
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<td>National Team</td>
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<td>OECD</td>
<td>Organisation for Economic Cooperation and Development</td>
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<td>OS</td>
<td>Olympic Squad</td>
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<td>Significant Cities and Areas for Football in China</td>
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<tr>
<td>Abbreviation</td>
<td>Full Name</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<td>USBA</td>
<td>United States Basketball Academy</td>
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<td>WADA</td>
<td>World Anti-Doping Agency</td>
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<td>WNBA</td>
<td>Women's National Basketball Association</td>
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<td>WTF</td>
<td>World Taekwondo Federation</td>
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<td>WTO</td>
<td>World Trade Organisation</td>
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<td>YMCA</td>
<td>Young Men's Christian Association</td>
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Chapter One: Introduction

1.1 Research aim and objectives

The aim of this thesis is to analyse China's engagement in global sport through an examination of the cases of the Olympic Movement, elite football and elite basketball. There are several reasons for identifying this particular research aim, namely, the political, economic, cultural and academic importance of this process of engagement in the global context.

Considering first, the political aspect, the PRC is one of the five permanent members of the UN Security Council and the world's largest developing country under a Communist regime (Zhang, X.J. 2006: 25). Any decision the Chinese government makes in relation to the global affairs would arguably have some impact on the rest of the world. Noting the increasing number of governmental and non-governmental organisations in the global context (Chan, 2006), it is important to investigate the role and importance of the Chinese state within these organisations in general and those concerned with global sport, such as the IOC, FIFA and FIBA in particular. Indeed, this research echoes Houlihan's argument which highlights that, in addition to the economic and cultural dimensions, a third, but less commonly explored, dimension of globalisation is the development of a global organisational infrastructure for sport, evident in both the governmental and non-governmental spheres (2005: 53).

Second, regarding the economic aspect, China's economy has maintained an average annual growth rate of 9.4 percent since it adopted the open-door policy in 1978. Since 1993 it has ranked first in attracting foreign direct investment (FDI). The total value of its imports and exports rose from US$20.6 billion in 1978 to US$1150 billion in 2004, ranking third in the world, and of this over half was from foreign investments (Zhang, X.J. 2006: 25). According to The Economist, in 2008 China's GDP will push ahead of Germany to make China the world's third biggest economy after America and Japan. (Pam, 2007: 85). With the movement of goods, capital and labour across borders, we are interested in the role of the national government in dealing with the challenge from foreign investment (multi-national companies) in the Chinese elite sport system. Quoting from Jackson et al. (2005: 207), a possibility exists that "These
MNCs are contributing to the advancement of post-industrial capitalism – a political, economic and cultural system that is fundamentally changing the nature of the nation state and the international flow of people, products and ideas.” Furthermore, other authors such as Hall and Soskice (2001), Garrett (1998), Weiss (2003) and Scharpf (2000) also remind us to ‘bring institutions back in’ to the study of globalisation and, indeed, into capitalism more generally. It is argued that while nations may experience common pressures, the existence of different institutional and cultural environments means that they respond in different ways and achieve different outcomes. In this sense, Weiss (2003: 27-8) argues that “domestic institutions, depending on their characteristics, can hinder or enable states to respond to new challenges and accomplish new tasks, thus softening, neutralizing, or exaggerating the potentially constraining effect of the global market”. The argument of these authors suggests that it is very important to focus on Chinese domestic sport institutions, such as the General Administration of Sport (GAOS), the Chinese Olympic Committee (COC), the Chinese Football Association (CFA) and the Chinese Basketball Association (CBA).

Third, regarding the cultural element, when Communist China under the leadership of Mao Zedong initiated the Cultural Revolution (1966-1976), Western cultural products, such as competitive sports, were regarded as ‘evil capitalism’ which could contaminate the ideological purity of Chinese Communism (Fan and Xiong, 2003: 333; MacFarquhar, 1997:2; Dong, 2003: 75; Ness and Raichur, 1983: 81). After the Cultural Revolution, China practised the ‘open door policy’ and embraced world capitalism by joining the World Trade Organisation (WTO) and bidding to host the 2008 Olympic Games in Beijing. Regarding sport as an important cultural practice (Giulianotti and Robertson, 2007: 107-9; Jarvie, 2006: 2; Houlihan, 2005: 56), we are interested in the process whereby these Western cultural flows of elite sport reached into the Chinese state and the ways in which the Chinese government responded to them. John Tomlinson claims that “the de facto common denominator of both the process and the experience of globalisation is the global capitalist economic system” (2007: 164). He also reminds us that “the issue of the increasing general commodification of culture deserves most attention” (Tomlinson, 2007: 164, original emphasis). Houlihan (2005: 52) raises the same issue as Tomlinson and reminds us to refocus on the issue of “the spread of particular cultural practices”, or “the recognition
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of global commercial interests in major sports events such as the Olympics and the soccer World Cup” when carrying out research in relation to sport globalisation.

Finally, and most importantly, we attempted to echo the argument of Houlihan (1994) and Maguire (2000: 366) in which they point out the need to develop criteria by which to judge the ‘reach’ and ‘response’ of global flows in local cultures. Thus, our biggest challenge was to contribute to current academic debates by developing indicators which will help examine the phenomenon of sport globalisation in the Chinese context. These indicators will be outlined and justified in the section on reliability and validity in the methodology chapter and the section on methodological reflection in the concluding chapter. In addition, in relation to the concepts of ‘reach’ and ‘response’, Houlihan (2005: 56) highlights the problem that, although many studies of globalisation exhibit a quite proper concern with the extent to which the deep structure of culture is affected by sports globalisation, they generally fail to give significant consideration to the role of the state, due to too great a focus on the arguably shallower impacts of globalisation such as the commercialisation of cultural commodities. We, therefore, attempt to refocus on the role of the state to investigate the trajectory of its relationship with global sport by asking three key research questions: i) to what extent did or does the Chinese government have a choice in its relationship with sport globalisation?; ii) to what extent can the Chinese government manage its interaction with sport globalisation?; and iii) in what ways does the Chinese government seek to manage its relationship with sport globalisation?

In order to achieve the research aims and answer the three key research questions outlined above, a number of more concrete objectives can be delineated:

1. To analyse the impact of socio-economic and political change since 1949 on the development of sport within China and on the development of international sporting contests.
2. To examine the relationship between China and the Olympic Movement.
3. To examine the development, structure and organisation of elite football in China.
4. To examine the development, structure and organisation of elite basketball in China.
5. To explore the utility of globalisation theories for analysis of the development of sport policy in China.

1.2 Research phases in relation to indicators and the analytical framework

The indicators generated and the analytical framework adopted for this research are the key tools for this thesis. There are five research phases in relation to the indicators and analytical framework: i) review of the literature on globalisation to generate research questions and identify indicators; ii) data collection and initial analysis by indicators; iii) second round analysis adopting the framework of Houlihan (1994, 2003); iv) third round analysis adopting the framework of Held et al (1999); and v) evaluation of these two frameworks by using the four criteria suggested by Jarvie (2006).

In the first and second phase, the researcher drew on theories at the macro level (from the three main schools of thought on globalisation) to identify concepts and approaches which would be helpful in guiding preliminary decisions, including the selection of three case studies, the identification of interviewees and the selection of relevant documents to review. Thus, we conducted the literature review in relation to the globalisation theories, which not only helped us to grasp the main debates among the three main schools of thought on globalisation (hyperglobalists, sceptics and transformationalists), but also assisted us in deductively generating the indicators for the collection and analysis of relevant data. In the third phase, the framework of the patterns of globalisation (see Figure 2.1) developed by Houlihan (1994, 2003) was adopted to help us grasp the complexity, trajectory and momentum of the relationship between China and global sport. In the fourth phase, the framework of the theorization of globalisation (see Table 2.1) developed by Held et al. (1999) was used to focus on the debate over the state’s role in the global process, which is very firmly focused on what the government did and the policy of government regarding its relationship with globalisation. In addition, the indicators that were generated to measure the relationship between the Chinese state and global sport were inspired by, and derived from, the works of these three main schools of globalisation theorists as mentioned in
the first phase. In the final phase, the analysis of China’s relationship as reflected in the three case studies is concluded and Jarvie’s ‘four useful values of theory to analyze sport phenomena’ (2006: 19) were used in order to examine the utility of the frameworks of Held et al (1999) and Houlihan (1994, 2003).

1.3 Globalisation frameworks and theories

The frameworks of Held et al. (1999) and Houlihan (1994, 2003) are important analytical tools for this study. They have strong theoretical implications but they are not theories which have clear causal drivers and a sense of causal process (Sabatier, 2006: 321-2). Schlager argues that “Frameworks provide a foundation for inquiry by specifying classes of variables and general relationships among them”. (2006: 294) In that sense, Houlihan provides a framework of the ‘patterns of globalisation’, identifies a set of variables (such as ‘global reach’ at economic, political and social levels and varieties of ‘local response’ - passive, participative and conflictual) and provides guidance in investigating and grasping the complexity, trajectory and momentum of the relationship between China and global sport. However, as Schlager reminds us, “Frameworks organize inquiries, but they cannot in and of themselves provide explanations of behaviour and outcomes. Explanation and prediction lie in the realms of theories and models” (2006: 294). Indeed, we do not attempt to explain ‘a sense of causal process’, rather, we investigate and analyse the complexity, trajectory and momentum of the relationship between China and global sport by utilizing Houlihan’s framework.

In addition, Schlager notes that “frameworks provide a metatheoretical language that can be used to compare theories, allowing policy scholars using different theories to use a common language, to learn from one another, and to identify pressing questions to pursue” (2006: 294). The framework of Held et al. (1999) was adopted to compare three main schools of globalisation theory, to target the emphasis of the state-centered focus and to highlight certain questions, such as the three key theoretical research questions and the debate over the state’s role in the global process. As Ostrom argues, “frameworks bind inquiry and direct the attention of the analyst to critical features of the social and physical landscape” (quoted in Schlager, 2006: 294). This is the rational
for adopting the framework of Held et al. (1999), namely, to help maintain a focus on an analysis of the state’s role in the global process.

There are three main schools of globalisation theory summarized in the framework of Held et al. (1999): hyperglobalists, sceptics and transformationalists. This tripartite schema is intended as a preliminary way of understanding the general contours of scholarly debates, rather than as a rigid template into which all writers must be neatly located. What is at stake in the debates between these three positions is not simply what globalisation means, but whether, and in what senses, it is present at all (Holton, 2005: 5). According to the hyperglobalists, cross-border economic relationships engendered by free trade and the increased mobility of capital and labour, render national economies outmoded and undermine the role of national governance (see for instance Ohmae 1990, 1995; Reich 1991; Strange 1994, 1996 and Albrow, 1996). A number of influential scholars were also interested in cross-border inter-dependencies, such as Immanuel Wallerstein and world-system theorists, and these helped to stimulate the hyperglobalists and worked in parallel with them (Holton, 2005: 7). Indeed, Ohmae (1995: 5) argues that globalisation has led to the ‘end of the nation-state’.

As for the sceptics, such as Hirst and Thompson (1998), Weiss (1997), Vogel (1996) and Gilpin (2001), they argue that theories of hyper-globalisation have mistakenly concluded that cross-border activity is intrinsically trans-national. Instead, the sceptics consider that nations remain alive and well (Holton, 2005: 9). Even if some functions are lost, others are gained (Mann 1993). National markets and national policies in domains such as education, training and infrastructural planning remain of considerable importance, and this throws doubt on theories of the imminent decline of the nation-state (see also Weiss 1997). Indeed, sceptics have had a good deal of success in scrutinizing and evaluating speculative propositions in the light of more considered accounts which are better grounded in evidence than those of the hyperglobalists. They usually take an “approach” in order to begin a process of seeking out clearer and more plausible concepts in an effort to avoid the pitfall of applying simplistic theories to very complex social changes. This has required a measure of skepticism towards propositions that are regarded as self-evident by many and cherished as articles of faith by some (Holton, 2005: 9-10)
The view taken by the transformationalists, such as Held et al. (1999) and Held and McGrew (2002, 2003), is that the world of nation-states cannot contain or have within its structure all the many significant elements of global life, including the ordering of territory. The case for using the term ‘Globalisation’ is that it enables us to understand the extent to which many forms of transformation are no longer containable within or fully controlled by inter-national arrangements. These include mobility of finance and technology which create and re-create complex spatial divisions of labour, global communications technology, and the operation of global social movements (Held et al. 1999). The transformationalists’ line of argument is critical of certain aspects of both the hyperglobalist and sceptic approach. Put simply, their position is twofold. Firstly, transformationalists agree with the hyperglobalists’ contention that the world is undergoing a fundamental transformation, but they disagree with their claim of ‘the end-state’ due to the important role of the state during the globalizing process (Marsh et al. 2006: 175). Secondly, transformationalists consider that the sceptics’ thinking is too ‘sceptical’. The power of national governments is not necessarily diminished by globalisation, but, on the contrary is being reconstituted and restructured in response to the growing complexity of the process of governance in a more interconnected world (Held et al., 1999: 9).

Regarding theories, Sabatier (2006: 321-2) sets out four criteria for identifying a ‘theory’. Among them, the two most important are: i) it should be logically coherent; and ii) it should have clear causal drivers and a sense of causal process. In that sense, any globalisation theory has to demonstrate its capability to deal with the issue of causation (Held et al, 1999: 12). As mentioned by Holton (2005: 7), the hyperglobalists’ thinking was underpinned by theories such as Dependency theory, World Systems theory and World Society theory, which can all fit in to Sabatier’s criteria for a theory. As for the sceptics, they took a sceptical and reflective “approach” to examining the hyperglobalist exaggerated argument but did not provide any causation. In that sense, we would regard the argument of the sceptics as an “approach”, rather than a “theory”. Regarding the transformationalists, such as Held et al., they set out the World Systems theory in 1999 and invited a group of distinguished globalisation theorists to attempt to supplement the adequacy theories of globalisation in 2007 (Held & McGrew, 2007b: 7).
It is not our purpose to raise the issue of whether globalisation is a theory, theories or an approach when setting out to explain China's response. Instead, we are aware of the differences and problems in the globalisation literature and that there are a variety of terms used but which are not always used consistently. In order to address these problems, we will use the terms the writers use to describe their own work, using the words theory, theories, concept or approach while referring to particular authors.

Finally, as far as this research is concerned, we are in sympathy with the definition of globalisation advanced by Hay and Marsh (2000). Their version of the concept requires thinking of globalisation as something other than a singular and inexorable process causing change - a juggernaut beyond human control. Rather they see globalisation as a trend, and the effect of a range of processes such as cross-border interconnection and inter-dependence, but a trend which is reversible by counter-trends. Globalisation is the explanandum, which means 'that to be explained', not the explanans, which means 'the explanation of change'. Globalisation, in short, is an effect not a cause (Hay and Marsh, 2000: 6; Holton, 2005: 10).

1.4 Thesis structure

In Chapter 2, Patterns of Globalisation, two main themes will be addressed. They are: the varieties of globalisation and the 'reach and response' of the nation-state. We begin to outline the first theme by examining the definition of globalisation itself and by looking at the competing definitions of globalisation found among the three main schools of globalisation theorists. The three dimensions of globalisation focusing on political, economic and cultural affairs will then be discussed. It is clear that there is a central, recurring fault-line running through debates about the relationship between globalisation and the state. The main division is between those who argue that global interconnections have become so intense that autonomous states no longer exist and those for whom the state remains a fundamental political actor. At the end of the first theme (varieties of globalisation), the key debate between the three main schools of thought will be summarized using the Theorization of Globalisation framework developed by Held et al. (1999). Regarding the second theme ('reach and response' of
the nation-state), the Patterns of Globalisation framework developed by Houlihan (1994, 2003) — will be introduced and its utility illustrated by an examination of the relationships between globalisation and nation-states in France, Japan, Taiwan and India. Indeed, by undertaking the literature review of Patterns of Globalisation, the three major schools of globalisation can be better understood which paves the way for us to observe and analyse global sport phenomena in the Chinese context. For some researchers, the theories used can help them predict the development of their research objects. But we do not attempt to do so. We regard globalisation theories as a ‘tool’ to guide us in approaching and analysing our research objects in a more ‘theoretical’ way.

In Chapter 3, Chinese Sport Development, we explore the development of Chinese society since 1949, identifying the main changes in the political, economic, and social development of society in that period and highlighting how such changes are reflected in the sports system. The central arguments of this chapter are fourfold. The chapter begins by reviewing at the first Mao Zedong period (1949-1965), during which China sought to join with the Soviet Union against the capitalist states. Secondly, it looks at the second Mao Zedong period (1966-1976), which initiated the Cultural Revolution and subsequently isolated the PRC from the outside world. Thirdly, it examines the era of Deng Xiaoping (1977-1992), which practised the ‘open door policy’ in order to develop the relationship with world capitalism. Finally, attention is devoted to the period of Jiang Zemin (1993-2004), in which the PRC joined the World Trade Organisation (WTO) and thus became more closely integrated into the world economic system.

In Chapter 4, Methodology, we discuss the ontological and epistemological assumptions of three major research paradigms: Positivism, Interpretive/Relativism and Critical Realism. The outcome of the reflection on these three paradigms is the adoption of a critical realist approach which argues that the outcomes of a social phenomenon are shaped by the constant dialectical interplay between agency and structures (Cassell, 1993; 1984; Marsh, 1999; Bhaskar, 1989a). In addition, critical realists also argue that structures can be changed because of the outcomes of the actions of agents operating within the structures. In short, it is ‘agents who bring structure into being, and it is structure which produces the possibility of agency’
(Cassell, 1993: 12). Furthermore, the reliability and validity of documentary materials, semi-structured interviews and indicators will be discussed in this chapter. The core aim of this study is to analyse the process of China’s engagement in global sports (using the cases of the Olympic Movement, elite football and elite basketball), and to focus on the relationship between structure and agency (organisations) in order to examine the attitude and values of the Chinese government regarding global sport using the indicators and two theoretical frameworks – Houlihan (1994, 2003) and Held et al. (1999).

In Chapter 5, The Case of the Olympic Movement, we locate the PRC’s current policy toward global sport and the Olympic Movement in its historical context. Three phases are identified: withdrawal/isolation, manipulative engagement and, most recently, enthusiastic engagement. These phases have been shaped to a significant extent by internal ideological shifts, for example, from internationalist socialism to cultural isolation, and by external diplomatic concerns, for example the dispute with Taiwan. It is within this historical socio-economic context and utilizing the indicators and two theoretical frameworks of globalisation – Houlihan (1994, 2003) and Held et al. (1999) – that China’s current relationship with the Olympic Movement is analysed.

In Chapter 6, The Case of Elite Football, we begin to investigate the relationship between the Chinese state and FIFA by examining China’s membership of FIFA, its participation in competitions, its FIFA ranking and the strategies used to gain representations in FIFA. Subsequently, we go on to explore the strategies the Chinese government adopted to build up its elite football system by scrutinizing its administrative structure, player selection, training and competition system, and financial income. By so doing, we attempt to measure the impact of global football on the PRC. Finally, the chapter reviews the ways in which the Chinese government attempts to manage the consequences of a more commercial football system by considering the values and attitudes of the government regarding commercial football and the tension between the Chinese professional football clubs and the government. Finally, Houlihan’s (1994, 2003) concepts of ‘reach’ and ‘response’ will be adopted to analyse the behaviour of the Chinese state. These concepts focus attention on global actors and pressures external to the country and state (reach) and the capacity of states to determine their response.
In Chapter 7, The Case of Elite Basketball, we start by exploring the relationship between the PRC and FIBA through examining China’s FIBA membership, FIBA world ranking, and the number and position of Chinese sports representatives in FIBA and the Asia Basketball Confederation. Focusing the analysis on these indicators will, it is hoped, provide a unique opportunity for us to identify the trajectory of the relationship between the Chinese government and global basketball. This discussion is followed by an examination of the strategies the Chinese government adopted in order to build up its elite basketball system with particular emphasis on examining its administrative structure, its selection, training and competition system for Chinese elite basketball players, and its source of income. By so doing, we aim to assess the effects of global basketball on the development of Chinese elite basketball. Third, the relationship between the Chinese state and commercialization is examined by focusing on the values and attitudes of the government regarding commercial basketball and the tension between the Chinese professional basketball clubs and the government. Finally, the behaviour and the capacity of the Chinese government to respond to global basketball will be summarized by utilizing Houlihan’s (1994, 2003) concepts of ‘reach’ and ‘response’.

The final chapter, Conclusions, returns to the research questions identified in the opening chapter and addresses the key theoretical and methodological insights provided in Chapters 2 and 4. More specifically, the first three sections of the chapter summarise the evidence that emerges from the discussion in Chapters 5, 6 and 7 in order to attempt to answer the three research questions. The first three sections are not concerned substantively with the study’s theoretical and/or methodological insights. However, these insights are incorporated into the analysis where appropriate. It is in the fourth and final section of the chapter that the study’s methodological and theoretical insights are considered in more depth. The section on methodological reflection will focus on four main methodological challenges which we attempted to overcome in order to raise the validity and reliability for this research, namely, the indicators, the data collection, the author’s position as a Taiwanese researcher and the author’s position as a critical realist. The final section will focus on evaluating the usefulness of the two frameworks adopted for analysis of the development of sport policy in China in terms of globalisation, by using Jarvie’s criteria of ‘Four useful
values of theory to analyze sport phenomena'. These criteria are: i) asking theoretical questions to explain or generalize about sport, culture and society; ii) allowing theoretical testing; iii) illuminating circumstances or equally destroying certain cherished myths; and iv) stimulating new ideas (Jarvie, 2006: 19).
2.1 Varieties of globalisation

Globalisation has become a fashionable concept in the social sciences, a core dictum in the prescriptions of management gurus, and a catchphrase for journalists and politicians of every stripe. It is widely asserted that we live in an era in which the greater part of social life is determined by global processes, in which national cultures, national economies and national borders are dissolving. Central to this perception is the notion of a rapid and recent process of economic globalisation (Hirst & Thompson, 1998: 1). According to Held et al (1999), it is possible to distinguish three broad schools of thought in relation to globalisation: the hyperglobalists, the sceptics, and the transformationalists.

2.1.1 Hyperglobalists

The hyperglobalists' school, which includes neo-Marxists and neo-liberals, shares similar conceptions of, and conclusions about, the nature of contemporary globalisation. All of them agree that globalisation is a powerful force and tendency, that globalisation is primarily an economic phenomenon (Callinicos, 1994, 2007; Amin, 1996; Redwood, 1993; Ohmae, 1990; 1995). For the hyperglobalists, such as Ohmae, contemporary globalisation defines a new era in which people everywhere are increasingly subject to the discipline of the global market (Ohmae, 1990; 1995). Hyperglobalists argue that globalisation, as an economic phenomenon, is generating 'denationalization' by the establishment of transnational networks of production, trade and finance. In this 'borderless' economy, national governments are regarded as transmission belts for global capital, or simple intermediate institutions sandwiched between increasingly powerful local, regional and global mechanisms of governance (Hoogvelt, 1997; Reich, 1991; Ohmae, 1990; 1995). According to this view, the power of the world market is considered to be much more influential than nation-states (Strange, 1996: 4) and, from the hyperglobalists' point of view, economic globalisation is constructing new forms of social organisation that are replacing, or
will eventually replace, traditional nation-states as the primary economic and political units of world society (Reich, 1991; Ohmae, 1990; 1995).

Although neo-Marxists and neo-liberals predict the end of the nation-state due to the impact of the global market, they have different explanations of the outcome. Among neo-Marxists, globalisation is understood as the extension of monopoly capitalist imperialism or a new form of globalised capitalism. Furthermore, contemporary globalisation represents the reaction of global imperialism and the triumph of an oppressive global capitalism which creates and reinforces structural patterns of inequality within and between countries (Callinicos et al, 1994, 2007; Harvey, 2003) with the result that the role of the nation-state and government would retreat to that of the agent of monopoly capitalism (Amin, 1997). From the neo-liberals’ viewpoint, globalisation is a process of integration into the global economy, a process which does not necessarily produce a zero-sum outcome. On the contrary, nearly all countries have a comparative advantage in producing certain goods which can be exploited in the long run, although some groups within a country may be worse off as a result of global competition (Ohmae, 1990, 1995; Redwood, 1993). To sum up, for neo-Marxists, globalisation is imperialism, and for neo-liberals, globalisation is characterized as progressive, a huge positive step for humanity. Among neo-Marxists and neo-liberals, all accept that the power of economic globalisation is far superior to national sovereignty, and that the hyperglobalist’s thesis represents globalisation as embodying nothing less than the fundamental reconfiguration of the ‘framework of human action’ (Albrow, 1996: 85)

2.1.2 Sceptics

Sceptics, such as Hirst and Thompson, argue that globalisation is essentially a myth which conceals the reality of an international economy increasingly divided into three major regional blocs, namely, Europe, Asia-Pacific and North America, in which national governments remain very powerful (Hirst & Thompson, 1998). The sceptics, arguing from an analysis of the history of the international economy and its regimes of regulation, suggest that the international economy which developed during the 1980s and early 1990s by comparison with the economic integration of the Gold Standard period has not produced unprecedented levels of integration in either the real
or the monetary economy. Thus, they argue that what is called ‘globalisation’ today is a phenomenon of ‘internationalisation’ of economic activity among developed countries (Weiss, 1998; Vogel, 1996; Hirst & Thompson, 1998). Some of the sceptics, such as Ruigrok and Tulder, consider that the global economy, at this moment, is more accurately described as a series of interlocking regional economies because most global financial activity and trade is dominated by three major regional blocs (Ruigrok and Tulder, 1995). Hirst & Thompson (1998: 9) also argue first that the international economy has been determined, both in its structure and in the distribution of power within it, by the major nation-states and second that the important aspect of these MNCs is that they retain a clear national home base; they are subject to the national regulation of the mother country, and by and large they are effectively policed by that home country. Hirst & Thompson (1998) stress that, far from the nation state being undermined by the processes of internationalisation, these processes strengthen the importance of nation state in many ways (Hirst, & Thompson, 1998: 17). From the sceptics’ perspective, the power of national governments is enhanced in the global economy because, as Hirst & Thompson maintain “the state as a source of constitutional ordering, limiting its own and others’ powers, and guiding action through rights and rules, is central to the rule of law” (Hirst, & Thompson, 1998: 192). In summary, the sceptics argue that the impact and trajectory of globalisation has been exaggerated and that what we are witnessing is better described as economic internationalisation or regionalisation, in which power is still retained by national governments (Weiss, 1998, 2003; Vogel, 1996; Hirst & Thompson, 1998, 2002).

2.1.3 Transformationalists

Finally, for the transformationalists, such as Rosenau and Giddens, contemporary patterns of globalisation are conceived of as historically unprecedented, leading states and societies around the world to experience a process of significant change in which they try to adapt to a more interconnected, but highly uncertain, world (Giddens, 1990, 1996; Rosenau, 1997; Held et al. 1999). At the heart of the transformationalists’ thesis is a conviction that globalisation is a central driving force behind the rapid social, political and economic changes that are reshaping modern societies and world order (Held et al 1999: 7; Held & McGrew, 2007b). Besides, transformationalists believe
that contemporary globalisation is reconstituting or ‘re-engineering’ the power, functions and authority of national governments. Without question states still maintain the ultimate legal claim to effective supremacy over what occurs within their own territories, but the transformationalists argue that the jurisdiction of international governance derived from international law will, to a certain extent, be expanded; at the same time as Held et al. (1999: 8) note, the jurisdiction of international governance has to face the constraints and the obligations derived from the same law. Indeed, the argument of the transformationalists is that globalisation is associated not only with a new ‘sovereignty regime’, but also with the emergence of powerful new non-territorial forms of economic and political organisation in the global domain, such as multinational corporations, transnational social movements and international regulatory agencies. In this sense, world order can no longer be conceived as purely state-centric or even primarily state governed, as authority has become increasingly diffused among public and private agencies at the local, national, regional, and global levels.

National-states are no longer the sole centres or the principal forms of governance or authority in the world (Rosenau, 1997). Rosenau maintains that, given this changing global order, the forms and functions of the state have to adapt as governments seek coherent strategies of engaging with a globalising world. Distinct strategies are being followed, ranging from the model of the neo-liberal minimal state to the models of the developmental state (governments as the central promoter of economic expansion) and the catalytic state (governments as facilitator of coordinated and collective action). In addition, governments have become increasingly outward looking as they seek to pursue cooperative strategies and to construct international regulatory regimes to manage more effectively the growing array of cross-border issues which regularly surface on national agendas. According to transformationalists, rather than globalisation bringing about the ‘end of the state’, it has encouraged a spectrum of adjustment strategies and, in certain respects, a more activist state. Accordingly, the power of national governments is not necessarily diminished by globalisation but, on the contrary, is being reconstituted and restructured in response to the growing complexity of the process of governance in a more interconnected world (Held et al, 1999: 9; Holton, 2005; Held & McGrew, 2002, 2007a, 2007b).
2.2 Competing definitions of globalisation

2.2.1 Hyperglobalists and sceptics

Among the hyperglobalists and the sceptics, there are several competing views on globalisation, which vary, for example, in terms of the power accorded to national governments and the pattern of stratification. Firstly, regarding the power of national governments, hyperglobalists state that economic globalisation is bringing about the 'denationalisation' of economies and that the role of the national government is becoming that of a simple intermediate institution sandwiched between increasingly powerful local, regional and global mechanisms of governance. Strange (1996: 4) describes it more directly, 'the impersonal forces of world markets...are now more powerful than the state to whom ultimate political authority over society and economy is supposed to belong ... the declining authority of states is reflected in a growing diffusion of authority to other institutions and associations, and to local and regional bodies'. But, sceptics tend to disagree with the assumption that internationalisation forecasts the emergence of a new, less state-centric world order. They do not believe that national governments are becoming paralysed by international requirements. On the contrary, they argue that government is increasing central to the regulation and active promotion of cross-border economic activity. So, national governments are not the passive object of internationalisation but its major designer (Weiss, 1998; Vogel, 1996; Hirst & Thompson, 1998). Indeed, Gilpin (1987) believes that internationalisation is a by-product of multilateral economic order, initiated by the USA, as the major power after the Second World War, and that it created the momentum for the liberalisation of national economies. In this respect, global economic power is still held strongly by the governments of nation-states, especially those within the G8. Accordingly, sceptics argue that the nation-state plays a significant role in the global market, a view which contrasts sharply with hyperglobalists such as Ohmae who argues that 'in a borderless world traditional national interest has no meaningful place' (1995: 64).

Secondly, regarding the pattern of stratification, hyperglobalists claim that economic globalisation is generating a new competitive pattern in the global economy. The
traditional North-South division with the old core-periphery structure will be overtaken by a more complicated type of economic power (Strange, 1996; Reich, 1991; Ohmae, 1990, 1995). One consequence of this phenomenon will be the development of new forms of social organisation replacing traditional nation-states, as the primary economic and political units of world society are emerging from economic globalisation. However, the sceptics claim that internationalisation has not been accompanied by an erosion of North-South inequalities but, on the contrary, by the growing economic marginalisation of many ‘Third World’ states as trade and investment flows within the rich North intensify to the exclusion of much of the rest of the globe (Weiss, 1997; Hirst & Thompson, 1998, 2002).

2.2.2 Hyperglobalists and transformationalists

There are several major contrasts between the view of the hyperglobalists and transformationalists on globalisation, such as those regarding historical trajectory and conceptualisations of globalisation.

Regarding historical processes, hyperglobalists consider globalisation as a long process of global integration (Ohmae, 1995; Clark, 1997). According to this perspective, globalisation is not only a linear historical journey, but also a relatively smooth process of human development. In contrast the transformationalists tend to conceive history as a process punctuated by dramatic upheavals or discontinuities. Such a view stresses the contingency of history and how epochal change arises out of the confluence of particular historical conditions and social forces. This view informs the transformationalists’ tendency to describe the process of globalisation as contingent and contradictory. For, according to this thesis, globalisation pulls and pushes societies in opposing directions; it fragments as it integrates, engenders cooperation as well as conflict, and universalises while it particularizes. Thus the trajectory of global change is largely indeterminate and uncertain (Rosenau, 1997; Held et al 1999)

Second, regarding conceptualisations of globalisation, hyperglobalists state that globalisation defines a new era of human history in which ‘traditional nation-states have become unnatural, even impossible business units in a global economy’ (Ohmae,
Chapter 2 – Patterns of Globalisation

1995: 5) and claim that globalisation reorders the ‘framework of human action’ (Albrow, 1996: 85). In this perspective, national governments become increasingly unable to control what happens within their borders or to fulfil by themselves the demands of their own citizens. Thus, the sense of a global civilisation defined by universal standards of economic and political organisation, such as the IMF, WTO and the UN, is emerging, and states and peoples are increasingly the subjects of new public and private global or regional authorities (Gill, 1995; Ohmae, 1995; Strange, 1996; Cox, 1997). On the contrary, the transformationalists deny the hyperglobalists’ rhetoric concerning the end of the sovereign nation-state, and assert that a new ‘sovereignty regime’ is displacing traditional conceptions of statehood as an absolute, indivisible, territorially exclusive and zero-sum form of public power (Held, 1991). Consequently, it is argued that governments have to adjust the form and functions of the state, in order to adapt the changing global order, and seek coherent strategies of engaging with a globalising world. Thus, transformationalists reject the claim that globalisation is bringing about the ‘end of the state’; instead, it has encouraged a spectrum of adjustment strategies and, in certain respects, a more activist state (Held et al, 1999; Holton, 2005; Scholte, 2005; Held and McGrew, 2007a). In sum, the hyperglobalists consider globalisation as a reordering of the ‘framework of human action’, whereas the transformationalists insist that the power of national governments is not necessarily diminished by globalisation but that, on the contrary, it is being reconstituted and restructured in response to the growing complexity of processes of governance in a more interconnected world (Rosenau, 1997).

2.2.3 Sceptics and transformationalists

The major difference between sceptics and transformationalists is related to the position and power of the state. Sceptics argue that internationalisation depends on state acquiescence and support. Indeed, Gilpin, a sceptic, considers internationalisation largely a by-product of the US-initiated multilateral economic order which, in the aftermath of the Second World War, created the impetus for liberation of national economies (Gilpin, 1987). Similarly, Hirst notes ‘the role of the state as a source of constitutional ordering, limiting its own and others’ powers, and guiding action through rights and rules, is central to the rule of law’ (Hirst &
Transformationalists, on the contrary, consider not only that globalisation is transforming state power and world politics, but also that national governments are having to reshape and reconstruct their functions and authority due to the powerful force of globalisation. According to the proponents of this view, contemporary processes of globalisation are historically unprecedented such that governments and societies across the globe are having to adjust to a world in which there is no longer a clear distinction between international and domestic, external and internal affairs (Ruggie, 1993; Linklater & MacMillan, 1995; Held et al., 1999: 9; Giddens, 2002; Held & McGrew, 2007a, 2007b). For Rosenau, the growth of ‘intermestic affairs’ defines a ‘new frontier’, the expanding political, economic and social space in which the fate of societies and communities is decided (1997: 4-5). In this respect, globalisation is conceived as a powerful transformative force which is responsible for a ‘massive shake-out’ of societies, economies, institutions of governance and world order (Giddens, 1996). In short, for sceptics, the role of national governments in globalisation is active and dominant, whereas for transformationalists, it is passive and being forced to adapt. Sceptics consider states as a driving force of globalisation, whereas transformationalists regard globalisation as an engine which is reshaping modern societies and world order.

In short, the key debate between the three main schools among globalisation theorists can be summarized using the framework developed by Held et al (1999) - Theorization of Globalisation (see Table 2.1).
### Chapter 2 – Patterns of Globalisation

#### Table 2.1: A framework for the theorization of globalisation

<table>
<thead>
<tr>
<th>Advocates</th>
<th>Hyperglobalists</th>
<th>Sceptics</th>
<th>Transformationalist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driving forces</td>
<td>Global market and technology</td>
<td>States and markets</td>
<td>Combined forces of modernity</td>
</tr>
<tr>
<td>Power of national governments</td>
<td>Declining or eroding</td>
<td>Reinforced or enhanced among developed countries</td>
<td>Reconstituted, restructured</td>
</tr>
<tr>
<td>Summary argument</td>
<td>The end of the nation-state whose role will be replaced by MNCs and IGBs</td>
<td>Internationalisation depends on state acquiescence and support</td>
<td>Globalisation transforming state power and world politics</td>
</tr>
</tbody>
</table>

Source: adapted from Held et al., 1999: 10

#### 2.3 Economic emphasis in globalisation

The focus of this section is on economic globalisation and its interconnection with cultural issues and whether, for example, global culture is affecting or reshaping global economic activities. First, we discuss the relationship between multinational organisations and nation-states under economic globalisation and examine the ‘factors’ which govern the relationship between multinational organisations and nation-states.

As noted, hyperglobalists, such as Ohmae and Strange, emphasize global economic integration (such as the establishment of a global trading system, the integration of financial markets, and the spread of transnational production systems) and draw attention to the surpassing of the power of national governments by global marketing. From this perspective, multinational organisations, such as the WTO, GATT and IMF, even though they are member state organizations, are taking power from national governments and facilitating MNCs to sell their products all over the world.

Hyperglobalists state that today’s globalisation is driven by companies, not countries.

Appadurai (1998: 3) also notes that transnational media corporations have made significant inroads into national cultures and national identities with the consequence...
that the role of the modern state as a manager of culture is gradually diminishing. However, as argued by the hyperglobalists, it is almost impossible that national governments will give up completely (or at least not without a considerable struggle) the power to influence and shape the culture of their people, which is related to their political legitimacy.

A contrary analysis is presented by the sceptics, who argue that the significance and impact of globalisation is considerably exaggerated because ‘states continue to use their power to implement policies to channel economic forces in ways favourable to their own national interests and ... [obtain] a favourable share of the gains from international economic activities’ (Gilpin, 2001: 21). Sceptics argue that national governments remain central to the governance of the world economy, for they alone have the formal political authority to regulate economic activity due to the geographical rootedness of MNCs. They consider multinational organisations such as the OECD (the Organisation for Economic Cooperation and Development), which comprises developed countries, as agents of governments which enable them to dominate the flow of global trade, investment and technology (Hirst and Thompson, 1998). Thus, sceptics doubt that nationhood can be eroded by transnational forces, especially by the development of a global mass culture. They argue persuasively that national cultures include aspects related to the development and management of political identity, and self-determination and that states are capable of retaining substantial control in these areas (Weiss, 1998; Vogel, 1996; Hirst & Thompson, 1998, 2003).

Indeed, one of the leading authors among the sceptics’ camp, Linda Weiss, attempts to develop a heuristic and simplified figure (2003: 6; also see Figure 8-3) to demonstrate that state agency can shape certain outcomes by the discourse of ‘political logic of insecurity and competition’. According to Weiss (2003: 2-15), the structures constraining and enabling (facilitating) state agencies in the global context can be regarded as two dimensions: ‘economic logic of exit’ and ‘political logic of insecurity and competition’. For ‘economic logic of exit’, globalisation is seen to be intrinsically constraining because openness involves the fall of national barriers to trade, investment, and financial flows, exposure to increasing capital mobility (via the multinationalisation of production and growth of global financial markets), and also
conformity with intergovernmental agreements requiring, for example, that
governments open their markets to foreign trade and financial institutions as well as
eliminating certain subsidies to industry. Unlike the constraining aspect with its
economic logic of exit, the enabling dimension of globalisation reveals a political
logic of competition and insecurity, which generates incentives for governments to
take initiatives that will strengthen the national system of innovation and social
protection. However, while the sceptic's case is persuasive in relation to government
in the stronger industrialised countries, the capacity to resist 'global mass culture'
among poor states is far weaker.

For some transformationalists, such as Giddens (2002), global markets are effectively
beyond political regulation, and economic globalisation is in danger of creating a
'runaway world'. Governments have no choice but to adapt to the forces of economic
globalisation. Moreover, Held. et al. (1999: 429) state that globalisation has reshaped
the global order and reduced the inequality between centre and periphery countries.
What this argument fails to acknowledge is the extent to which core states dominate
many influential organisations, such as the UN, WTO and GATT, which shape
decisions in such manner as to protect the interests of international corporations.
However, despite this objection, Held et al (2002: 57) observe that the political
dynamics of multilateral institutions tend to mediate 'power centres', for instance
through the consensual modes of decision-making, such that they are never merely
tools of dominant states and social forces. However, Held is unclear about the kind of
world order being constructed and whose interest is served by the operation of these
multilateral institutions. A number of authors have also contributed to a greater
awareness of the ways in which globalisation is contested and resisted by states and
peoples (Geyer & Bright, 1995; Frieden & Rogowski, 1996; Burbach et al., 1997). In
so doing, these arguments acknowledge the need for a sophisticated framework of
how globalisation impacts on national economies and national communities,
recognising its differential consequences and the great importance of the forms in
which it is managed, contested and resisted (Axford, 1995). Central to this analysis, is
the role of national governments in globalisation. However, as the transformationalists
argue, the crucial question is not what kind of strategy or policy national governments
adopt, but the power they possess.
Second, we focus on the significance of cultural issues in the relationship between MNCs and local people under economic globalisation. Central to the organisation of the new global capitalist order is the multinational corporation. Today transnational production considerably exceeds the level of global exports and has become the primary means for selling goods and services abroad. Multinational corporations now account for at least 25 percent of world production and 70 percent of world trade, while their sales are equivalent to almost 50 percent of world GDP (Perraton, 1997; UNCTAD, 2001). This means that MNCs can be regarded as the promoters of global culture because their goods are ubiquitous in our daily life. As Cvetkovich and Kellner (1997:15) state, ‘there is no corner of the world immune from the viral forces of a global consumer and media culture’. Due to global media production and transmission, which are owned and promoted by multinational corporations, we can see cultural commodities everywhere, on TV, video, internet and film, in magazines and newspapers, and even emblazoned on bags, caps and T-shirts. That means everything we see, hear, and wear is possibly related to the world culture, especially the part dominated by multinational corporations. Although multinational corporations are the source of global culture, it does not necessarily mean, for hyperglobalists, that they are eroding local cultures and traditions.

Indeed, Tomlinson refutes the argument that local culture is homogenized by global culture. He notes that “extravagant claims for media power seem to arise where theorists come to see the media as determining rather than as mediating cultural experience: that is, at the centre of things rather than as related to other practices and experiences” (Tomlinson 1991: 63). Most hyperglobalists believe that mass media have very considerable capacity to manipulate local cultures, but, unfortunately, they ignore ‘the power of free will’ of local people. Local people can select and transform the original meaning conveyed by mass media to what they want or give them new meanings. Indeed, Cvetkovich and Kellner (1997:27) repeatedly call for a deeper exploration of “the complex relations between local situations and their global contexts”.

Global culture is held to be mainly a recent media-driven construct. Local and national cultures have strong emotional roots for large numbers of people, but global culture lacks such ‘ethnic-based’ appeal. While global culture can certainly draw upon
folk and national cultures, it is not (yet) based on shared global stories and memories. In this sense, it is ‘memory-less’, mixed and dependent upon the profit-seeking production of mass-mediated signs and symbols (Perry, 1999). Whereas local culture is closely tied to place and time, global culture is free of these constraints: as such, it is ‘disconnected’, ‘disembedded’ and ‘de-territorialized’, existing outside the usual reference to geographical territory (Featherstone, 1990, 1995). People in local communities have collective memories, feelings and consciousness and have particular ways of dealing with culture from the outside, especially relating to global culture. Accordingly, Howes (1996: 191) states that ‘rather than let consumer goods colonize them, local peoples instead “colonize” consumer goods, imposing their own system of values and practices on them and maintaining their cultural integrity’. In this perspective, people in the third world are not ‘passive consumers’ of goods from transnational corporations, on the contrary, they have the ability to indigenise products to serve their own cultural interests. People receiving mass media should not be seen as a process of passive assimilation, but as an active transformation of images and in line with the receiver’s cultural norms and values. For example, Harding (1995) shows how the Women’s National Basketball Association (WNBA) imagery, as broadcast on Sky TV, has been appropriated by young British inner-city black youth as an affirmation of their own identity.

2.4 Cultural emphasis in globalisation

In this section, we focus on the cultural dimension of globalisation. Within the hyperglobalists’ camp, Marxists and Non-Marxists, all accept that the power of economic globalisation is far superior to that of most nation-states, and can fundamentally reshape the ‘framework of human action’ but there is far less agreement in relation to the significance of the cultural sphere. Ohmae, a non-Marxist, for example, argues that the nation-state, from the viewpoint of the capitalist market, is becoming meaningless. He argues that we should think of a world of regional economies ‘where the real work gets done and the real markets flourish’: ‘what defines [these] is not the location of their political borders but the fact that they are the right size and scale to be the true natural business units in today’s global economy. Theirs are the borders — and the connections — that matter in a borderless world’ (1995: 25).
5). From this perspective, the global economy is having a broad impact which includes culture and these borderless international corporations and organisations are achieving a ‘quiet revolution’ in world culture. Morley and Robins (1995: 80), sharing the same viewpoint of Ohmae, argue that ‘the creators of the universal cultural space are the new global cultural corporations’, such as News Corporation and Media Corporation whose long-term goals are to dominate markets for the next generation of audiovisual products (see also Aksoy and Robins, 1992). Moreover, these global cultural industries understand the importance of achieving a real equi-distance, or equi-presence, perspective in relation to the whole world of their audiences and consumers (Morley & Robins, 1995: 80). Thus, they try to create world-standardized cultural products, which are assembled from all over the world and turned into commodities for a new ‘cosmopolitan’ marketplace, such as world music, tourism, ethnic arts, fashion, cuisine, cinema and news, (Morley and Robins, 1995: 80) or sports. Therefore, Ohmae, and Morley and Robins, consider that a new global culture is being reshaped by the global economy, especially by the global cultural industries.

Although Galtung, a Marxist, admits that world culture can be convertible into commodities and profit be made from it, he considers that the power of culture can have an even greater significance. He identifies five types of imperialism, including economic, political, military, communication and cultural imperialism, and maintains that cultural convertibility is much more flexible and powerful than the others (Galtung, 1971: 87). Through cultural manipulation - a liberal democracy - as a consequence or a condition for economic development, centre nations can set “the condition for exercising effective control over Periphery nations” (Galtung, 1971: 100). Thus, cultural imperialism can be thought of as an important mechanism for centre nations to extend their impact in periphery nations because it is based on exploitation through cultural domination rather than weapons or direct violence (Galtung, 1971: 91). For Galtung, culture is not only one kind of good, a tool of making money or consuming behaviour, but also a value, a thought which can be implanted and bring invaluable long term benefit for centre nations (1971: 93).

Transformationists, in contrast to the hyperglobalists’ analysis, refute the view that globalisation must simply evolve in a single direction toward global markets. They argue that, in addition to acknowledging the importance of the economic sphere, we
should pay more attention to the cultural aspect, because it also provides a social basis for us to understand the phenomenon of globalisation. Giddens argues that cultural globalisation is ‘a further and quite fundamental aspect of globalisation, which lies behind each of the various institutional dimensions’ (1990: 77). Waters (1995) shares the same point of view as Giddens, arguing that “We can expect the economy and the polity to be globalised to the extent that they are culturalised”. He goes on to emphasize that “We would also expect that the degree of globalisation is greater in the cultural arena than either of the other two” (Waters, 1995: 9-10). In that sense, knowing how culture acts on the world is very important, if we truly want to realize the meaning of globalisation. In order to understand the meaning of globalisation Houlihan argues that it is important to define culture in the context of globalisation. From Houlihan’s perspective, “Culture may therefore be defined as an integrated set of values: practices, and attitudes that give each community its distinctiveness” (Houlihan, 1994:357).

All transnationalists, even Marxists, such as Galtung, pay considerable attention to the cultural aspect, but cultural globalisation, for them, has a different meaning. For example, Hannerz, views the cultural dimension as a source of manipulation, trying to homogenize world cultures through Western capitalism for the benefit of the market. He claims that “The murderous threat of cultural imperialism is here rhetorically depicted as involving the high tech culture of the metropolis, with powerful organisational backing, facing a defenceless, small-scale folk culture” (Hannerz, 1990: 108). In addition, Hannerz (1990: 111-116) also attempts to use ‘cultural flows’ to catch the main meaning of cultural globalisation, which are ‘cultural commodities’, the actions of the state in organizing and managing meanings (such as developing, maintaining, and refining national identity), ‘form of life’ (the dissemination of habitual perspectives and dispositions) and ‘activities of social movements’.

The argument of Galtung (1971) and Hannerz (1990) is echoed by Cvetkovich and Kellner (1997). They attempt to use the term to describe the ways global economic, political and cultural forces are rapidly penetrating the earth in the creation of a world market, new transnational political organisations, and a new global culture. They argue that expansion of the capitalist world market into areas previously closed to it (i.e., in the communist sphere or developing countries that attempted to pursue their
Thus, hyperglobalists consider cultural globalisation as a process of homogenisation which is toward a commoditized culture. However, Roberston rejects the conclusion of hyperglobalists and stresses that globalisation processes do not lead to homogeneity. For Roberston, global processes involve both the particularization of universalism and the universalization of particularism (Robertson, 1992: 130). Maguire (1999: 21) accepts Roberston's viewpoint, and argues that polyculturalism, not homogenization, is one of the main features of global processes.

2.5 Political emphasis in globalisation

The then Secretary of the United Nations Kofi Annan argued, in his address 'the Role of the State in the Age of Globalisation', that '...globalisation challenges their [States'] ability to perform their historic function of providing security to their citizens, in all three of its aspects - physical security, economic security, and psychological security' (Annan, 2004: 242). He emphasised that national governments have to change their traditional role to deal with the impact of globalisation. But the question is what is the genuine face of globalisation? Annan mentions that the speed and ubiquity of modern communications, multinational companies producing a vast number of products and cross-border investment are among the key factors generating a global economy and giving us the beginnings of a global society and culture (Annan, 2004: 240). Obviously, for Annan, the dynamics of globalisation are technology and multinational corporations but he reminds us that states still attempt to retain the sovereignty in the process of globalisation at the same time. He argues that '... the sovereign State remains a highly relevant and necessary institution; indeed, the very linchpin of human security' (Annan, 2004: 240). Moreover, he stresses that due to the power of globalisation, even the best-organized States are not finding globalisation easy to manage (Annan, 2004: 241). From this perspective, under the tide of globalisation, no single state can escape its effect, but is
required to ‘respond’ to it. For different states, there is a variety of responses depending on the reaction of the recipient culture.

Houlihan (1994: 370-372) identifies three possible responses, passive, participative and conflictual, which are derived from the relationships between global culture and local cultures. But he emphasizes that it is likely that a country might fit, partially at least, more than one of those categories and that they will respond to different elements of globalisation in slightly different ways, thereby covering two of those types of responses. Elsewhere Houlihan (2003: 357) stressed that a significant determinant of the trajectory of globalisation in general is ‘the behaviour of states’, but state behaviour, it must be remembered, is mediated by the reality of the power and position of states in the global society. For example, a superpower state, such as the US, is not only able to participate in the process of globalisation, but is also able to determine significantly the direction and intensity of globalisation. By contrast, even for many rich powerful countries with large economies such as France, it is very difficult to withstand the pressure of cultural and economic globalisation when the source lies in a superpower state such as the US even when their power is mediated through the EU system. If powerful and well-established European economies are struggling, then what will be the relationship to globalisation within the countries of South Asia and South East Asia such as India, Taiwan, Malaysia and Singapore which are generally new industrial economies and have quite distinct cultures? The following sections explore these questions in more detail as a means of examining the role of the state in facilitating, mediating and responding to globalisation.

2.5.1 The role of the state in facilitating globalisation

The focus in this section is on the role of the state in the process of globalisation. Annan (2004) argues that globalisation is primarily an economic phenomenon whose momentum derives from global technology and the global market. From this perspective, the US can be regarded as the most significant facilitator of globalisation, because it dominates global traffic in information and ideas. We can see that American products, such as music, movies, television, software (Rothkopf, 1997), advertising media, casual clothing, fast food and sports (notably basketball) have become pervasive (Leiber & Weisberg, 2002: 277). Moreover, this pervasive
influence of American products is tied to open markets and global consumerism leading some authors, such as Leider and Weisberg (2002: 281) to argue that ‘the US does not force anyone to use these American products, but they have, nevertheless, enormous popularity and consumer attraction’. On the surface, it is plausible to suggest that people choose these products freely, a high proportion of which are produced by US companies. However, what is especially important is who has the power to control the channels of sale, the promotion and dissemination of advertising in the competitive global market. While it might be argued that the major MNCs achieved their advantage due to success in the competitive market, this would be to grossly oversimplify the complex phenomenon of the global economy. For example, Rothkopf (1997) argues that the dominant leadership of the US came at the same time as the formation of international organisations such as the United Nations, the World Bank, and the International Monetary Fund. From this perspective, these international institutions can be regarded as agencies of the US promoting its global influence.

Moreover, some authors argue that it is difficult to separate the US government from overseas trade because trade and investment agreements such as GATT and NAFTA, and treaties and institutions like Bretton Woods and the WTO established the reciprocity policies of the US that, in turn, facilitated US business access to foreign markets and legalised and legitimatised the rights of the big corporations (Gienow-Hecht, 2000: 476; Ashman, 2004: 147; Anderson-Gold, 2001; Mosley, 1991). In addition to taking advantage of the activities of those international organisations to dominate the global market, the US has been active in creating barriers through these same agencies to the export of products and services from less developed countries to the US and also to prevent other countries from gaining greater share in the markets in which US companies can compete most effectively. Examples of this behaviour include the interest rates imposed on aircraft from Brazil, the tariff and quota on bananas imported by the EU, and shrimp disputes with India, Malaysia, Pakistan and Thailand (Dilevko & Gottlieb, 2002: 141-142).

In addition, US media, films and technology also play important roles in facilitating globalisation. For media, the global market for news and TV programmes is dominated by US companies. According to a study for UNESCO by Nordenstreng and Varis in 1974, the US was the major exporter of television programme at that
time (quoted in Sinclair, 1996: 6). During the 1980s, many other countries, in both Europe and Latin America, imported 25 percent or more of their broadcast media from the US (Holton, 1998: 166). Regarding global news information, the American CNN channel has pervasive global influence, especially during major events, such as the Gulf War of the early 1990s (Holton 1998: 110) and invasion in Iraq in 2003. Stam argues that through the manipulation of news the US can influence the perception of events held by powerful interests, such as governments as well as those of global viewers. He argues that ‘...The military view literally became our view...For the first time the media embraced the purposes and the visual technology of the warrior state...’ (Stam, quoted in Holton 1998: 110) In relation to films, Hollywood feature films dominate in the cinema. In 1991, ‘Terminator 2’ was the top grossing film in Argentina, Brazil, Chile, Japan, Malaysia, and Mexico, while ‘Dances with Wolves’ held top position in Austria, Denmark, Egypt, France, Iceland, the Netherlands, Poland, Spain and Switzerland (Barber 1995: 308). Due to the prevalence of American films, globally, it is very possible to spread common values, attitudes and lifestyles of America through these popular films to subvert viewers’ traditional values or customs. Gienow-Hecht also notes how these types of export (of cultural industries) are promoted by the US government. He observes that “American diplomats started imagining that the US needed to sell the American way of life abroad. Public figures as well as policymakers exhorted the authorities to exert more influence through culture around the world” (Gienow-Hecht, 2000: 467).

Global technology is dominated by a series of high-tech US companies, such as Microsoft and Intel and, manufacturing corporations, such as Ford and GM (General Motors), remain powerful global enterprises. Even though American companies dominate in many global high-tech markets, the American government continues to act to maintain that superiority through its capacity to set technological standards, define software standards as well as producing the most popular information products through the ‘Global Information Infrastructure’ set up by the former Clinton administration (Rothkopf, 1997). Indeed, Rothkopf (1997), a former senior official in the US Department of Commerce during the first term of the Clinton administration, stresses that besides continuing to award many of the largest infrastructure development contracts, the American government will not only support its corporations to win overseas contracts but also decides the trade rules governing
international trade in the global telecommunications market, the global regulatory environment, encryption standards, privacy standards, intellectual property protections, and basic equipment standards. From this perspective, it is very obvious that states can be predominant actors in facilitating globalisation, even though their action and influence are often very discreet.

Ashman reaches the same conclusion regarding the important role of the state in supporting the expansionary ambition of major corporations. Ashman suggests that “unless you also target the structures of military and political power that are responsible for US domination you won’t get far in your anti-corporate struggles” (Ashman, 2004: 145) and Ashman uses the term, “the steel fist in the invisible hand of the market” (Ashman, 2004: 145) to describe the national power underpinning American corporations in the global market. Although the US has huge influence in global media, films and technology, it is not necessarily over-extended as the US shares the role in facilitating globalisation with other powerful nation-states. After the end of 19th century empires, the system of political and economic networks survived. The British in India and the Middle East, the Germans in Africa, and the French in Indochina all implanted their own culture abroad as a powerful tool to vitalize trade, commerce, and political influence and attract intellectual elites for their own interests abroad (Gienow-Hecht, 2000: 479). Based on the foregoing examples, it must be acknowledged that there is considerable evidence to suggest that the state can be a powerful impetus in stimulating and shaping the spread of globalisation.

2.5.2 Illustrative cases of the role of the state in mediating and responding to globalisation

This section focuses on the reach and response to global culture from European and Asian countries. First we will explain the meanings and types of reach and response. In order to capture and embody the concept of globalisation, we utilize Houlihan’s framework (see Figure 2.1) (1994, 2003) in which he discusses the concepts of ‘reach’ and ‘response’ to develop a more useful conceptualisation of globalisation. For Houlihan, ‘reach’ refers to the depth of penetration by the global culture of the local culture, whereas ‘response’ refers to the reaction of the recipient culture. He emphasizes that ‘reach’ might be total or partial and response might be passive,
participative, or conflictual, and that it is likely that a country might be located in one or more of those categories and that they will respond to different elements of globalisation in slightly different ways, which might cover two of those types of response.

**Figure 2.1: Patterns of Globalisation**

<table>
<thead>
<tr>
<th>Economic</th>
<th>A</th>
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<td>Political</td>
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</tr>
<tr>
<td>Cultural/Ideological</td>
<td>G</td>
<td>H</td>
<td>I</td>
</tr>
</tbody>
</table>

**Source:** (adapted from Houlihan, 1994: 371; Houlihan, 2003: 360)

To identify the depth of reach, Houlihan borrows Hannerz's terminology of globalisation in terms of cultural flows: 'cultural commodities, the actions of the state in organizing and managing meanings (such as developing, maintaining, and refining national identity), “form of life” (the dissemination of habitual perspectives and dispositions)' (Hannerz, 1991: 111-116), which represent economic, political and social aspects (Houlihan, 1994: 370). Regarding social aspect, this aspect is difficult to define when Houlihan calls it “social” but very often he is referring to a broader set of cultural and ideological values. For Houlihan, what he so-called social aspect is trying to cover the broad cultural values in the society, thus social ideology is not just the ideology of political party but the dominant ideas within society and the everyday values. According to this, we attempt to modify the title -“social”- in Houlihan’s framework instead of “cultural/ideological” in a way which both about cultural values and everyday ideology of the population. In addition, Houlihan (1994: 370) argues that total reach would imply a penetration of all three cultural flows, while partial reach would suggest that the impact of globalisation could be confined to one or two flows. To explain the concept of depth of reach more clearly, see Table 2.2.
### Table 2.2: The summary of reach of global culture

<table>
<thead>
<tr>
<th>Meaning</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic</td>
<td></td>
</tr>
<tr>
<td>Consumption of commodities</td>
<td>The reception of satellite television sports broadcasts</td>
</tr>
<tr>
<td>Political</td>
<td></td>
</tr>
<tr>
<td>Actions of the state</td>
<td>The development, maintenance, and refinement of national identity by involvement in major international sports events such as the soccer World Cup and the Olympic Games</td>
</tr>
<tr>
<td>Cultural/Ideological</td>
<td></td>
</tr>
<tr>
<td>Deep structure of cultural processes</td>
<td>The extent to which the values of global capitalist sport individualism and commercialism are adopted by local athletes or local clubs</td>
</tr>
</tbody>
</table>

Source: adapted from (Houlihan, 1994: 370-1; Houlihan, 2003: 360)

Regarding these three types of response, they are summarized, with examples in Table 2.3.

### Table 2.3: The three types of response

<table>
<thead>
<tr>
<th>Meaning</th>
<th>Passive</th>
<th>Participative</th>
<th>Confictual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Either an enthusiasm for the external culture or an inability to challenge the global culture</td>
<td>A process of negotiation, bargaining, and accommodation between the global culture and local cultures; A sufficient control over resources to provide recipient cultures with leverage</td>
<td>Not only the possession of sufficient resources to enable resistance but also a set of values that leads to rejection or attempted rejection of the global culture</td>
</tr>
<tr>
<td>Example</td>
<td>Unable to challenge the foreign clubs or MNCs that exploited or abandoned their young-talented athletes</td>
<td>Shifts in public funding to protect/promote particular sports</td>
<td>Olympic boycotts or advocating and organizing GANEFO (Games of the New Emerging Forces)</td>
</tr>
</tbody>
</table>

Source: adapted from (Houlihan, 1994: 370-1; Houlihan, 2003: 360)

In interpreting Houlihan’s framework (1994, 2003) of the patterns of globalisation (see Figure 2.1), it is relatively easy to specify these concepts in the abstract but possibly much more difficult to apply them in practice. To date, there are relatively few empirical materials that explore the impact of globalisation, in particular those that focus on cultural globalisation in specific countries. Therefore, in the next section we will look at four well-researched examples, which illustrate both the meaning of the concepts of conflictual, participative and passive as well as the reach and response,
but also the difficulty of locating countries unequivocally in one relationship rather than others (e.g. overlap between one more relationships). Four examples to help us understand the concepts of reach of global culture and the response of local cultures in ‘managing’ globalisation are France, Japan, Taiwan and India.

**France**

From the 17th to the 19th century, France was a powerful country and a major colonial power. However, from the middle of the 20th century the French government became increasingly concerned that its ‘high culture’, including the French language, opera, a ‘superior’ cuisine and arts, was being eroded by American English, American movies, McDonald’s fast food and cheap commercial commodities. This perception promoted French resistance to global, particularly US culture, and stimulated and reinforced its self-image as a culturally distinctive nation with its own colonial experience as cultural imperialists (Gienow-Hecht, 2000: 486). The French concern was illustrated by the fact that Hollywood films regularly captured more than 50 percent of the French cinema audience during the 1990s (Leiber and Weisberg, 2002: 279). France sought to stem the tide of American culture through regulations and subsidies and ardently asserted a ‘cultural exception’ in trade negotiations. Under the headline ‘The Higher the Satellite, the Lower the Culture,’ the former French Minister of Culture, Jacques Lang, strongly condemned US cultural imperialism in a 1991 interview (Gienow-Hecht, 2000: 478). In the summer of 1994, his successor passed the so-called loi Toubon (Toubon law) that forbade the use of foreign vocabulary in advertising, scholarship, and television in order to defend the ‘language of liberty’ against a debased ‘commercial English.’ Violators supposedly faced fines of up to $10,000 or six months in jail. The law was later dismissed.

To protect the French film industry, the French government forced the French pay channel, Canal Plus, which was partly owned by the American company, Vivendi-Universal, to account for one third of all the capital invested in French film and to become heavily involved in co-production (Looseley, 2003: 233). In addition, the French government spends approximately $1 billion per year promoting the French language and culture internationally (Leiber and Weisberg, 2002: 278). In Spring 2001, Jack Lang, Minister of Education, and Tasca, Minister of Culture, announced a
five-year plan, the main purposes of which were to promote the creative arts and culture in schools to produce tomorrow's creators, to generate more discerning audiences, to wean the young off standardised commercial entertainments, to assist their social mobility, and to help them choose their futures (Looseley, 2003: 230).

Another French Minister of Culture, Trautman, drafted a cultural charter that clearly restated the ambition to change cultural practices by educating public taste ('modify modes of behaviours', 'sensitizing new generations') (Looseley, 2003: 231). This second charter stressed the important function of French culture and invokes the national identity of France. It was argued that culture "cannot be reduced to its artistic dimension alone but embraces everything which allows individuals to apprehend the world and social relationships, to act individually and collectively upon these, and to situate themselves with regard to collective memory" (Looseley, 2003: 231). From this perspective, the French government regarded the cultural sphere and the definition of national value as a new battle to be fought through a public service discourse against the perceived negative consequences of commodification and globalisation, and particularly these cultural products originating in America.

Due to the pressure of globalisation coming from America, the French government attempted to manage it not only by shaping national cultural policy, through legislation, subsidy and education, but also by seeking to influence international policy, through organisations, such as the EU and also through international alliances. In order to protect French creative industries, Lang addressed the concept of 'French cultural exception' during the closing stages of GATT talks in 1993, when France's refusal to allow cultural artefacts (particularly audiovisual ones) to be subject to the general rules of free trade meant that culture was excluded from the final agreement (Looseley, 2003: 232). Operating through the EU, France not only successfully refused to allow their audiovisual industries to be opened up to free trade under the GATT trade-in-services agreement, but also sought to implement a European content quota (Sinclair, 1996: 23) in which France required that at least 40 percent of TV and radio programs be made domestically and was allowed to maintain an elaborate system for subsidizing its movie industry (Leiber and Weisberg, 2002: 279). Furthermore, Lionel Jospin, the French Prime Minister, travelled to Japan in December 1999 to seek support (from Japan) to mediate the huge impact of America.
The corollary was that Japanese and French officials agreed to work together to craft alternatives to US-imported ‘global standards’ (Meunier, 2000).

Although the French government has demonstrated its capacity to mediate the pressure of globalisation through legislation, subsidy and education in domestic affairs and by a strategy of regional cooperation, such as that with the EU and Japan, it did not totally detach itself from the structure of the global market as indicated by the French government’s retreat from banning ‘commercial English’ on its own soil. According to Houlihan’s framework (1994, 2003), France’s position was located somewhere between participative (box E) and conflictual (box F). On the one hand, France agreed to the policy of free trade under the GATT trade-in-services agreement to participate in the system of global markets but the French government was reluctant to see its ‘high culture’ and French identity invaded by global culture, particularly American culture, which forced the French government to take radical action, for example to forbid the use of foreign vocabulary. From the French case, we can see that no matter how strong and wealthy a state is, it still has to participate in the process of globalisation. In order to avoid missing out on the benefits of globalisation, the French government did what they could to manage the adverse impact from America and the global free market on its cultural and national identity. However, what was the experience of other countries that have less power than France? In order to answer this question we will examine cases from Asian countries in the next section.

Japan

Among the G8 countries, Japan was the first located in Asia. To explore how it responded to globalisation and the depth of reach of the global culture, we will discuss the case of Japanese football culture. It was not until 1896 that football was formally introduced at the Tokyo Higher Teacher Training Institute, and the Football Association of Japan (JFA) was established in September 1921. In June 1965 the ‘Japan Soccer League’ (JSL), featuring company teams, was launched. In 1991, the Japan Professional Football League (J. League) was established and its original aim was to strengthen the national team and to secure the rights to host the 2002 World Cup finals. At the end of 1998 two divisions (J1 and J2) were created out of the then
existing J. League and semi-professional teams in the JFL (Horne & Bleakley, 2002: 100). As a result of the adopted marketing strategy, the J. League was packaged and sold as a new, trendy, leisure pursuit, and football was portrayed as international, casual, fast, and lively. In addition, more Japanese boys and girls began to play football at school and university (Horne and Bleakley, 2002: 102). To learn new skills and tactics, the J. League recruited leading players from Europe and South America. Besides the J. League, the soccer lottery Toto was introduced nationwide in March 2001 and was managed on behalf of the Ministry of Education through an affiliated organisation, the National Stadium and School Health Centre of Japan, whose slogan was ‘for all sports of Japan’ (Horne & Bleakley, 2002: 102). Finally, the popular football comic books, ‘Captain Tsubasa’, the cartoon and subsequent animation series seized the imagination of entire generations of young football players around the world (Horne & Bleakley, 2002: 103). From the perspective of depth of the reach, football culture permeates all three cultural flows: football per se is a popular commodity; the government promotes sports by the slogan ‘for all sports of Japan’ and the participation rate for football in schools and universities has dramatically increased; and football-related comic book culture is pervasive in Japan. On the basis of this case, one could conclude that the new capitalist football culture has total reach in Japanese society.

From the perspective of response, the Japanese government, at least on the surface, seems to have played a very active role by underwriting the bid to host the 2002 World Cup finals and in facilitating the development of the football industry by establishing the J. League and by encouraging students to play football. However, the new football culture had been substantially manipulated by interest groups, such as media companies, advertising companies, sporting industries and the J. League itself. An illustration of commercial interests taking priority is the rejection by J. League officials of the proposal from the government that the best professional football team in the J. League becomes ‘Japan’s team’. The role of the Japanese government in mediating the new football culture seems blurred, but it is still certainly involved in the promotion and development of football as a new element in popular culture. Accordingly, the type of response to globalisation found in Japan is, on the basis of this brief example, best described as participative.
Taiwan

After ‘the Chinese Communist Party’ took over mainland China in 1949, both the PRC and Taiwan used sport as an element in their struggle for recognition of their claims to each other’s territory (Chan, 1985; Guttman, 1984), with the issue of “Two Chinas” in the Olympic Games being a particularly good example. In the run up to the Olympic Games in Montreal in 1976, due to the ‘Two Chinas’ issue, Taiwan was asked by Canadian officials, who were under pressure from mainland China, to participate under a name other than its official name ‘the Republic of China’. Even Lord Killanin, the president of International Olympic Committee at the time, agreed to the Canadian demands and the IOC proposed that Taiwan compete under the Olympic flag and in the name of IOC. Finally, the Taiwanese government rejected the conditional offer, boycotting the games on 16 July 1976 (Slack et al, 2003: 355). In October 1979, the IOC executive board recognized mainland China as the Chinese Olympic Committee (COC) and allowed it to use the PRC flag and anthem. For Taiwan, it was forced to use the new title, the Chinese Taipei Olympic Committee (CTOC), and a different flag and anthem which, on the surface, had been agreed upon by the IOC and Taiwan (Slack et al, 2003: 357) as a condition of their continued participation in the Olympic Games. Although Taiwan subsequently missed the 1980 Olympics, it did compete in successive Olympic Games and set up The National Council on Physical Fitness and Sport (NCPFS) in 1996 to promote participation in sports at all levels and help all athletes in Taiwan (National Council on Physical Fitness & Sport: 2002).

According to Houlihan’s framework (1994, 2003), the Two Chinas episode in the case of Taiwan can best be categorized as political reach and conflictual response (box F). At the Montreal Olympics, Taiwan was the sole representative of China but it was not a formal member of the IOC. Furthermore, Taiwan struggled to preserve its official status and national identity under pressure from both Canada and the IOC. More importantly, the boycott was limited to political gestures: suggesting that the depth of reach was partial. After the Two Chinas issue, Taiwan continued to engage in the Olympic Movement as a means of retaining its international prestige through sporting success. From this perspective, the Taiwanese government successfully encouraged and supported elite athlete participation in the Olympics for a clearly political purpose.
Consequently, the reach of the Olympic Movement could be regarded as partial and the response of the Taiwanese sport authorities and government as participative due to the latter’s capacity to manipulate the Two Chinas issue for nationalist purposes.

India

In the case of India, focus is on the media dimension and how India responded to Western cultural products. From the beginning, India’s ruling Hindu nationalists have attacked foreign satellite television networks, arguing that ‘their growing presence undermines Indian traditions and promotes Western-style decadence’ (Chadha and Kavori, 2000: 417). In order to block the negative impact of Western media, the Indian government devised two legislative measures designed to restrict the inflow of foreign content into the country, namely the Cable Networks Regulation Act and the Broadcasting Bill. The former restricts foreign equity ownership within cable networks to 30 percent, and requires all cable operators to be Indian citizens. Moreover, this Act provides for the mandatory transmission of two channels of the state-owned Doordarshan network and contains a stringent programming code that allows the government to prohibit the transmission of foreign programmes and advertisements that are deemed violent, indecent or otherwise objectionable (Cable Networks Regulation Act, 1995, quoted in Chadha & Kavori 2000: 420). The Broadcasting Bill provides that, not only do all private broadcasters have to obtain licenses from the government-controlled broadcasting authority, but also that licenses are to be granted only to companies that are incorporated in India and have a majority Indian ownership (Chadha & Kavori, 2000: 420).

In addition, the Indian government has established a separate satellite channel, known as the ‘Metro Channel’, to stimulate further indigenous programming. Finally, the government has approved a variety of tax exemptions and subsidies for domestic media production (Chadha & Kavori, 2000: 420). Due to these initiatives the Indian government can not only develop a national media production industry, but also effectively limit the inflow of Western cultural products into the Indian market. Hence, some authors, such as Kalyani Chadha and Anadam Kavori (2000: 418), argue that current claims about the pervasiveness of Western cultural products and the onset of media imperialism via the inflow of imported content, appears to be vastly overstated.
in the Asian context. Actually, on the one hand, India set an agenda or discourse regarding 'the crisis of Indian traditions invaded by Western-style corruption'. On the other hand, the government exploited the discourse to acquire substantial resources through the limiting of ownership by foreign companies by law, promoting indigenous programming through the 'Metro Channel' and encouraging domestic media production by tax exemptions and subsidies, to resist Western media products.

According to Houlihan's framework (1994, 2003), in terms of response, India exhibits a conflictual relationship with globalisation through setting an agenda or discourse of 'the crisis of Indian traditions invaded by Western-style corruption' to the attempted rejection of global culture. Regarding the reach, it seems to be impossible to block Western media products through cable TV, satellite TV, terrestrial TV or VCD, DVD or internet in the global market arena. However, although a substantial proposition of Indians speak English, they often prefer local programmes to imported Western ones (Hong, 1998: 46), thus suggesting a partial penetration by global media culture.

2.6 Conclusion

The cases of France, Japan, Taiwan and India have been used to illustrate the various relationships to globalisation, but it is difficult to identify in the current research literature examples of a passive response to the global culture or a country which is able to avoid the reach of the globalisation. However, the transmission of the Olympics provides a useful possible example. NBC spent $3.55 billion for summer and winter Olympics broadcasting rights from 2000 to 2008 (Rivenburgh, 2003: 49) and used its position as a major rights holder to influence Olympic coverage presented to the public. For example, NBC asked the 2004 Athens Olympic Organizers to change the start times of some competitions so that more events could be transmitted live in US prime time (Rivenburgh, 2003: 37). Real (1999: 105, quoted in Rivenburgh, 2003: 36) also points out that the major media corporations, not only in North America but in Europe and elsewhere, and other Olympic corporate sponsors are so powerful that they can affect not only the Olympic schedule but also the design of stadiums and sites, the style of the opening and closing ceremonies, and the dates of the games. From this perspective, people living in poor countries who do not have
national broadcasts at the Olympic Games receive a version of the event edited to suit the interests of more powerful countries. For example, those countries which rely on NBC or CNN will receive extensive coverage of US athletes and the countries favoured by the US. Viewers in many countries watch the Olympics through American eyes. Under these circumstances, governments in those countries have little ability to challenge the global culture, produced, by the major American media companies
Chapter Three: Chinese Sport Development

On 1 October 1949, Mao Zedong proclaimed the foundation of the People's Republic of China from Tiananmen Square in the heart of Beijing. Since then policy-making in China has been shaped, not only by the ideology of the Communist Party elite, but also by the pattern of international relations especially with the two superpowers America and the USSR. Bruce Cumings (1983: 6) argues that each path in domestic policy carries with it a logic for foreign policy: alliance with the USSR in the 1950s, self-reliance in the 1960s, a developing relationship with world capitalism in the 1970s. With Cumings' important insight in mind we will discuss in this chapter how domestic policy was affected by the interplay of Chinese Communist Party (CCP) ideology and international relations especially in the area of sport.

3.1 The establishment of the PRC (1949-1965)

3.1.1 Social-Political-Economic context

When the PRC was founded in 1949, the former Soviet Union was a model in virtually every field of policy because it was the first powerful communist state in the world. Mao Zedong put forth the policy of "leaning to one side," cooperating with the socialist countries against the imperialists. (Dong, 2003a: 35; Ness & Raichur, 1983: 83) The policy was reinforced by the Korean War (1950-53), in which China fought against American-led United Nations forces because the American reaction to the outbreak of the Korean War included efforts to impose a global embargo on trade with the People's Republic and to isolate it diplomatically. The CCP had little choice after 1950 but to rely on its Soviet and East European comrades (Ness & Raichur, 1983: 83). The Soviet Union provided approximately $1.5 billion in credits to China during the 1950s, and thousands of Russians and East Europeans worked in China as technical advisors in positions critical to China's economic modernization. Soviet planning concepts, patterns of industrial and scientific organisation, and a wide variety of technologies had an important influence in China during these years (Ness & Raichur, 1983: 83; Cumings, 1983: 7; Dong, 2003a: 35).
To develop the economy, the PRC formulated the First Five Year Plan (1953-57), borrowed from Soviet theory and the USSR’s development experience. The ideal was to build a centralized command economy under the political regime of a “dictatorship of the proletariat” (Ness & Raichur, 1983: 85). Due to Soviet economic support and technological assistance, the plan was successful in several fields, such as: (i) establishing an infrastructure for industrial development; (ii) achieving high rates of economic growth, especially in heavy industry; and (iii) bringing about significant social change, principally the nationalization of industry and the collectivization of agriculture (Ness & Raichur, 1983: 85). Indeed, during the five years from 1953 through 1957, industrial production increased by 128.6% and agricultural production by 24.8%. Heavy industry increased at an annual average of 25.4% during these years, and light industry at an annual average of 12.9% (Ness & Raichur, 1983: 83).

Roderick MacFarquhar (1997:1) argues that by the mid-1950s China was widely respected abroad for its relative success in tackling the problems of nation building and economic backwardness.

Although the Soviet-style First Five Year Plan greatly improved the national economy, the differences between mental and manual labor, city and countryside, and workers and peasant were growing greater (Ness & Raichur, 1983: 84). It was not until 1956 that Mao questioned the validity of the Soviet model as a guide to Chinese development. In a speech entitled, ‘On the Ten Great Relationships’, Mao emphasized the importance of light industry and agriculture, industrialization of the countryside, decentralization of planning, labour-intensive projects, the development of inland areas, and the use of moral incentives rather than material ones in stimulating revolutionary commitment (Mao, Volume V, 1977: 284-307, quoted in Hwang, 2002: 125). This collection of strategies, in Mao’s view, would lead to rapid economic development and allow China to overtake the capitalist West. The Great Leap Forward campaign was launched in 1958 to realize this aim but it also represented Mao’s Utopian vision of creating a specifically Chinese form of socialism, which entailed a renewed emphasis on the key role of the peasantry (Hwang, 2002: 125; MacFarquhar 1997:1). The Great Leap Forward, 1958-60, which was designed to
achieve qualitative leaps, partly through the establishment of people's communes² created by merging existing agricultural cooperatives, constituted Mao's design for shortening the road to communism (Ness & Raichur, 1983: 79-81; Hwang, 2002: 132; Kwan, 1980: 5; Dong, 2003a: 48). The impracticality of their utopian communist strategy was demonstrated by three years of natural disasters (1959-61). These caused at least 20 million deaths attributable indirectly and directly to famine (Hwang, 2002: 134), and the abrupt cessations of Soviet aid and the withdrawal of all Soviet technicians in the summer of 1960 (Ness & Raichur, 1983: 81), the combination of which brought China to the brink of economic collapse (Dong, 2003a: 15-16).

In order to solve the crisis arising from the Great Leap Forward, the CCP launched a new policy of recovery and readjustment from the end of 1960 (Hwang, 2002: 129). Generally, the policy of readjustment during 1961-65 was successful, and economic recovery and growth of output ensued. During the 1960s trade grew at an average real rate of 0.7% pa. This low rate was due to the slump (1961-1963) following the collapse of the Great Leap Forward and the Sino-Soviet split in 1960 (Oke, 1986: 238). Generally, from 1963 to 1966 trade grew at an average real rate of 7.4% pa (Oke, 1986: 238). However, the consensus with the Party leadership that expedient policies should be taken in the short run to deal with the economic decline began to break down once a pattern of substantial economic growth had again been restored (Ness & Raichur, 1983: 81).

Relations between China and the USSR were by no means harmonious. First, Stalin firmly believed in the Marxist-Leninist concept of a revolution based on the urban proletariat, while Mao believed that in a country like China the revolution should be based on the peasantry. Moreover, the Chinese leadership resented Khrushchev's attempts at de-Stalinization following Stalin's death in 1953. Differences intensified throughout the 1950s and led to the split between the two states in the early 1960s (Dong, 2003a: 36). Nevertheless, uncritical copying was not abandoned until 1958 by

² A new kind of social organization, the people's commune, designed as the vehicle for resolving the contradiction between China's two economies (the collective agricultural economy and state-owned industry) served as the institutional basis for the transition from socialism to communism. (Ness & Raichur, 1983: 80-81)
which time the relationship between the USSR and China had deteriorated, significantly Soviet experts withdrew from China in 1960 (Dong, 2003a: 36).

In the 1950s and 1960s China refrained from establishing diplomatic relations with countries with different social systems. However, gradually China had broken out of the American-imposed diplomatic isolation, especially after the successful Bandung summit conference of Afro-Asian states in 1955 (Ness & Raichur, 1983: 83). Despite the PRC’s highly selective strategy for establishing diplomatic relations, the militant support for revolution and national liberation movements was never allowed to disturb China’s relations with the Third World. In fact, much of this militancy was due to the ideological dispute with the Soviet Union, the hostility of the United States, and later, the Vietnamese War and the Cultural Revolution (Cheng, 1976: 163). Indeed, the pre-Cultural Revolution period, from 1963 to 1966, was recognized as Mao’s socialist education movement of ‘Red and Expert’ which called for mass mobilization to attack capitalist-roaders who were supporters of Liu Shaoqi and Deng Xiaoping during the Cultural Revolution and were accused of following the capitalist road (Hwang, 2002: 132).

3.1.2 Sport within China

Since the PRC adopted the policy of “leaning to one side” (Xiang Sulian Xuexi), the Soviet influence was evident in the creation of sports institutes, the government financing and control of sports and trade union sports societies, the national ranking for individual sports, armed forces and clubs and in the provision of sponsorship to enable talented athletes to train full time (Hwang, 2002: 121). In order to learn from its neighbors, China sent its sports officials, coaches and students to the Soviet Union after 1950. They inspected Soviet sports administration, training systems and school sports. These visits undoubtedly helped the Chinese to construct their own sports system. Simultaneously, in the early 1950s the Soviet government sent teams and experts to help China develop its sport (Dong, 2003a: 35). A Soviet youth delegation visited China in August 1950 and introduced the Soviet model of sport development.

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2 Red referred to the political criterion for socialism and serving the people while Expert referred to the vocational level for working hard and making contributions to society. (Su, 1983: 39, quoted in Hwang, 2002: 130)
Chapter 3 Chinese Sport Development

At the same time, the first Chinese sports delegation visited the Soviet Union and observed its sport development system in operation (Gu, 1997:343, quoted in Hwang, 2002: 119).

The first sports delegation from the Soviet Union to visit China on the 20th December 1950 returned on 31st January 1951. It visited eight cities in China and played 33 basketball games with local teams. The Soviet sports experts also gave talks and held 14 meetings with Chinese sports officials. They described the current methods of sports development in the Soviet Union, basketball organisation and functions, the principles and steps of basic training, basketball refereeing and the organisation and duties of sports personnel. It was seen as an essential first step for the Chinese to learn from Soviet sport during the early days of the People’s Republic (New Physical Culture, 25 February 1951: 3, quoted in Hwang, 2002: 118-19; Dong, 2003a: 35).

After these visits, in 1951 the People’s Liberation Army began to run elite sports teams which were the basis for national teams in China (Dong, 2003a: 29). Teams modelled on the ‘sports team of the 8th Route Army’ (led by He Long, the commander) were also established at national and provincial levels (Fan, 2001:156-157).

In June 1952, at the inaugural meeting of the All-China Sports Federation, Mao Zedong called on the Chinese people to ‘Develop physical culture and sport, and strengthen the physique of the people’ (New Physical Culture, 25 July 1952:2, quoted in Hwang, 2002: 114). Although the initial intention of Mao was to develop mass sport to strengthen the forces of labour and the military due to the Korean War and economic reconstruction, his policy was also affected by the American-led attempt to isolate the PRC diplomatically which encouraged him to use elite sporting success, especially in the Olympic Games to seek international diplomatic recognition. Dong Jinxia (2003: 32) argues that the 1952 Helsinki Olympics clearly indicated that Chinese political strategy had begun to shift from mass sport to elite sport. To develop elite sport, the National Sports Commission (NSC) was established at the end of 1952 under the leadership of the State Council. At the same time, sports administration committees were established at every provincial and county level. A centralized sports system, therefore, was constructed (Dong, 2003a: 22; Fan, 2001:156-157). Since then, elite sport has been a state-sponsored activity, part of the centralized planning system in Communist China (Dong, 2003a: 14).
To quicken and deepen the policy learning process from Soviet sports, He Long, who was the vice-premier of the state and the first Sports Minister of the People's Republic, led a Chinese delegation to the Soviet Union in 1954 (Hwang, 2002: 120). In the mid-1950s Soviet coaches were invited to China to run coaching courses on volleyball and athletics, and supervise Chinese gymnasts, swimmers and basketball players. To help regularize the teaching programmes and to improve teaching standards in sports institutes, Soviet experts were invited to sports colleges to teach (Dong, 2003a: 35). With the assistance of Soviet experts, teaching material including teaching plans, programmes, textbooks, rules and methods of management were all produced in China during this period (Dong, 2003a: 35).

As in other spheres, 'The Labour Defence System' borrowed from the Soviet Union as a national fitness programme, had an essential influence on Chinese sport and physical education in schools (Hwang, 2002: 122). A study of Soviet experience in physical education began in the early 1950s. The Soviet guidelines for physical education for grades 1-4, 5-7 and 8-10 were translated into Chinese as a PE teacher’s guide. Soviet manuals on physical education were studied to aid China in setting up its own PE system (Hwang, 2002: 123).

After the visit of He Long to the Soviet Union, a competitive sports system was set up. The National Sports Commission (NSC) issued 'The Competitive Sports System of the PRC' in 1956 and 43 sports were recognized as competitive sports (Fan, 2001:156). In order to train and develop talented athletes from a young age, the Soviet Union's spare-time sports school model was copied (Fan, 2001:156; Dong, 2003a: 35). In 1956 the NSC issued 'The Regulations of the Youth Spare-time Sports Schools'. By September 1958, there were 16,000 "spare-time" sports schools with 770,000 students throughout the country (Fan, 2001:156-157). By 1956, national teams for volleyball, basketball, football, table tennis, badminton, gymnastics, athletics and swimming had been established (Dong, 2003a: 29). In the same year, the Chinese had

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3 The Labour Defence System was called 'Ready for Labour and Defence' in the Soviet Union.
4 Spare-time sports schools were established and granted by the Chinese government for training young athletes at an early age. Young athletes joined the training course after ending their day's classes from primary or secondary schools. Generally speaking, these young athletes could be subsidized for free training, free food and some pocket money.
participated in a total of 185 international competitions and tournaments, and had joined 14 international sports organisations, such as the International Volleyball Federation (Dong, 2003a: 32-33).

Following the establishment of NSC a sports Great Leap Forward campaign was initiated from 1957 to 1960. 'The Ten-Year Guidelines for Sports Development' was issued in early 1958 (Hwang, 2002: 127; Fan, 2001: 157). In international competition the 1968 Olympic Games were set as a target (Hwang, 2002: 127). The PRC's ambition was to catch up with the world's best competitive sports countries in ten years. According to the guidelines, by 1967, China's basketball, volleyball, football, table tennis, athletics, gymnastics, weight-lifting, swimming, shooting and skating performers were to be among the very best in the world. China would produce 15,000 professional athletes. The number of spare-time sports schools would expand to 1,200 with 360,000 students. In factories, the 40 million workers would establish 1.7 million sports teams. In the countryside, there would be 3 million sports teams (Fan, 2001: 157; Hwang, 2002: 128). And the First National Games in 1959 were viewed as an instrument for eventual international challenge, and a stimulus to motivate athletes and coaches. Since then, the National Games have become and remain, the yardstick of China's elite sport. (Dong, 2003a: 15) However, these high targets for sports development were almost impossible to achieve because of the tendency for untruthful reporting exaggeration and formalism (Gu, 1997: 350, quoted in Hwang, 2002: 127). This tendency ceased in 1960 when the CCP and Mao admitted the errors of the Great Leap Forward (Hwang, 2002: 129).

Following the failure of the Great Leap Forward and the great famine in 1962-63 with its associated shortage of finance and food, the government reduced the number of sports teams, sports schools and elite athletes (Fan, 2001: 157; Hwang, 2002: 130; Dong, 2003a: 15-16). The split with the Soviet Union in 1960 caused Soviet experts to withdraw from China, stopped China from deferential copying (Dong, 2003a: 36) and brought 'The Labour Defence System' to an end (Fan, 2001: 157; Hwang, 2002: 125). Similarly, the sports budget dropped markedly when China was economically

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5 Formalism means that people participated in elite sport or mass sport without any benefit but following the tide or command of the political movement. The reason for them to do so was because they were forced to join in these activities to match the political rhetoric goals for strengthening people's fitness and for training people to be world-class athletes.
and politically unstable as was the case during the Great Leap Forward (1958-60) and the series of natural disasters which also occurred during this period (Dong, 2003a: 14-15). From 1963 to 1966 the policy was to concentrate resources on a few elite athletes in order to produce high performances on the international sports stage. It was a turning point from mass to elite sport in China (Fan, 2001: 157; Hwang, 2002: 132).

To sum up, China's imitation of Soviet experience in elite sport development was one of options open to it in the early year of the PRC. However, Mao questioned the Soviet model and was ambitious to overtake the capitalist West in a short time as part of the radical Great Leap Forward in 1957. During the Great Leap Forward, progress in elite sport development was eroded on account of the tendency to report untruthfully and to be over-ambitions. In addition, the disaster of famine caused by the Great Leap Forward also influenced sports development (Hwang, 2002:142). Generally, the Soviet sports influence on China was quite substantial until the late 1950s (Hwang, 2002: 121). For all the unrest and even open animosity that existed between the USSR and China in the 1960s, the essential features of the two systems were virtually identical, inasmuch as they were both “centralized” and based upon a sporting hierarchy that operated from government down to country and district level (Jones, 1999: 3; Dong, 2003a: 36).

3.1.3 China and international Sport

In order to break through the diplomatic isolation imposed by the United States and its allies, China attempted to win international recognition through success in elite sports. In particular, the PRC’s involvement with the Olympic Movement was full of political and diplomatic meaning, illustrated by the cases of the ‘two Chinas’ dispute in the Olympics and the promotion of the Games of the New Emerging Forces (GANEFO I).

China's involvement in the Olympic Movement can be traced back to the 1920s when Mr. Wang Zhenting, a high ranking diplomat and sports leader under the government of the ROC, was selected as the first Chinese IOC member in 1922 (Ren, 2002:7). China’s National Amateur Athletic Federation (CNAAF) was recognized by the IOC as the Chinese Olympic Committee. Before 1949, China under the ROC participated
in the 1932 Los Angeles, 1936 Berlin and 1948 London Olympics. In 1949 most of
the Chinese Olympic Committee members fled to Taiwan with the ROC government⁶, but maintained contract with the IOC and claimed jurisdiction over Olympic affairs both for the mainland and Taiwan. However, the ROC’s claim was challenged by the PRC, since the CNAFF was still based in Nanjing. It was recognized by the PRC government, and renamed in October 1949 as All-China Sports Federation (ACSF) (Zhonghu quanguo tiyu zonghui), and claimed jurisdiction over all Chinese Olympic activities. However, both federations were affiliated to the corresponding international federation and both consequently sought recognition from the IOC (Hwang, 2002: 155; Fan & Xiong, 2003: 320).

At the beginning of 1952 the Soviet ambassador in Beijing paid an official visit to the Sports Federation. He informed the PRC that the Soviet Union was going to participate in the summer Olympics for the first time. He wanted to know if the PRC would also participate so that the Soviet Union would be able to construct a suitable policy towards the IOC. The Soviet ambassador’s visit clearly conveyed the message that participation in the Olympic Games was not a sporting issue but a political matter. It was another manifestation of the Cold War (Fan & Xiong, 2003: 320-321).

Promoted by these political and diplomatic purposes, the PRC initiated contact with the IOC in February 1952 and the ACSF sent a message to the IOC expressing its wish to participate in the 1952 Helsinki Olympics. This approach put the IOC in a difficult position since Taiwan had also indicated its intention to take part in the Games. After much internal debate, the IOC adopted a proposal permitting both Committees to participate in those events in which they had been recognized by the respective international sport federations. Taiwan was disappointed by the IOC resolution and withdrew from the 1952 Helsinki Olympics to demonstrate its opposition. 1952 was the first time athletes from mainland China participated in the Olympics under the PRC government (Hwang, 2002: 155).

In 1954, the IOC finally made a decision by a vote of 23 to 21 and recognized two separate NOCs: Beijing-China and Taiwan-China (Fan & Xiong, 2003: 323-324;

⁶ During that time, there were 26 members in the Chinese Olympic Committee and 19 of them fled to Taiwan with the ROC government. There were also three Chinese IOC members, Mr. WANG Zhenting living in Hong Kong, KONG Xiang Xi residing in the US and Dong Shouyi staying in mainland China. Wang and Kong were representing Taiwan with the ROC government (Hill, 1996: 44).
Hwang, 2002: 156; Hai, 2002: 8; Hill, 1996: 45), thus creating the issue of ‘two Chinas’ for the Olympic Movement. Beijing refused to accept the IOC solution. In June 1955, at the IOC session in Paris, Beijing pointed out that it was against the Olympic Charter and illegal to incorporate Taiwan, a regional sport organisation, into the IOC, and requested that Taiwan’s membership be annulled. Avery Brundage, then the president of IOC, rejected the request of Beijing and argued: ‘Sport has nothing to do with politics’ (Espy, 1979: 104-105). In the eyes of the IOC, the PRC always exploited political issues rather than involve itself in apolitical sport. Brundage, later recalled that he ‘had not yet met a sportsman from Red China with whom I could discuss athletic matters, but only diplomatic representatives’ (Fan & Xiong, 2003: 324).

At the 1956 Melbourne Olympics, both the PRC and Taiwan were invited to take part. The PRC quit the games in protest against Taiwan’s participation and continued to demand the expulsion of Taiwan (Hwang, 2002: 156). Due to the determination of the PRC to have Taiwan expelled from the IOC Brundage, in a letter dated 8th January 1958 to Beijing stated that “Everyone knows that there is a separate government in Taiwan which is recognized internationally and specially by the United Nations, consisting of the governments of the world. Your government is not recognized by the United Nations” (Olympic Review, No. 145, November 1979: 628, quoted in Hwang, 2002: 156). Brundage was consistent in his efforts to keep the Olympic Movement distanced from the political dispute between China (PRC) and Taiwan (ROC), but his efforts only led to greater PRC dissatisfaction.

The sole IOC member in the PRC, Tung Shao-yi (Dong Shouyi), demanded Taiwan’s expulsion and strongly criticized Brundage’s position and policy and stated that it was Brundage who had introduced politics into the matter by his continued insistence on two Committees. Then, in a letter dated 19 August 1958, Tung accused Brundage of being a ‘faithful menial of US imperialists .... A man like you ... has no qualifications whatsoever to be IOC President. .... I will no longer cooperate with you or have any connection with the IOC while it is under your domination’ (Espy, 1979: 62-63; Hill, 1996: 45). With this brutal statement the PRC withdrew from membership of the IOC (Fan & Xiong, 2003: 326; Espy, 1979: 63; Hill, 1996: 46). The PRC, disappointed over the representation issues, withdrew its membership from
the IOC and nine other international sporting organisations, including those for football, athletics, weightlifting, swimming, basketball, shooting, cycling, wrestling and table tennis in protest against the IOC's 'two Chinas' policy in 1958 (Hwang, 2002: 156; Fan & Xiong, 2003: 326; Dong, 2003a: 15). During the 1960s there was hardly any contact between the PRC and IOC or with other sporting organisations (Hwang, 2002: 156).

However, Communist China paid a high price for its political action and it was excluded from most sports organizations and its athletes were restricted to competition against Eastern European countries. The situation worsened when the PRC split with the Soviet Union in the early 1960s and sports exchanges between the PRC and East European countries ceased (Fan & Xiong, 2003: 327). Before 1960, Constantin Andrianov, the Soviet IOC member, had consistently referred to the Chinese question in order to pressure the IOC to expel Taiwan, but after the PRC split with the Soviet Union he was conspicuously silent over Chinese involvement (Fan & Xiong, 2003: 332; Espy, 1979: 109). Lacking support from the Soviet Union, Communist China was now isolated, politically, economically and culturally, from both the capitalist and communist blocs and consequently sought new friends among the countries of the Third World. The opportunity came in 1962 during the Asian Games (Fan & Xiong, 2003: 327).

The inaugural Asian Games was in 1951 under the leadership of the Asian Games Federation, which was recognized by the IOC. The games took place every four years. While Taiwan was a member of the federation and participated in the Asian Games three times between 1951 and 1958, the PRC was excluded. The situation changed at the fourth Asian Games in Jakarta, Indonesia, in the summer of 1962, when President Sukarno of Indonesia looked on the Games as a means to strengthen his own position among the New Emerging Forces of Asia, Africa and Latin America that were struggling against capitalism and trying to create a new world order. Communist China was a useful ally in this endeavour. The PRC was made welcome at the Jakarta Games and used this opportunity to attempt to establish its position as a leader of the 'New Emerging Forces' of the world (Fan & Xiong, 2003: 327). But, again, the PRC had to face the "two Chinas" issue. To participate in the 1962 Asian Games based on
the one China stance, the PRC persuaded the Sukarno government to block Taiwan's participation in the Games.

In the light of pressure from the PRC and some Arab countries, Indonesia decided not to allow Taiwan or Israel to attend the games and refused to issue visas to athletes from these two countries. The IOC and the international federations for weightlifting and athletics regarded this as a political action. They claimed that the Games would face the sanction by the IOC of not being recognized. The Indonesian government discussed this with Beijing and prepared three options: to offer delayed visas to Taiwan and Israeli athletes so as to hinder their participation; to hold a successful fourth Asian Games to impress the IOC and international sport federations so that they would recognize the Games; to create a new games called the Games of the New Emerging Forces (GANEFO), based on the support of the PRC and other Asian, African and Latin American countries, if the IOC still would not recognize the Games. On 24 August 1962 the Foreign Minister of Indonesia formally announced that it would eject Taiwan and Israel from the fourth Games. The IOC and the international federations immediately stated that they would not recognize the fourth Games, as they could not tolerate a sports movement whose aim was political (Fan & Xiong, 2003: 328).

Prompted by diplomatic and political ambitions, the PRC made an announcement on 2nd September 1962 that it would give GANEFO its full support (Fan & Xiong, 2003: 329) which meant giving the Indonesians a gift of $18 million for the Games and paying the transportation costs of all the delegations at GANEFO (Fan & Xiong, 2003: 329). However, during this period, sport in the PRC had suffered a serious setback due to the failure of the Great Leap Forward, the great famine and the associated shortage of finance and food (Fan, 2001: 157; Hwang, 2002: 130; Dong, 2003a: 15-16). In spite of the famine causing at least 20 million deaths (Hwang, 2002: 134) and the decline of domestic sport, the diplomatic battle conducted through sport was, in the eyes of Communist China, far more important than many domestic issues. According to Fan & Xiong, the PRC's objective in 1962 was to use GANEFO to help develop sport in Asia and Africa and combat the 'forces of imperialism and sports organisations manipulated by imperialist countries' (Fan & Xiong, 2003: 330).
By the time of GANEFO, the Sino-Soviet split had taken place, halving the Communist camp and creating three power blocs – the United States and Western Europe, the Soviet Union and Eastern Europe, and the PRC – each striving for the support of the non-aligned emerging states. The Soviet Union provided some financial support and participated in GANEFO but did not provide a level of support which would jeopardize its stature in the Olympic Movement. The PRC was GANEFO’s main supporter (Fan & Xiong, 2003: 332).

In 1963 China sent 229 athletes to the Games of the New Emerging Forces in which over 2,000 athletes from 48 countries, including the Soviet Union, Japan, Brazil, France, East Germany and others, participated. China came first with 65 gold, 56 silver and 47 bronze medals (the Soviet Union and its satellite countries sent only small teams) (Dong, 2003a: 62).

It is hard to accept that during a time of internal crisis the Chinese government was still willing to invest such large amount of money on sports diplomacy. The strategy also raises questions about the impact of diplomacy through sports. Did China benefit substantially from the policy of sports diplomacy? Did it break through the block of diplomacy from America and its allies? Was it successful in its challenge to the authority of IOC by supporting the Games of the New Emerging Forces? These questions will be discussed in more detail in a later section.

3.2 The era of the Cultural Revolution (1966-1976)

3.2.1 Social-Political-Economic Context

The Great Proletarian Cultural Revolution known as the ‘Cultural Revolution’ began in 1966 and ended with the death of Chairman Mao Zedong in 1976. It represented Mao Zedong’s attempt to prevent the Chinese Revolution from degenerating in the same way that Mao believed the Soviet revolution had done, illustrated by Khrushchev’s alleged appeasement of America and the process of de-Stalinization (Hwang, 2002: 135; Cumings, 1983: 7). In addition, its main goal was to re-establish the ideological purity of Communism threatened by revisionists and capitalists, and to establish an unpolluted version of Mao Zedong’s thought (Fan & Xiong, 2003: 333;
MacFarquhar, 1997:2; Dong, 2003a: 75; Ness & Raichur, 1983: 81). In practice, the outcome of the Cultural Revolution was a chaotic and violent political upheaval (Fan & Xiong, 2003: 333).

In June 1966, Mao Zedong and Lin Biao, frustrated by Party obstruction and sabotage of their initiatives, turned the Cultural Revolution into a mass movement to remove their opponents from power. "Bombard the Headquarters" (People's Daily, 5 August 1966:1, quoted in Hwang, 2002:135) was their motto as student Red Guards besieged government and party offices (Ness & Raichur, 1983: 82; MacFarquhar 1997:2). Mao, Chairman of the Chinese Communist Party, had gone to the streets to recapture control of his own party organisation. Cadres at all levels were thrown out of office between 1966 and 1969, and President Liu Shaoqi, the Party Secretary Deng Xiaoping, Sports Minister He Long and their followers who disregarded Mao's policy after the Great Leap Forward were singled out as the most prominent "persons in authority taking the capitalist road" (Ness & Raichur, 1983: 82; Hwang, 2002:137; Cumings, 1983: 26).

During the height of the Cultural Revolution in the late 1960s, almost every urban Chinese was caught up in the violence and terror unleashed by Mao (Miles, 1996: 235; Hwang, 2002:137) when he encouraged the young Red Guards to overthrow authority and take over the running of the country from those he saw as hidebound bureaucrats who had lost their revolutionary fervor (Miles, 1996: 235). Due to the internecine warfare and urban chaos the Red Guard movement had spawned, Mao, in the summer of 1968, authorized the armed forces to move into schools, universities, factories and many other institutions to reimpose order (Dong, 2003a: 82; Miles, 1996: 235; Hwang, 2002:138) and launched the large-scale "rustication campaign" to reduce the violence (MacFarquhar 1997:2) and at the same time to alleviate unemployment in the cities (Dong, 2003a: 82). During the Socialist Education Movement members of the PLA were sent into urban and rural work situation to cement ties with the proletariat and regain contact with the masses. In the Great Proletarian Cultural Revolution the PLA would be a major disseminator of 'Mao Zedong Thought'. It was Lin Biao who

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7 This campaign lasted more than ten years. Most of the middle-school and college graduates between 1966 and 1968 were sent to the countryside to reform themselves through manual labour (Dong, 2003: 82).
compiled and published the ‘Little Red Book’ which became the banner of not only the Army but millions of revolutionaries (McEwen, 1987: 58). The Ninth Party Congress in April 1969 seemed to signal at least a limited victory for the cultural revolutionaries, but it was followed by further struggle – especially between Mao and Lin Biao who in addition to being vice-chairman of the Party was also a senior military figure (Ness & Raichur, 1983: 82; McEwen, 1987: 61). Ultimately, Lin died in a plane crash in September 1971 (Ness & Raichur, 1983: 82; MacFarquhar 1997:2).

In 1972, following the demise of Lin Biao, Zhou Enlai initiated a series of cautious policy changes in various sectors to lessen the impact of radicalism on the Cultural Revolution. When Zhou went further and suggested a direct attack on the ideological basis of ultra-leftism, Mao intervened to ward off the danger such a campaign would pose to the raison d'être of the Cultural Revolution and to the careers of its principal beneficiaries (Forster, 1987: 67). Most of the officials who returned to office under Zhou’s aegis undoubtedly shared the view, based on their own personal experience, that the Cultural Revolution was like a ‘dark night’, ‘ravaging flood and savage beast’ (Forster, 1987: 67).

The struggle between Mao and Zhou Enlai brought to a head again the continuing struggle over the correct road for China’s future. With Mao’s connivance, the prospect of a second Cultural Revolution was raised with the launch of the campaign ‘Criticize Lin Biao, criticize Confucius’ (Pi Lin Pi Kong) in 1974 (Forster, 1987: 67). The campaign led by Jiang Qing, Wang Hongwen, Zhang Chunqiao and Yao Wenyuan who were referred to as the ‘Gang of Four’, had as its real purpose the undermining of Zhou Enlai (MacFarquhar, 1993: 286-287, quoted in Hwang, 2002:139). When Zhou Enlai entered hospital in June 1974 with terminal cancer, his protégé, Deng Xiaoping, stepped into the breach. He had apparently obtained Mao’s trust and confidence, but Deng could not await the departure of the infirm chairman before drawing up a programme of reform for the post-Mao era. Although it was deliberately and carefully dressed up in the appropriate rhetoric, in essence Deng’s plans represented a direct rebuttal of all that the Cultural Revolution stood for. Finally, Mao dismissed Deng from office. However, it was Deng’s vision that was to prevail after Mao’s death (Forster, 1987: 67).
In September 1976, Chairman Mao died, and the final stage in the process of leadership succession began. In October, the Gang of Four was arrested, and during the following year, a new leadership was formed around Hua Guofeng, supposedly chosen by Mao to succeed him, Ye Jianying, a veteran cadre closely linked to the military, and Deng Xiaoping, once again rehabilitated to become the mainstay of the new regime. (Ness & Raichur, 1983: 82; MacFarquhar 1997: 2)

Regarding economic development there were, between the 1966-1969, falls in the total output value in industry and agriculture in 1967 and 1968. A State budget deficit was recorded in 1967 (McEwen, 1987: 61) and the gross national product (GNP) reportedly dropped from 306.2 billion yuan in 1966 to 264.8 billion yuan in 1968 (Dong, 2003a: 77). During the 1970s there was a rapid increase in inflation rates. For example, although China's total trade increased on average by 18.2% pa from 1970-1977, this represented a mere 1.2% pa in real terms. In fact, the average real rate of increase in total trade during the 1970s was considerably lower than that achieved in the 1950s (Oke, 1986: 239). The extent to which this economic decline can be directly attributed to the Cultural Revolution is debatable, but it is reasonable to assume some economic activity was directly and negatively affected (McEwen, 1987: 61), leading McEwen (1987: 62) to state that in 1976 China's national economy was in a desperate situation.

In relation to foreign policy, Knight (2003: 318) argues that with the Sino-Soviet split and the Cultural Revolution, China's engagement with the world declined substantially, 'self reliance' and 'independence' became the watchwords of foreign and economic policy during China's late-Mao period. One of the greatest achievements of China's foreign policy in this period was the improvement in relations with America on the one hand, and Japan and West European countries on the other. Self-reliance, independence from power blocs, and according to Cheng the "deceptive nature of détente" were China's appeals to countries of the second intermediate zone⁸ in its attempt to 'neutralize' them and enticed them into a united front against the superpowers (Cheng, 1976: 164-165).

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⁸ The countries of the second intermediate zone are those countries did not belong to the Superpowers and the "Third World".
In 1967 China successfully exploded its first nuclear bomb despite being in the throes of the Cultural Revolution, claiming for itself a de facto position as a third power centre to rival both the United States and the Soviet Union (Espy, 1979: 123). In 1968 the United States' involvement in Vietnam had become so unpopular and counterproductive that President Johnson declined to stand for a second term and was compelled to initiate peace negotiations. The incoming Nixon administration announced the programme of 'Vietnamization' accompanied by troop withdrawals and rejected a United States role of world policeman (Espy, 1979: 123). Under the auspices of Henry Kissinger, Nixon's National Security Advisor and later Secretary of State, the United States embarked upon a programme of détente with the Soviet Union and China (Espy, 1979: 123).

The change in American foreign policy toward China was partly promoted by a desire to provide a counterweight to the Soviet military threat evidenced by the Soviet occupation of Czechoslovakia in August 1968 and the border clashes in March 1969 with China (Cheng, 1976: 148-149; Fan & Xiong, 2003: 333; Kwan, 1980: 80). By 1970 the idea of reopening some avenues of contact with the United States was in Mao's mind (Fan & Xiong, 2003: 333-334) and Premier Zhou Enlai called for peaceful coexistence and friendly relations between states with different social systems (Hwang, 2002: 157; Kwan, 1980: 7). Due to a change in the United States' stand, and President Nixon's visit to Beijing, in 1971 the United Nations recognized the PRC and expelled the ROC (Taiwan), giving Taiwan's seat on the Security Council to the PRC (Hill, 1996: 46; Cheng, 1976: 166; Hwang, 2002: 156; Espy, 1979: 123).

Although Sino-American relations improved considerably after President Nixon's visit to Beijing, it was still some time before America had a formal rapprochement with China. In the UN General Assembly on April 10, 1974, Deng Xiaoping made a speech aimed at building the broadest united front to struggle against the two superpowers (Cheng, 1976: 156). In the early 1970s China was more strongly committed to a policy of non-alignment among Third World countries (Cheng, 1976: 163), and promoted the policy with substantial foreign aid to developing countries during the Cultural Revolution. In 1970 alone China distributed aid amounting to US$1,034 million (Cheng, 1976: 163). According to Cheng (1976: 168), among the
developing countries in the Third World, China was still an attractive model of socio-economic progress as well as being a generous aid donor.

As regards western countries, China simply could not fail to notice and aim to exploit the mounting dissatisfaction among America's NATO allies over the Vietnamese war, their urge for greater independence from US diplomatic policy and their eagerness to trade with China. Indeed, Canada's Minister of External Affairs, announced on January 22, 1969, that Canada would shortly approach Beijing on the question of establishing diplomatic relations between the two countries (Cheng, 1976: 154). One year later, Canada adopted a one-China policy and recognized the PRC as the sole representative of all Chinese (Hill, 1996: 48). China's relations with Eastern Europe also underwent significant changes. After the Soviet invasion of Czechoslovakia, China declared its strong support for the independence of Romania and Albania and more importantly, improved its relations with Yugoslavia (Cheng, 1976: 155).

Joining the United Nations greatly helped China to restore its 'respectability' and 'legitimacy' and led to the establishment of diplomatic relations with some one hundred countries between joining the UN in 1972 and 1976 (Cheng, 1976: 166). China was now much better placed to compete with the two superpowers, but as Cheng (1976: 168) argues, China's ability to deal with America and the Soviet Union as equals was hampered by its economic and military weakness.

3.2.2 Sport within China

In the Cultural Revolution, sport was discontinued twice - 1966-1969 and 1974-1976 (Hwang, 2002: 143) due to the activities of the Red Guard movement and later by the 'Gang of Four'. During the period 1966-1969, sport development was damaged and sports officials suffered due to the condemnation of competitive games by Mao (Chang, 1993: 494, quoted in Hwang, 2002:136). However, in order to end China's diplomatic isolation, sports were restored by Zhou Enlai in 1971 (Hwang, 2002:143; Fan, 2001: 158). During the campaign 'Criticize Lin Biao, criticize Confucius', the 'Gang of Four' took over the sports system which set sports development back again. Generally, as the former Sport Minister Wu Shaozu claims, the entire sports system was at a standstill or near standstill during the Cultural Revolution (Wu, S.Z. 1999a:
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171-200, quoted in Hwang, 2002: 140). However, Fan (2001: 159) claims that this period was also one which contained the seeds of a new Chinese sports system, the analysis of which is discussed below.

At the beginning of the Cultural Revolution (1966-69) elite sport was seriously damaged. The training system was disrupted, schools were closed, sports competition ceased, Chinese teams stopped touring abroad and many elite athletes, coaches and administrations were purged, persecuted and tortured (Fan, 2001: 136, 158; Dong, 2003a: 76, 96; Fan & Xiong, 2003: 333; Hwang, 2002: 131, 135). He Long, the first Sports Minister, provides a good example; he was attacked for supporting Liu Shaoqui’s and Deng Xiaoping’s revisionist sport policy and died in jail due to suffering ill treatment on 9th June 1969 (Gu, 1997: 360-361, quoted in Hwang, 2002: 135). The majority of his colleagues were also attacked as revisionists and counter-revolutionaries (Tan & Zhao, 1996: 403-404, quoted in Hwang, 2002:135) and sent to the countryside to do physical labour, leading to the breakdown of the training system (Fan & Xiong, 2003: 333). Further tragedies included three of the top table tennis players, Fu Qifang, Jiang Yongning and Rong Guotuan, committing suicide during the “Clean Up the Class Ranks” campaign (Chang, 1993: 496, quoted in Hwang, 2002:136; Li, X.M. 2001: 89). Therefore, the table tennis team that won 15 medals at the 1965 world championships disappeared and missed the 1967 and 1969 championships. The Chinese delegation that was preparing for GANEFO II in Cairo was disbanded without any explanation (Fan & Xiong, 2003: 333). According to Dong Jinxia (2003: 16) and Wu Shaozu (1999: 175), during the turbulent years between 1966 and 1969, elite sport virtually collapsed.

After the demise of Lin Biao in 1971, Premier Zhou gradually restored sports training, competition, schools, organisations and administrative procedures which were all discontinued between 1966 and 1970. Sports officials were released and returned to the National Sports Commission which was dominated by the PLA between 1966 and 1971 (Hwang, 2002:138; Dong, 2003a: 86; Fan & Xiong, 2003: 335-336). National countryside sports development meetings, national labour sports development meetings and the national spare-time sports schools conferences were held in 1972 (Gu, 1997:361-362, quoted in Hwang, 2002:138; Fan & Xiong, 2003: 335-336). Increasing sports investment resulted in the expansion of sports teams (Dong, 2003a: 61).
and in 1972 alone there were 17 national and 256 provincial or municipal competitions for all sports, including basketball, volleyball, football, table tennis, badminton... (Dong, 2003a: 87; Fan & Xiong, 2003: 335-336).

After 1972, China dominated world table tennis whose international success and diplomatic profile (Fan, 2001: 159) inspired the nation's enthusiasm for the sport. The game of the 'small white ball' was played by all, from girls and boys in school to high-level officials including Chairman Mao and Premier Chou (Dong, 2003a: 87). In 1973, Deng Xiaoping, being Vice Premier and supported by Premier Chou, became heavily involved, helping to restore the quality of elite sport and therefore contributing to the good performance of the Chinese teams in the 1974 Asian Games and in the 1975 National Games (Wu, S.Z. 1999a: 178; Li, X.M. 2001: 93-94). By the end of 1974, 1,459 sports schools had been reopened and provincial and national teams started training schedules for national and international competitions (Fan & Xiong, 2003: 335-336). Unfortunately, affected by 'Gang of Four', Deng was dismissed in 1976 and sports entered a period of chaos (Hwang, 2002:143).

On taking over the sports system, the ‘Gang of Four’ attacked the former Sports Minister as one of the ‘third generation of revisionists’ and responsible for promoting ‘bourgeois sports without capitalists’ (Hwang, 2002:139, 143). As a result the ‘Gang of Four’ introduced a so-called ‘sports revolution’ and ‘sports competition reform’ aimed at the rejection of ‘medalism’, ‘trophyism’ and ‘individualism’ in sport (Dong, 2003a: 90). Due to their total rebuttal of the value and achievement of competitive sports, the ‘Gang of Four’ did not attempt to evaluate the skill and talent of athletes but their political attitude and their loyalty to Mao and the Proletariat. According to Dong Jinxia (2003: 90, 96) and Hwang Dong-Jhy (2002: 139), this sports revolution of leftists was promptly aborted following the death of Mao and the overthrow of the Gang of Four in September 1976. By 1970, after the clash with the Soviets at the border area, militant ethnic nationalism became a dominant force (Fan & Xiong, 2003: 338).‘Be prepared for war’, ‘An entire nation in arms’ and ‘800 million peasants are 800 million athletes and soldiers’ became prominent slogans (Fan & Xiong, 2003: 338). Li Xiumei (2001: 86-87), criticized the forceful and formalistic mass sports being promoted in the countryside as a unique and unnatural phenomenon during that
time, but one which, to some extent, did broaden and embed sports in the rural districts.

In the early 1970s, the Rustication Campaign was still under way and academic study was discouraged in society, offering a clear opportunity to develop spare-time sports schools and sports teams at provincial level which provided a haven for many young people who otherwise would have been sent to the countryside (Dong, 2003a: 83, 96). The attraction of sports teams was further reinforced by the limited job opportunities available in the 1970s and the real benefits of sports team membership, which included stable income, adequate food and free clothing, and even more importantly, a post-sport job in the city. All this did not, and could not, escape the notice of parents from various backgrounds who encouraged their children to take up sport (Dong, 2003a: 83-84). The result was that sports schools prospered and the number of students in sports schools reached a record high (Dong, 2003a: 16). There were 121,732 students in 1972, and by 1976 the figure soared to 305,516 (Dong, 2003a: 85), which laid down a foundation for their later rapid breakthrough in international contests (Dong, 2003a: 96).

In short, the Cultural Revolution created further conflicts over sport between the ultra-left radicals - Chairman Mao and the 'Gang of Four' and the pragmatists – Premier Chou, He Long and Deng Xiaoping (Hwang, 2002: 134; Dong, 2003a: 90) in which the former emphasized self-reliance and were highly ideological while the latter were more pragmatic and concerned to use sport for diplomatic purposes and develop China’s relationship with world capitalism (discussed more fully in part 2-3 “China and international sport”). Although the conflicts between the two factions affected mature athletes, it, unexpectedly, paved the way in some respects for the next generation of athletes to produce unusually successful results in the 1980s.

3.2.3. China and international sport

Promoted by leftists during the early Cultural Revolution, the strategy of the PRC was to use sport in an attempt to unite the Third World through supporting GANEFO's challenge to the Olympic Movement. The challenge to the Olympic Movement and especially the potential boycott of the Olympic Games by African countries caused
deep concern in the IOC. The full use of sports diplomacy did not occur until the early
1970s when China began to retreat from its selective diplomatic isolation. The ‘ping­
pong diplomacy’ episode not only contributed to China taking a seat on the Security
Council in the UN, but it also paved the way for President Nixon to visit Beijing and
generally improve diplomatic relations with non-Communist Countries. However, one
consequence of China’s diplomatic activism was to limit Taiwan’s diplomatic activity.
How China achieved these diplomatic successes through sports during these chaotic
years and the implications for the ‘two Chinas’ issue in particular are discussed below.

Since the PRC viewed itself as the champion for the Third World in the 1960s the
Chinese government contributed a substantial amount of foreign aid to developing
countries, including Indonesia and Cambodia which held GANEFO I and the Asian
GANEFO. After GANEFO I, GANEFO II was scheduled to take place in Cairo in
1967, with Beijing as an alternate site. In September 1965 the second session of the
council of GANEFO was held in Beijing. Thirty-nine delegations were present at the
meeting. The territory of GANEFO was extended with the formation of an Asian
committee, which aimed to organize an Asian GANEFO from November 25 to
December 6, 1966, in Cambodia. Like GANEFO itself, the Asian GANEFO was
designed as an alternative Games and was strategically timed to take place at the same
time as the Olympic sanctioned Asian Games (Espy, 1979: 109).

The Asian GANEFO, chiefly patronized by the PRC, like GANEFO I, was acclaimed
as a great success. As in GANEFO I, the majority of the delegations were not official
bodies since certain international federations, such as the International Weightlifting
Federation and IAAF, were equally opposed to Asian GANEFO and to GANEFO I
(Espy, 1979: 109). GANEFO II failed because of lack of finance. Egypt announced
that it could not hold GANEFO II in 1966 and, because of the turmoil of the Cultural
Revolution, the PRC had no intention of supporting the Egyptian initiative (Dong,
2003a: 76; Fan & Xiong, 2003: 332) and shut itself off from any international contact
(Espy, 1979: 110). During the existence of GANEFO it attracted African countries
alienated from the IOC due to the Committee’s perceived failure to challenge South
Africa’s practice of apartheid (Espy, 1979: 110). For many African leaders the
rejection of the Olympic Movement and participation in GANEFO would force the
superpowers and their satellites to take action on the issue of apartheid commensurate
with their interests in Africa (Espy, 1979: 110). Although GANEFO finally perished, it had posed a real threat to the Olympic Movement (Espy, 1979: 110) and China had partly achieved its objective of challenging the authority of the IOC.

China’s diplomatic isolation began to change when it rejoined international table tennis competition at the Scandinavian Open Championship in Sweden on 26 November 1970 – the first time a Chinese team had gone abroad for international competition since the Cultural Revolution (Hwang, 2002: 156). Later China was invited to join the 31st World Table Tennis Championship in Japan in March-April 1971 (Dong, 2003a: 86; Fan & Xiong, 2003: 334-335). Mao agreed with Premier Zhou Enlai’s suggestion to send the Chinese table tennis team to Japan with the famous slogan ‘Friendship First, Competition Second’ and Mao said: ‘We shall join this competition. We must not be afraid to bear hardship. We must not be nervous and scared’ (Wu, S.Z. 1999a: 238, quoted in Hwang, 2002: 156; Fan & Xiong, 2003: 334-335). It was the beginning of China’s ‘Ping Pong Diplomacy’.

At these championships the Chinese invited the American delegation to a series of exhibition matches in China. These matches set the stage for the round of negotiations between the PRC and the United States, culminating in the visit of President Nixon the following year (Espy, 1979: 147; Dong, 2003a: 86-87; Cheng, 1976: 160). The improvement in the Sino-US bilateral relationship not only helped the PRC acquire a seat on the UN Security Council but also led to the establishment of full diplomatic relations between China and Japan in 1973.

The carefully calculated ‘Ping Pong Diplomatic initiative’, (Espy, 1979: 147) was directed not only toward the US and Japan, but also to the whole world except the USSR. During this period, China needed to make more friends to strengthen its international status in relation to its premier enemy- the Soviet Union. The slogan ‘Friendship First, Competition Second’ became the guideline for Chinese sport delegations. According to the Sports Minister, Wang Meng, in 1972, “Friendship means politics. Friendship first means politics first. We use competition to project our socialist country’s new image, and to make and win friends in the world” (quoted in Fan & Xiong, 2003: 335-336). As a result of the success of the ‘Ping Pong Diplomacy’, China could rejoin the Olympic Movement with the “friendly assistance”
of other countries, such as Japan, Zambia, Iran and Canada ... and consequently undermine Taiwan’s international diplomacy through sports.

Early in 1973 the Japanese Olympic Committee showed its “friendship” to the PRC, in line with Japanese government policy, by writing to various international federations and national Olympic committees calling for the resumption of China’s post in the IOC, and the expulsion of Taiwan from the Olympic Movement by unifying the federations and national committees (Espy, 1979: 147-148). Proposed by Japan and Iran just prior to the Olympic Congress in October 1973 the Asian Games Federation voted to admit the PRC to the Tehran Asian Games and to expel Taiwan (Hill, 1996: 47; Espy, 1979: 149). Building on this momentum Japan and Zambia’s IOC representatives proposed to the Olympic Congress that China be admitted to the IOC with both countries arguing that ‘it is a shame that a country with one-fourth of the world’s population is excluded from the world of sports’ (Espy, 1979: 149).

During 1974 and 1975, more federations recognized the PRC and in April 1975, the PRC made a formal application to rejoin the IOC (Hwang, 2002: 156). Its condition of entry was that Taiwan must be expelled from the IOC and that the All-China Sports Federation must be affirmed as the sole sports organisation representing the whole of China. Beijing regarded the existing relationship between the PRC and IOC as abnormal and unjust after the PRC became a member of the United Nations (UN) while Taiwan was not (Hwang, 2002: 157; Espy, 1979: 151; Hill, 1996: 48). Although the IOC was naturally reluctant to admit that a sporting decision should be governed by political arguments (Hill, 1996: 48), it had to face the increasing pressure coming from countries who wished to improve their relationship with the PRC.

At the 1976 Montreal Olympics, the PRC requested Canada to bar unconditionally the entry of the Taiwanese delegation to Montreal. Under the pressure of “friendship” the Canadian government required Taiwanese athletes to compete without any reference to the word ‘China’ or the ‘Republic of China’ (Espy, 1979: 155; Hill, 1996: 48). The IOC considered the Canadian action to be a breach of its promise, which was made in 1970 when Montreal was chosen as the venue, that no recognized member country could be denied entrance (Espy, 1979: 152). To avoid further confrontation with the
Canadian government, the IOC submitted a plan that Taiwan should be allowed to march as ‘Taiwan-ROC’ behind a flag bearing the Olympic rings (Espy, 1979: 153). This solution drew opposition from both the PRC and Taiwan. The PRC indicated that ROC was only an abbreviation for the title ‘Republic of China’ and to adopt it would be to play the old trick of ‘two Chinas’. On the other hand, Taiwan insisted on marching and competing under its own flag and name – Republic of China (Hwang, 2002: 158) although it was not opposed to dual membership (Espy, 1979: 151). Finally, on the day before the Games were to begin, July 16, the Taiwanese delegation refused the compromise solution and boycotted the Olympic Games (Espy, 1979: 154; Hill, 1996: 50).

In summary, during the Cultural Revolution, China dexterously and amply took advantage of the non-political image of sports first to defy the authority of the IOC which was dominated by Western countries, and second to build diplomatic relations with non-communist countries to raise its global influence, particularly in the UN, and rejoin the Olympic Movement. Although China did achieve a great deal through its sports diplomacy, the controversy of the ‘two Chinas’ issues was not resolved until Deng Xiaoping initiated “the open-door policy” and the compromise of ‘One Country, Two System’, which will be discussed in the next section.

3.3 The era of Deng Xiaoping (1977-1992)

3.3.1 Social-Political-Economic context

After 1978, under Deng Xiaoping, the Chinese Communist Party (CCP) endorsed the pivotal policy of the ‘Four Modernizations’ derived from Premier Zhou’s reports of National People’s Congress in 1964 and 1975 (Ness & Raichur, 1983: 82; Oke, 1986: 237), which legitimised the introduction of capitalist measures in the quest for rapid development of China’s productive forces. Modernization was to be achieved, in part at least, through the ‘opening to the outside’ (Duiwai kaifang) policy known as the ‘open door’ policy which implied not only an economic involvement with the capitalist world – through trade, investment and technology transfer – but also an

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9 The Four Modernizations are modernization of agriculture, industry, science and technology, and defence.
opening to ideas and cultural forms originating in the West (Knight, 2003: 318; Ness & Raichur, 1983: 85). Due to the struggle over how far and how fast to move toward market mechanisms between the reform wing led by Deng Xiaoping and conservative wing led by Chen Yun, the policies of economic reform and “opening up” were not wholly implemented until Deng’s south China remarks in 1992.

In 1977 Hua Guofeng, the new chairman of CCP, continued to use the radical rhetoric of the Cultural Revolution which was increasingly at odds with social reality (Forster, 1987: 68) and he gradually lost power to Deng Xiaoping (McEwen, 1987: 62). Deng applied the Four Modernizations as an approach to socialist construction, which was endorsed by the 3rd plenum of the 11th Central Committee, held in December 1978 (Zhang, B. 2002: 44; Zhu, 1991: 229, 275-276; Ness & Raichur, 1983: 82; Dong, 2003a: 97). To integrate the Four Modernizations into external economic policy, Deng Xiaoping made an ‘open door policy’ speech in February 1980 (Oke, 1986: 237) following which the Chinese government declared Shenzhen, Zhuhai and Shantaou in Guandong Province and Xiamen in Fujian Province as SEZ’s (special economic zones) (Oke, 1986: 240) which were designed to attract foreign capital investment, enterprise and technology. By the 12th Party Congress in 1982 reformists dominated the military, the CCP and the government being led by Deng Xiaoping in his role as Chairman of the Central Military Commission, Hu Yaobang, the General Secretary of CCP, and Zhao Ziyang, Premier of the State Council respectively. In the same year, the new Constitution stated: ‘The People’s Republic of China permits foreign enterprises, other foreign economic organisations and individual foreigners to invest in China and to enter various forms of economic cooperation with Chinese enterprises’ (Oke, 1986: 241).

In 1984, the party decided that it should be a “planned commodity economy” with an undefined mix of both central planning and market forces. This was a clear rebuff to Chen Yun who had insisted in 1978, that “the planned economy should be the mainstay of socialism, with regulation by market forces playing a subsidiary role” (Miles, 1996: 117). After that, new price reform was introduced, decentralization was accelerated and guaranteed lifetime employment was abandoned, and the Party encouraged ‘some areas and some people to get rich first’ (Dong, 2003a: 99; McEwen, 1987: 62; Baum, 1997: 361). Chinese society started to turn towards a more
materialistic and pragmatic disposition (Dong, 2003a: 99; Baum, 1997: 361; MacFarquhar 1997:3). In 1984, 14 coastal cities were empowered to practice the same policies as the SEZs to attract overseas investment (Oke, 1986: 240; Dong, 2003a: 102; Zhu, 1991:382). The result was that China’s trade and investment links with other countries rapidly expanded. More than 10,000 foreign joint ventures were established between 1978 and 1987, involving contracts of about $30 billion. Foreign loan contracts amounted to around $40 billion (Dong, 2003a: 102).

The 13th Congress in 1987 marked a major push toward handing over power by the old guard to a younger generation of professionals and technocrats. Deng himself gave up his membership of the Central Committee and yielded leadership of the party’s Central Military Commission (CMC) to Jiang Zemin in September 1989 (Miles, 1996: 77). To preserve the power of reformists, the 13th Party Congress passed a secret resolution to refer all major decisions to Deng Xiaoping as the ‘helmsman’ of the Party (Fewsmith, 1997: 498). The Congress formally agreed that China was only in “the initial stages of socialism,” which gave reformists even more space to experiment with unorthodox policies. They pronounced “leftism” – or hard-line conservatism – to be the greatest danger to China’s modernization (Miles, 1996: 77).

However, following the Tiananmen incident in which students demanding more democracy and campaigning against corruption, bribery, inflation and other economic crimes (Dong, 2003a: 101; Jia, 2002:126; Baum, 1997: 342) were killed, Western countries and international aid agencies imposed a series of economic sanctions on China (Dong, 2003a: 102; Vogel, 2002: 9; Zhang T, 2002: 194). One consequence was that Deng’s prestige within the Party plummeted, weakening his ability to exercise informal authority (Fewsmith, 1997: 478, 498). In November 1989, Chen Yun’s economic thought was restored as orthodoxy by the 5th plenum of the 13th Central Committee (Fewsmith, 1997: 478). The force of the conservative wing of the Party in the winter of 1989-90 led by Li Peng, the conservative protégé of Chen Yun, was seeking to define and defend a policy that would recentralize the economy and reimpose a significant degree of planning to re-control the economy, and perhaps increase political power over the provinces (Fewsmith, 1997: 482-3). However, in late July 1991, the Soviet Communist Party (CPSU) surrendered its monopoly on political power and moved its ideological stance toward democratic socialism. This shift
caused obvious anxieties in China and prompted conservatives to take an even harder line through a renewed emphasis on ideology and the ‘dictatorship of the proletariat’ (Fewsmith, 1997: 492, 523).

Deng Xiaoping feared that the conservative agenda would undermine the impact of the economic reforms and would lead to lower growth rates (Fewsmith, 1997: 485). Thus, he elevated Zhu Rongji to the position of vice-premier in the spring of 1991 (Fewsmith, 1997: 489) to insist on continued economic reform, and journeyed to south China on an inspection tour in the spring of 1992, talking about the importance of reform and strongly criticizing his opponents as he went (Fewsmith, 1997: 496-7; Beijing Review, February 1994, quoted in Miles, 1996: 75, 88; Dong, 2003a: 121). Affected by Deng’s south China remarks, the meeting of the Politburo Standing Committee (PSC) on 12 February 1992, endorsed the ‘necessity’ of upholding the ‘one centre’ of economic development and called on the Party to ‘accelerate the pace of reform and opening to the outside world’ (Fewsmith, 1997: 499-500). After that, the communique of the Politburo drafted under the auspices of Zhu Rongji in late May 1992, declared that five major inland cities along the Yangtze and nine border trade cities would be opened and that thirty capitals of China’s provinces and regions and municipalities would enjoy the same preferential treatment and policies as the SEZs (Fewsmith, 1997: 500-4).

During the opening session of the 14th Congress, on October 12th, 1992, Jiang Zemin opened the meeting with a speech hailing Deng as the “chief architect” of China’s reforms and modernization and called for the establishment of a ‘socialist market economy,” which he described as “a long and difficult task of social engineering” requiring “sustained effort, a sense of urgency, and a firm direction” (Miles, 1996: 117). From now on, foreign investors could hardly get enough of China’s new “socialist market economy.” They poured into China in record numbers in 1992, signing contracts worth nearly $60 billion, twice the figure for the previous year. “Go gold-rush [sic],” were the words used by Zhu Rongji to encourage foreign investors to profit from China’s boom (Miles, 1996: 124).

In relation to foreign policy, to pave the way for its economic reform and open door policy to integrate into the world system, China took socialist rhetoric out of its
foreign policy orientation (Kwan, 1980: 185-186) and urgently sought to normalize its relations with other countries, especially, America and Japan which were major economic powers particularly in relation to advanced technology and finance capital. On the eve of these political and economic reforms, Deng Xiaoping made two important foreign policy decisions: to sign the Sino-Japanese Treaty of Peace and Friendship and to establish formal Sino-American relations (Zhang, B. 2002: 44).

The Sino-Japanese Treaty of Peace and Friendship was formally implemented as representatives of both countries exchanged documents of ratification in Tokyo on October 23, 1978. The ceremonies were attended by Japanese Premier Fukuda and Chinese Deputy Premier Deng. During the ceremonies, Deng said that the accord would not only enhance Chinese-Japanese political, economic and scientific relations but would also contribute to peace and stability in Asia and the rest of the world (Kwan, 1980: 91). After signing the treaty, the Japanese government from 1979 to 1992 offered loans and grants to China, totalling some 1,394.22 billion Japanese yuan. And the total volume of the export-import trade rose from $1.038 billion in 1972 to $25.38 billion in 1992, a twenty-fold increase in twenty years. According to Zhang Tuosheng, the mutually beneficial bilateral economic and trade cooperation, with strong complementarity, helped strengthen Sino-Japanese relations (2002: 193). Reinforced by successful economic co-operation Sino-Japanese relations reached a high point in 1992 when General Secretary Jiang Zemin visited Japan and Emperor Akihito visited China (Zhang T, 2002: 193; Vogel, 2002: 9).

In early 1978 the Carter administration decided to deepen the relationship with China (Cumings, 1983: 7; Hill, 1996: 35) and accepted China’s three conditions for normalization, namely, to withdraw its troops from Taiwan, to abrogate its mutual security agreement with Taiwan, and to cut its official ties with Taiwan (Jia, 2002: 120). On January 28, 1979, Deng Xiaoping began a historic visit to the United States. During his visit, Deng Xiaoping told the leaders of the Senate and the House that China had given up using the word ‘liberation’ to refer to the resolution of the Taiwan question and that as long as the Taiwan authorities acknowledged that it was part of China, Taiwan could maintain its current political and economic system and a separate military force indefinitely (Jia, 2002: 120-1) – thus was inaugurated the policy of “one country, two system”.

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The Sino-American relationship received a further boost from Premier Zhao Ziyang’s visit to the United States in January 1984 and President Ronald Reagan’s visit to China three months later (Jia, 2002: 125). However, relations took a significant backward step after the Tiananmen incident (Jia, 2002: 126) which Deng declared to be ‘the inevitable result of the domestic microclimate and international macroclimate’ (Fewsmith, 1997: 473) by which he meant that domestic upheavals were influenced by outside forces thus raising the issue of readjusting China’s relations with the outside world, particularly with the United States.

In the eye’s Deng, despite being a pioneer of reform, the defence of China’s sovereignty and promotion of its national interests, especially the political power of the CCP, lay in actively engaging with this ‘inter-national’ world, and opening China – economically and, to a more limited extent, culturally – to that world (Knight, 2003: 323; Cheng, 2003: 256-257). This is why he insisted upon the open door policy on the one hand and upheld the ‘four cardinal principles’ on the other during the reform. But as Zhang Baijia (2002: 51) and Van Ness & Raichur (1983: 87) argue, with greater integration into the world system, outside factors wield increasing influence in domestic policy-making and the market mechanism creates its own particular kind of social system, through reshaping both the social structure and people’s way of life.

3.3.2 Sports within China

Following the radical process of China’s modernization, Chinese sports development entered a new era (Hwang, 2002: 139; Dong, 2003a: 97-100) in which the sports systems were gradually decentralized, rationalized and commercialized. The purposes of reforming the sport system were in line with Deng’s ‘four modernizations’ of raising efficiency through introducing new idea, new knowledge and new systems from the outside world. Therefore, ‘socialisation’ (Shehuixue – relying more on

10 The ‘four cardinal principles’ are as follow: (i) keeping to a socialist road; (ii) upholding the people’s democratic dictatorship; (iii) upholding leadership by the Communist Party and; (iv) upholding Marxism-Leninism and Mao Zedong thought (Deng, 1984: 339, quoted in Hwang, 2002: 146).

11 Socialisation means that the Chinese government attempted to encourage citizens to consume sporting goods and participate in physical activities by their own money on the one hand, and to
non-government support) was introduced, mostly for supporting elite sport; sports ranking and competition systems were established, sport and physical education provisional regulations in school system were drafted, and a variety of national sports games and tournaments were organized on a more regular basis. But, affected by the desire for Olympic success, sports reforms focused most on elite sport although the Chinese government repeatedly talked about the importance of mass sport participation. Essentially, during the era of Deng, 'sport for all' was, to some extent, an empty slogan in Chinese sport policy because of the overwhelming priority given to achieving Olympic glory. Below, we will discuss in more detail the role of domestic sports in supporting the drive for success at international level.

After a long period of isolation China was eager to be recognized by the outside world. Sport was used as a shop window through which to display the progress and the 'greatness' of China (Fan, 2001: 159). Thus Wang Meng was restored to his position as the sport minister in 1977 and a national sports meeting was held in 1978. According to Dong-Jhy Hwang (2002: 146), this meeting set the guidelines for Chinese sport policy which were: to persist with the CCP’s leadership in sport; to persist with the combination of promotions and supporting both sport for all and elite sport; to develop sports competition; to move toward the top level of sports technique; to develop international diplomatic relations through sports; to insist on reasonable regulation of the sports system and to establish a ‘red and expert’ line of sports teams. Ironically, although the guidelines mentioned the need for a balance between elite sports and mass participation 4 of the 6 guidelines focused on elite sports. It was no surprise that the same meeting also set a goal of achieving sports “super power” status for China by the end of the 20th century (Wu, S.Z. 1999aa: 268).

Following the meeting, three ‘sports ranking systems’ one each for coaches, athletes and referees; two sets of ‘sports and physical education provisional regulations in
school system'; and one 'national sport competition system for students' were established to rationalize and standardize the sports system (Wu, S.Z. 1999a: 262) and to set the foundation for further development of elite sport. To achieve international success, 13 key sports, including table tennis, swimming, diving, soccer and basketball, were selected. In addition, in the 1983 National Games 20 of the 22 sports were the same as those in the Olympic programme and reflected the principle of 'all domestic competitions following the step of the Olympics' (Guonei lianbing, yizhi duiwei). Furthermore, the sport universities for training elite athletes were gradually restored with the target, for the end of the 20th century, to establish sport universities in every province and metropolises (Wu, S.Z. 1999a: 284-5).

Sport had its own political function, namely to promote socialist thought and develop Olympic sporting events ('Promoting sport for the nation's pride' – Deng Xiaoping's words) (Hwang, 2002:147). Thus, the Olympic Strategy, promoting China to be a sports "super power" (Fan, 2001: 159; Dong, 2003a: 120), became the blueprint for elite sports programmes in China after the 1984 Los Angeles Olympic. The importance of Olympic success was further indicated by the allocation of six 'departments' (Si) of the National Sport Commission to elite sport, and only one to mass sport (Quntisi) (Dong, 2003a: 105). In addition, the Chinese government approved two documents in 1984 and 1986 promoting sporting reform. The first document - 'A notification about moving further ahead in sport development' not only confirmed the importance of elite sport for promoting Chinese national pride and self-confidence (Dong, 2003a: 103; Wu, S.Z. 1999a: 288-92), but also indicated that the state should aim to develop the contribution of mass sport, focused particularly on youngsters, to high performance sports and the Olympic Games (Wu, S.Z. 1999a: 289; Ren, 2002:9). The document also underscored the 'societization' or decentralization of sport by creating opportunities for public sector support of elite sports teams and competitions (Brownell, 1990:296-8; Wu, S.Z. 1999a: 288-92). Thus, the Chinese government attempted first, to gradually transfer their responsibilities to Chinese sporting associations, including budget, personnel, training and competition to enable the National Sport Commission to concentrate on promoting elite sport and mass sport at the same time. And second, to encourage state-run and private enterprises to invest in professional sports or provide sponsorship for provisional or national squads to raise more money to achieve Olympic glory.
Moreover, the document also mentioned that it was necessary to strengthen sport propaganda promoting the positive function of sport in socialist material and cultural civilization, popularizing sport knowledge and attracting the masses to join physical activities (Iwang, 2002:147; Wu, S.Z. 1999a: 290). In essence, the strategy of the Chinese government expressed in this document was to raise the standard of elite sport first, and through the achievement of elite sports to thereby promote mass sport.

Following the expanding open door policy, the second document - 'A draft concerning decisions for reforming the sports system', in addition to underlining policy on sport and improving the sport prize system, mostly focused on reforms which would apply scientific methods in training, research, management and competition, and develop a flexible, open policy to international sports (Tiyu Bao, 17 March 1986: 1, quoted in Hwang, 2002:148; Wu, S.Z. 1999a: 292-94). Besides, in line with the above documents, the system of head coach responsibility, equivalent to 'managerial responsibility' in industry, was progressively embraced (Dong, 2003a: 101, 120; Wu, S.Z. 1999a: 302). The comprehensive national sporting events, including the National Games, the National Youth Games, the National City Games and the National Minority Games and a variety of formal government-financed national competitions, became regularized (Dong, 2003a: 101; Wu, S.Z. 1999a: 297).

Sports management was decentralized (Dong, 2003a: 17; Wu, S.Z. 1999a: 298-9), foreign ideas and advanced technology were introduced (Dong, 2003a: 158 Wu, S.Z. 1999a: 301-2), and most importantly, commercial and private sponsorship was permitted with the administrative structure of Chinese sport changing with additions to the structure having explicit customer focus, including a sport information centre, a sports equipment and sportswear department and sports service company and a National Olympic Centre that provided the freedom to develop sport commercialism, at every level in China (Fan, 1997: 344-6; Theodoraki, 2004: 202). Indeed, this showed that sports reform was moving forward in the way of Western countries through the open door policy and still had full support from the government.

The 1987 National Games, held in Guangdong (Canton) province, provided an excellent example of the changing relationship between sport and the state in China under the economic reforms. These Games were significant because many new
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policies were implemented specifically for the occasion. The Games imitated the 1984 Los Angeles Olympic Games, in content, ceremony and the decision to hold them once every four years (Brownell, 1990: 295). In 1984 China sent representatives, such as the head of the Guangdong Sports Commission, Zhenlan Wei, to learn from the Los Angeles Organizing Committee about how to turn sports into a money-making proposition (Brownell, 1990: 295). The five key messages brought back to China were: corporate sponsorship and individual contributions; lottery tickets; tour groups; sale of advertising rights to the event mascot, emblem, and song; and business management of gymnasiums rather than traditional public sector administrative management (Brownell, 1990: 296). Indeed, according to Brownell, the Los Angeles Games not only achieved financial success, but also become the window which demonstrated to the CCP Leadership the political and economic potential of the open-door policy before the 13th Party Congress (1990: 255-6).

After 1988 even more radical reforms were on the agenda. Twelve sports were chosen to experiment with the ‘enterprisation’ (Shitihua) of sporting associations — the transformation from government agencies to business organisations. The purpose was to help relieve the financial and administrative burden on central government, which could then concentrate its resources primarily on medal-oriented sports (Dong, 2003a: 101). Unfortunately, following the poor showing of Chinese athletes at the Seoul Olympic Games in 1988, the sport minister, Li Menghua was removed from his position (Dong, 2003a: 149). Zhao Yu, a famous Chinese author of the book ‘A Dream to Be a Sporting Superpower’, critically argued that ‘Olympic gold medals deprived most Chinese people of the opportunity of exercise for good health’ (Dong, 2003a: 106). However, the criticism had little impact on policy because Olympic gold medals were considered to be so important in showing the ideological superiority of Chinese socialism. As a result, the Olympic-directed policy continued after the 1988 Olympics (Dong, 2003a: 106, 127; Theodoraki, 2004: 203; Baker, Cao et al. 1993).

However, the Olympic-directed policy caused some problems for the development of mass sports. Although the Chinese government steadily increased investment in sports

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14 The ‘enterprisation’ means that the Chinese government attempted to gradually transfer its authorities to Chinese sporting associations, including budget, personnel, training and competition.
(Dong, 2003a: 105) in which government sports funding soared from 253.86 million yuan in 1978 to 1,462.762 million yuan in 1990 (Dong, 2003a: 98), only 13 million yuan, in 1990, went to sports activities for the general public (Fan, 1998: 161). According to Wu Shaozu (1999: 310-2) during the 1980s, about 80-85 percent of the national sports budget was spent on elite sports to the disadvantage of mass sport participation in general and younger students in particular. According to statistics for 1987, compared with 1979, the health of school pupils aged from 7 to 18 declined, mainly due to a lack of participation in exercise (Fan, 1998: 161). The main causes were insufficient and poorly trained/qualified PE teachers, scarce facilities and space for sports and limited funding (Wu, S.Z. 1999a: 319). Most schools invested less than 1 percent of the total school budget in sports and most had a per capita sports fund of below 1 yuan (Wu, S.Z. 1999a: 318), and for each primary school pupil only 0.3 yuan (Fan, 1998: 161). The same picture was evident at the general level. The Chinese people have an average of only 0.22 square metres of sporting space per person. Only about one hundred or so of all the 2,566 county towns own stadiums, swimming pools or gymnasias and the per capita sports fund in China in 1990 was 0.4 yuan per person (Fan, 1998: 161). Although the Chinese government practised the ‘National Criterion of Physical Fitness’ in the school system and promoted the ‘National Advance Counties of Sports’ to raise mass participation, those programmes, unfortunately, were closely linked to elite sports objectives.

In short, during the era of Deng, national domestic sport was a tool to achieve international success. Although mention was made of the importance of mass sport participation, if we look the budget and the distribution of resources, it is clear that priority was consistently given to elite achievement and relatively little money went into promoting ‘sport for all’ or developing facilities for community use.

3.3.3 China and international sport

Following opening to the outside world, China made ideology less prominent in its foreign policy (Kwan, 1980: 185-186) and created the doctrine of ‘One country, two systems’ to release the tension between Taiwan and China, and between China and America as well. The doctrine was also quickly applied to the ‘Two Chinas Issue’ in the Olympic Movement, which not only helped China, cleverly and flexibly, to solve
the problems of the two Chinas but also created the so called ‘Olympic Model’ for the athletes of both countries to compete in the Olympic Games at the same time. After rejoining the Olympic Movement, China shifted its sports policy in the early 1980s, from an emphasis on friendship through sport to Olympic success (Dong, 2003a: 147), the main goal of which was to build China into a sporting superpower where the performance of Chinese athletes to arouse nationalism and patriotism and to turn the Olympic Movement into a money-making proposition in the economic sphere would also be achieved. In addition, after the Tiananmen Incident in 1989, the Chinese government attempted to dilute its negative image and to re-connect with the outside world through hosting the 1990 Asian Games and bidding for the 2000 Olympic Games. The following section considers how the doctrine of ‘One country, two systems’ helped the PRC solve the ‘Two Chinas’ Problem’, how the Chinese government prepared for the Olympics in the era of Deng, whether the PRC was successful in these Games and, finally the impact on the PRC of its bids to host the 1990 Asian Games and the bid for the 2000 Olympic Games.

Two Chinas issue

Inspired by the Deng’s doctrine of ‘One country, two systems’, China changed its attitude to allow Taiwan to join the Olympic Movement on the condition that it used the name of a territory being part of PRC (Wu, S.Z. 1999a: 252-256). After the Montevideo meeting of the IOC in April 1979 in which the plenary session passed a resolution to recognize the Chinese Olympic Committee located in Beijing and to maintain recognition of the Chinese Olympic Committee located in Taipei (Hwang, 2002: 158) Mr Ho, for the mainland, made the crucial point that the PRC would only accept the title ‘Chinese Olympic Committee’ for itself, but would accept ‘Chinese Taiwan Olympic Committee’ for Taiwan, with the proviso that the Taiwanese committee would be regarded as a local body with delegated powers, and that the compromise would be temporary (Hill, 1996: 51). This was the first time that the PRC had shown any willingness to allow Taiwan’s NOC to include the word ‘China’ in its title (Hill, 1996: 52). In June 1979, the IOC executive committee, meeting in Puerto Rico, confirmed China’s Olympic Committee’s title as the ‘Chinese Olympic Committee’ and recommended that Taiwan should stay in the IOC as the Chinese Taipei Olympic Committee’ with a different national anthem and flag (Hwang, 2002:
159) which was accepted at the Nagoya meeting of the IOC (Hill, 1996: xiv, 52-3; Xinhua Yuebao, December 1979: 111, quoted in Hwang, 2002: 159; Ren, 2002:8).

The new IOC President Juan Antonio Samaranch, who once said that the IOC must do everything in its power to allow the PRC to be recognized (Hill, 1996: 51), sent a letter dated 4 December 1980 to Henry Hsu, an IOC member from Taiwan, and guaranteed that Taipei’s Olympic Committee would get the same treatment as any other national committee if Taiwan accepted the condition of the Nagoya resolution (Chinese Taipei Olympic Committee, 1981: 5-10, quoted in Hwang, 2002: 159). In these circumstances, in which Taiwan had lost its UN seat, its established relationship with America had changed, and it faced a new IOC President who favoured the PRC, Taiwan could do nothing, if it wanted to stay in the Olympic Movement. Consequently, Taiwan agreed to change its name to the ‘Chinese Taipei Olympic Committee’ and to adopt a new flag and emblem in April 1981 (Hwang, 2002: 159; Hill, 1996: 53). Since then, China successfully established the “Olympic Model” which not only provided athletes in Taiwan and PRC with opportunities to compete in the same Olympic arena but also helped the IOC and other international sporting organisations to solve the similar ‘two Chinas’ problem. According to Wu Shaozu (1999: 252-3) and Ren Hai (2002: 8) it was also, in a sense, the first symbol of the “One country, two systems” policy, proposed by Deng Xiaoping, and it once again embodied significantly the political function of sport after the ‘Ping Pong Diplomacy’.


Rejoining the Olympic Movement in 1979 had a significant impact on China’s sport policies (Ren, 2002:8-9; Hwang, 2002: 160; Dong, 2003a: 52) which were summed up by the slogan ‘Go beyond Asia and join the advanced world ranks’ (Chongchu yazhou, zouxiang shijie) (Dong, 2003a: 103). Due to the Olympic Games playing an increasingly important role in modern nationhood and international relations (Brownell, 1995: 313), China was eager to re-establish, through Olympic success, its national image and status and to spur the nation to modernize itself, after all the suffering and disgrace which it considered had been imposed by the foreign powers in the modern history of China (Ren, 2002:8; Dong, 2003a: 120; Hwang, 2002: 164). Although China wanted to participate and prepared for the 1980 Olympic Games in
Moscow (Wu, S.Z. 1999a: 269-73), the Chinese leadership for political reasons joined the boycott of the Games which was launched by the American President Carter in protest against the Soviet invasion of Afghanistan (Dong, 2003a: 16; Hill, 1996: xiv). However, the Chinese Olympic dream came true when the PRC participated in the Los Angeles Olympic Games in August 1984: the first time that the PRC had taken part in the Olympics since the 1952 Games in Helsinki (Hwang, 2002: 154; Dong, 2003a: 32). At this Olympic Games, China came fourth. According to Fan Hong (2001: 159), Ren Hai (2002: 10) and Dong Jinxia (2003: 2003: 16), this success provoked an intense nationalism and patriotism among the Chinese and vitalized Chinese ambitions to become a world sporting power.

However, in the 1988 Olympic Games, Chinese athletes won only five medals and China was placed 11th, lagging behind even South Korea (Dong, 2003a: 106). Despite the poor performance at this Games, the President of the IOC, Juan Antonio Samaranch, claimed that sport in China had made great progress in terms of the number of sportsmen and women and the number of events in which they participated in Seoul and considered that China would become a world sports power in the near future (Rodichenko, 1990:285). To make the superpower dream come true, China adjusted its Olympic Strategy, giving the status of ‘key Olympic sport’ to 16 sports including athletics, swimming and gymnastics which were given favourable treatment in virtually every aspect from budget to training arrangements (Dong, 2003a: 122).

In addition, the National Sport Commission acknowledged that the National Games were the pivotal engine for the Olympics. Thus they postponed the 7th National Games from 1991 to 1993 and announced that the results of the 1992 Olympic Games would be incorporated into the scoring system of the 1993 National Games (Dong, 2003a: 122) in which performance was and is an exclusive prerequisite and criterion for budget and bonus allocation (Dong, 2003a: 148). Moreover, since the introduction of the prize system to motivate elite athletes, the winning bonus provided by the government has dramatically risen from 8,000 yuan in 1984 (average per capita income that year was 372.7 yuan) to 80,000 in 1992 (average per capita income that year was 1,020.9 yuan). And the total reward was topped up by various sponsorships from enterprises, businessmen and overseas Chinese (Dong, 2003a: 130). These
changes brought rapid results as China won 16 Olympic gold medals and came fourth in the medal count at the Barcelona Games in 1992.

Although the Olympic-orientated policy produced positive results in terms of China’s performances at the Olympic Games (see Table 3.1 to 3.3), it also produced, according to Ren Hai (2002: 9) and Wu Shaozu (1999: 301), certain negative impacts on non-Olympic events and Olympic team sports such as football, basketball and volleyball which have few medals on the Olympic programme but demand substantial resources.

Table 3.1: Summary of China’s Participation in the Olympic Games since 1952

<table>
<thead>
<tr>
<th>Year</th>
<th>Venue</th>
<th>Participants</th>
<th>Events Competed</th>
<th>Medals Won</th>
<th>Medal Table Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>1952</td>
<td>Helsinki (Finland)</td>
<td>40</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>July 29-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aug. 7</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1984</td>
<td>Los Angeles (US)</td>
<td>304 (224 Athletes)</td>
<td>17</td>
<td>15 Golds 8 Silvers 9 Bronzes</td>
<td>4</td>
</tr>
<tr>
<td>July 28-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aug. 12</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1988</td>
<td>Seoul (South Korea)</td>
<td>445 (298 Athletes)</td>
<td>23</td>
<td>5 Golds 11 Silvers 12 Bronzes</td>
<td>11</td>
</tr>
<tr>
<td>Sep. 17-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oct. 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1992</td>
<td>Barcelona (Spain)</td>
<td>380 (250 Athletes)</td>
<td>20</td>
<td>16 Golds 22 Silvers 16 Bronzes</td>
<td>4</td>
</tr>
<tr>
<td>July 25-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aug. 9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>Atlanta (US)</td>
<td>495 (310 Athletes)</td>
<td>22</td>
<td>16 Golds 22 Silvers 12 Bronzes</td>
<td>4</td>
</tr>
<tr>
<td>Aug.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>Sydney (Australia)</td>
<td>452 (284 Athletes)</td>
<td>23</td>
<td>28 Golds 16 Silvers 15 Bronzes</td>
<td>3</td>
</tr>
<tr>
<td>Sept. 15-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oct. 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>Athen (Greece)</td>
<td>637 (407 Athletes)</td>
<td>27</td>
<td>32 Golds 17 Silvers 14 Bronzes</td>
<td>2</td>
</tr>
<tr>
<td>Aug. 14-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aug. 29</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from Ren (2002).
Table 3.2: Summary of China’s Participation in the Winter Olympic Games since 1980

<table>
<thead>
<tr>
<th>Year</th>
<th>Venue</th>
<th>Participants</th>
<th>Medals Won</th>
<th>Medal Table Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>Lake Pacid (US)</td>
<td>(28 Athletes)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Feb 13-24</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1984</td>
<td>Sarajevo (Yugoslavia)</td>
<td>(37 Athletes)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Feb 8-19</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1988</td>
<td>Calgary (Canada)</td>
<td>(20 Athletes)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Feb 13-28</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1992</td>
<td>Albertville (France)</td>
<td>(34 Athletes)</td>
<td>3 Silvers</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Feb 8-23</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1994</td>
<td>Lillehammer (Norway)</td>
<td>(27 Athletes)</td>
<td>1 Silver</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>Feb 7-22</td>
<td></td>
<td>2 Bronzes</td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>Nagano (Japan)</td>
<td></td>
<td>6 Silvers</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>Feb 9-22</td>
<td></td>
<td>2 Bronzes</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>Salt Lake City (US)</td>
<td>(72 Athletes)</td>
<td>2 Golds</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Feb 9-25</td>
<td></td>
<td>2 Silvers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4 Bronzes</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>Turin (Italy)</td>
<td>(76 Athletes)</td>
<td>2 Golds</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Feb 10-26</td>
<td></td>
<td>4 Silvers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5 Bronzes</td>
<td></td>
</tr>
</tbody>
</table>


Table 3.3: Summary of China’s Participation in the Paralympic Summer Games since 1984

<table>
<thead>
<tr>
<th>Year</th>
<th>Venue</th>
<th>Medals Won</th>
<th>Medal Table Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>1984</td>
<td>Stoke Mandeville (UK)</td>
<td>2 Golds</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>New York (US)</td>
<td>12 Silvers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>8 Bronzes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>June 16-30 July 22-Aug. 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1988</td>
<td>Seoul (South Korea)</td>
<td>17 Golds</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td></td>
<td>17 Silvers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>9 Bronzes</td>
<td></td>
</tr>
<tr>
<td>1992</td>
<td>Barcelona (Spain)</td>
<td>11 Golds</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7 Silvers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>7 Bronzes</td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>Atlanta (US)</td>
<td>16 Golds</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>13 Silvers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>10 Bronzes</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>Sydney (Australia)</td>
<td>34 Golds</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>22 Silvers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>17 Bronzes</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>Athens (Greece)</td>
<td>63 Golds</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>46 Silvers</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>32 Bronzes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sep. 17-28</td>
<td></td>
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</tr>
</tbody>
</table>


Because the Chinese sport system was based on a combination of economic capitalism, through the provision of material rewards to win Olympic gold medals,
and political socialism, through winning Olympic gold medals to demonstrate the superiority of Chinese socialism, it generated a number of problems, such as the emigration of coaches in the 1980s, athletes being distracted by material rewards from the pursuit of Olympic glory, and drug abuse. In the 1980s the emigration coaches eventually produced 'overseas Chinese shock troops' (*Haiwai juntuan*) who repeatedly challenged Chinese dominance in a number of sports such as table tennis, prompting calls for the Chinese government to tighten its control over the emigration of elite athletes and coaches. However, according to Dong Jinxia (2003:17), the strength of the global sports market ensured the international mobility of both coaches and athletes and made it an irreversible trend which Chinese government action could no longer completely curtail.

Although the provision of substantial material rewards was widely accepted and was regarded as an effective means to motivate athletes (Dong, 2003a: 99), it seriously challenged the spirit of Chinese socialism and, to some extent, jeopardized Chinese elite sports. Take, the 15-year-old Olympic gymnast medallist Lu Li, for example. She put an early end to her gymnastics career after winning Olympic gold and obtaining sponsorship estimated to be at least a million yuan, a vast sum compared to the 1992 per-capita income of 1,020.9 yuan. The successful athletes’ enormous financial gains provoked debate over the desirability of rewards, as athletes were already given training equipment and free board, transportation and other benefits, far beyond anything ordinary families could afford. Thus, market-driven reform by the policy of winning [for money] could be a double-edged sword, stimulating athletes financially to fulfil their athletic ambitions, and at the same time undermining a long-term commitment to their career. (Dong, 2003a: 130-1)

In addition, the pressure to win, for prestige and financial awards and as well as jobs, has also led to an increase in the use of performance-enhancing drugs (Brownell, 1990:300) which was essentially a by-product of the open-door policy (Dong, 2003a: 142) and became endemic in Chinese sport in the 1980s and 1990s (Dong, 2003a: 141, 158). Although several measures were taken by Chinese government, such as a three-pronged anti-drug policy announced in 1989, drug tests introduced in major domestic competitions and a special Anti-Doping Commission set up in 1992, drug abuse was still rampant and in elite sport in the 1990s (Dong, 2003a: 143-145). In sum, as argued
by Fan Hong (1998: 156-160) the Olympic Movement in China during the era of Deng had gradually been transformed to become a vehicle for Chinese patriotism and commercialism. The bids to host the 2000 Olympic Games and the 2008 Beijing Olympic Games are good examples of this transformation and are discussed below in next section.

The 11th Asian Games and the 2000 Olympic Bids

Partly to distract attention from the 1989 Tiananmen incident and partly because the 1990 Asian Games in Beijing were the first time that China had organised a large international sport meeting, substantial effort and resources were allocated in order to ensure that the Games were a success (Ren, 2002:10; Brownell, 1990:295). According to Ren Hai (2002:10), Hwang Dong-Jhy (2002: 146, 149) and Dong Jinxia (2003: 122), the 11th Asian Games generated a great deal of interest in international sport issues, including the Olympics, among the general public particularly, because of the far better performance of Chinese athletes than other countries. The success in hosting the 1990 Asian Games not only inspired the Chinese public, but also added momentum to the 2000 Olympic Bid. Before the 1990 Asian Games, the Chinese Olympic Committee, in September 1989, announced that it would bid for the Games of 2000 (Hill, 1996: 56). The key actor behind the 2000 Olympic Bid was Deng Xiaoping (Du, 2004: 62) who envisaged using the Beijing facilities prepared for the Asian Games for the Olympic Games (Theodoraki, 2004: 205; Du, 2004: 62).

The reasons prompting China to bid for the 2000 Olympics are numerous but the core motivations were to promote Chinese nationalism and to generate benefit for the huge domestic and international market (Du, 2004: 62). The government recognized that hosting an Olympic Games was an opportunity to project a positive image of a city and a country to a global audience and advertise them to an increasingly accessible world market following the ending of the Cold War and the revolution in global telecommunications (Brownell, 1995: 313). As John MacAloon notes, “Being a nation, having a culture, are the chief requirements for claiming a rightful and autonomous place in the global system.” and “To be a nation recognized by others and realistic to themselves, a people must march in the Olympic Games Opening Ceremonies procession” (quoted in Brownell, 1995: 313). Thus, hosting the Olympics
could be a great opportunity not only to demonstrate to the world China’s increasing political and economic power but also to reinforce the ningiu li – the cohesive strength – of the Chinese people (Miles, 1996: 304; Hwang, 2002: 160). Furthermore, Beijing in its bid emphasized the tremendous market that would be opened to Olympic sponsors and the gigantic potential Chinese television audience, said to be one billion (Brownell, 1995: 314). Thus, hosting an Olympic Games was seen as a powerful engine to promote Chinese economic development through shaping an image of itself for domestic and international consumption.

Unfortunately, Beijing lost to Sydney, in a close competition (Hai, 2002:10) due, at least partly, to the issue of human rights raised by the western states led by the US and the UK (Miles, 1996: 304; Du, 2004: 75). Although the bid was a failure, the process informed the Chinese about the Olympic Movement, Olympism and the Olympic Games (Ren, 2002:10). Because of the perceived long term political and economic benefits of hosting the Olympic Games China renewed its bid to host the Games and was successful in winning the right to host the Games in 2008. The significance of the decision is discussed in section 4-3.

3.4 The era of Jiang Zemin (1993-2004)

3.4.1 Social-Political-Economic context

Maintaining the political power of the Chinese Communist Party (CCP) and protecting China’s national interests, through continuing opening to the outside world, were the primary concerns of the political elite during the era of Jiang Zemin. But the key question for the government was how could it handle the drastic socio-economic changes resulting from rapid economic growth and avoid the socio-economic chaos and collapse of the political system that has occurred in many former communist and Third World countries? To respond to this question, this section focuses on how the Chinese leadership restructured the relations between the CCP, the government and the economy in order to cope with the huge pressure from the outside world and also at the domestic level.

Dealing first with the relations between the government and the economy, after Jiang Zemin held concurrently the top three posts in the Party, military, and state apparatus
in March 1993 (Fewsmith, 1997: 510), Zhu Rongji was appointed to tackle the growing economic problems, such as over-heated investment, high inflation, speculation and corruption (Zheng, 1999: 1168; Fewsmith, 1997: 511) arising from the new wave of decentralisation that was introduced following Deng Xiaoping’s southern tour in early 1992. According to Fewsmith (1997: 512), Zhu’s approach to economic reform and political control appears modelled on that of Park Chung-Lee or Lee Kuan Yew, who both favoured strong state control combined with a marketised economy.

On the one hand, he was inclined to use the ‘visible hand’ to try to manage this process from the top, such as taxation reform and central banking system reform (Fewsmith, 1997: 512; Zheng, 1999: 1168), the main goals of which were to recentralise economic power to the central government. While on the other hand, he favoured moving away from the old planned economy through the reform of state-owned enterprises (SOEs) and joining the World Trade Organisation (WTO). Zhu attempted to separate the government from state-owned enterprise (SOE). On 2 March 1998, sweeping changes to the structure of the Chinese government were announced at the 9th National People’s Congress in Beijing, including the decision to reduce the number of employees in government offices by 50 percent by the end of 1998 (Zheng, 1999: 1164; Jones, 1999: 4). Six government ministries, which had a close operating guanxi (relationship) with SOEs were downgraded and stripped of many of their functions in relation to state-owned enterprises.

Since opening to the outside world, China’s real growth during 1978-97 was at an annual rate of 9.8%, although growth slowed to 8.8% for 1997 and 7.8% for 1998. With a per capita GNP of US$860, by 1997 China had moved away from the category of lower middle-income countries and China’s nominal GNP had grown to $1055 billion, which was ranked as the world’s seventh largest. In terms of purchasing power parity (PPP) the Chinese economy was the world’s second largest, after the USA, in 1997 (Zheng, 1999: 1157). However, the Asian economic crisis of 1997 prompted China to move more forcefully to integrate its economy with the global economy (Knight, 2003: 326). Indeed, Chinese leaders, such as Jiang Zemin, Zhu Rongji and Wen Jiabao (Former Chinese Vice-Premier), all appreciated that entry into the WTO would not only provide new momentum for China’s economic reforms and
its policy of opening to the external world, but would also help them overcome resistance to reform from domestic vested interests (Cheng, 2003:262; Knight, 2003: 327-8). In order to join the WTO, besides continuing the policy of separation of functions of the government from enterprises, the Second Plenary Session of the 9th People’s Congress in March 1999 passed a third constitutional amendment, which legitimated private economic activities and other forms of non-state ownership that had been practised for many years (Zheng, 1999: 1162). By mid-1999, more than one hundred of the world’s top 500 trans national companies (TNCs) had invested in China, and by mid-2000, nearly 400 of them had established offices or branches in China. Indeed, by the end of 1999, nearly 10 per cent of China’s urban employees worked for foreign-funded enterprises (Knight, 2003: 330).

In short, the policies China’s leaders deployed to deal with the relations between the government and the economy were twofold. First, the Chinese government weakened the political and economic power of local government as well as gradually and continually, reducing direct investment in enterprise management in favour of macroeconomic control. Second, since 1980, Deng Xiaoping had championed the separation of Party and state as a way of making state administration more efficient and the Party less prominent. These efforts culminated in Zhao Ziyang’s proposal at the 13th Party Congress to establish a civil service system and to remove Party groups (Dangzu ) from government organisation. However, affected by the collapse of the Soviet Union, which Chinese analysts attributed in part to efforts to separate Party and state, Deng finally abandoned his former reform strategy and decided that only by having Party leaders manage leading government posts could the Party’s leadership be guaranteed (Fewsmith, 1997: 510). The retreat from extensive political reform was confirmed on 18 December 1998 when Jiang Zemin proclaimed that his country would never copy Western political systems and argued for a Chinese-style democracy justified by the CCP’s concern to ensure future socio-political stability (Zheng, 1999: 1158; Cheng, 2003:270). Democracy in China, according to Jiang, would be the democracy of the Party-State in which the CCP would not allow any oppositional parties to be established (Zheng, 1999: 1158). In other words, the CCP will allow the existence of the other small parties but only if they follow and support the CCP leadership.
In order to maintain socio-political stability, Jiang did make some adjustment to the political structure, such as strengthening the CCP cadre management (Ganbu guanli) system at the provincial level and establishing the rural public election system at the grassroots level. To control provincial officials, the central government issued a document in 1995 entitled ‘Temporary Regulations on the Selection and Appointment of Party and Government Leading Cadres’ which emphasised the cadre transfer system or the cadre exchange system (Ganbujiaoliu zhidu). According to the regulations, the central government has such a dominant say over personnel decisions that it set up an effective institutional means for the centre to tighten control over local cadres (Zheng, 1999: 1167).

The restructuring of rural governance was considered necessary because of the breakdown of the commune system due to the open door policy. In 1998 the National People’s Congress adopted ‘the Organisation Law of Village Committees’ to restructure the governance system at the basic level (Zheng, 1999: 1171-3). The main purpose for the rural elections was to constrain local officials' and Party cadres’ arbitrary behaviour. But the unforeseen result of the rural elections was the ‘lowering of the centre’s political legitimacy’ (Zheng, 1999: 1172) in which government officials at the grassroots levels being elected by local residents could, possibly, act against the will of higher authorities. It is still uncertain, however, that direct elections will be used to select government officials at higher levels in the near future. It is clear that any extension of democracy that threatens the CCP’s leadership would not be accepted. In short, facing the drastic socio-economic changes resulting from opening to the outside world, the major leaders of the PRC were often forced to adjust their institutional arrangements in order to maintain the CCP’s political legitimacy while enabling economic development.

3.4.2 Sport within China

During this period of time, the so-called sport development with a Chinese character was influenced by two major trends - commercialism and nationalism, which were combined with a marketised economy and strong state intervention. Thus, while speeding up the process of commercialisation of sport, the Chinese government still attempted to maintain its control and achieve its priority of Olympic success. But the
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question is can the Chinese government deal with the marketised economy affecting the Chinese sport structure and maintains its socialist way of life at the same time? In order to answer this question it is important to focus on the major reforms in the Chinese sport system, namely the restructuring of the National Sport Commission (downgraded as the National General Administration of Sport in 1998), the establishment of the Sport Law, and the introduction of the club system.

Restructuring the National Sport Commission

Promoted by the transition to a market economy, the Chinese leadership attempted to separate the government from the enterprises by gradually downsizing the mammoth bureaucracy. In 1993, the number of the staff in the National Sport Commission (NSC) was reduced from 470 to 371 (Chen, 2004: 173) and sport administrative departments were gradually transformed from governmental sports agencies into quasi-autonomous organisations, such as management centres and associations (Dong, 2003a: 140; Ren 1999; Theodoraki, 2004: 202) in which a whole new system of national sport management was gradually created (Fan, 2001: 160). By 1997, the old departments (Si) responsible for elite sport under the NSC ceased to exist and transferred their responsibility to 20 management centres (Dong, 2003a: 126; Chen, 2004: 113) which were encouraged to develop their own programmes and financial resources, and assume the roles of decision maker and coordinator, thus enabling the government to reduce its direct involvement (Ren 1999; Theodoraki, 2004: 202).

On 6 April 1998 the NSC, established in 1952, was downgraded to the level of General Administration of Sport (GAOS) (seeing figure 3-1) with 9 departments and 180 staff, although it still remained an independent institution under the State Council and its officials continued to enjoy the same social status and welfare benefits as before (Jones, 1999: 5; Dong, 2003a: 226; Chen, 2004: 113, 174; Theodoraki, 2004: 202). According to the new sport system, the directors of these sports associations and management centres had to spend time as fund-raising entrepreneurs in order to meet their financial needs. Government funding was determined in part by the Olympic medal winning potential of their athletes but there was the clear expectation that the
balance of funding would be attracted from sponsorship and ticket sales (Theodoraki, 2004: 202, 204; Dong, 2003a: 126; Fan, 2001: 160).
Figure 3.1: General Structure of the General Administration of Sport

Source: Adopted from Chen (2004: 42)

Key:
- NGSA - National General Administration of Sport
- SB - Subsidiary Body
- IDs - Internal Departments
- SMCs - Sport Management Centres
- AUPE - Affiliated University of PE
In addition to the jobs of fund raising, the other major mission for these top managers, who were mostly former officials of the NSC, was to help their elite athletes to achieve Olympic success which was the main criterion for keeping their present positions. For example, the former director of the football management centre, Yan Shiduo, was dismissed from his job due to the poor performance of the men's national team in the early rounds of the 2006 World Cup qualifying and the women's team at the Athens Olympics (Saiget, 2005). Hence, in pursuit of Olympic success, some associations, such as the Chinese Athletics Association (CAA), negotiated new contracts with local sports commissions on training budgets and set performance quotas related to the Olympic and Asian Games as well as World Championship medals (Dong, 2003a: 126). However, the government, dominating the personnel arrangement of the NSC and embedding Party groups (Dangzu) within CAA, the Chinese government could ensure that the marketised economy in these organisations did not go so far as to jeopardize the interests of the Party-State focused on Olympic success and nationalism.

Establishing Sport Law

To set the framework for the development of sport within an increasingly marketised economy, China issued in 1995 the first ‘Sport Law of PRC’ which featured the acceptance of a degree of market forces and commercialism; the retention of the state’s concern for nationalism, socialism, morality and discipline; and the concern for mass sport, leisure and free time (Jones, 1999: 6). In order to underpin the new law, three pivotal national projects were announced by the central government at China’s State Council in the same year, which were ‘The Development of Sport Industry and Commerce’ project, ‘The Olympic Glory’ project, and ‘The Fitness for All’ project. These three major projects were designed, by interlinking with each other, to stimulate the domestic economy, to achieve Olympic success and to enhance the physical and health level of the whole Chinese population (Reekie, 1999: 249; Theodoraki, 2004: 198).

According to Reekie (1999: 251), the government spent 90 per cent of its sport budget on competition related activities, and the National General Administration of Sport's
budget had risen by 15% to around £150m in 2004 (Wollaston, 2004). In other words, the official sport budget for mass sport is limited and it relies heavily on the money from the sport lottery, established in 1994. According to the report from the People’s Daily 27th December 2000, 30% of the lottery’s revenue was injected into public projects including holding major sports events and promoting mass sports programmes. But without substantial resources from the government, ‘The Fitness for All’ project is doomed to be inferior to ‘The Olympic Glory’ project because most of the money for promoting ‘The Fitness for All’ project is not from the government budget but from ordinary people’s pockets through the purchase of lottery tickets (Theodoraki, 2004: 196). In these circumstances, most citizens can only participate in those physical activities which require a low skill level and few facilities (such as walks, running, traditional Chinese exercise and, disco dancing.) (Wang & Olson, 1997: 69-85, quoted in Hwang, 2002: 152; Dong, 2003a: 127).

**Introducing the Club System**

To solve the financial problem arising from the limited government sport budget and also to revitalize the sport system, the ‘enterprisation’ (*Shiithua*) of sporting associations was gradually adopted. One major development was the introduction of the club system as a way of raising money. At first, the system was adopted in selected sports—first football, later basketball and then tennis, on an experimental basis. The reason for choosing these men’s sports is that they were all low-level performance sport and the club system would not significantly affect the performance of Chinese sport in international competition if it failed (Dong, 2003a: 125; Theodoraki, 2004: 204; Chen, 2004: 173-4).

In 1992 the Chinese Football Association (named Football Management Centre after 1996) took the lead to be a quasi-autonomous organisation from the First Competitive Sport Department (*Di yi jinji yundong shi*) of the NSC (Dong & Mangan, 2001: 85; Dong, 2003a: 125) with the support of Li Tieying, a member of Politburo Standing Committee (PSC), a State Councillor (1988-1998) with a second job as a director of the Government Reform Commission, who was a strong advocate of self-management through the club system. Due to Li Tieying’s intervention, opposition voices were
withheld and the capitalist experiment was given a green light in the Chinese sport system (Wu, S.Z. 1999a: 365-8). In 1994 IMG (the International Management Group) signed a contract to assist the Chinese FA to set up a Chinese men's football league system (Jia A and Jia B, equivalent to the English Premiership and first division) (Wu, S.Z. 1999a: 371; Jones, 2004: 57-8) with initial seed money of US$ 1 million from Philip Morris Inc, which wanted the Chinese FA to publicize its Marlboro brand (Fan & Mangan, 2004: 60; Jones, 2004: 61). Since the introduction of the club system, football not only became more popular but also made enough money from the new system to enable it to reduce its financial dependence on government from 12 million yuan in 1993 to 6.3 million yuan in 1997 (Wu, S.Z. 1999a: 371). Influenced by the model of the Chinese men's football league system, the Chinese Basketball Association, with the help of IMG and sponsored by the 555 tobacco company, set up a similar system named CBAL (Wu, S.Z. 1999a: 385-6). Similar developments happened in Chinese female football and basketball after 1996 (Fan & Mangan, 2004: 56; Dong & Mangan, 2001: 92-3; Dong, 2003a: 140).

Following the apparent success of the marketisation experiments in football and basketball, the Chinese sport system began searching for other ideas from the West (Dong & Mangan, 2001: 88), including the registration system of athletes (Dong, 2003a: 125; Wu, S.Z. 1999a: 368; Dong & Mangan, 2001: 87), the "hiring and firing" system of accountability (Jones, 1999: 9; Wu, S.Z. 1999a: 370), the competition system of home and away matches (Dong & Mangan, 2001: 88; Wu, S.Z. 1999a: 368), the introduction of foreign coaches, players and referees (Wu, S.Z. 1999a: 368-85; Dong & Mangan, 2001: 88), a nationwide professional club networks; player transfer, player agents, sponsorship, television rights and merchandising (Fan & Mangan, 2004: 60; Wu, S.Z. 1999a: 366). However, unlike the western market model (Dong & Mangan, 2001: 85), these associations remained controlled by the state who dominated major decisions (Fan & Mangan, 2004: 61) through its provincial and local commissions due to most of the 'professional' clubs being run by national enterprises or sponsored by regional capital investment organization (Dong & Mangan, 2001: 86; Wu, S.Z. 1999a: 381). Although these quasi-autonomous organisations introduced the club system to raise funds to support themselves and to offer jobs for staff who transferred from the former NSC (Jones, 1999: 9-10), the key mission was still Olympic success (Fan & Mangan, 2004: 61-2) because many Communist Party
members involved in sport management (Jones, 2004: 58) ranked national interest (or their personal interest for keeping their jobs) above commercial interest. Basically, the Chinese club system is different from the West because the force directing its development is from government, not the free market. Despite this qualification sport development during the era of Jiang Zemin was deeply affected by the embrace of the market economy. In short, nationalism and commercialism were interwoven during the reform process of Chinese sport, but the former was superior to the latter due to the ideology of the Chinese Communists, who were still concerned to demonstrate the superiority of socialism over capitalism. The pursuit of 'The Olympic Glory' project and the 2008 Olympic Games in Beijing which embodies these political objectives is discussed in the next section.

4.4.3 China and International sport

Following the acceptance of a market economy, Chinese sport increased its involvement in international sport, especially in the Olympic Movement. Taking advantage of participation in the Olympic Movement, especially its huge commercial potential, while also maintaining a distance from the Olympic spirit – freedom, democracy and fair play (Fan, 1998: 162) which might threaten the CCP’s political legitimacy – the Chinese government has to manage its engagement with the Western movement with great care. How the Chinese government has attempted to manage the engagement is the central focus of this section.

The increasing importance of Olympic success

Why are Olympic gold medals so important for the PRC? The major reasons are related to political superiority and national pride. Wu Shaozu, Sports Minister from 1989 to 2000, claimed: ‘Athletes have shouldered heavy responsibilities. They are our political ambassadors’ (Wu, 1998: 6-7, quoted in Fan & Xiong, 2003: 335). And in his opening address at the Congress of Olympic Movement Studies in Beijing, 1993, he also argues that ‘The highest goal of Chinese sport is success in the Olympic Games. We must concentrate our resources on it because to raise the flag at the Olympics is our major responsibility’ (Wu, 1993: 402-4, quoted in Fan, 1998: 159).
To achieve Olympic success, the Chinese government issued two “Olympic glory” projects, ‘The Olympic Glory’ project (1994-2000) and ‘The Olympic Glory’ project (2001-2010), which set guidelines for concentrating resources to achieve Olympic success. The combined impact of the two projects has been that China has gradually achieved its goal to become one of the world’s sports powers. China’s Olympic gold medal ranking has risen from fourth at Atlanta in 1996 to second at Athens in 2004. But what are the main strategies in the projects? And how did they help China to achieve Olympic success in such a short time?

The main strategies in the projects focused on the 18 previously selected sports in which the Chinese government had invested 70% of its elite sport budget (Chen, 2004: 78). In addition, the two projects introduced Western training, competition and management models with particular emphasis on sport science and sport technology for elite sport performance (Chen, 2004: 194), an understanding of which was gained through intensive and extensive international exchange with the outside world.

Before establishing the first Olympic glory project, the Chinese government attempted to concentrate its limited sport budget for Olympic success by highlighting selected Olympic sports according to the decisions made by the All States Sports Minister Conference in 1993 (Chen, 2004: 69). The outcome was that the NSC issued a directive in 1993 that the National Games would be adjusted in line with the Olympic programme and winning Olympic medals could be “double scored” into the total score of each province in the following the National Games (Jones, 1999: 11; NSC, 1996a: 33; Dong, 2003a: 123). This policy shift stimulated unprecedented enthusiasm for Olympic victory from local sports officials (Dong, 2003a: 123) who wished to invest more money and energy into achieving success in the National Games and Olympic glory for their provinces and cities. One consequence of the Olympic-oriented policy of the government was that, by 1995, non-Olympic athletes comprised only 7.34 percent of all elite athletes and the membership of elite sports squads was reduced in the number: from a total of 16,982 in 1990 to 13,374 in 1994 (Dong, 2003a: 123). A second consequence was that in preparation for the Olympics, between 1994 and 1996 China devoted most of its sport budget to the 960 top athletes being assembled across the country (Dong, 2003a: 128).
To make good the shortfall in the sport budget, the NSC held a conference in June 1993 entitled, ‘The Urgent Promotion and Development of Sports Business’, which called for the development of commercial sports markets (Fan, 1997: 350). Following the conference there was a rapid expansion in sponsorship. Led by sports, such as soccer, basketball and volleyball (Jones, 1999: 5) at the provincial and national level almost every elite team in these three sports is sponsored by major companies, such as Adidas, Mizuno, Nike, Philip Morris, British American Tobacco, Coca-Cola and Ericsson (Hwang, 2002:150; Fan, 1997: 346).

A central element of the ‘Olympic glory’ projects was the investment in sport science and sport technology. In 1996, a special fund for Olympic-related sports facilities, nutrition and sports research reached 65 million yuan. Over 200 researchers were involved in 56 Olympic-related projects (Dong, 2003a: 128). In the same year, the Chinese government also issued ‘the Olympic Glory through the Science and Technology’ (Ao yun zhengguang jihua keji gongcheng) project to support its elite sport training system. In addition, many coaches and experts from Western countries were employed in the Chinese provincial and national teams (Fan, 1997: 349) including gymnastic, swimming, football and basketball. Finally, to maintain and strengthen China’s status in international sport organisations, especially in the 18 selected sports (Wu, S.Z. 1999a: 585-6), the Chinese government has systematically planned to take seats in those international federations. One example of the strategy is Lu Jingrong who became an IOC member by virtue of being the president of the International Badminton Federation.

In short, after 1993, the Chinese government adopted western approaches (science and technology), western sport and western commercialism not only to achieve its Olympic success but also to promote its ideology of patriotism, collectivism and socialism with Chinese characteristics (Hwang, 2002: 167; Wu, S.Z. 1999a: 580-1). Thus, it appears that the Chinese leadership has been able to reinterpret the meaning of Olympic glory to make it less challenging to CCP ideology.

Anti-doping issues
According to Dong (2003: 17), the growth of commercialism and the growing emphasis on winning medals led to an increase in drug abuse which became a
recurring and increasingly wide-spread problem throughout Chinese sport in the
1990s (Dong, 2003a: 145). By the late 1990s, the problem of doping had evolved into
a complicated domestic and international political issue. Under huge pressure from
the outside world, the Chinese government was forced to take several measures in
response, including setting out tough penalties, issuing the Sports Law to fight against
drug abuse, and declarations against drug abuse by top political leaders.

In 1993, 31 Chinese athletes tested positive (Dong, 2003a: 143). At the Hiroshima
Asian Games in October 1994, 11 Chinese athletes including seven swimmers, tested
positive for anabolic steroids, which led to the whole Chinese swimming team being
barred from the Pan-Pacific Swimming Championships by the International
Swimming Federation (FINA). Further embarrassed by the international criticism and
under escalating international pressure, in early 1995 China suspended for one year
the nine coaches who were involved in the 31 cases of drug offences in 1994. In the
same year, the Chinese Swimming Association issued ‘Regulating the Use
of Forbidden Drugs’ (Guanyuzhijinzhi shiyong weijinyaopin guiding), setting out tough
penalties (Dong, 2003a: 144). To fight against drug abuse, the Sports Law issued in
1995 provided a legal basis for tackling drug abuse in sport (Jones, 1999: 7) and Wu
Shao Zu, the head of the Sports Commission, emphasized that there should be a strict
ban on drugs, with rigorous testing, management and enforcement of the laws (Jones,
1999: 7; Fan, 1998: 161-2). However, even by adopting these measures, they could
not stop the drug abuse.

In January 1998, Chinese swimmers became the target of accusations over drug abuse.
Growth hormone was found in the Chinese swimmer Yuan Yuan’s luggage at Sydney
Airport on 8 January, and one week later four other swimmers failed the pre-
competition drug tests at the World Swimming Championships in Perth. These events
forced Shen Guofan, a spokesman for the Chinese Foreign Ministry, to respond to
questions at a press conference in Beijing on 15 January 1998. Drug abuse thus
became a political issue (Dong, 2003a: 141). Drug abuse even spread to junior
athletes who participated in the preliminary phase of the 1999 National City Games
(Dong, 2003a: 145). In response to huge international pressure in the late 1990s the
Chinese started to seriously review, and then adjust, internal control over sports policy
and management, and took firm action to crack down on drug abuse (Dong, 2003a: 17)
Since the 2004 Olympic Games in Athens, China has gradually begun to lose the stigma of drug abuse because all 150 urine tests carried out on Chinese athletes in Athens, were negative, and David Howman, director general of the World Anti-Doping Agency, said that he was convinced that the Chinese government had done everything in its power to stop doping (Wollaston, 2004). In summary, it can be argued that the problem of drug abuse was only taken seriously by the Chinese government when it evolved into a political and international issue and threatened to harm Beijing's bid to host the 2008 Olympic Games.

Hosting the Olympic Games

The reasons for hosting the Olympic Games, from the perspective of the PRC's political elites, were highly political. As President Jiang Zemin stated "The bid was made to further China's domestic stability and economic prosperity. The quest for the Olympics was to raise national morale and strengthen the cohesion of the Chinese people both in the mainland and overseas" (quoted in Dong, 2003a: 122). To serve these political needs, it was not surprising that China decided to bid once again for the 2008 Olympics after losing the bid to Sydney for the right to host the 2000 Olympic Summer Games (COC, 2004a).

With the approval of the State Council, the Beijing 2008 Olympic Games Bid Committee (BOBICO) was established on September 6, 1999, with Liu Qi, a member of Politburo Standing Committee (PSC) and Mayor of Beijing, as the President and COC President Yuan Weimin as the Executive President. The motto of Beijing's bid was "New Beijing, Great Olympics", meaning that reform and opening up to the outside world have brought about great changes in Beijing, a city with a history of 3,000 years (COC, 2004b). According to the results of a public opinion poll conducted by the Gallup Organisation in Beijing in November 2000, 94.9% of Beijing residents strongly supported the city's bid to host the 2008 Olympics (COC, 2004b). Beijing's second attempt to host the Olympics was successful: China won the right to host the 2008 Olympic Games announced on 13th July 2000 at the IOC 112th Session in Moscow (Hai, 2002:11; COC, 2004b).
For the largest developing country with a strong Eastern cultural background, like China; to host the Olympics could be regarded as significant for spreading the Olympic spirit and expanding exchanges between East and West. Hosting the 2008 Olympics also provides a good opportunity to show the current state of economic, cultural, social and political development in China in a comprehensive way (COC, 2004b). According to the document, 'A proposal about moving further ahead in strengthening and improving sport development' issued by State Council in 2002, the Chinese government's ambition is to hold the greatest Olympic Games (Chen, 2004: 78). Hence, the slogans for the Beijing Olympic organisers are, as they declared, to host a "Green Olympics", a "Hi-tech Olympics" and the "People's Olympics" (COC, 2004b; Ren, 2002: 11). To achieve these goals, the Beijing city government stated in 2001 that over the next five years it would spend a total of nearly $22 billion in improving the environment and facilities (Costello, 2001: 35; Theodoraki, 2004: 206) which has attracted international companies from the US, Europe and Australia to bid for contracts (French News Agency 2001, Theodoraki, 2004: 206).

According to Fan (1998: 155), the foreign investment generated by the successful Olympic bid is part of the broad plan to link China to the international economic community. In other words, hosting the Olympic Games per se could be regarded as an introduction of modernity to integrate China into the world economic system, especially after China joined the WTO in late 2001. But the challenge facing the Beijing government is to balance nationalism and commercialism and also, as noted in the IOC Evaluation Commission report, to host 'an unprecedented Olympics that would leave a unique legacy for both China and sport as a whole' (COC, 2004b; Hai, 2002: 11).

In short, since accepting the market economy, the Chinese government has attempted to deal with the political and economic issues in a separate way, namely political socialism and economic capitalism. When it comes to economic capitalism, sport commercialism is regarded as a good way to support the elite sport system in its pursuit of Olympic glory. But when it comes to political socialism, the government hopes to present Olympic success, both in terms of participation and hosting the Olympics, as a political statement of the superiority of socialism.
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3.5 Conclusion

International sport is not just a reflection of social and political change over the four eras mentioned above, but also a diplomatic resource and more recently a symbol of change in China. Indeed, since Mao Zedong proclaimed the foundation of the People’s Republic of China on 1 October 1949, the policy-making of Communist China has been strongly dependent on the ideology of the elite, and Chinese domestic sport policy very much reflected what was happening at the political level through the four eras of the pre-Cultural Revolution, the Cultural Revolution, the era of Deng Xiaoping and the period of Jiang Zemin. Firstly, during the pre-Cultural Revolution, Mao Zedong promoted the policy of ‘leaning to one side’, resulting in the systematic copying of the USSR’s sport system, including a centralized sporting hierarchy and a systematic approach to training, competition and teaching. During the Cultural Revolution, the PRC isolated itself from the outside world to re-establish the ideological purity of Communism causing the sport system to crash. During the era of Deng Xiaoping, China practised the ‘open door policy’ in order to develop the relationship with world capitalism, which led not only to the gradual decentralization, rationalization and commercialisation of the Chinese sport system but also to sport policy emphasizing the value of Olympic success. Finally, during the period of Jiang Zemin, the PRC adopted a marketised economy and joined the World Trade Organisation (WTO) to integrate itself into the world economic system, which brought about the establishment of ‘the Sport Law of the PRC’ in which sport commercialisation was encouraged to support Olympic success and to attract foreign investment with a strong attempt at linking China to the outside world.

However, if China was going to develop some tentative international diplomatic links through sport, starting with ping-pong diplomacy, and re-engage with the Olympic Movement, it needed to have a strong domestic sport system, at least at the elite level. There had always been an interconnection between the domestic and the international level of sport in China, but it became much more intense after the 1984 Olympic Games. China, in the pre-Cultural Revolution period, did have international contacts, but they were almost oppositional contacts which were intended to counter what they considered to be the Western or capitalist dominated Olympic system.
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It was far less important for them to do well in games such as GANEFO. However, once it was decided that its foreign policy objectives and its international relations lay outside the communist world and the Third World, then it had to have resources which could match those possessed by first world countries. Consequently, the importance of the nature, structure and efficiency of the domestic sport system became much more important.

The examples of supporting the GANEFO and the series of boycotts of Olympic Games during the cold war era, illustrate not only that sport has long been used as a resource in international relations, but also that China was capable of effectively utilizing sport diplomacy. But the international politics of sport over the past 20 years have became much more sophisticated and it is not so much about using the Olympic Movement to further China's international relations, for example, in the dispute with Taiwan. It is much more about using sport as a way of promoting Chinese business, Chinese culture, Chinese society and alerting the rest of the world to the fact that China is soon to become the largest economy in the world and that it is not a Third World country in many ways, but a global power.
Chapter Four: Methodology

4.1 Introduction

The chapter outlines the methodology for the investigation and includes a discussion of the chosen ontology and epistemology, research design and means of data analysis. First, it is worth providing a brief reminder of the aim of this study, which is to analyse the process of China's engagement in global sports through an examination of the cases of the Olympic Movement, elite football and elite basketball. To achieve this aim the following objectives have been identified:

1. To analyse the impact of socio-economic and political change since 1949 on the development of sport within China and on the development of international sporting contests
2. To examine the relationship between China and the Olympic Movement
3. To examine the development, structure and organisation of elite football in China
4. To examine the development, structure and organisation of elite basketball in China, and
5. To explore the utility of globalisation theories for analysis of the development of sport policy in China

According to Grix (2002: 179), it is our ontological and epistemological positions that shape the very questions we may ask in the first place, how we pose them and how we set about answering them. Hence, to answer these questions a number of philosophical and methodological questions need to be considered. What follows is a discussion of the various approaches to research and a justification of those that were employed for this study.

4.2 Ontology and Epistemology Assumptions

Ontological assumptions are concerned with the nature of existence, that is, the very nature of the subject matter of the research – the social world. As Burrell and Morgan (1979: 1) note, ontological assumptions include a consideration of:
...whether the ‘reality’ to be investigated is external to the individual – imposing itself on individual consciousness from without – or the product of individual consciousness; whether ‘reality’ is of an ‘objective’ nature, or the product of individual cognition; whether ‘reality’ is a given ‘out there’ in the world, or the product of one’s mind.

The former may be classed as an external-realist view while the latter is an internal-idealist position. And both of them are concerned with ‘what we believe constitutes social reality’ (Blaikie, 2000: 8) although their perspectives are quite different.

Essentially, according to Grix (2002: 177) and Sparkes (1992: 14), ontological assumptions give rise to epistemological assumptions which have methodological implications for the choices made regarding particular techniques of data collection and the interpretation of these findings. Epistemology is concerned with the theory of knowledge, especially with regard to ‘the possible ways of gaining knowledge of social reality, whatever it is understood to be’ (Blaikie, 2000: 8). In other words, it is predicated upon a view of the nature of knowledge: whether, for example, it is possible to identify and communicate the nature of knowledge as being hard, real and capable of being transmitted in tangible form, or whether ‘knowledge’ is of a softer, more subjective, spiritual or even transcendental kind, based on experience and insight of a unique and essentially personal nature (Burrell & Morgan, 1979: 2). In short, the epistemological assumptions are related two questions, which are ‘Can we identify “real” or “objective” relations between social phenomena? And if so, how?’ (Marsh & Furlong, 2002: 23).

Regarding the assumptions of ontology and epistemology, Sparkes (1992: 21) sets out two major research paradigms (see Table 4.1) which have impacted upon the fields of sport and physical education for many years. Sparkes reminds us that ‘at a most fundamental level different paradigms provide particular sets of lenses for seeing the world and making sense of it in different ways’ (1992: 12). This means that a researcher’s ontological and epistemological positions influence the methodological approach adopted, and can lead to different views of the same social phenomena (Grix, 2002: 178; Marsh & Furlong, 2002: 23; Sparkes, 1992: 14).
According to Table 4.1, positivists adopt an external-realist ontology, an objectivist epistemology and prefer a nomothetic methodology. With regard to ontology, positivists, like Durkheim, claim that 'social facts' exist outside of men's (sic) consciousness and restrain men in their everyday activities (Burrell & Morgan, 2005: 26). Thus positivists argue that the social scientist must study social phenomena 'in the same state of mind as the physicist, chemist or physiologist when he probes into a still unexplored region of the scientific domain' (Durkheim, 1964: xiv). According to this view, the positivist definition of objectivity is the same as that adopted within the natural sciences and social life may therefore be explained in the same way as natural phenomena. Positivism as interpreted in the natural sciences is concerned with the prediction and explanation of the behaviour of phenomena and the pursuit of objectivity, which is defined as the researcher's 'detachment' from the topic under investigation (May, 1999: 10). Therefore, within the positivist framework a manipulative methodology is adopted which attempts to control both researcher bias and other external variables in the environment so that nature's secrets can be revealed. To achieve this objectivity positivists adhere to certain prescribed methods (techniques) within a formalized process of investigation often called the 'scientific method' (Sparkes, 1992: 20-23), which is quite different to the interpretivist approach.

The interpretive paradigm adopts an internal-idealist ontology, a subjectivist epistemology and prefers a hermeneutical methodology. With regard to ontology, interpretivists, such as Schutz, take reality to be mind-dependent and argue that the social world was 'essentially only something dependent upon and still within the operating intentionality of ego-consciousness' (1967: 44). Schutz's argument is
echoed by Johnson et al. (1990: 4) who suggest that 'human activity is not behaviour (an adaption to material conditions), but an expression of meaning that humans give (via language) to their conduct'. This means that there are multiple realities and that the mind plays a central role, by its determining of categories, in their shaping or construction. This perspective is also shared by relativists, such as Bernstein, who claim that 'we can never escape from the predicament of speaking of “our” and “their” standards of rationality’ (1983: 8). Foucault, considers knowledge and power to be constructed within a set of social practices and claims that 'each society has its region of truth, its ‘general politics’ of truth' (1980: 131). Therefore, from the interpretivists’ perspective, we cannot hope to see the world outside of our place in it – all that we can ever have are various points of view that reflect the interests, values and purposes of various groups of people. Consequently, interpretivists focus on the interests and purposes of people (including the researcher), on their intentional and meaningful behaviour, and attempt to construe the world from the participant’s point of view and thereby explain and understand how they construct and continue to reconstruct social reality, given their interests and purposes (Sparkes, 1992: 26-27). This viewpoint is partly accepted by critical realists whose position is somewhere between positivist and interpretive paradigms.

In addition to Sparkes’ useful and distinct description of the positivist and interpretive paradigms, a third paradigm - critical realist – holds the middle ground between those two separate paradigms. In terms of ontological and epistemological assumptions there appears to be two major strands running through the critical realist paradigm. One is closely associated with positivism while the other relates to interpretivism. With regard to the former, critical realism adopts an external-realist ontology, an objectivist epistemology, and holds a somewhat deterministic view of people that leads them to concentrate upon structural relationships within a realist social world through the analysis of deep-seated internal contradictions and the analysis of power relationships. With regard to the latter, critical realism has much in common with the interpretive paradigm because it adopts an internal-idealist ontology, a subjectivist epistemology, and a more voluntaristic view of people. Thus, reality is taken to be socially constructed, knowledge is seen as being context-specific and value laden (Sparkes, 1992: 38-39). Although there are some tensions between external-realist and
internal-idealist ontology, Bhaskar attempts to use the relationship between structure and action to point to a critical realist position. He claims that

The existence of social structure is a necessary condition for any human activity. Society provides the means, media, rules and resources for everything we do.... It is the unmotivated condition for all our motivated productions. We do not create society – the error of voluntarism. But these structures which pre-exist us are only reproduced or transformed in our everyday activities; thus society does not exist independently of human agency – the error of reification. The social world is reproduced and transformed in daily life. (1989a: 3-4)

As indicated in the above quotation, structure and action are seen as distinct but interdependent. Their distinctness is grounded in temporal differences – the social structures in which individuals are located pre-exist those individuals. This is significant because it distinguishes critical realism from another influential conception of the relationship between structure and action – Giddens' (1984) theory of structuration. Giddens' project is similar to that of the critical realists, namely to overcome the dichotomy between structuralism and interpretivism (Porter, 2002: 64). While positivists give reality an objective structure and interpretivists give it a subjective nature, critical realists stand somewhere in between and believe that although subjective meanings are relevant and important, objective relations cannot be denied (Sarantakos, 1998: 36).

Regarding the critical realist paradigm, Marsh et al. (1999) provide a useful description (see Table 4.2) which is more directly applicable to social and political studies because the assumption contained in this table are concerned with social and political studies.
<table>
<thead>
<tr>
<th>Positivism</th>
<th>Relativism</th>
<th>Critical Realism</th>
</tr>
</thead>
<tbody>
<tr>
<td>The world exists independently of our knowledge of it</td>
<td>The world does not exist independently of our knowledge of it</td>
<td>The world exists independently of our knowledge of it</td>
</tr>
<tr>
<td>Regular relationships can be established</td>
<td>The world is socially, or discursively, constructed</td>
<td>There are deep structures which cannot be directly observed</td>
</tr>
<tr>
<td>There are no deep structures which cannot be observed</td>
<td>There is no extra-discursive social sphere, no 'real' social world beyond discourse</td>
<td>There is necessity in the world - objects/structures do have causal powers, so we can make casual statements</td>
</tr>
<tr>
<td>There is no dichotomy between appearance and reality; that the world is real and not mediated by our senses or socially constructed</td>
<td>Social phenomena do not exist independently of our interpretation of them and it is this interpretation / understanding of them which affects outcomes - and it is the interpretation of the social phenomena which is crucial</td>
<td>While social phenomena exist independently of our interpretation, or discursive construction, of them, nevertheless that discursive construction affects outcomes</td>
</tr>
<tr>
<td>However, meanings can only be established and understood within discourses - objective analysis is therefore impossible - knowledge is discursively laden</td>
<td>For this reason, structures do not determine outcomes, rather they constrain and facilitate; social science involves the study of reflexive agents who are capable of constructing, deconstructing and reconstructing structures</td>
<td></td>
</tr>
</tbody>
</table>

Source: Adapted from Marsh et al. (1999: 11-14)

According to Table 4.2, positivism assumes that the world exists independently of our knowledge of it so regular relationships can be established between social phenomena, using theory to generate hypotheses which can be tested, and falsified, by direct observation. It also supposes that there are no deep structures which cannot be observed. Thus there is no dichotomy between appearance and reality and the world is conceptualized as real and not mediated by our senses or socially constructed. Unlike positivism, relativism denies the possibility of objective social science, or objective historical analysis, and privileges discourse. Relativists argue that social phenomena do not exist independently of our interpretation of them and it is this interpretation / understanding of them which affects outcomes - and it is the interpretation of the social phenomena which is crucial.

Regarding the assumptions of critical realism, critical realists, like positivists and against relativists, argue that the world exists independently of our knowledge of it. To the critical realist, unlike the positivist, there are deep structures which cannot be directly observed. And unlike relativists but like positivists, critical realists argue that there is necessity in the world – objects/structures do have an impact in constraining/enabling behaviour of human agents. In addition, from the critical realists’ perspective, while social phenomena exist independently of our interpretation,
or discursive construction, of them, nevertheless that discursive construction affects outcomes. For this reason, structures do not determine outcomes, rather they constrain and facilitate; social science involves the study of reflexive agents who are capable of constructing, deconstructing and reconstructing structures. In short, critical realism attempts to balance the two extreme assumptions between positivism and relativism. Critical realists argue that structures, although not always directly observable, have an influence on outcomes but also that the world is socially constructed, to the extent that ideational factors, which are constrained but not determined by the material world, have a crucial effect on outcomes (Marsh et al., 1999: 12).

In addition to clarifying the concepts of ontology and epistemology, it is also important to identify the key assumptions upon which decisions about methodology/methods for this study are employed. Taking positivism as a starting point, positivists advocate the application of the methods of the natural sciences to the study of social reality and beyond (Durkheim, 1964: xiv, Pareto, 1970: 291), which means that the researcher can gain a pure and objective view by studying the social world from a detached vantage point outside of it rather than from a place within it. In addition, positivists believe that the world is structured, not just with physical structures but also with tangible social structures, such as social class, status and gender, with the consequence that all our interpersonal relationships are structured for us and these structures are almost unchangeable. Unfortunately, this point of view is not wholly convincing. First, we cannot take for granted or assume that all structures can be observed. For example, patriarchy as a structure cannot be directly observed but it did/does exist and must be taken account of for any full explanation of outcomes (Marsh & Smith, 2001: 529). Secondly, positivists assume that social structures are almost unchangeable but from Chapter 3 is analysis of the Chinese historical context, it is clear that certain structures have been significantly modified since the Chinese Communist Party gained power, as indicated by the change from the alliance with the USSR in the 1950s, to self-reliance in the 1960s and to the opening to the outside world in the late 1970s. Thirdly, for positivists, the world is real and not mediated by our senses or socially constructed yet, in China, we can see evidence of considerable political/ideological struggles between those political or party elites, such as Mao Zedong and Lin Biao, Mao Zedong and Deng Xiaoping, Chen Yun and Deng Xiaoping, Li Peng and Zhu Rongji and so on. The results of
these political/ideological struggles have had a major impact on Chinese domestic and foreign policies, as manifest in the Cultural Revolution, the open door policy and the decision to join the World Trade Organisation (WTO). This suggests that it is plausible to argue that the world might or could be constructed by the discourses of these elites. Based on the above evaluation, this study will consider the other ontological assumptions.

In contrast to the positivist approach, interpretivists assert that social phenomena and their meanings are continually being accomplished by social actors (Foucault, 1980: 131). Social phenomena and categories are not only produced through social interaction but are also in a constant state of revision. Hence, meanings can only be established and understood within discourses and objective analysis is therefore impossible (Schutz, 1967: 44, Johnson et al. 1990: 4). In other words, "social reality is the interpretation" (Sparkes, 1992: 27). This perspective has resonance for this study. For example, in the globalisation theories or approaches, the hyperglobalists, the transformationalists and the sceptics, are all looking at the same phenomena but interpret them in different ways, which provides an opportunity for a more open approach to collect a variety of evidence to compare those competing interpretations.

However, the interpretivists' approach can be criticized for not paying enough attention to the deep structures that either facilitate or constrain actions (Marsh et al., 1999: 11-14). For interpretivists, social structures are constantly being re-established through day-to-day interactions which flow around us thus, it is argued, social structures have little influence on actions. But that is not the case in this study. For example, as discussed in Chapter 3, sport has a close relationship with the broader social-economic-political circumstances in China. And the impact of these circumstances is evident both internally on domestic sport policy, and externally, on international sport policy.

In contrast to both the positivist and interpretivist approaches, critical realists attempt to balance the two schools' extreme assumptions. For critical realists, the outcomes of a social phenomenon are determined by the constant interplay between agency and structures. Critical realists recognise that the relationship between structure and agency is dialectical (Cassell, 1993; Giddens, 1984; Marsh, 1999; Bhaskar, 1989a). In
addition, critical realists also argue that structures can be changed because of the outcomes of the actions of agents operating within the structures. In short, it is ‘agents who bring structure into being, and it is structure, which produces the possibility of agency’ (Cassel, 1993: 12). Furthermore, for critical realists, the relationship between structures and an agent’s actions is impossible to be ‘wholly’ explained in terms of time and space which is changing continuously, but they are interpreted and the researcher, in explaining the social phenomenon, must be sceptical and critical regarding appearance, that is, what people say and do (Marsh & Smith, 2001). This means, to be a critical realist, a researcher has to distinguish between appearance and reality; what ‘appears to be’ is not reality, for it often does not reflect the conflicts, tensions and contradictions evident in society, and appearance is based on illusion and distortion (Sarantakos, 1998: 36). Thus, the purpose of social research for the critical realist is determined by the research-oriented critical and activist nature of the theory (Sarantakos, 1998: 39; Bhaskar, 1989b: 46).

In essence, this study analyses the process of China’s engagement in global sports as exemplified by the cases of the Olympic Movement, football and basketball and, as such, the study focuses on the relationship between structure (globalisation) and agency (organizations and individuals) to examine the attitude of the Chinese government towards global sport utilizing the theoretical frameworks of Held et al. (1999) and Houlihan (1994, 2003). As indicated above, not only can we not take for granted or assume that all structures can be observed and are unchanging – the positivists’ perspective, but also we are not convinced that social structures have little or minimal influences on actions – the interpretivists’ viewpoint. Thus, so far we believe that the assumptions of the critical realists are the most suitable paradigm for this study because of the critical realist acknowledgement of the influence of the deep structures within which sport policy is located and the recognition of the capacity of individuals to affect sport development. However, we do not adopt the ‘hard’ version of critical realism which suggests that structures ‘cause’ behaviour. On the contrary, we are more in sympathy with the ‘soft’ version of critical realism which interprets structures as helping to explain, but not causing, behaviour. Essentially, we found that the heuristic and simplified framework of Linda Weiss (2003: 6) can, to some extent, help us understand the action of the PRC (sport policy) within the globalizing structures in our three case studies. According to Weiss (2003: 2-15), the structures
constraining and enabling (facilitating) state agencies in the global context could be regarded as possessing two dimensions: ‘economic logic of exit’ and ‘political logic of insecurity and competition’. For ‘economic logic of exit’, globalisation is seen to be intrinsically constraining because openness involves the fall of national barriers to trade, investment, and financial flows, exposure to increasing capital mobility (via the multinationalisation of production and growth of global financial markets), and also conformity with intergovernmental agreements requiring, for example, that governments open their markets to foreign trade and financial institutions as well as eliminating certain subsidies to industry. Unlike the constraining aspect reflected in the economic logic of exit, the enabling dimension of globalisation reveals a political logic of competition and insecurity, which generates incentives for governments to take initiatives that will strengthen the national system of innovation and social protection. By adopting Weiss’s concept in which globalisation (structures) ‘constrains’ and ‘enables’ (facilitates) the actions of state agencies to shape certain outcomes, we attempt to explain part of the interaction between globalisation (structure) and the Chinese state (agency) in our three case studies (see more detail in the section on methodological reflections in the Chapter 8).

4.3 Methodological considerations

The above account regarding ontological and epistemological assumptions raises methodological considerations which translate the principles of a paradigm into research language, and shows how the world can be explained, handled, approached or studied (Sarantakos, 1998: 32). In other words, the choice of research method flows from an allegiance to a distinctive position in relation to how social reality ought to be studied (Bryman, 1988: 118), and how the data arising from the research ought to be collected and interpreted (Grix 2002: 175; Sparkes 1992: 14). According to Bryman (1988: 94) and Sarantakos (1998: 54), divergent epistemological positions have developed quite distinct research techniques and modes of operation (see Table 4.3).
Table 4.3 Perceived differences between quantitative and qualitative methodology

<table>
<thead>
<tr>
<th>Feature</th>
<th>Quantitative</th>
<th>Qualitative</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Image of social reality</td>
<td>Static and external to actor</td>
<td>Processual and socially constructed by actor</td>
</tr>
<tr>
<td>(2) Nature of data</td>
<td>Hard, reliable</td>
<td>Rich, deep</td>
</tr>
<tr>
<td>(3) The role of values</td>
<td>Value neutral; value-free inquiry</td>
<td>Normativism; value-bound inquiry</td>
</tr>
<tr>
<td>(4) Methods</td>
<td>Quantitative, mathematical;</td>
<td>Qualitative, with less emphasis on</td>
</tr>
<tr>
<td></td>
<td>extensive use of statistics</td>
<td>statistics; more use of verbal and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>qualitative analysis</td>
</tr>
<tr>
<td>(5) Researcher's role</td>
<td>Rather passive; is the ‘knower’;</td>
<td>Active; ‘knower’ and ‘what is to be</td>
</tr>
<tr>
<td></td>
<td>is separate from subject - the known:</td>
<td>known’ are interactive and inseparable</td>
</tr>
<tr>
<td></td>
<td>dualism</td>
<td></td>
</tr>
<tr>
<td>(6) Generalisations</td>
<td>Inductive generalizations;</td>
<td>Analytical or conceptual</td>
</tr>
<tr>
<td></td>
<td>nomothetic statements</td>
<td>generalizations; time-and-context</td>
</tr>
<tr>
<td></td>
<td></td>
<td>specific</td>
</tr>
<tr>
<td>(7) Natural and social</td>
<td>Deductive; model of natural</td>
<td>Inductive; rejection of the natural</td>
</tr>
<tr>
<td>sciences</td>
<td>sciences; nomothetic; based on</td>
<td>sciences model; ideographic; no strict</td>
</tr>
<tr>
<td></td>
<td>strict rules</td>
<td>rules: interpretations</td>
</tr>
</tbody>
</table>

Source: (Adapted from Bryman, 1988: 94 and Sarantakos, 1998: 54)

Quantitative researchers employ highly structured techniques of data collection that allow quantification, hypotheses, measurement as well as the use of quantitative methods of data analysis including statistics and computers. Qualitative researchers on the other hand use less structured techniques of data collection and analysis. Indeed, qualitative research relies largely on the interpretive and critical approaches to social science, emphasising the significance of social context for understanding the social world. For example, qualitative researchers tend to empathise with their subjects, to attempt to view the world through their eyes. The data derived from ethnographic work is often described as ‘rich’ and ‘deep’, generally indicative of the attention to detail and their sustained contact with the subject area.

The researcher in quantitative research is thought to assume a rather ‘passive’ role during data collection. In qualitative research the investigator is taken to be actively involved in the process of data collection and analysis and to be more aware of the flow of the process than the quantitative researcher (Sarantakos, 1998: 54). Quantitative researchers, finally, are thought to be interested in inductive generalisations of the research findings. Qualitative researchers on the other hand are
primarily interested in exploration and in making analytical or conceptual
generalisations only.

Bryman (1988) emphasizes the differences between qualitative and quantitative
research and Sarantakos (1998) argues that qualitative methodology remains
fundamentally different from quantitative, not only in theory but also with regard to
the way it extracts information and analyses it. Nevertheless, this does not necessarily
mean that one type of research is better than the other; on the contrary, it means that
both types of research are important, although suitable for different types of inquiry.
agree that the choice between quantitative and qualitative research is to do with their
suitability in answering particular research questions.

The key research questions in this study are: i) to what extent did or does the Chinese
government have a choice in its relationship with sport globalisation?; ii) to what
extent can the Chinese government manage its interaction with sport globalisation?;
and iii) in what ways does the Chinese government seek to manage its relationship
with sport globalisation? In order to answer these questions, this study draws on
Houlihan’s framework of patterns of globalisation (1994, 2003) and Held et al.’s
framework of the theorization of globalisation (1999). Houlihan’s and Held et al.’s
work enable our analysis of globalisation processes which not only aims to explore
the cultural phenomena of the changing attitudes and values within China but which
also aims to examine the economic phenomena of the changing way in which elite
football and elite basketball are organised in China. In addition, both quantitative and
qualitative indicators of engagement with globalisation are used to help to identify
tensions and also analyse the relationship of the Chinese state to globalisation, which
enable us to map the Chinese sport policy response to globalisation. Regarding the
concept of “choice” or “making the choice” raised in the first key research question, it
is often very difficult to be able to identify that an agent is completely unconstrained
by the structures due to “free will” or “free choice” of agent. On completion of the
historical literature review in Chapter 3, we found that both Chinese domestic
structures (such as political and social ideology and Party-state administrations) and
international structures (such as United Nations, WTO and global economic system)
had substantial influence in shaping Chinese domestic and foreign policies. These
structures constantly “limited” or “facilitated” the choice of state agency. We utilize the concept of choice to take account of these institutional and structural constraints or facilitations and see what the room for the Chinese government to manoeuvre is. As Lewis notes, “pre-existing social structure makes a difference to the course of events in the social world by influencing the actions that people choose to undertake” (2000: 258). Marsh et al share a similar view, arguing that “Agents are, in a sense, ‘bearers’ of structural positions, but they interpret those structures. At the same time, structures are not unchanging; they change in part because of the strategic decisions of the actors operating within the structure” (1999: 15).

Comparing the research questions, the most important data are opinions, beliefs and values. The quantitative approach is not suited to this study because the data produced is likely to lack much by way of detail or depth on the topic under examination. This leads us to consider qualitative methods that may secure in-depth and rich information on a limited number of cases. It is argued that the qualitative researcher is in a better position to view the linkages between events and activities and to explore people’s interpretations of the factors which produce such linkages (Bryman, 1988: 102). As argued, the methods used by qualitative researchers exemplify a common assumption that they can provide a ‘deeper’ understanding of social phenomena than would be obtained from purely quantitative data. In other words, qualitative research seeks to interpret social phenomena, to produce a rich understanding of the complex meaning structures that social actors construct in their specific social environments (Denzin & Lincoln, 1998: 3-4).

Although it is argued that qualitative methods are more suitable for this study, we still have to deal with the ‘weaknesses’ of this type of research related to its very nature and raised by the positivistic criticisms. These weaknesses are i) problems of reliability caused by extreme subjectivity; ii) risk of collecting meaningless and useless information; iii) it is very time-consuming; iv) problems of representativeness and generalisability of findings; v) problems of objectivity and detachment; vi) problems of ethics (entering the personal sphere of subjects) (Sarantakos, 1998: 52-3). These weaknesses will be discussed separately in the sections on validity and reliability, the use of a case study approach and the use of particular research methods.
Case Study approach

As a research strategy, the case study is used in many situations to contribute to our knowledge of individual, group, organizational, social, political, and related phenomena (Yin, 2003: 2). Case study research involves studying individual cases, often in their natural environment, and for a long period of time (Sarantakos, 1998: 191; Stake, 1998: 99) and employs a number of methods of data collection and analysis. A typical definition of a case study is “an empirical inquiry that investigates a contemporary phenomenon within its real-life context when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used” (Yin, 1991: 23).

According to Sarantakos (1998: 192), the case-study analysis is a type of research that is different from other forms of investigation, and demonstrates the following distinguishing characteristics: 1. It studies whole units in their totality and not aspects or variables of these units. 2. It employs several methods primarily to avoid or prevent errors and distortions. 3. It often studies a single unit: one unit is one study. 4. It perceives the respondent as an expert not just as a source of data. 5. It studies a typical case. In addition, case studies are also employed for the purpose of exploration, and for the following reasons 1. to gain more information about the structure, process and complexity of the research object when relevant information is not available or sufficient; 2. to facilitate conceptualisation; 3. to guide the process of operationalisation; 4. to illustrate, explain, offer more detail or expand quantitative findings (Sarantakos, 1998: 192). In other words, the case study as a research strategy comprises an all-encompassing method - covering the logic of design, data collection techniques, and specific approaches to data analysis (Yin, 2003: 14). Nowadays, case studies are considered to be valid forms of inquiry in the context of descriptive as well as evaluative and causal studies, particularly when the research context is too complex for survey studies or experimental strategies, and when the researcher is interested in the structure, process and outcomes of a single unit (Sarantakos, 1998: 192).

Although case study is a suitable approach for this study, there are still some concerns that need to be addressed, such as the lack of rigour of case study research, the problem of generalizing from a single case, and the very time-consuming nature of the
process which runs the risk of collecting meaningless and useless information (Yin, 2003: 10). For the first concern, the researcher attempts to follow systematic procedures, such as using the theoretical frameworks of Houlihan (1994, 2003) and Held et al. (1999) to analyse Chinese sport development through three case studies in which the criteria used to choose the case study will be specified as will the indicators for the collection and analysis of data in order to help avoid equivocal evidence or biased views influencing the findings and conclusions. The second common concern about case studies, it is that they provide little basis for scientific generalization. Yin (2003: 10) argues that case studies, like experiments, are generalizable to theoretical propositions and not to populations or universes. In this sense, the case study, like the experiment, does not represent a 'sample', and in conducting a case study, our goal will be to develop and refine theories (analytical generalization) and not to enumerate frequencies (statistical generalization). So, this study is attempting to explore and analyse the response of the Chinese government to global pressure, especially in the dimension of global sport.

The third frequent criticism about case studies is that they take too long and result in massive, unreadable documents. Yin (2003: 10) suggests that the best general advice is to compose portions of the case study early (e.g. the bibliography and the methodology section), rather than waiting until the end of the data analysis process. Consequently, we are completing the literature review first which generates the indicators which will be important in the fieldwork, thereby limiting the accumulation of extraneous data. In addition, in many cases, when dealing with organisations, especially under the structure of the Chinese Communist Party, access to key information may be problematic. This problem is discussed below.

After discussing the strengths and limitations of the case study method, we move on to examine the criteria for the selection of the case study. According to Miles and Huberman (1984) and Stake (1998: 100), understanding the critical phenomena may depend on choosing the case well.

Criteria for the selection of the case study

According to Hammersley (1992: 184), 'the concept of the case study captures an important aspect of the decisions we face in research. It highlights, in particular, the
choices that we have to make about how many cases to investigate and how these are to be selected'. Regarding the first choice, Yin (2003: 19, 53) contends that most multiple-case designs are likely to be stronger than single-case designs because the analytic benefits from having two or more cases may be substantial. Indeed, a researcher may study a number of cases jointly in order to inquire into the phenomenon and population. We might call this a collective case study. Individual cases in the collection may or may not be known in advance to manifest the common characteristic. They are chosen because it is believed that understanding them as individual cases will lead to better understanding, perhaps better theorizing, about a still larger collection of cases (Stake, 1998: 89). Based on the reasons above, we believe that to achieve the aim and objectives of this study which examines the relationship between the Chinese government and globalisation we should focus on the major global sport arena, in our case, the Olympic Movement, elite football and elite basketball.

In the case of the Olympic Movement, it is responsible for the world’s leading global sporting event which is heavily involved with global commercial interests (Houlihan, 2004: 52; Wilson, 1994: 356). It is also arguably a major impetus for the globalisation of sport and, with an awareness of China’s history (‘cold’ toward the Olympics during late 1950s to early 1970s and only enthusiastic after the open-door policy in the 1978), we wish to explore how the Chinese government manages its relationship with powerful commercial interests, especially in the lead-up to the 2008 Beijing Olympics.

Regarding the case of elite football, engagement with global football was selected due to the status of the World Cup, the close involvement of elite football and host cities with global commercial interests, and the acknowledged role of FIFA in the globalisation of sport (Jarvie, 2006: 97). In China, football was the first sport where the introduction of the club system was permitted on an experimental basis. However, football has become increasingly popular in China. Consequently, we would like to explore how the Chinese government dealt with the various problems that arose including that of reconciling national interest and commercial benefits. As for the case of elite basketball, involvement with global basketball was selected due to i) its status as a mega sport in Europe, Japan and United States; ii) being a major commercial sport, especially in the United States in which NBA is one of the big four sport brands.
with global commercial interests; and iii) recognizing the role of the International Basketball Federation (FIBA) in the globalisation of sport following its decision to allow professionals, most significantly NBA players, to play in international competitions, including the FIBA World Championship and Olympic Games (Andrews, 1997: 87). In essence, the IOC, FIBA and NBA worked closely with each other to promote global basketball at the 2008 Olympic Games (Xinhuanet News, 2007). NBA Commissioner David Stern saw the Beijing Olympics as having as significant an impact on global basketball as the 1992 gold medal-winning US "Dream Team." He highlights that "It's going to be an awesome tournament. Beijing is going to be to the globalisation game what the (Michael Jordan-led) Dream Team was to the beginning of globalisation (of basketball)" (quoted in Xinhuanet News, 2006). In China, after football, basketball is the most popular professional sport and the Chinese Basketball Association League (CBAL) has many of the characteristics found in the West, especially in the American NBA model, including the "hiring and firing" system of accountability, the competition system of home and away and the introduction of foreign coaches, players and referees. As with football, we would like to examine the attitudes and values of the Chinese government toward the commercial products of basketball. To sum up, all three cases are not only strong global products or events but also attract substantial attention in the Chinese domestic context.

If we are examining the interaction between global sport phenomena and the Chinese government, we have to address the question of which parts of the complex government infrastructure we consider to be the authentic voice of the government. Which part of the collected network of people and organisations reflect the government's view? The way in which we handle that is to identify initially the organisations that have a clear interest in sport and sport development. From this point of view, the General Administration of Sport (GAOS) is the key organisation and the role of the Chinese Olympic Committee (COC) would be crucial. But one thing we need to bear in mind is that the key members in these two organisations are almost the same. In addition, the GAOS also has strong link with these Autonomous Non-Governmental Organizations (quangos), including the Chinese Football Association (CFA) and the Chinese Basketball Association (CBA). Unlike in many western democracies, these target organisations are likely to be much more tightly centrally controlled in China even if they appear nominally relatively autonomous. It is
possible therefore that the organisations we are targeting will give us the ‘government view’ due to the overlapping membership in these organisations and the existence of a very tight core of decision makers.

The criteria for choosing the cases of the Olympic Movement, elite football and elite basketball are summarised in Table 4.4. However, according to Yin (1994: 137) ‘case studies have been done about decisions, about programmes, about the implementation process, and about organisational change. Between these types of topic, none is easily defined in terms of the beginning or end point of the ‘case’’. He also argues that ‘the more a study contains specific propositions, the more it will stay within reasonable limits’.

Table 4.4 A summary of the criteria for choosing the three case studies

<table>
<thead>
<tr>
<th>Common features of the three case studies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Global sport</strong></td>
</tr>
<tr>
<td>Olympics, elite football and elite basketball are all major sports events highlighted under the Chinese sport policy.</td>
</tr>
<tr>
<td><strong>Commercial potential</strong></td>
</tr>
<tr>
<td>All of them have huge commercial potential behind them, especially sponsorship from MNCs.</td>
</tr>
<tr>
<td><strong>Related agencies under the leadership of Chinese state</strong></td>
</tr>
<tr>
<td>General Administration of Sport (GAOS), Chinese Olympic Committee (COC), The Beijing Organizing Committee for the Games of the XXIX Olympiad (BOCOG), Chinese Football Association (CFA) and Chinese Basketball Association (CBA).</td>
</tr>
</tbody>
</table>

4.4 Research methods

This section considers the two key research methods employed for this study: semi-structured interviews and document analysis. These methods are discussed in turn.

Semi-structured interview

There are clear methodological reasons why interviews are a valid tool for this study. The most important of which concerns the type of information we wish to glean – either because it simply does not exist in official published documents or contemporary media accounts or because we require greater elaboration and
explanation. We wish to know a person's beliefs, opinions and attitudes from their perspective:

Extended conversational interviews of this character provide an opportunity for contextual analysis. An opinion, belief, or attitude is best understood in the context of other opinions, beliefs, and attitudes, for they illuminate its meaning, mark its boundaries, modify and qualify its force. (Lane, 1962: 9)

The reason why we employ semi-structured interviews is because this type of interview allows people to answer more on their own terms than the standardized interview permits, but still provides a structure for comparability by comparison with the focused interview (May, 1993: 93). As Fielding notes 'They were semi-structured by a thematic guide with probes and invitations to expand on the issues raised' (1988: 212). Thus, qualitative information about the topic can then be recorded by the interviewer who can seek both clarification and elaboration on the answers given. This enables the interviewer to have more latitude to probe beyond the answers (May, 1993: 93).

Empirical work involved interviews with actors within the elite sport system from five governmental and related agencies, namely, the General Administration of Sport (GAOS), the Chinese Olympic Committee (COC), the Beijing Organizing Committee for the Games of the XXIX Olympiad (BOCOG), the Chinese Football Association (CFA) and the Chinese Basketball Association (CBA). As noted, these five organisations are probably in a much more tightly centralized system in China than their western counterparts which are less homogenous, often more fragmented even when they are located within the machinery of government. These organisations gave us the government perspective on Chinese sport policy regarding globalisation. As regard the selection of interviewees within these organizations, ideally, our preferred interviewees would be those as senior as possible, who have been in the organisations for 5-10 years, and can thus offer a historical perspective, and those involved in strategic decision-making rather than operational matters. But given the reality of researching in China, it may be that we have to be much more pragmatic and interview officials who are at a more junior level, or maybe only partly involved in strategy but who have been part of the organisation for a reasonable length of time.
Although, under these particular political circumstances in Communist China, we may be not able to interview all the senior officials related to our research and may instead interview more junior officials, according to Taylor, these actors may still share valuable intersubjective meanings which are constitutive of the social matrix in which individuals find themselves and act. He notes:

The actor may have all sorts of beliefs and attitudes which may be rightly thought of as their individual beliefs and attitudes, even if others share them; they may subscribe to certain policy goals or certain forms of theory about the policy, or feel resentment about certain things and so on. They bring these with them into negotiations, and strive to satisfy them. (Taylor, 1987: 57-8)

Taylor's argument is echoed by other authors, such as Richardson (1990: 25-6) and Elliott (2005: 28), both of whom agree that the analysis of narratives produced by the individual response to the well-told collective story within a category of people may produce evidence that is considered to provide an understanding of the intersubjective meanings shared by the whole of a community.

In addition to interviewing officials in these five key organisations, we intended to conduct interviews with staff in other organisations as well as academic scholars for purposes of triangulation and also the generation of further data. For the first part, we talked to administrators in 1-2 professional football and basketball clubs to obtain a different perspective because they are experiencing professionalisation from the receiving end rather than the policy end. With the Olympic case study, we also talked to officials in track and field, swimming and volleyball governing bodies in order to elicit a wide range of views. For the second part, we interviewed scholars who have conducted research related to these three case studies in order to provide us with a non-official but critical point of view. These, more detached perspectives, drawn from Chinese academics who are working in China and other countries, including Taiwan and in the West, would be contrasted with the Chinese official line to obtain a more accurate picture for this research (see Appendix 1 for a list of interviewees).

Where possible, the interviews were tape-recorded, which will enable a more systematic analysis of data than would be possible by relying only on field notes.
However, the tape-recordings comprised only part of the interview data as notes were also made on the course of the interview and any significant non-verbal gestures employed, in order to assist the researcher to become familiar with the data and the particular nuances of each interview. According to Manion (2003: 62), conducting interviews in relation to Chinese politics presents two challenges. One is finding suitable Chinese official interviewees and the other is that Party and government officials are normally reluctant to interpret official policy due to the political monitoring of their comments.

In order to meet the challenge of identifying relevant officials, I employed three strategies. The first strategy was a “direct approach”. I directly contacted some of the Chinese sport officials working in the General Administration of Sport (GAOS) when they were visiting Loughborough University in October of 2004. Among these officials, Mr Jiang, vice director of the personnel department of the GAOS, has special responsibilities for academic activities between Taiwan and China. With his permission, I could continue contacting other junior sport officials in his department. After several contacts with other officials in the personnel department of the GAOS, I asked one of them whether he could help me make contact with the group of sport officials responsible for the Olympic Movement, elite football and elite basketball and who might be willing to be interviewed. He kept his promise and helped me arrange interviews with his GAOS colleagues. But the risk here is, of course, that such a hand-picked sample could end up being highly biased toward the more “respectable” end of party politics – in other words, the party/government could ‘choose’ the way it wanted to represent itself to me. Fortunately, the person in charge of selecting suitable candidates made his choices, as far as I could tell, on the basis of personal relations, rather than with the Party’s or government image in mind. In fact, most of his suggested GAOS interviewees were originally on my interview list, although some of them were unavailable due to their busy schedules and high-ranking positions (such as Director and Vice Directors of GAOS).

The second strategy was an ‘indirect approach’. By contacting academics, in China, Taiwan and the UK, I asked those scholars who had ‘private’ friendships with Chinese sport officials, to introduce me to their friends and support my request for an interview. Nowadays, some Chinese sport officials are or used to study at the Beijing
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Sport University for a Master’s or PhD degree so it gave me an opportunity to identify several respondents in the CFA, CBA and GAOS for my research by this indirect approach.

The third strategy for selecting suitable interviewees was by snowball sampling. I made a point of asking each of my respondents at the end of the interview whether they knew of somebody else who might be willing to be interviewed. According to May (1993: 100), this form of non-probability sampling is very useful in gaining access to certain groups. However, this technique is not without its limitations. Interviewees may nominate other respondents with whom they have close links and share similar views, with the result that the researcher would possibly be omitting the voices and opinions of others who are not part of this network of friends and acquaintances. An awareness of this problem sharpened our concern to seek interviewees from a wide range of organizations within the Chinese sport infrastructure.

The other challenge for our interviews was how to elicit useful data from these sport officials who were cautious about expressing their opinions about sport policies because of the very hierarchical system in China. To try to overcome this problem close attention was paid to the design of questions. The questions were ‘open-ended’ since it was recognised as desirable to give the interviewees the opportunity to reveal their perceptions of the development of sport policy. So we started from factual questions and then we tried to move toward more opinion-based and value-based questions where we were just creating opportunities for them to tell us something more substantial in terms of opinions for analysis (see Appendix 1 for examples of interview schedule).

The second element of the interview strategy was to assure interviewees that we would not use their names in anything we made public but would draw on what we had learned from them to shape the research and analysis. In so doing, we hoped that we could elicit frank responses and explore further unexpected perceptions from these interviewees. To obtain more information from respondents, the third element of the strategy was to make the interview situation more propitious. From sociological observers’ point of view (Finch, 1993: 166; Seldon, 1988), the ideal would have been
to conduct the interview in a location where the interviewees felt more comfortable and at ease. Accordingly, we let the interviewees choose a place they felt comfortable with – but as quiet as possible. Essentially, most interviewees chose to be interviewed in their own offices or quiet meeting rooms due to their busy schedules.

In addition, we were aware of a possible drawback of interviewing with these elites because they are usually very aware of their expert status and the fact that they were speaking ‘as party/government representatives’. Thus, we knew that it was vital that we did some background research beforehand and, where possible, cross-check the information conveyed for factual accuracy after the interview. Although we did what we could to collect reliable and valid data, we knew this was the ‘tough area’ of the research and consequently we needed to be sceptical of the interview data collected.

In addition, Taiwan has a unique relationship with China, which could lead me, as a critical realist and a Taiwanese to be more likely to be sceptical about accounts from the Chinese Communist Party officials/government officers. But having been away from Taiwan studying in the UK for almost four years, this has given me an opportunity to look at my own country from a different point of view which may help me to take a more detached and balanced view of collecting and analyzing the data collected in China.

**Document analysis**

In this section, we discuss several issues in relation to document analysis, such as what types of documents should we collect? their various strengths and weaknesses and how they might be evaluated and analyzed? The term ‘documents’ includes a vast range of materials found in all sorts of places (MacDonald, 2001: 197). However, the three main categories we would mostly rely on are government documents, newspapers and academic resources.

According to Scott, official documents which are shaped by the structure and activities of the state, both directly and indirectly, are often the by-products of policy and administration and, as the creations of public bodies, they reflect the organization and interests of state agencies (1990: 59). From this point of view, the policy
orientation of nation states was expressed in the attention given to the calculation of the effects of official action in relation to policy goals. Thus, MacDonald (2001: 197) reminds us that we not only need to understand the conventions which surround the compilation of official reports and statistics, but must be aware of the distortions that can arise as a result of the actions of the people to whom the statistics refer. Due to the systems of surveillance and social control that are responsible for official record-keeping in China, it is almost impossible for us to collect all the documents related to this study. Thus, we attempt to compensate partly for this limitation with journalist sources.

A vast amount of political information is presented via media formats, particularly newspapers. According to Harrison (2001: 108), media resources can provide a valuable understanding of the context of political behaviour, particularly when we might not have direct access to the event we wish to analyze. But Negrine (1989: 4) and Scott (1990: 146-152) remind us of the biases and distortions resulting from the pattern of ownership and control of the media with newspapers in particular tending to be politically partisan and likely to present 'news values' rather than "plain facts". This kind of situation is more serious in China than in western counterparts because the Chinese Communist Party dominates or perhaps directly controls all the Chinese newspapers with direct censorship. Consequently, the Chinese newspapers could be regarded as tools of political propaganda in which the speech or agenda of these political elites would be highlighted or announced literally. As Mannheim and Rich comment, "Newspapers are an excellent source of current and historical information including the texts of important speeches" (1995: 53), which offers us a unique opportunity to collect data related to important policies, including elite sport, commercial sport and global issues. For balancing and triangulating the data from Chinese newspapers, we also collected data from Taiwanese and western newspapers and news agencies. But we were very sensitive to the possible subtext to Taiwanese and western journalism in relation to mainland China due to the tensions between these two countries and the perception of China in the western media.

In addition, we collected data from academic resources, which may be regarded as less value-laden and more focused on the issues of reliability and validity than government documents and newspapers (Harrison, 2001: 107-8). Although they are
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more reliable and valid than the other two resources, Chinese academic materials still need to be treated critically due to the system of Chinese academic censorship which does not permit some articles or books which touch on sensitive issues to be published. In some cases, academic scholars have been asked to revise their conclusions to echo government policy if they want their papers to be published. Thus we need to be very aware of these kinds of materials even though they are ‘academic’ works. Although we knew what kind of documents we should collect, we still face several challenges regarding how to evaluate and analyse the materials collected. Indeed, these challenges can be grouped under four headings: authenticity, credibility, representativeness and meaning (cf. Harrison, 2001; MacDonald 2001, May, 1997; Scott, 1990).

According to Harrison, when we decide to use documentary evidence in political research, we make assumptions about the quality of the document (2001: 130-1). That means we hope that the document is ‘genuine’, or what is termed authentic. But the question is how to make sure of a document’s ‘authenticity’? A useful checklist for deciding on the authenticity of documents is provided by Platt (1981: 34) who asked: i) does the document contain obvious errors and/or inconsistencies?; ii) do different versions of the same document exist?; iii) is there consistency of literary style, content, handwriting or typeface?; iv) has the document been transcribed with more than one copy?; v) has the document been circulated by someone with a vested interest in a particular reading of its content?; and vi) does the version derive from a reliable source?

A second challenge in relation to documentary analysis is credibility. Credibility ‘refers to the extent to which the evidence is undistorted and sincere, free from error and evasion’ (Scott, 1990: 7). In order to make sure whether the document is credible or not, a useful guideline is provided by Duffy. (2005: 130-1) Regarding this guideline, seven elements are highlighted as follows. 1) What kind of document is it? 2) What does it actually say? 3) Who produced it? What is known about the author? 4) What was its purpose? 5) When and in what circumstances was it produced? 6) Is it typical or exceptional of its type? 7) Is it complete? Has it been altered or edited? In addition, Duffy (2005: 133) also reminds us that the guiding principle in document analysis is nevertheless that everything should be questioned. In so doing, it can
provide an important context for understanding its content, and we must attempt, when possible, to ferret out this information (Mannheim & Rich, 1995: 194).

Third, we need to ask whether the document is representative – this centres around the idea of ‘typicality’ (May, 1997: 170). So, whether the document is available which can be said to comprise a representative sample of the totality of documents as they originally existed (MacDonald, 2001: 205). This is not to say that good research cannot be carried out with an unrepresentative selection; but the user must know to what extent and in what respects those documents are unrepresentative (Scott, 1990: 24). Furthermore, Scott reminds us that it should not be assumed that the researcher always desires ‘typical’ evidence: what is important is that the scientists should know how typical it is in order to be able to assign limits to the application of any conclusions drawn (Scott, 1990: 7).

Finally, we need to pay attention to the meaning of the document. This can involve understanding at two levels: that is, the surface or literal meaning and the deeper meaning through some form of interpretive understanding or structural analysis (MacDonald, 2001: 205). To be a critical realist, we need not only to understand both literal and deeper meanings of the production of the text, but move beyond the documents themselves to encompass a critical analysis of the institutional and social structure within which such documents are produced (Jupp, 1996: 298). In so doing, it helps us pick out what is relevant for analysis and piece all the evidence together to map out ‘the whole picture’ of the relationship between Chinese sport policy and globalisation.

4.5 Validity and Reliability

A central methodological issue that needs to be considered by the researcher is the validity and reliability of data collected and conclusions drawn through the various methods used. The first concern for this study is validity. According to Maxwell (1996: 87), validity is a way to ‘refer to the correctness or credibility of description, conclusion, explanation, interpretation, or other sort of account’. He also offers three
types of validity threats of which we need to be aware, namely description, interpretation and theory (Maxwell, 1996: 89-90). In order to raise the validity of our research, we attempt to clarify how to reduce these threats. Firstly, we face the challenge of valid description, which is how we make sure that the description of what we saw and heard is accurate or complete. For this part, our strategies to reduce this threat are the audio recording of interviews whenever possible, verbatim transcription of these recordings, translation of verbatim transcription from Chinese to English with the translation checked by an expert. By doing so, we hope that we can minimize this problem.

The second threat to valid interpretation is ‘imposing one’s framework of meaning, rather than understanding the perspective of the people studied and the meaning they attach to their words and actions’ (Maxwell, 1996: 89-90). In order to solve this problem, we attempted to seek an understanding of the whole context under which the texts of documents or interview data were generated. This means that we do not assume that the participants’ pronouncements are necessarily valid before they are triangulated by checks with other interviewees (including academics and non-officials) and with relevant documents (academic research, newspapers and government documents). Thus, the idea here is not only to get the literal meaning of the texts but go further to ‘makes sense’ of the author’s situation and intention from the researcher’s judgment (Scott, 1990: 31) which relies on understanding the political, economic and social structure.

Thirdly, the most serious threat to the theoretical validity of an account is not collecting or paying attention to contradictory data, or not considering alternative explanations or understandings of the phenomena we are studying (Maxwell, 1996: 90). The strategy we used to deal with these problems was to generate the indicators to guide the collection of data on completion of the theoretical literature reviews. Generally speaking, these indicators (see Appendix 2-6) are quite generic and flexible because they do not privilege or prejudice any particular school of globalisation theory, nor do they eliminate the possibility of alternative explanations or understanding of the phenomenon of globalisation. In addition, how do we make sure that these indicators can guide us to collect useful or appropriate data? In other words, can we justify the validity of these indicators? According to Rose and Sullivan, as a
political [or policy] researcher we are looking for patterns and regularities in attitude and behaviour in order to provide explanations, which we couch in terms of ‘theories’ (Rose & Sullivan, 1993: 9). But what we are often interested in understanding is not a physical entity – that is, we cannot ‘touch’ government values and attitudes toward sport globalisation, we have to make use of ‘concepts’ (Harrison, 2001: 14) in which we put our data into both quantifiable and qualitative indicators (see Appendix 2 and Appendix 3) to work as measurement in the analysis of values and attitudes.

Although we attempt to use both quantifiable and qualitative indicators to explore the phenomenon of globalisation, we still have to face the main challenge - ‘Are they appropriate to the topic of globalisation?’ One suggested indicator of change in China’s acceptance of globalisation is the increasing size of the Chinese Olympic team over the last six Olympic Games (see 1h in Appendix 4). However, it might be argued that this is not a valid indicator because we could still have a country which rejects contact with the global economy while still sending a large team to the Olympics. For example, Cuba is still, economically, a Communist country as well as politically and it is very successful in Olympic terms. In order to check the validity of that indicator, we look at other related indicators such as ‘the number and position of Chinese officials involved in the IOC’ (see 2h in Appendix 4) or ‘the willingness of China to bid to host the Olympics’ (see 1h in Appendix 4). In bidding to host the Olympic Games, China has had to accept all the Olympic sponsors, major capitalist countries, and China has accepted obligations to raise sponsorship money from Chinese corporations. This is much more significant and it is hard to say that it is not a valid indicator of the acceptance of the economic globalisation of sport. In addition, the same logic could be replicated in relation to the other indicators because all the indicators we generate are strongly linked with each other (see Appendix 4-6) which helped the development of consistency and logic between related variables, for example, to commercialisation and globalisation. In so doing, consistency of responses shows us that the sort of questions we are asking are focused on the important issues and telling us something worthwhile about the variables and consequently to reduce the threat to the theoretical validity of the account. Although we make every effort to ensure the validity of this study, Maxwell still reminds us that “validity is a goal rather than a product; it is never something that can be proven or taken for granted” (1996: 86).
The second concern for this section is reliability. Reliability refers to the extent to which the same finding will be arrived at, if the same procedure is conducted by a different researcher or at a different time (Yin, 2003: 37, Kirk & Miller, 1986: 69). Yin reminds us that ‘the emphasis is on doing the same case over again, not on “replicating” the results of one case by doing another case study’ (2003: 37, original emphasis) because the obvious temporal changes implicit in social and political research, means that the social/policy researcher is not working under ‘controlled’ laboratory conditions, as, for example, in the natural scientific tradition. In short, the goal of reliability is to minimise errors and biases in a study. Three requirements for minimising errors and biases are: i) to use multiple sources of evidence (interviews and document analysis in this study) for triangulating data collected and for the development of converging lines of inquiry; ii) to create and maintain a case study database, which might include interview transcripts (and audiotape recordings if possible), observations on document analysis, and rigorous recording of references used; and iii) to maintain a chain of evidence – the principle here is that an external observer should be able to follow the derivation of any evidence, ranging from initial research questions to ultimate case study conclusions (Yin, 2003: 97-106). The third concern in this study is that case studies provide a poor basis for scientific generalisation (Yin, 2003: 37). Yin argues that, to some extent, the multiple-case design helps to overcome this problem because ‘case studies, like experiments, are generalisable to theoretical propositions and not to populations and universes’ (2003: 10).

The final concern in this study is ethical problems which, to some extent, could affect validity and reliability. But Maxwell reminds us that it is clearly impossible to deal with these problems by eliminating the researcher’s theories, preconceptions, or values, but we can try to understand how a particular researcher’s values influence the conduct and conclusions of the study (1996: 91). To some extent, on the one hand, I am an outsider who is conducting research in a Western context; on the other hand, I am an insider due to historical tensions between Taiwan and China and share the same culture and language. The author acknowledged that being a Taiwanese could possibly affect the interpretation of documents but the researcher was aware of this and maintained as much objectivity as possible. In addition, the tension between
Taiwan and China, and the Chinese Communist structure is likely to affect data collection, especially with regard to confidential documents and sport budgets for which the researcher will rely on newspapers, SPORTINFO archive\(^1\), GAOS database, GAOS statistic book, academic sources and data from interviews.

In addition, I know that Taiwan has a unique relationship with China, which could lead me to be more sceptical about accounts from Chinese Communist Party officials/government officers. I acknowledge that it is impossible for me to change the reality that I am a Taiwanese who was educated under the structure of the Kuomintang (KMT) government – a long rival Party of the Chinese Communist Party. However, as an academic researcher, I understand that it is a historical contingency between China and Taiwan which both have and will continue to pursue their own national interests. While there is nothing I can do to alter this historical contingency, I can from time to time, remind myself to be detached in analyzing the data collected. In fact, I have been staying in the UK for almost four years and not returned to Taiwan since early 2004. Although this is not the best way to detach myself from Taiwanese structures, at least I do whatever I can to take a reflective approach to avoid ethnic bias which might possibly affect the validity and reliability of my research.

Indeed, for this study – globalisation and Chinese sport policy, I would like to be a bridge between people who are close to the ‘reality’ but were reluctant to expose it (Chinese scholars who were constrained by the academic and media censorship system under the structure of Chinese Communist Party) and people who wanted to be close to the ‘reality’ but were frustrated by Chinese culture and language (Western scholars who are limited by the language and Chinese culture to ‘make sense’ of the whole context). Being a Taiwanese and studying in the UK at the same time provided me with a unique opportunity not only to get involved in the Chinese context to make sense of ‘what is going on there’ but also to detach myself for analyzing the data collected while staying in UK.

\(^1\) SPORTINFO archive is a commercial database owned by the National Management Centre for Sport Information under the leadership of GAOS. Some internal documents of GAOS are available in this archive, particularly the policy document of GAOS.
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4.6 Research Design

According to Yin, ‘a research design is a logical plan for getting from here to there, where here may be defined as the initial set of questions to be answered, and there is some set of conclusions (answers) about these questions’ (Yin, 2003: 20; original emphasis). To fill in the gap between “here” and “there” in this study, we identified six phases which are summarized in Table 4.5 and described below.
### Table 4.5 Summary of each research phase in the study

<table>
<thead>
<tr>
<th>Phase</th>
<th>Empirical Focus</th>
<th>Theoretical Context</th>
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<tbody>
<tr>
<td><strong>Phase 1</strong></td>
<td>The desk study for the Chinese social, economic and political context</td>
<td>Review of the literature on globalisation→ Generation of research questions <em>(The relationship between globalisation &amp; Chinese sport policy)</em></td>
</tr>
<tr>
<td><strong>Phase 2</strong></td>
<td><strong>A.</strong> The desk study for background information about the Olympic Movement, Basketball and Football</td>
<td>Identification of indicators <em>(Soft and hard indicators → values and attitudes)</em> and Development of analytical frame work <em>(Houlihan’s framework of patterns of globalisation)</em></td>
</tr>
<tr>
<td><strong>Phase 2</strong></td>
<td><strong>B.</strong> Informal net-working with the Chinese study academic community and one or two Chinese administrator I met on occasion.</td>
<td></td>
</tr>
<tr>
<td><strong>Phase 3</strong></td>
<td>Interview and Interview transcripts</td>
<td></td>
</tr>
<tr>
<td><strong>Phase 4</strong></td>
<td><strong>A.</strong> 1. Collect and read the additional documents and literature.</td>
<td></td>
</tr>
<tr>
<td><strong>Phase 4</strong></td>
<td>2. Go into any document that I collect when I am doing my interview or any document that people mention to me that I have not already seen</td>
<td></td>
</tr>
<tr>
<td><strong>Phase 4</strong></td>
<td><strong>B.</strong> Any additional interviews</td>
<td></td>
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<tr>
<td><strong>Phase 5</strong></td>
<td>Write individual case reports</td>
<td></td>
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<tr>
<td><strong>Phase 6</strong></td>
<td>Draw cross-case conclusions, modify theoretical framework, develop policy implications and write cross-case report</td>
<td>Reconsideration of globalisation theories <em>(Three schools: hypoglobalists, sceptics, transformalists)</em></td>
</tr>
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Phase 1. Literature review in relation to globalisation theories and the Chinese social, economic and political context

The researcher drew on theories at the macro level (globalisation theories) to identify concepts and approaches, which would be helpful in guiding preliminary decisions including the selection of three case studies, the identification of interviewees, and the selection of relevant documents to review. In this phase, we conducted a literature review in relation to globalisation theories, which not only helped us to grasp the main debates among the three main schools of thought on globalisation, but also assisted us to deductively generate the indicators for the collection and analysis of relevant data. In the same phase, we also concluded a desk study of the literature on the Chinese social, economic and political context which was not only intended to make us sensitive to both the internal politics of the Chinese Communist Party and the changing patterns of international relations of China, but was also helpful in identifying the three key research questions and for the selection of the three case studies.

Phase 2. The collection of background information about the Olympic Movement, elite basketball and elite football

After we had gained sufficient initial knowledge to make more sense of Chinese sport development in the global context, we needed to look for materials which were more directly related to our three case study areas. Thus, we undertook another round of desk study, such as library and Internet research, to obtain more background information about the Olympic Movement, elite basketball and elite football. By doing so, we attempted to closely link and locate indicators within these key questions and case studies. The main purpose was to establish a strong theoretical framework for this study focused on sport policy developments/changes in the three cases because ‘articulating “theory” about what is being studied helps to operationalise case study designs and make them more explicit’ (Yin, 2003: 19; original emphasis). The link among research questions, research objectives and indicators was outlined in Table 4.6.
Table 4.6 Summary of the relationship between the research questions, research objectives and indicators

<table>
<thead>
<tr>
<th>Q1</th>
<th>Olympic Movement Objective 2</th>
<th>Football Objective 3</th>
<th>Basketball Objective 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>To what extent did/does the Chinese government have a choice in its relationship with sport globalisation</td>
<td>• To examine the relationship between China and the Olympic Movement</td>
<td>• To examine the development, structure and organisation of elite football in China</td>
<td>• To examine the development, structure and organisation of elite basketball in China</td>
</tr>
<tr>
<td>1h. Formal engagement with international sport as a participant country (including membership, joining competitions, ranking, bidding for or hosting Olympic Games);</td>
<td>1h. Formal engagement with FIFA as a participant country (including membership, joining competitions, ranking, bidding for or hosting FIFA World Cup);</td>
<td>1h. Formal engagement with FIBA as a participant country (including membership, joining competitions, ranking, bidding for or hosting FIBA World Championship);</td>
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<tr>
<td>ls. The extent to which the Chinese government accepting the values and attitudes of the IOC</td>
<td>ls. The extent to which the Chinese government accepting the values and attitudes of commercial football</td>
<td>ls. The extent to which the Chinese government accepting the values and attitudes of commercial basketball</td>
<td></td>
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<tr>
<td>2h. The number and position of Chinese sports representatives in world sports governing bodies;</td>
<td>2h. The number and position of Chinese sports representatives in FIFA;</td>
<td>2h. The number and position of Chinese sports representatives in the FIBA;</td>
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</tr>
<tr>
<td>4h. The distribution of national sports budget to elite sport;</td>
<td>4h. The distribution of national sports budget to elite football;</td>
<td>4h. The distribution of national sports budget to elite basketball;</td>
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</tr>
<tr>
<td>4s. The structure of sport governing bodies in the PRC;</td>
<td>4s. The structure of the Chinese Football Association;</td>
<td>4s. The structure of the Chinese Basketball Association;</td>
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</tr>
<tr>
<td>6h. The resource of coach development programmes for elite sport;</td>
<td>6h. The resource of coach development programmes for elite football;</td>
<td>6h. The resource of coach development programmes for elite basketball;</td>
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<tr>
<td>5s. The values and attitudes of the government towards commercial sport sponsorship</td>
<td>5s. The values and attitudes of the government towards commercial football</td>
<td>5s. The values and attitudes of the government towards commercial basketball</td>
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<tr>
<td>Q2</td>
<td>To what extent can China manage its interaction with sport globalisation</td>
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<tr>
<td>2s. The attitudes and values of the Chinese government in relation to the rights of elite athletes (for example, the transfer &amp; players);</td>
<td>2s. The attitudes and values of the Chinese government and Chinese professional football clubs in relation to the rights of elite athletes (for example, the transfer &amp; players);</td>
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<tr>
<td>3s. The attitudes and values of athletes towards material rewards;</td>
<td>4h. The distribution of national sports budget to elite football;</td>
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<tr>
<td>4s. The structure of sport governing bodies in the PRC;</td>
<td>4s. The structure of the Chinese Football Association;</td>
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<tr>
<td>6h. The resource of coach development programmes for elite sport;</td>
<td>6h. The resource of coach development programmes for elite football;</td>
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<tr>
<td>5s. The values and attitudes of the government towards commercial sport sponsorship</td>
<td>5s. The values and attitudes of the government towards commercial football;</td>
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<tr>
<td>9h. The tensions between the Chinese professional football clubs and government</td>
<td>9h. The tensions between the Chinese professional basketball clubs and government</td>
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<tr>
<td>Q3</td>
<td>3s. The attitudes and values of athletes towards material rewards;</td>
<td>3s. The attitudes and values of football players towards material rewards;</td>
<td>3s. The attitudes and values of basketball players towards material rewards;</td>
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<td></td>
<td>4h. The distribution of national sports budget to elite sport;</td>
<td>4h. The distribution of the national sports budget to elite football;</td>
<td>4h. The distribution of national sports budget to elite basketball;</td>
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<td>4s. The structure of sport governing bodies in the PRC;</td>
<td>4s. The structure of the Chinese Football Association;</td>
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<td>6h. The resource of coach development programmes for elite sport;</td>
<td>6h. The resource of coach development programmes for elite football;</td>
<td>6h. The resource of coach development programmes for elite basketball;</td>
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<td>5s. The values and attitudes of the government towards commercial sport sponsorship;</td>
<td>5s. The values and attitudes of the government towards commercial football;</td>
<td>5s. The values and attitudes of the government towards commercial basketball;</td>
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<tr>
<td></td>
<td>9h. The tensions between the national teams' sponsors and government.</td>
<td>9h. The tensions between the Chinese professional football clubs and government.</td>
<td>9h. The tensions between the Chinese professional basketball clubs and government.</td>
</tr>
<tr>
<td>Q3</td>
<td>In what ways does the Chinese government seek to manage its relationship with sport globalisation? (Politic Level)</td>
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<tr>
<td>1h.</td>
<td>Formal engagement with the Olympic Movement as a participant country (including membership, joining competitions, ranking, biding for or hosting Olympic Games);</td>
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<tr>
<td>2h.</td>
<td>The number and position of Chinese sports representatives in the IOC and other world sports governing bodies;</td>
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<tr>
<td>3h.</td>
<td>The number and purpose of sport facilities in China;</td>
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<tr>
<td>4h.</td>
<td>The distribution of national sports budget to elite sport;</td>
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<td>4s.</td>
<td>The structure of sport governing bodies in the PRC;</td>
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<tr>
<td>5h.</td>
<td>The number and purpose of special elite universities or training centres for elite sport;</td>
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<td>7h.</td>
<td>The ownership of special elite training facilities for Olympic sport in China;</td>
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<tr>
<td>8h.</td>
<td>The number of athletes in the elite sport system.</td>
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<tr>
<td>1h.</td>
<td>Formal engagement with FIFA as a participant country (including membership, joining competitions, ranking, biding for or hosting FIFA World Cup);</td>
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<td>2h.</td>
<td>The number and position of Chinese sports representatives in FIFA and the Asia Football Confederation;</td>
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<tr>
<td>3h.</td>
<td>The number and purpose of football facilities in China;</td>
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<tr>
<td>4h.</td>
<td>The distribution of the national sports budget to elite football;</td>
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<td>4s.</td>
<td>The structure of the Chinese Football Association;</td>
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<td>5h.</td>
<td>The number and purpose of special elite universities or training centres for elite football;</td>
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<td>6h.</td>
<td>The resource of coach development programmes for elite football;</td>
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<tr>
<td>7h.</td>
<td>The ownership of special elite training facilities for football in China;</td>
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<tr>
<td>8h.</td>
<td>The number of people or local clubs that participate in elite football</td>
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<tr>
<td>1h.</td>
<td>Formal engagement with FIBA as a participant country (including membership, joining competitions, ranking, biding for or hosting FIBA World Championship);</td>
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<tr>
<td>2h.</td>
<td>The number and position of Chinese sports representatives in the FIBA and the Asia Basketball Confederation;</td>
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<tr>
<td>3h.</td>
<td>The number and purpose of basketball facilities in China;</td>
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<tr>
<td>4h.</td>
<td>The distribution of the national sports budget to elite basketball;</td>
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<tr>
<td>4s.</td>
<td>The structure of the Chinese Basketball Association;</td>
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<tr>
<td>5h.</td>
<td>The number and purpose of special elite universities or training centres for elite basketball;</td>
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<tr>
<td>6h.</td>
<td>The resource of coach development programmes for elite basketball;</td>
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<tr>
<td>7h.</td>
<td>The ownership of special elite training facilities for basketball in China;</td>
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<tr>
<td>8h.</td>
<td>The number of people or local clubs that participate in elite basketball</td>
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<tr>
<td>Q3</td>
<td>In what ways does the Chinese government seek to manage its relationship with sport globalisation? (Social Level)</td>
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<tr>
<td>3s.</td>
<td>The attitudes and values of athletes towards material rewards;</td>
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<tr>
<td>5s.</td>
<td>The values and attitudes of the government towards commercial sport sponsorship,</td>
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<tr>
<td>3s.</td>
<td>The attitudes and values of football players towards material rewards;</td>
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<tr>
<td>5s.</td>
<td>The values and attitudes of the government towards commercial football,</td>
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<tr>
<td>3s.</td>
<td>The attitudes and values of basketball players towards material rewards;</td>
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<tr>
<td>5s.</td>
<td>The values and attitudes of the government towards commercial basketball,</td>
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</tbody>
</table>
Chapter 4 Methodology

In order to obtain more original data and seek potential interviewees, we, almost in parallel with the second phase of desk research, attempted to have informal contact with either potential interviewees or other academics who could introduce us to new interviewees. Thus, after becoming more familiar with the literature through our desk research, we could generate a much clearer picture in order to recognise where our ideal interviewees were located and did whatever we could to contact them by formal and informal channels to pave the road for our next phase – the interviews.

Phase 3. Interview and interview transcripts

During this phase, we undertook preliminary contact with the interviewees through e-mail or by telephone to explain the nature and aims of the research as well as the reasons why we wished to conduct interviews with them. After gaining their permission for interviews, we subsequently provided the interviewees with a list of themes to discuss in the interviews in advance and finally set up a specific time and place for conducting the interviews. As noted, the interviews were tape-recorded if possible.

Phase 4. Collecting and reading data

During the interviews, we made a point of asking each of our respondents at the end of the interview whether they knew of any materials that were related to our research topics. In this way we identified some additional documents that we needed to obtain. In this phase, our main work was continuing to collect and read additional documents and other literature. In addition to obtaining and reading data, the researcher also carried out additional telephone interviews (see Appendix 1 for examples of interview schedule) in an attempt to clarify inconsistent or contradictory information.

Phase 5. Writing individual case reports

In this phase, we began writing individual case reports guided by the indicators and the framework of the patterns of globalisation (see Figure 2-1) developed by Houlihan (1994, 2003). Utilizing the indicators and Houlihan’s theoretical framework, three main themes emerged from our three case studies. These three themes are: i) the
relationship between the Chinese government and the International Federations in sports (such as the IOC, FIFA and FIBA); ii) the strategies for elite development; and iii) The values and attitudes of the Chinese state regarding commercialisation. Indeed, Houlihan’s framework is particularly useful in organizing and analyzing evidence in terms of three types of “response” (passive, participative and conflictual) and three levels of “reach” (economic, political and social). Using this framework, we are able to summarize China’s response to global sport (Olympic Movement, global football and global basketball) at the end of each of these three empirical chapters.

Phase 6. Drawing cross-case conclusions, modifying Houlihan’s theoretical framework, developing policy implications and writing the cross-case report

In this phase, the framework of the theorization of globalisation developed by Held et al. (1999) was used to focus on the debate over the state’s role in the global process, which is very firmly focused on what the government did and the policy of the government regarding its relationship with globalisation. In addition, the indicators that were generated to measure the relationship between the Chinese state and global sport were inspired by, and derived from, the works of the three main schools of globalisation theorists mentioned in the first phase. We would not treat each indicator individually but would combine these indicators in the analysis of the Olympic Movement, elite football and elite basketball in relation to each key research question. Through these phases nine subheadings would be produced (see Table 4.7). Through the three cases and three key research questions, the basis for the conclusions was generated. The conclusions would be separated into two parts, the first of which would be organized according to the results of the final analysis of the nine subheadings which would allow us not only to answer the three main research questions, but also to set the foundation for modifying the framework of Houlihan (1994, 2003) in order to help us grasp the complexity, trajectory and momentum of the relationship between China and global sport. The second part of the conclusion would be the analysis of China’s relationship with globalisation as reflected in the three case studies. Jarvie’s ‘four useful values of theory to analyze sport phenomena’ (2006: 19) are used in order to examine the usefulness of the frameworks of Held et al. (1999) and Houlihan (1994, 2003).
Chapter 4 Methodology

Table 4.7 The nine subheadings of research result between three key research questions and three case studies

<table>
<thead>
<tr>
<th></th>
<th>Olympic Movement</th>
<th>Football</th>
<th>Basketball</th>
</tr>
</thead>
<tbody>
<tr>
<td>To what extent did/does the Chinese government have a choice in its relationship with sport globalisation?</td>
<td>A</td>
<td>D</td>
<td>G</td>
</tr>
<tr>
<td>To what extent can the Chinese government manage its interaction with sport globalisation?</td>
<td>B</td>
<td>E</td>
<td>H</td>
</tr>
<tr>
<td>In what ways does the Chinese government seek to manage its relationship with sport globalisation?</td>
<td>C</td>
<td>F</td>
<td>I</td>
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</tbody>
</table>
Chapter Five: The Case of Olympic Movement

5.1 Introduction

The relationship between the PRC and the Olympic Movement appears to have moved through three quite distinct phases of involvement: withdrawal, manipulation and, currently, enthusiastic involvement although they overlap on one controversial subject – the “Two Chinas” issue. This is, to some extent, linked to the promotion of the Games of the Newly Emerging Forces (GANEFO), the ‘Two Chinas’ dispute in the Olympics, and participating in and hosting the Olympic Games.

During the first phase, China both participated in and withdrew from the Olympic Movement for strong ideological reasons which were influenced by the Cold War. At first the PRC followed the example of the USSR in participating in the Olympic Games to demonstrate the superiority of the socialist bloc, but later China withdrew from the Olympic Movement and supported the GANEFO instead. By strongly supporting the GANEFO, the PRC attempted to challenge the Olympic Movement, by expanding its influence and, to some extent, competing with the other two power blocs: the Soviet Union and Eastern Europe, and the United States and Western Europe, after splitting with the Soviet Union in the early 1960s.

The “Two Chinas” issue was part of the first phase, but it became much more prominent in the second phase. By this time, the PRC was becoming a more diplomatically powerful country, which allowed it to use the Olympic Movement and the IOC as a resource to prevent Taiwan’s participation. There are three examples which demonstrate how the PRC manipulated its relationship with the Olympic Movement. The first one was expelling Taiwan from the Asian Games Federation in 1973 by uniting the representatives of Japan and Iran. The next was pressuring the Canadian government into withholding visas from the Taiwanese team at the Montreal Olympics. The final one was forcing Taiwan not only to change its name to the ‘Chinese Taipei Olympic Committee’, but also to adopt a new flag and emblem under pressure from the IOC. From these cases we can see that the PRC appeared to
be less interested in sport and more interested in the leverage that the Olympic
Movement could give it in relation to its dispute with Taiwan.

In the final phase, the PRC was enthusiastically involved in the Olympic Movement,
focusing especially on winning Olympic medals and hosting the games in Beijing
following China’s open-door policy. In ‘joining’ the Olympic Games, bidding twice
for the 2000 and 2008 Olympic Games and preparing for the Beijing Games, it would
appear that China was determined to take advantage of the Olympic Games in order to
demonstrate the superiority of socialism, to raise national pride, to reinforce the
cohesion of the Chinese people both on the mainland and overseas, to project a
modern image of China and to promote China’s economic development at the same
time. It is no wonder that the National Sport Commission (NSC) claimed that
“participating in the Olympic Games is an urgent and important political mission”
(NSC, 1993a: 225-7) and formulated the Olympic Strategy to enable its ‘sport
superpower’ dream to come to fruition.

Furthermore, to achieve the above goals and become a sports superpower in a global
age, China needed to face at least three challenges - from international organisations,
the elite sport system and commercialism. This also raises a range of questions,
namely: “What kind of strategies did the PRC apply to increase its profile in these
international organizations, especially in the IOC, the IFs and WADA?”, “How did
the Chinese government maintain its elite sport system in order to achieve Olympic
glory?”, and “To what extent did China introduce and manage the double-edged
sword of commercialism?” These questions will be addressed in this chapter.

5.2 Formal engagement with the Olympic Movement

It is difficult to define the boundaries of the Olympic Movement. For the IOC, the
Olympic Movement seems to cover all elite sport. In this section, we focus on three
important elements within or associated with the Olympic Movement which are:
engagement with the IOC itself; engagement with the International Federations (IFs);
and engagement with WADA. Although WADA is officially an independent
organization, it was the idea of the IOC to create this agency and support for WADA
is a requirement for a successful bid to host the Olympic Games. According to the IOC President Jacques Rogge (Staff & Agencies, 2003), any government which refuses to sign up to the Anti-Doping Code cannot expect to host an Olympic Games and Federations who do not sign the World Anti-Doping Agency code cannot expect a sporting place in the Games. Due to strong support by the IOC, including financial and moral support, WADA has become a leading international organization in global sport within which it possibly has the power to push FIFA, the largest and the strongest international Olympic Federation, to sign WADA Code in the near future (CRIEnglish.com, 2006a).

Furthermore, although we are treating engagement with the IOC separately from engagement with the IFs, the two are linked. The one way in which the Chinese government sought to increase its membership within the IOC was by developing a strategy for increasing its representation within the main Olympic Federations. There was, as we see in section 2.2, a clear strategy to devote resources to increasing Chinese representation within Olympic Federations.

5.2.1 Engagement with the IOC

Under the influence of Deng Xiaoping, who was then Vice Premier and in charge of international sports affairs in 1974, the PRC attempted to restart active involvement in the Olympic Movement at a time when it was seeking to join the United Nations and take Taiwan’s seat on the Security Council, moving to a rapprochement with Japan and by considerably improving Sino-American relations. For Deng, participating in the IOC and IFs would not only raise the international profile of the PRC, but also gather support from countries to expel Taiwan from the IOC and the IFs under the one China policy (Liang, 2005: 93). Therefore, in April 1975, the PRC made a formal application to rejoin the IOC on the condition of the removal of Taiwan. But due to Deng’s open-door policy, China changed its attitude to allow Taiwan to join the Olympic Movement under the name of “Olympic Model”, borrowing from Deng’s ideal of “One country, two systems” which not only helped China to be accepted as an IOC member in 1979, but also gave China a unique opportunity to continually undermine Taiwan’s international profile in the sports arena.
Following the PRC’s re-engagement with the Olympic Movement, the Chinese government wanted to have its own voice in the IOC. Thus it tried to use three main approaches to encourage its sports officials to be selected as IOC committee members. These were appointing sports officials proficient in English or French to be involved in the IOC, taking an IOC seat through the Federations and nominating star athletes to join the IOC Athletes’ Commission.

The first and second approach, to some extent, overlapped because all Chinese IOC members so far are/were proficient at language skills through working experience in the department of international/external affairs in the National Sport Commission (NSC). The first Chinese IOC member, He Zhengliang, was not, in the beginning, the first choice among the list of three candidates recommended by the PRC for the IOC, because he was of junior status compared to the other two sports officials. But the Chinese government changed its mind and shifted Mr. He from third to first place on the list in consideration of his proficiency in French and competent knowledge of foreign policy and foreign sports affairs, which could contribute significantly to China’s sport diplomacy (Liang, 2005: 134-5). Mr. He did not let the PRC down and was elected as an IOC member in 1981, and then became a member of the IOC Executive Board three times (1985-1989, 1994-1998, 1999-2003) and Vice President for 1989-1993 (Liang, 2005: 261). With his rich diplomatic experience accumulated from being involved in the “Two Chinas” issue from 1952 and in the events of GANEFO from the 1960s, He Zhenliang skillfully used his IOC power, not only to help another Chinese sport official, Lu Shengrong to take an IOC seat, but to undermine the Taiwanese government’s engagement with the Olympic Movement, which will be explained more fully later.

Although the PRC was eager to expand its IOC membership, there was a significant gap before a second member was elected. In 1996, Lu Shengrong, then in her second term of being the president of the International Badminton Federation (IBF), became the first Chinese woman to hold the post of IOC member (Li, X. 2004) with the help of He Zhenliang, who endeavoured to have badminton included as one of the Olympic sports in 1992, and later took pains to persuade the then IOC president Juan Antonio Samaranch, to nominate Mme Lu as an IOC member (Liang, 2005: 265-9). In order to secure more IOC seats, China encouraged junior sports officials to be adept in
language skills to become involved in the IFs and asked those officials who did not have any sport background to, at least, acquire mastery of one kind of Olympic sports knowledge, according to the former senior staff in the GAOS external affairs department (Interview, 30th December 2005). From the case of Mme Lu, we see that the approach of taking the IOC seat through the IFs was quite successful. But “it is quite unusual for China to send such a middle ranking official like Lu Shengrong to be an IOC member” (Interview, 24th December 2005) according to one comment from an expert in the Chinese Olympic Movement in the Beijing Sport University. It is to be expected that, with regard to the IOC, obtaining membership and representation on the IOC would be a high priority for the PRC. This is indicated by the fact that the first two Chinese representatives on the IOC were not, in fact, the most senior sport administrators, but their key skills were language and diplomacy.

Following the rapid improvement of China’s elite sports performance, and the bid for the 2008 Olympic Games, the PRC wanted to have one more seat on the IOC, the Chinese Olympic Committee (COC) therefore recommended Mr. Yu Zaiqing, the then vice sports minister with English and Japanese language skills, to be elected to an IOC seat. Benefiting from the 2008 bid and his language skills, Mr. Yu was not only elected as an IOC member in 2000, but also as a member of the IOC Executive Board in August 2004 (Li, X. 2004).

Although the third Chinese IOC member, Mr. Yu Zaiqing was elected, China still had ambition to increase its representation of two seats in the IOC. The PRC attempted to use another way to increase its IOC representation, namely, the nomination of star athletes to join the IOC Athletes’ Commission by election and thereby gain membership of the IOC by their peers (IOC, 2006). The first case in this respect was China’s first-ever Winter Olympics gold medallist in 2002 - Yang Yang, nominated twice though unsuccessfully by the COC in the 2002 and 2006 Winter Olympics. The main barrier to Chinese athletes entering the Athletes’ Commission was poor language skills. Indeed, China could not name a single top athlete who could participate in the election of the Athletes’ Commission during the 2004 Athens Games (Shou.com, 2004). To remedy this weakness, the GAOS stipulated that English should be one of the core subjects for elite athletes’ academic learning. One senior official in charge of the educational affairs of Chinese athletes in GAOS emphasized
that “this is a long-term project in which we need to exert great efforts to encourage our athletes to learn English, especially athletes in the provincial level” (Interview, 16th January 2006). In addition, the Chinese government also offered several athletes a special budget to go abroad to study, as in the case of Deng Yaping, with four Olympic gold medals, who studied in the UK and was selected as an Athletes’ Commission member by the former IOC President Juan Antonio Samaranch (Interview, 16th January 2006). The increase in Chinese membership on the IOC needs to be seen in relation to the next section which is concerned with the IFs, because the PRC needed to have strong representation among these Federations in order to pursue its IOC membership strategy.

5.2.2 Engagement with international Olympic Federations

Before 2001, the Chinese government was less confident in taking council membership in the International Sport Federations, due to the limited English ability of most sports officials, according to an expert on the Chinese Olympic Movement at Beijing Sport University (Interview, 24th December 2005). Consequently, China had few representatives on IFs. Furthermore, most Chinese representatives came from the department of external affairs in the NSC because of their language background, as with Lu Shengrong, Lou Dapeng and Wei Jizhong (Interview, 13th January 2006), according to a former senior staff member in the GAOS Policy and Regulation Department. The aim was “to help more sport officials become part of IFs, to actively participate in international sport affairs and to progressively increase China’s power in the IFs.” However, in the official document- “Olympic Glory Project 1994-2000” (Wu, S.Z. 1999: 575-6), according to Chinese sport officials, this project put more emphasis on the strategies of elite sport training (Interview, 24th December 2005), and there was no further action due to a limited budget (Interview, 13th January 2006).

Up to 2001, there was some recognition by the government that English skills needed to be improved, but it was not systematic (Interview, 12th January 2006), according to one senior staff member in the GAOS Personnel Department. But after 2001, the drive to improve English language skills became much more a priority of the GAOS. An internal document claimed that, “it is an urgent mission to improve comprehensively English language skills for our cadre members” (GAOS, 2003g:
Since then, a systematic programme emerged from GAOS with substantial funding from central government (Jiang, et al., 2005: 125). In parallel to this, or maybe as a result of this, was the desire to increase Chinese membership of the IFs, and between 2003 and 2005 this increased from 12 (Duan, 2003: 5) to 19. Among these council members about 63 percent sports officials have a sport background and about 26 percent of them have a language background. Most of the new council members in the IFs are from high-ranking officials in Chinese sports management centres. But according to the Vice president of COC, most of these Chinese representatives still need to strengthen their language skills in order to take leadership position within the IFs (Yang, 2005: 278).

To achieve greater representation or, to some extent, leadership positions in the IFs, the GAOS set a quota of 50 people, such as representatives in the IFs, sport administrators in charge of external affairs and top-level coaches and retired athletes to become involved with the IFs through the chance to host the 2008 Olympics (GAOS, 2003h). The first stage of their strategy was training courses for these representatives which involved language learning and skills and knowledge of foreign affairs, international relations and diplomacy (GAOS, 2003e: 132-4). Therefore, the Chinese government organized special seminars to teach these representatives diplomatic skills and strategies by inviting experienced diplomatic experts, such as the director of the external affairs department in the GAOS, and Chinese ambassadors and professors from diplomatic schools in Universities (Interview, 10th January 2006), according to one senior in GAOS Training Centre for the Cadre. Translators who did not have a sports background were sent to study in Beijing Sport University and to gain practical knowledge and skill in a range of National Sport Management Centres (GAOS, 2003e: 132-4). For top-level coaches and retired athletes, some were urged to study for a degree or MBA and some were encouraged to go abroad to study with financial support from the Chinese government (GAOS, 2003h).

While a major motivation is status, not only in IFs but also on the IOC, there were other more practical motives, for example, to influence rule changes and the selection

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1 From analysis of the Websites of 28 summer Olympic sports Federation in 2006
2 Data offered by interviewee, 23rd December 2005, senior staff in the Personnel Department of the GAOS
of officials. The rule change in badminton, which increased the number of points per game from 15 to 21, initially caused concern among Chinese badminton coaches, such as Chinese head coach Li Yongbo. He argued that the new scoring system, to be enforced by the IBF in 2006, would disadvantage the performance of Chinese national teams (Zou, 2005) and this added to their feeling that they are too weak to be involved in the decision-making. Li Yongbo stated that:

If the Chinese Badminton Association were powerful enough to be able to change the mind of IBF in relation to the new scoring system, I think we would make some suggestions. But if our suggestions mean nothing to IBF, it would be pointless for us to do so. (quoted in Zou, 2005 and translated by author)

China also believed that the under-representations of Chinese judges and referees at major sports events damaged the chances of a medal for its athletes. China consequently dispatched a large team of 24 Chinese international referees to participate in the 2004 Athens Olympics (Shou.com, 2004). According to Deng Yaping, an Athletes’ Commission member on the IOC, after the 2004 Olympics, “There are only two ways to avoid an unfair judgment in the sports arena. These are to raise athletes’ skill and to increase the number of Chinese officials involved in the IFs” (quoted in Zou, 2005 and translated by author). Furthermore, the evidence for influencing rule changes and selection of officials is evident from comment, by the vice president of the COC, Yang Shuan, and the vice sports minister of GAOS, Duan Shijie..

We need to raise the profile in the IFs, which means not only to increase the number of Chinese officials involved in their internal affairs, but also to have the power to make decisions in the IFs. By doing so, we can understand more what is going on inside the IFs and take effective measures to preserve our own rights and interests. More importantly, we can create a beneficial arena for our athletes by taking advantage of the opportunities of amending the match rules and the constitution during the IFs’ sessions.... During the era of sport globalisation, fighting for dominating the rules of a contest is part of the competition in the international sport arena. Although it is not seen very
obviously, it is closely bound up to the elite sport development in one country. This is a high-level competition. It needs sport officials with practised sports knowledge, skilled language ability and proficient diplomatic ability to win the battle. (Yang, S. 2005: 278-9)

We need to take advantage of hosting the Beijing Games to train more officials to be representatives in the IFs. ....... For those sports whose results were strongly influenced by the referees, on the one hand we have to deliberately send more of our officials into these IFs. On the other hand, we urgently need to have our own representatives who can take vital positions in those IFs in order to stand up for our own rights and interests. (Duan, 2003: 5)

5.2.3 Engagement with WADA

Following a series of doping scandals in the 1990s China took a more active approach to involvement in WADA, by cooperating with Western countries on doping issues and by doing more than WADA expected. By doing so, the Chinese government was eager to show the world that China was an honorable country and, in the words of former president Jiang Zemin, was determined "to abstain from doping even if it meant failure to win a gold medal." This was echoed in the instructional document of GAOS by Li Lanqing (Li, L. 1999: 27), the vice-premier of the state between 1993 and 2003, who was in charge of the GAOS's main decision-making. Jiang Zemin's word has become a political statement for China's anti-doping policy (GAOS, 2000b: 19) and was repeated by the vice sport minister of GAOS, Wang Baoliang, during the National Conference for Anti-Doping in 2005 (Wang, B. 2005).

China did not pay much attention to the doping issue until the first major doping scandal in 1988, when two female athletes tested positive at an international competition before the 15th Winter Olympic Games (Interview, 23rd December 2005), according to one senior staff member in the COC's Anti-Doping Commission. This scandal did not have too much impact on Chinese anti-doping policy until there was pressure from the Asian Olympic Committee (AOC). Under pressure from the AOC, China established a Doping Control Centre, announced the "Three S" principles for
anti-doping, and officially setting up its Anti-Doping Commission under the COC (COCADC). One senior staff member in the COCADC stated that:

The establishment of a Doping Testing Division for the Asian Games ... was a new challenge for China because we had to build these new laboratories for doping tests. In addition to the establishment of the Doping Testing Division, the then National Sport Commission (NSC) also announced the “three S” principles: seriously banning, strictly testing and severely punishing those who use drugs in sport in 1989. In 1990 we officially initiated the doping test and announced an anti-doping code. In 1992, we set up the Anti-Doping Commission under the COC. (Interview, 23rd December 2005)

A second major doping scandal occurred at the 1994 Hiroshima Asian Games, where 11 Chinese athletes, including seven swimmers, tested positive for the steroid dihydrotestosterone (Fan: 2006: 317). After the scandal, in 1995 the PRC issued ‘The Sports Law of the People’s Republic of China’ which included two clauses in relation to anti-doping. Unfortunately, these two clauses were just general provisions which did not have any specific sanction against those who use drugs in sport. The dramatic change for Chinese anti-doping policy came after the third and most serious doping scandal at the World Swimming Championships in Perth, Australia in 1998, in which one Chinese leading swimmer was found with a suitcase containing Human Growth Hormone and four more Chinese athletes later tested positive. Humiliated by this event, China took steps to improve the quality of its anti-doping policy. One senior staff member in the COCADC stated that:

To be honest, the impact of the 1994 doping scandal was less than that in 1998 because lots of Chinese citizens did not know the scandal in the 1994 Asian Games, due to less advanced media circumstances at that time. But the whole situation changed when the Perth scandal was broadcast. Facilitated by the 1998 doping scandal, the legislation for anti-doping was speeded up. Basically, ‘The Sports Law of the People’s Republic of China’ just set up anti-doping regulation in general provisions. In contrast, in the “Regulation on Strict Prohibition of Doping in Sports”, issued by the GAOS in 1998, there was one chapter of detailed punishment provisions. After 1998, I think there was a new era for our
anti-doping policy. (Interview, 23rd December 2005)

For China, the embarrassing scandal at the 1994 Asian Games paved the way to signing agreements with Western countries for bilateral cooperation and exchanges. One senior staff member in the COCADC stated that:

Why did we want to sign agreements with them? It was because we did not have any idea how to tackle the doping problem. So the main motivation for us at that time was to gain experience, knowledge and technology from these advanced countries. (Interview, 23rd December 2005)

In addition, affected by these doping scandals, China started taking more seriously its involvement in WADA. According to one senior staff member in the COCADC, initially, in order to obtain more information and reduce its negative image in the eyes of Western countries (Interview, 23rd December 2005), the PRC took part as observer in the activities organized by the Monitoring Group of the Anti-Doping Convention of the European Council in 1997. To have its own voice in the establishment of the World Anti-Doping Agency in 1999, China nominated Mr. Yu Zaiqing, the then vice sport minister of GAOS, to become a council member in WADA. One senior staff member in the COCADC stated that:

Participating in WADA is a way forward for us because all the major decision-making in WADA has to be made by its council. For us, engagement with WADA does not mean passively following what WADA says. China has lots of opportunities to be involved in the decision-making because WADA is a very open and democratic organization. (Interview, 23rd December 2005)

To have more influence in WADA, the Chinese government also sought to send its staff to WADA to learn up-to-date technology and information on the one hand, and promote friendship between WADA and China on the other hand. One senior staff member in the COCADC stated that:

Furthermore, we are preparing to send some people to work in WADA in 2006. It is possible that China is the first country to do so. I think that there are several
implications. Of course, while taking account of our own interest, we can in this way train our people in up-to-date technology and information from WADA. In the meantime, we can understand and grasp more of the way of thinking and the working style of WADA’s staff. By doing so, it could facilitate mutual understanding between China and WADA. (Interview, 23rd December 2005)

Not surprisingly, China’s support for any world anti-doping policy is linked to the Beijing Games, where China is keen not to have a major embarrassment in the lead up to 2008. The evidence for this comes from the words of the sport minister of GAOS, Liu Peng (Liu, P. 2005) at the National Conference for Anti-Doping in 2005.

From the doping issue, we have learned some big lessons ..., when our sport development was not only disadvantaged but also gave a chance for rival nations to slander and humiliate our country. Therefore, we could not relax our vigilance on doping. In the forthcoming 2008 Beijing Games, we will have zero tolerance in any single doping scandal which might hurt the image of Chinese sports, endanger the image of the Beijing Olympics and ruin the image of China. (Liu, P. 2005)

To repair its damaged reputation the Chinese government did more than WADA expected to illustrate China’s modern, clean image. First, the PRC produced the “Code of Anti-doping” in China issued by the State Council on 1st March 2004. The Code contained not only a general policy for anti-doping, but also an overall framework in which doping control organizations, including customs control, medical supervision, legal systems and sports organizations, could work (Fan: 2006: 319). According to a senior staff member in the COCADC “It is very few countries that make a special law or regulation on doping, but we would like to make a code to totally control doping, especially customs control and medicinal supervision (Interview, 23rd December 2005).

The second action was to show China’s scientific ability to test doping. Actually, the PRC established its National Doping Control Quality System, received the international standard certification in 2004, and passed the IOC’s level-A examination for 15 successive years in 2005 (Fan: 2006: 319). By doing so, the Chinese
government displayed its determination and capacity, not only in legislation, but at the practical level, in relation to doping. The third action was to invite high-ranking officials from WADA to inspect the 10th National Games to endorse China’s achievements in doping.

There are three main motives for us to do so. The first one is to let WADA know what we have achieved so far in relation to our efforts in anti-doping. The second is that we would like to have more consolidated cooperation with them. The third is that we hope that WADA can give us some feedback from their inspection. So far, it has been quite useful for us to communicate with WADA in this way. (Interview: senior staff member in the COCADC, 23rd December 2005)

The strategy for actively inviting WADA’s officials to visit China has been quite successful. “We are very pleased with the support by the Chinese government,” said WADA director general, David Howman. “The quantity is increasing, the quality is improving, and their commitment is undoubted.” (Xinhuanet News, 2005) Although WADA praised China’s achievement in anti-doping, it still keeps pushing the Chinese government to do more in terms of the total number of doping tests.

WADA keeps reminding us that in terms of doping tests, we have to compare with other sport counterparts, such as America and Australia. ...In comparison with our counterparts with regard to the amount of doping test, America reached about 8000 cases and Australia has carried out about 7000 cases per year so far. As for ourselves, we examined 4009 cases last year and did about 5000 cases this year. ... In terms of China’s medal ranking in 2004 Olympics, I think we should raise our doping tests to 7000 cases to match with our counterparts (Interview: senior staff member in the COCADC, 23rd December 2005).

In conclusion, China has moved to a position of active engagement with the Olympic Movement and related organizations, although there is still uncertainty about the country’s long-term motives or goals in relation to the Olympic Movement and WADA. To date, China’s engagement with the Olympic Games has been
substantially influenced by three factors. First, the tension between China and Taiwan was a constant contextual factor shaping China’s engagement with the Olympic Movement especially in earlier years; second, China views the Olympic Movement and particularly the Olympic Games as an important diplomatic resource; and third, China wants to be influential within this movement to achieve its sports super power ambitions, and not just in the Olympics itself but also related organizations, such as the IOC, IFs and WADA. However, if China is to utilize elite sport effectively in relation to these three objectives then it is essential that it has a successful elite squad.

5.3 Elite development

China’s first engagement with international elite development practices was during the Stalin period under the policy of “leaning to one side”. The original Chinese structure for elite sport development was borrowed from the Soviet Union, which shows that China was very willing to borrow ideas from the global community in the 1950s. However, the PRC retreated during the Cultural Revolution in which the entire Chinese sports system was substantially dismantled. After Deng’s open-door policy, the Chinese government attempted to rebuild its own domestic elite sport system to pave the way for achieving its superpower ambitions, especially its strong desire to do well in the Olympics. To fulfill its ambition, China not only gradually restored and modified its original model copied from the Soviet Union, but also introduced a market mechanism, the so-called “whole country supports elite sport system”. To make this elite sport system more efficient in achieving Olympic success, China adopted three main approaches. These three approaches are: i) the strengthening of the athlete selection, training and competition system; ii) transforming the administrative structure for sport; and iii) generating multiple incomes for the Olympic Sport System.

5.3.1 Strengthening athlete selection, training and competition system

According to Xie Yalong (2000: 344), a former high-ranking sport official in GAOS, “The Chinese sport system was learning from the Soviet Union, which was a product of a highly centralized planned economy”. With regard to the Chinese athlete
selection system, it is possible to divide the period between the end of the Cultural Revolution and the present day into periods. Economic liberalization was such a major decision that it had as significant an impact on sport as it did for the rest of society. Although the structure looked the same, the way in which it operated changed because of the introduction of market methods. For the athlete selection system, we will attempt, not only to understand what kinds of strategies the Chinese government applied to restore and strengthen its own selection model, but also to make sense of the economic liberalization so as to invigorate this system. During the Cultural Revolution, the elite sport development system was substantially dismantled and what remained was in chaos. From 1977 onward, there was a gradual rebuilding of the talent identification and development system. The strategies used by the Chinese government to restore and strengthen the selection system were: i) setting up a talent identification system at provincial level; ii) establishing sport colleges in each province; iii) requesting provincial governments, sport universities, the People’s Liberation Army (PLA) and Trade Unions to take responsibility for developing several Olympic sports; and iv) bringing the Master’s system and other ranking standards into line with international records and linking political benefit with the selection system.

**Selection system**

To establish the selection system, the NSC held a national sport meeting in 1978 in which the State Council not only claimed that developing sport was an important political mission, but also requested that each provincial government develop an integrated selection system between different levels from junior level. The detail was written in the “Contents of 1978 National Sport Meeting” (NSC, 1993b: 223):

> The drive to catch up and even overtake other sporting superpower countries, was based on ... the need for establishing a modern super power of socialism, and the need for striving in the international class struggle. ... All our efforts must be devoted to producing our own world-class athletes quickly. We must build up teams of top elite sports personnel because they are the driving force for achieving sports glory in the world and for promoting sport for all at the domestic level. (NSC, 1993b: 223)
Each province, municipality and autonomous region (Zi zhi qu) had to ... set up a web of close linkage of training system for school teams in primary and secondary schools, for Spare Time Sport Schools, key spare time schools and provincial squads, to gradually establish an overall training system with centralization and consistency. In addition, the shires, medium-sized cities and some counties with enough resources had to cooperate with the education department to run key Spare Time Sport Schools to recruit more young, talented athletes. (NSC, 1993b: 224)

After the national sport meetings in 1978 and 1979, the State Council ratified, in 1980, the NSC’s proposal (NSC, 1993c: 227-228) for dividing the Chinese sport selection system into three levels within an elaborate pyramid structure heavily dependent on a network of specialist schools (see Figure 5.1).

Figure 5.1: Sport Selection System in the PRC in the Early 1990s

![Diagram of Sport Selection System in the PRC in the Early 1990s](image)

The system of Spare Time Sport Schools was copied from the Soviet Model. At the outset, the Chinese government tried out the Soviet Model – Children’s and Young People’s Sports Schools - in Beijing, Shanghai and Tianjin cities in 1955. Then they spread over the whole of China after the NSC issued the two documents – “The Regulation of Children’s Spare Time Sport Schools” and “The Regulation of Young People’s Spare Time Sport Schools” in 1956. To rescue the system of Spare Time Sport School from the chaos after the Cultural Revolution, the NSC issued “The Regulation of Children’s and Young People’s Spare Time Sport Schools” in 1979, in which every unit that wishing to set up a spare time sport school had to follow the training principle of “A determinative thought to make world class athletes, a vertical selection system from the base to the top level, and training consistency from young to adult athletes” (Zhan, 1990: 13). In addition, the NSC also encouraged different units, such as the sport system, education system, sport universities, universities, trade unions..., to establish Spare Time Sport Schools in which students had to accept training courses of at least 2 hours per week (Zhan, 1990: 14). In Figure 5.1, we can also find different kinds of Spare Time Sport Schools, such as Key Spare Time Schools, Middle Schools of Sport and Specialised Spare Time Sport Schools. The main difference between Key Spare Time Schools and General Spare Time Schools is that the former is a special sport boarding school with more sport training time than the latter. As for Middle Schools of Sport, they were almost the same as Key Spare Time Schools but they were schools subsidised jointly by the sport system which was in charge of training courses and the educational system which was in charge of academic learning (Zhan, 1990: 14).

To strengthen this selection system, the Chinese government not only encouraged sport universities to establish “Elite Sport Colleges” but also required that provincial governments should set up some “Physical Culture and Sport Colleges” to produce more potential young athletes from which provincial squads and national teams could select more high quality talented athletes. These Elite Sport Colleges were the subsidiary academies of sport universities. In 1980 sport universities, such as Shanghai, Wuhan and Shenyang all established their own subsidiary “Elite Sport Colleges” that could be regarded as a talent reservoir for the sport university itself and as a training place to prepare for the Olympic Games (Zhan, 1990: 14). As for the “Physical Culture and Sport Colleges”, their mission was not only to cultivate...
prospective PE teachers for primary and secondary schools, but also to deliver talented athletes for provincial squads. This type of college, was, at first, tried out in several provinces, such as Jilin, Heilongjiang and Shanxi (Zhan, 1990: 14)... and then spread across China after the decision of the NSC to issue “The Programme for Establishing Physical Culture and Sport Colleges” (NSC, 1990a: 103-106) and “The Instruction of NSC for Training Reserve Corps of Elite Sport Teams Speedily” (NSC, 1990b: 44-50) in 1986. Both the “Elite Sport Colleges” and the “Physical Culture and Sport Colleges” are full-time sport boarding schools combining a normal school curriculum with sport training, and are mostly subsidised by the provincial government. Under the instruction of the NSC, the number of sport colleges multiplied from 68 in 1985 to 156 in 1990 and then to 223 in 1995 (see Table 5.1).

Table 5.1: Athletes in the Chinese Sport Selection System 1957-2001 (data for selected years)

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<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
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<tbody>
<tr>
<td></td>
<td>Provincial Squads</td>
<td>Sport Colleges</td>
<td>Spare-time Sport School</td>
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<tr>
<td>1957</td>
<td>1939</td>
<td></td>
<td>17902</td>
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<tr>
<td>1965</td>
<td>11292</td>
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<tr>
<td>1975</td>
<td>10200</td>
<td>26</td>
<td>268511</td>
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<tr>
<td>1980</td>
<td>15063</td>
<td>3981</td>
<td>218522</td>
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<tr>
<td>1985</td>
<td>15669</td>
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<tr>
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<tr>
<td>#2005</td>
<td>18627</td>
<td>87176</td>
<td>306869</td>
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* There was no record during the period of the Cultural Revolution (1966-1976)

As noted, the Chinese government also requested provincial governments, sport universities, the People’s Liberation Army (PLA) and Trade Unions to be in charge of developing several Olympic sports, which was recorded in “Contents of 1979 National Sport Meeting” (NSC, 1993a: 226) and “The Instruction of NSC for Training Reserve Corps of Elite Sport Teams Speedily” (NSC, 1993c: 227-228):

We had to broaden the way for training more high-level athletes. To prepare for
participating in 1984 Olympic Games, each province, municipality, autonomous region and PLA had to take the responsibility for at least 4-5 Olympic sports…. (NSC: 1993a: 226)

... In addition to these sport squads in the provinces, municipalities, autonomous regions and PLA, we had to actively support and help the system of Trade Unions to gradually revive their Elite Sport Teams. (NSC: 1993c: 228)

In addition, after the Cultural Revolution, the Chinese government reintroduced the Soviet practice of giving titles, such as Master of sport to their successful elite athletes. This was introduced in 1956, disrupted during the Cultural Revolution, and restored in 1978 (NSC, 1993d: 300). Importantly, for the sport selection system, the Chinese government not only restored and rebuilt the model borrowed from the Soviet Union but also introduced a market mechanism to energize the system. Figure 5.1 shows the sport system in the early 1990s and the 2004 system is summarized in Figure 5.2. Major changes include the introduction of grassroots clubs, upgrading the significance of sport colleges in the selection system and the introduction of two national-level squads - national squads and Olympic squads.

**Figure 5.2: China's Sport Selection System in 2004**
To tackle the problem of the reduction of sport schools at county level, the Chinese
government introduced the system of grassroots clubs in 2001. According to Cui Dalin, the vice sport minister in GAOS, about 1000 public sport schools closed at
county level between 1999 and 2002 (Cui, 2004a), mainly due to insufficient financial
support (Zhang, F.Q. 2002: 41). Grassroots clubs have not only been absorbed into
the talent identification system, but have also been identified as a way of generating
income from the market. In the words of high-ranking sport officials:

I understand that all of you are worrying about the reduction of sport schools at
different levels. ... To solve this problem, GAOS has invested part of the lottery
fund in setting up and supporting grassroots clubs to create a foundation for our
selection system. (Yuan, W. 2001: 8)

The comments were reinforced by Zhang:

Grassroots clubs were the basic level among the organizations of children's and
young people's physical activities. ... According to statistics, of the 592
grassroots clubs founded this year, 35.5 percent were located in various sport
schools. Establishing grassroots clubs in sport schools not only extends the
social function of sport schools, but also brings more resources into this system,
which vitalizes the development of sport schools. (Zhang, F.Q. 2001: 41)

After the establishment of these organizations [grassroots clubs] they can draw
multiple incomes to support themselves by way of charging participants for
joining the clubs. ... The main mission for these grassroots clubs is promoting
sport among children and young people, doing sport regularly, strengthening the
physical fitness of children and young people, and searching out and training
potential young athletes. (GAOS, 2001b: 202)

Although the number of public sport schools was decreasing, it was gradually
supplemented by private sport schools which were immersed in the sport selection
system. From Table 5.1, we can see that the number of students in spare-time sport
schools has steadily increased since 1980 and did not appear to be affected by the
closure of the public sport schools. In other words, the Chinese government attempted
successfully to introduce a market economy, not only to replenish, but to broaden its pool of young talent at the basic level. According to Zhang:

Spare-time training at county level had to actively explore new models for running the schools. ... It needed to deliver potential athletes under the circumstances of promoting sport and offering sport service. ..., we had to charge while providing sport training and a sport service". (Zhang, F.Q. 2001: 38; see also Cui, 2004a)

The impact of a market approach for revitalizing the selection system at the basic level was successful, but also raised several problems, such as arbitrary decisions on charging, the misuse of public funds for sport schools and the setting up of sport schools of poor quality. In an attempt to regulate the market, several official documents have been issued jointly by the GAOS and the Ministry of Education, such as “The Regulation for the Management of Children’s and Young People's Sport Schools” and “The Regulation for the Management of Schools with Sport Tradition” (Zhang, F.Q. 2002: 40).

To run this selection system more efficiently, the Chinese government not only emphasized the important role of sport colleges but also introduced further market mechanisms to energize the system. As seen from Table 5.1, the number of students in sport colleges increased substantially from 32,241 in 1996 to 46,758 in 2001. Financial support from government for sport colleges increased from 39,457 thousand yuan in 1996 to 81,752.5 yuan in 2001 (see Table 5.2). Although the PRC invested more money and recruited more young athletes to this selection system, especially at the level of Sport Colleges, the poor efficiency of the Soviet model gradually became apparent. Yuan Weimin, former Sport Minister in the GAOS said, “The sport system has, to some extent, been following the Soviet model since the 1950s, which has affected and constrained the development of sport” (Yuan, W. 2000a: 187). Yuan’s words were echoed by the vice minister of sport, Cui Dalin who stated that “the main point of [the training system] was not to increase the quantity of athletes ..., but to refine the quality and raise the performance of the present talented athletes” (Cui, 2004a). As a result, the Chinese government, in 1996, began selecting a few sport colleges on the basis of their good practice and increased the level of subsidy (NSC,
The introduction of an evaluation system for selecting good sport colleges not only improved their quality, but also motivated provincial governments to invest more money in their sport colleges. As Zhang notes:

To compete for the honour titles of “national elite sport colleges” and “national training bases for high-level athletes”, the total money for each province to invest in improving sport construction and facilities was nearly 0.3 billion yuan. There were 15 schools awarded the title of “national elite sport colleges” and 43 “physical culture and sport colleges” awarded the title of “national training bases for high-level athletes” by the evaluation system, which facilitated the development of sport colleges and raised the quality of training for these talented athletes. (Zhang, F.Q. 2002: 39)

Table 5.2: Financial support in the Chinese sport selection system 1980-2001

<table>
<thead>
<tr>
<th>Year</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
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<tbody>
<tr>
<td></td>
<td>Provincial squads</td>
<td>Sport colleges</td>
<td>Spare-time sport schools</td>
<td></td>
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<tr>
<td>1980</td>
<td>6140.1</td>
<td>824.8</td>
<td></td>
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<tr>
<td>1985</td>
<td>17491.4</td>
<td>3230.2</td>
<td></td>
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<tr>
<td>1990</td>
<td>34295.2</td>
<td>11013.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1995</td>
<td>77491.7</td>
<td>32471.5</td>
<td>37908.1</td>
<td>147871.3</td>
</tr>
<tr>
<td>2000</td>
<td>258241.7</td>
<td>68400.1</td>
<td>82378.6</td>
<td>409020.4</td>
</tr>
<tr>
<td>2001</td>
<td>194947.3</td>
<td>81752.5</td>
<td>88760.8</td>
<td>365460.6</td>
</tr>
</tbody>
</table>

Note:

1. The financial resource came from three parts composed of business income (14560,000 yuan), sponsorship (64802,000 yuan) and sport budget (1371873,000 yuan)
2. The financial resource coming from sport budget is 162744.4 yuan which is more than in 2000

Source: NSC (Planning and Finance Department), Statistical Yearbook of Sport (Internal information), 1994-2002.

Due to the positive impact of introducing a competitive mechanism into the system of sport colleges, the Chinese government sought to extend it to all sport colleges, spare-time sport schools and middle schools of sport and by doing so, concentrate its limited resources.

The government will invest more of the national sport budget in preferential units, priority areas, potential schools and target athletes. Each unit must also concentrate their finance on these training bases by way of raising funds from
society and generating income from running the sport industry. By doing so, these limited resources can be scientifically distributed to the schools and athletes, which will make sure that top athletes are produced. (Cui, 2004a)

To host the 2008 Olympics successfully, China not only enlarged its national teams substantially, but also divided these teams into two or even three levels by introducing a competitive mechanism. In 2003 the State Council decided to expand the national teams by adding 706 athletes to Team 1 and 1200 athletes to Team 2 (Dong, 2004). According to the former sport minister, Yuan Weimin, after more than doubling the size of the national teams, there were 3314 athletes in the national teams in 2003 (Yuan, W. 2004a: 7). To produce more Olympic gold medallists, the Chinese government refined the China Team selection system so that the best athletes would be selected into Team 1 and the best potential athletes would stay in Team 2. In addition, China also organized training camps for Team 3 each year, in which the best young potential athletes at the provincial level would join these training camps with Team 2. After a series of evaluations and competitions, some winners in Team 3 who overtook their counterparts in Team 2 would be promoted to Team 2 and receive a higher salary and rewards. For some losers in Team 2, they would be downgraded to provincial level and lose the privileges of the national teams. Similar approaches were adopted between Team 1 and Team 2 to make sure that athletes in Team 1 were motivated to stay at the top.

According to the GAOS Research Group report (2002), as a result of the system of promotion and demotion the athletes’ motivation for winning could intensify and also raise their sense of risk for keeping their own position. This was a useful way to make these top athletes progress continuously (Research Group of GAOS, 2002: 10).

Although the best athletes in Team 1 were selected, it did not mean they would receive the same salary and resources. According to a GAOS’s document issued in 2003, athletes and coaches in Team 1 would receive different training funding before the 2008 Olympics linked to the chance of winning Olympic gold medals (GAOS, 2003).

3 The exact size of the China 1 Team and China 2 Team was not clear. According to the vice director of Personnel Department in GAOS, Jiang, Zhixue, there were 1604 athletes in Team 1 and 988 athletes in Team 2 (Jiang et al. 2005: 125). But according to Cui, Dalin - the vice sport minister, there were about 2000 elite athletes in Team 2 (Cui, 2004b).
In the words of the director of the Chinese Athletics Management Centre:

We always focused on the key teams and key athletes who had the potential to get Olympic medals. We invested most of our resources in 9 – 11 elite athletes specializing in 7 different disciplines in order to prepare for the Games. This strategy was completely successful as shown by the results of the 2004 Olympics in which we not only won 2 gold medals in two disciplines, but also qualified for the final among the other 5 disciplines. (Luo, 2005)

In summary, the sport selection system became a combination of the Soviet model and a market model. The Chinese government was, by means of raising the money from the market, paying more attention to accountability and achievement. However, the system still had problems. In reality, this system was still very expensive and heavily reliant on government subsidy, especially at the provincial level. The embrace of the market approach also raised tensions at both the national and provincial levels and raised issues about how different levels of government would be motivated. These issues are discussed in the next section.

**Competition system**

To motivate provincial governments to support the Olympic strategy, the Chinese government substantially refined the competition system particularly in relation to the National Games, which was the main driving force for achieving Olympic glory (see Figure 5.3). In addition, China attempted to introduce market mechanisms to energize this competition system. For instance, it introduced a transfer system between provinces with a market price, giving high rewards to individual provincial sport bureaus whose athletes achieved more Olympic medals than their counterparts, and also participated in and organized more international commercial competitions to enable greater experience for the athletes.
As with the talent development system in the early years after the Cultural Revolution, the competition system was very similar to the Soviet Model, but it gradually developed a distinctive Chinese character especially following the end of the Cultural Revolution when the clear objective was to maximize medal chances at the Olympic Games. Consequently, China not only mirrored the rules and regulations of the Olympics for its National City Games, National Games and most of the provincial games, but also regarded all the Games in this domestic system as opportunities for selecting, training and preparing Chinese athletes to compete in international games, especially the 2008 Olympics. According to vice sport minister Duan Shijie, “all the games should be a tool for serving the 2008 Beijing Games” (Duan, 2004). To implement this policy, the rules and regulations of the National Games and National City Games were rewritten to be almost identical to those for the Olympics (see also GAOS, 2005a and 2006b).
In addition to the domestic games, international games and world championships also offered opportunities for Chinese athletes to prepare for the Beijing Games. This strategy was outlined by Liu Peng at the 2006 All States Sports Minister Conference:

The 15th Asian Games was the most important international competition before 2008 Beijing Olympics. There were two missions for the Chinese teams. One was to remain in first place in terms of the list of gold medals in these Games. The other was to prepare our young athletes to get more experience for the 2008 Beijing Olympics. ... In order to get more quotas for more Chinese athletes to qualify for participation in the Olympic Games, we had to highlight and prepare for the World Championships and the World Cup. (Liu, P. 2006)

Furthermore, to ensure that Chinese athletes could achieve 'great success in their homeland in 2008, many young athletes were sent to participate in the 2004 Olympics. The importance of maximizing medals in 2008 is reflected in words of the director of Chinese Athletics Management Centre—Luo Zhuanyi:

According to the policy of “participating in the 2004 Olympics but polishing for the 2008 Olympics” of the GAOS, we made a final decision on who may participate in the Games in Athens. According to my rough estimate, there were about 80 percent of our young athletes participating in these Games. (China Sport News, 2004)

The ways in which China sought to maintain the motivations of athletes was to introduce more market values into the ageing Soviet model. First, China introduced a transfer system to encourage more athletes confined by the system of household registration4 to participate in National City Games, National Games and national championships in the mid-1990s. Two documents (NSC, 1997b: 147-8; NSC, 1997c: 148-9) issued by the NSC in 1996 reported that “to fit in with the requirements of the

4 Household registration is required by law in the PRC. A household registration record officially identifies a person as a resident of a work unit (danwei). The influence of a work unit on the life of an individual was substantial and permission had to be obtained from the work units before undertaking everyday events such as travel, marriage, or having children. After introducing a transfer system, athletes have their own right to ask for transfer to other work units (such as the other provincial teams, Sport Universities and sport colleges) as long as their term-contracts with original work units expire.
market economy of socialism, ... to fulfil the aim of Olympic Glory, ... the NSC promoted and encouraged athletes to be transferred". According to the latter document (NSC, 1997c), new employers had to pay the transfer fee to athletes’ former employers and the price could be evaluated by several criteria, namely the period of training, the level of skill (similar to Master’s ranking standards of the Soviet Union) and results in competitions. In the case of archery in 2003, for example, the transfer fee for an Olympic gold medallist was half a million yuan (GAOS, 2004a: 150-4). To promote the transfer system, the Chinese government changed the regulations for the National Games in 1996 to allow both the new and former employers to share the medals and scores that their traded athletes won (NSC, 1997d: 151-52). This new policy motivated rich provinces to pay transfer fees and offer high salaries in order to buy these medallists. Shanghai city for example, which hosted the 8th National Games bought most of the athletes among the 150 transferees. The city government not only paid the transfer fee for the Olympic medallist – Gao Dawei, who used to belong to the provincial female wrestling team in Liaoning province (famous for producing Olympic medallists in wrestling and weightlifting), but also offered Miss Gao a flat with 3 bedrooms and 0.4 million yuan. Miss Gao defeated former Olympic gold medallist – Sun Fuming and won a gold medal for Shanghai city in the National Games in 1997 (Dong, 2003: 34).

China also used financial rewards, not only to motivate athletes and coaches, but also to encourage provincial sport bureaus to contribute towards the effort to win more Olympic medals. In 1996 the NSC issued a policy document – “The Regulations for Awarding Coaches and Athletes” which allowed one Olympic gold medallist to be awarded between 50 thousand and 80 thousand yuan. From then on the Chinese government continued raising the financial rewards available to its Olympic squad. According to one GAOS interviewee, “The amount of money used to motivate Chinese Olympic gold medallists is increasing, and it will certainly not be less than 200 thousand in 2008 (Interview, 12th January 2006). And according to Duan Shijie (Chinese vice Sport Mminister):

The Government gave huge financial rewards to those Olympic medallists whose sport achievement had special meaning for China. ... For athletes, such as Luo Xuejuan (swimmer), Li Ting and Sun Tiantian (tennis players), they
had to be granted great rewards. It was not too much to reward Liu Xiang with one million yuan if he could win an Olympic gold medal in the men's 110m hurdles. (Sina Sport News, 2004)

Almost all China's provinces is copied this high-reward policy as a strategy for motivating their athletes to win gold medals in the Olympics and National Games. Although the NSC's reward document emphasised that the payment granted to athletes at provincial level could not exceed that granted by central government, not many provinces complied. According to China Sport News, provinces, such as Tianjin, Jiangxi, Fujian and Yunnan, all offered their own Olympic medallists and coaches about 0.5 million yuan which was much higher than the central government reward (Sportinfo.net.cn, 2004). The total reward that a Chinese Olympic medallist could receive from government (including central, provincial and county level), from Chinese enterprises and from the Hong Kong tycoon, Huo Yindong, could be between 1–3 million yuan, which excludes other commercial income. (Sina Sport News, 2004)

For sport officials at provincial level, China adopted a similar strategy to motivate these members of staff to support the national sport policy objectives. According to a document issued by the Financial Ministry and GAOS in 1999, the Chinese government would allocate financial rewards to the eight provinces that won the most Olympic medals in the Summer and Winter Olympic Games (Financial Ministry & GAOS: 2000: 134-5). In addition, the National Sport Management Centres also played an important role by organizing an increased number of national and international championships in order to provide more opportunities for Chinese athletes to gain experience of high level competitions. According to the vice sport minister, Duan Shijie (2004), "National Sport Management Centres ... continually devised and promoted new competitions. ... From 2001 to 2004, the national competitions were increasing from 491 to 836 of which 74 percent were Olympic sports". He went on to argue that "the excellent performance of our athletes participating in the Athens Olympics was due largely to domestic sport competitions".

In short, the competition system was designed to select, train and hone athletes to win Olympic medals and, according to Liang Xiaolong of the GAOS, "the material rewards have become an important element for motivating Chinese athletes to achieve
excellent performance” (GAOS, 2006a: 134). However, the refinement of China’s selection and competition system and the introduction of material rewards was not a guarantee of success at the Olympic Games. In the fierce global competition, China also introduced more world-class sports resources, such as equipment, coaches and technology, to support its training system. This raises several issues, including how the Chinese government used these resources and how they were integrated into its training system. These issues will be discussed more fully in the next section on the training system.

Training system

To set up its own training system, especially at the national level, China required training camps with high-standard equipment, and world-class coaches, scientists and doctors in order to overtake countries, such as USA, Russia, Germany and Australia. First, the Chinese government located its best stadiums and equipment in the elite sport training camps. One sport official in charge of the stadiums and equipment in GAOS emphasized that “most stadiums located in the sport system were up to standard ... and their main purpose was to offer training and competition for provincial and national squads” (Interview, 16th January 2006). In addition, another sport official also underlined the importance of importing high-standard equipment and facilities, and noted that “sport science has a huge impact on Chinese elite development and that is why we imported so much top training equipment and facilities from abroad, especially from the USA” (Interview: former senior staff member in the GAOS External Affairs Department, 30th December 2005). Generally speaking, the Sport Apparatus Centre in GAOS is in charge of selecting and buying this high-tech equipment and facilities for provincial and national squads (Interview: former staff member in the GAOS Sport Apparatus Centre, 3rd March 2006).

The need to put greater resources into these training camps was highlighted in two key documents “The Outline Strategy for Winning Olympic Medals 2001 - 2010” and “The Project for the Development of Elite Sport 2006 - 2010”. The former stated that “to fully guarantee and satisfy the requirements for sport training, we have to increase the investment in these training camps, to enhance these stadiums and facilities for training purposes, and to fit advanced training apparatus and scientific devices”
The latter proclaimed that one of the government’s main goals was “to establish 4 – 8 world class comprehensive training camps and to set up 10 – 15 specialized training camps for Olympic sports” (GAOS, 2006c).

Second, although China maintained a large number of coaches since 1979 (see Table 5.3), most of the coaches, according to a GAOS report, in the disciplines of track and field, basketball and swimming, were below world-class standard (Xiao et al, 2006: 186).

Table 5.3: The statistic of full-time coaches in Chinese sport training system 1966-2001 (Unit: 1 people)

<table>
<thead>
<tr>
<th>Year</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Provincial squads</td>
<td>Sport schools</td>
<td>Spare-time sport schools</td>
<td></td>
</tr>
<tr>
<td>1966</td>
<td>7597</td>
<td>4743</td>
<td>11123</td>
<td>21374</td>
</tr>
<tr>
<td>1970</td>
<td>4351</td>
<td>3788</td>
<td>17021</td>
<td>25670</td>
</tr>
<tr>
<td>1995</td>
<td>4351</td>
<td>3788</td>
<td>17021</td>
<td>25160</td>
</tr>
<tr>
<td>1980</td>
<td>21374</td>
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<td>41031</td>
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<td>1985</td>
<td>21374</td>
<td>11123</td>
<td>18534</td>
<td>41031</td>
</tr>
<tr>
<td>1999</td>
<td>21374</td>
<td>11123</td>
<td>18534</td>
<td>41031</td>
</tr>
<tr>
<td>2000</td>
<td>4182</td>
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<td>2001</td>
<td>4182</td>
<td>3989</td>
<td>96508</td>
<td>104679</td>
</tr>
</tbody>
</table>

Source: NSC (Planning and Finance Department), Statistical Yearbook of Sport (Internal information), 1994-2002;

This report also emphasized that “it was because of a severe shortage of high-class coaches that our track and field events were prevented from making further progress” (Xiao et al, 2006: 186). Another official report, with which the director of the department of sport competition in GAOS was involved, claimed that “for modern competition in elite sport, there is, to some extent, another kind of competition going on between the capacities of the coaches. ... Therefore, the coaches producing gold medallists are a crucial element for raising the standard of the elite sports” (Li et al, 2006: 206). To increase the number of Chinese world-class coaches, China issued a document in 1997 - “The Notice for Speeding Up the Training to Produce Young Academic and Technical Sports Experts” - in which the government planned to produce more elite coaches in 3-5 years (NSC, 1998a: 61-3). After issuing this document, the GAOS initiated “The millennium training project for young talent
coaches" in 1999 and sent national coaches abroad to learn from the West. One of the participants in this project said that they all benefited from this project:

In 1999 GAOS initiated ... [an] exchange programme between the Chinese Olympic Committee and the American Olympic Committee. There were 11 national coaches from different sports, such as badminton, table tennis, judo, swimming, track and field etc. ... After this project ... the GAOS organized several similar projects to gain new knowledge from western countries. (Interview, 23rd November 2005)

In 2004, the PRC issued another document - “The notice for strengthening the training of sport human resources” in which the government set a quota to produce 100 elite coaches to prepare for the 2008 Olympics and highlighted “the need for sending more coaches to be trained in other countries to raise the quality of sport training” (GAOS, 2005b: 73). The attitude of the Chinese government toward foreign coaches appeared quite positive and it wanted to introduce more foreign coaches to raise the quality of training. One of the sport officials in charge of training affairs for all the national teams in GAOS also emphasized that these foreign coaches had an important role in national teams and the government had an extra budget for hiring them. He also noted that “About one third of those who are taking the position of head coaches in Chinese national squads are foreign coaches at this moment” (Interview, 13 January 2006).

Although the Chinese government fully supported the introduction of foreign coaches, they were also aware of the importance of Chinese coaches learning and gathering knowledge from them. According to official documents and sport officials in GAOS, the Chinese government had its own strategy to manage these foreign coaches:

We had to carry out “the regulations for managing the foreign coaches in national teams” ... and pay more attention to absorbing and adapting the advanced knowledge and skill in coaching and managing from these foreign coaches. We also needed to link the good practice from foreign coaches, and Chinese coaches being trained in other countries, to raise the quality of our training system. (GAOS, 2005b: 76)
When we signed contracts with these foreign coaches, part of the deal was that they had to help us train Chinese coaches. (Interview: senior staff member in the GAOS Competition and Training Department, 13 January 2006)

To achieve technical transformation, each sport management centre would nominate several Chinese elite coaches not only to help foreign coaches but also to learn strategies and tactics from foreign coaches. (Interview: former senior staff member in the Training Centre for Sport Officials and Coaches, 23rd December 2005)

In addition to fully participating in all 28 disciplines and winning more gold medals in the 2008 Olympics, in its official document China set a quota to produce 1000 top elite athletes (GAOS, 2005b: 76). To fulfil this quota, China also has a special budget to send more athletes to be trained in foreign countries, especially in the West. The words of senior staff member and the media can be regarded as evidence:

In recent years, the Chinese Athletics Management Centre has had a cooperation project with America and we have sent 4 athletes to be trained there. We will send more athletes there this year. (Interview: senior staff member from Competition Department in the Chinese Athletics Management Centre, 10 January 2006)

Chinese Olympic champion Xing Huina is going to the United States to advance her training. She will join the Chinese national long-distance running team for three to five months of training in the US, starting next month. (CRIENGLISH.com, 2006b)

The Chinese national female wrestling team, including the coach and two Olympic silver medallists, went to Japan to be trained for 1 year. (China Sport News, 2005)

Third, China needed more skilled sports scientists and doctors to assist their athletes. In a document — “Strengthening and Progressing Sport in the New Era” — issued in July 2002 by the Communist Party and the central government, it was emphasized
that China “had to continuously raise the quality of scientific training for elite sport” (GAOS, 2003b: 5). Chinese sport minister, Liu Peng, also underlined that “sport technology had to match the need for preparing for the Olympics and do whatever it could to fulfil the requirements of the national squads” (Liu, P. 2006). To speed up the development of China’s sport technology, the government set a quota of generating a world-class team of 20 top Chinese sport scientists in the document – “The Project for Developing Sport Technology 2001-2010” - issued by GAOS in 2002 (GAOS, 2005c). According to a senior staff member in the national training centre for Chinese sport officials:

Under the instruction of GAOS, we were organising different kinds of scientific teams, composed of sport scientists, doctors of national teams and technicians, to go abroad to learn new knowledge to prepare for the Olympics. Generally speaking, they would go abroad for 2-3 weeks. (Interview, 10 January 2006)

The Chinese government’s effort paid off when Olympic champion Liu Xiang achieved a time of 12.91 seconds at the 2004 Athens Olympics, levelling the world mark held by Briton, Colin Jackson. According to vice sport minister, Cui Dalin (2005), “It was the technology that helps us to win the gold medals”. He went on to argue that, “The reason Liu Xiang win an Olympic gold medal was not only to due to his head coach, Sun Haiping, but also due to the support from a team composed of more than 20 scientists” (Cui, 2005).

In short, to strengthen China’s elite development the government first borrowed and rebuilt the Soviet model, then gradually revitalized its selection and competition system through competitive mechanism and the free market, and finally introduced global sport resources, such as high quality sport equipment and facilities and world-class coaches and scientists. However, the adoption of this strategy raised several issues particularly, how China handled such a complicated elite system with its administrative structure and how the government generated such a huge amount of money to support elite development. These issues will be explored in the next section.
5.3.2 Transforming the administrative structure and generating multiple incomes for the Olympic Sport System

The elite athlete development strategy involved a radical reform of the administrative structure. The National Sport Commission (NSC) was downsized into the GAOS to reduce the financial burden on central government and the National Sport Management Centres were established to share the role of the GAOS and to manage and develop Olympic sport more professionally and scientifically. In addition, in order to subsidise the costly elite development system the PRC not only increased its national sport budget, but also sought to generate additional income from society and the market by introducing a lottery system and by involvement in commercial activities.

Transforming administrative structures

Under the leadership of Jiang Zemin, the Chinese leadership attempted to reduce the cost and increase the efficiency of the Chinese government. The NSC (see section 3.4.2 Sport within China in chapter 3) was required to increase the efficiency of its administrative structures. Li Tieying, a member of the Politburo Standing Committee (PSC) and a State Councillor (1988-1998) with a second job as a director of the Sport Reform Commission, emphasised that “to compete and win the battle in the fiercely competitive world of international sport competitions, we had to strengthen sport reform. ... The structure and mechanism of sport management must follow the steps of economic reform ... including training, competition and organisational structure” (Li, T.Y. 1993: 4). One official document – “The Suggestion of the NSC About Deepening the Reform of Sport”, issued by the NSC in 1993, emphasized that “elite development faced deep structural problems which were shortage of budget, lack of high level human resources in sport, ... low efficiency and effectiveness of sport management” (NSC, 1996d: 146). An appendix to that document – “Some Suggestions About Establishing the System of Sport Associations” also highlighted that “establishing a system of sport associations could promote professionalism in sport management, and scientifically and systematically shape the management system in order to raise elite sport skills ...” (NSC, 1996f: 153).
To speed up sport reform, in 1994 the State Council issued "The Notice about the Regulations for the Organisational Function, Structure and Human Resource of GAOS" which highlighted that GAOS should delegate its authority in relation to national elite sport selection, training and competition to the National Sport Management Centres and should focus on policy-making for macro control of sport development. (GAOS, 1999a: 69-75) Under the requirements of the Chinese Communist Party and State Council, five elite sport departments and one training bureau in NSC (Zhan, 1990: 247) were gradually transformed from governmental sports agencies into 23 quasi-autonomous organizations - National Sport Management Centres - in which there were 16 Olympic sport management centres in charge of 25 national Olympic sport associations. Although the NSC was downgraded to the level of General Administration of Sport (GAOS) with 9 departments and 180 staff, the GAOS, with robust support from Chinese leaders, still dominated the decision-making of all National Sport Management Centres, and exerted control over the sports and their development, organizations and financing. In the words of a sport official from the Personnel Department in the GAOS:

All the projects, budget and foreign affairs of [the] management centres required liaison and co-ordination with the GAOS. ... The GAOS was very concerned about the projects in which government put a lot of money. ... These associations could be refused support if the government did not have any prospect of gold medals from them. (Interview, 16th January 2006)

In essence, National Sport Management Centres and national sport associations are two sides of the same coin. According to one senior official in the GAOS who was involved in the design of the sport management centres, in order to strengthen the administration of national sport associations, the Chinese government devised sport management centres to take over the power of national sport associations. That means that the name "national sport association" was used to communicate with the outside world, due to its implied non-governmental status while the name "sport management centre" was used to govern the domestic sport regime because of its governmental position which was directly under the leadership of GAOS. This kind of design allowed the government to wield its power more easily in both national and international sport organizations (Interview, 16th January 2006). According to the
document, “The Temporary Regulation for National Sport Management Centres”, issued by the NSC in 1997, the main missions for National Sport Management Centres were … “to promote sports at all levels and to raise sports skills”. These centres “had to be under the leadership of the NSC (GAOS) and had to wholly carry out the policy and direction of the NSC (GAOS)” (NSC, 1997a). This document also underscored the fact that “all sections and cadre members in National Sport Management Centres had to be checked and ratified by NSC (GAOS)” and “all the salary, welfare and rewards of staff in these centres were under the administration of the Personnel Department in NSC (GAOS) (NSC, 1997a).

Although the Chinese government subsidized 60 percent of the basic wage of staff in these management centres, according to an official in the Personnel Department in GAOS, “their total salary was much higher than ours in GAOS due to their high commercial income” and “their position was a lucrative appointment” (Interviewee, 23rd December 2005). Due to the vital position of the directors in National Sport Management Centres, especially in Olympic sports centres, for carrying out Chinese government policy, “all the directors in these centres were controlled by the Party groups (Dangzu), the leading group of the NSC (GAOS)” (NSC, 1997a). In addition, the directors of the management centres and the department of the GAOS could be switched if the leadership group of the GAOS thought it was necessary. This was the case with Li Hua, a former vice-director of the Personnel Department in the GAOS who became the director of the Chinese Swimming Management Centre, and Cai Zhenhua, a former director of the Chinese Management Centre for Table Tennis and Badminton, who took a position as the associate sport minister in GAOS. In summary, the Chinese government could totally dominate elite policy through these National Sport Management Centres.

According to a Chinese sport academic, the administrative structure of these national sport associations was essentially copied from western sport associations. In other words, “these national sport associations had a similar shell to their western counterparts, but the way they operated was manipulated by the Chinese government” (Interview, 24th December 2005). In addition, according to one sport official in charge of national teams in GAOS, a number of National Sport Management Centres were subdivided due to the need to concentrate resources to prepare for the Olympics in
2008 and to follow the global elite sport trend of subdividing and professionalizing the divisions and staff to increase their efficiency and effectiveness (Interview, 13 January 2006). Indeed, one official in the National Training Centre for Chinese Sport Officials emphasized that “to strengthen the capacity of high-ranking sport officials, the GAOS instructed us to organize a workshop each year so that the directors in the GAOS and National Sport Management Centres could go abroad to learn new knowledge and management skill and strategies from the West” (Interview, 10 January 2006).

To ensure high performance was effectively and efficiently achieved, sport minister, Liu Peng noted that the GAOS set up a special team led by him and his colleagues in 2006 to regularly inspect 15 national Olympic management centres to ensure that they carried out 32 requirements to prepare for the Beijing Games (Liu, P. 2006).

According to vice sport minister, Cui Dalin, the directors of the national Olympic management centres had to sign contracts with the Chinese government concerning the Olympic medal quota set by GAOS (Cui, 2004a). If these directors could not reach the quota, it could endanger their position or they might lose their jobs (Interview: staff member in the National Training Centre for Chinese Sport Officials, 10 January 2006). Although these types of strategies put huge pressure on the leaders in management centres, they could also achieve high rewards from government if they successfully fulfilled the quota. Thus, in the words of one sport official in the GAOS, “the meaning of Olympic medals for these directors of National Sport Management Centres was the impact it had on their job and rewards” (Interview, 10 January 2006).

The GAOS’s strategies, which aimed to spur and stimulate these high-ranking managers, were adopted by provincial governments. Shandong province, for example, set up 12 provincial sport management centres and concentrated their resources on potential medallists in the National Games and the Olympics. In addition, the provincial government requested the directors of the regional sport management centres to sign protocols for achieving their National and Olympic medal quota as set by the provincial sport bureau. If these directors completed their mission, they could receive 200,000 yuan. If not, they would be dismissed from their position immediately and could not take similar duty for four years, according to the director of the sport bureau in Shandong province, Yu Xuetian (Yu, 2005).
Although provincial sport bureaus copied the structure and strategies from the GAOS to win gold medals in the National Games for their own provinces, there were tensions between provincial governments and National Sport Management Centres. According to one senior researcher in the Institute of Sport Science under GAOS, most provincial governments complained about the system of the National Sport Management Centres because the provincial sport bureaus could not handle so many requirements. This meant that the provincial sport bureau not only had to match up to the policy of the GAOS, but also had to co-operate with 22 national management centres whose main mission was the Olympics not the National Games (Interview, 30th December 2005). According to the former director of the sport bureau in Zhejiang province, Chen Peide, their jobs were directly linked to the number of gold medals in the National Games (Chen, 2006). To reduce these tensions, the GAOS decided not only to introduce a double score system in which one Olympic gold medal could be regarded as equivalent to two National gold medals, but also to invite more provincial sport officials to take positions in national sport associations and the Chinese Olympic Committee and to offer them the chance to go abroad once a year to learn knowledge of management.

**Generating multiple incomes**

According to Zhang Hao, director of the Finance Department in GAOS, “The shortage of national budget available for funding sport development was getting more and more serious in 1992” (Zhang, H. 1997: 35). To solve this problem, vice secretary for the State Council, Xu Zhijian, during his speech at the 1993 All States Sports Minister Conference, underlined the fact that “For sport finance ... the main point was how we matched the requirements of a socialist market economy”. He went on to argue that “only by completing this transformation and solving this problem could we locate a new way of generating more income from different channels in order to vitalise our sport development” (Xu, Z. 1993: 16-7). From then on, the Chinese government developed different strategies to generate multiple incomes from the market and society. According to Zhang Hao, the three main incomes which supported the Chinese sport system were the government sport budget (including
national and provincial level), commercial and sponsorship income, and lottery funding (Zhang, H. 1997: 35) (see Figure 5.4).

**Figure 5.4: The Income of the Chinese Sport System**

The government sport budget, as Zhang Hao argued, "was still the main resource for subsidising the sport system" (Zhang, H. 1997: 44). According to the Statistical Yearbook of Sport issued by NSC and GAOS, the national sport budget temporarily decreased between 1998 and 1999 due to downsizing the NSC into GAOS, but when we look at the total sport budget, including national and provincial levels, it has almost doubled every 5 years since 1976 (see Table 5.4 Sport Budget in China 1953-2001).
### Table 5.4: Sport Budget in China 1953-2001 (Unit: 10 thousand yuan)

<table>
<thead>
<tr>
<th>Year</th>
<th>GAOS</th>
<th>Provincial</th>
<th>GAOS + Provincial</th>
</tr>
</thead>
<tbody>
<tr>
<td>1953-1957</td>
<td>*632.8</td>
<td>*1286.8</td>
<td>*1919.6</td>
</tr>
<tr>
<td>1958-1962</td>
<td>*2673.0</td>
<td>*6365.2</td>
<td>*9038.2</td>
</tr>
<tr>
<td>1963-1965</td>
<td>*1632.7</td>
<td>*6055.3</td>
<td>*7688.0</td>
</tr>
<tr>
<td>1966-1970</td>
<td>*767.6</td>
<td>*4012.2</td>
<td>*4479.8</td>
</tr>
<tr>
<td>1971-1975</td>
<td>*1111.6</td>
<td>*11795.0</td>
<td>*12906.6</td>
</tr>
<tr>
<td>1976-1980</td>
<td>*2712.4</td>
<td>*21413.4</td>
<td>*24125.8</td>
</tr>
<tr>
<td>1981-1985</td>
<td>*6106.4</td>
<td>*45222.4</td>
<td>*51328.8</td>
</tr>
<tr>
<td>1986-1990</td>
<td>*11325.0</td>
<td>*108633.2</td>
<td>*119958.2</td>
</tr>
<tr>
<td>1991</td>
<td>13184.0</td>
<td>153392.0</td>
<td>166576.0</td>
</tr>
<tr>
<td>1992</td>
<td>14100.0</td>
<td>172400.0</td>
<td>186500.0</td>
</tr>
<tr>
<td>1993</td>
<td></td>
<td></td>
<td>112412.7</td>
</tr>
<tr>
<td>1994</td>
<td></td>
<td></td>
<td>133515.4</td>
</tr>
<tr>
<td>1995</td>
<td></td>
<td></td>
<td>153958.5</td>
</tr>
<tr>
<td>1996</td>
<td></td>
<td></td>
<td>207652.9</td>
</tr>
<tr>
<td>1997</td>
<td>47317.0</td>
<td>354043.0</td>
<td>401359.6</td>
</tr>
<tr>
<td>1998</td>
<td>26251.0</td>
<td>379975.0</td>
<td>406226.0</td>
</tr>
<tr>
<td>1999</td>
<td>31846.0</td>
<td>383739.0</td>
<td>415585.0</td>
</tr>
<tr>
<td>2000</td>
<td>76791.0</td>
<td>428405.0</td>
<td>505196.0</td>
</tr>
<tr>
<td>2001</td>
<td>103126.0</td>
<td>572266.0</td>
<td>675392.0</td>
</tr>
</tbody>
</table>

**Note:**
1. * indicates an average figure for the period.
2. Sport budget in this table does not include the cost for basic sport construction.

Source: NSC (Planning and Finance Department), Statistical Yearbook of Sport (Internal information), 1994-2002.

The Chinese government invested most of its public funding for sport in elite sport with the proportion of the government’s sport budget spent on elite sport compared with sport for all becoming extremely skewed. Dong Xinguang, the key draftsman of the ‘The Fitness for All’ project issued by the NSC in 1995, pointed out that the proportion of the national and provincial sport budget invested in sport for all decreased from 2.38 percent in 1990 – 1994 to 1.39 percent in 1995 – 1999 (Dong, 2005: 13). One former senior staff member from the Policy and Regulation Department in GAOS emphasized that “So far, we did not have the money to subsidise the development of mass sport” (Interview, 13th January 2006).

The limited government budget allocated to sport for all is reflected in the words of Guo Min, a former director of the Sport for All Department in the GAOS when she was interviewed by China Sport News in 2004. She claimed that “we had 2 million yuan for developing sport for all in our department per year. ... There was less than 1 million yuan sport budget to invest in mass sport for each provincial government each
year. For county level, there was less than 0.1 million yuan” (Cai, 2004). However, according to one senior staff member in charge of sport policy in the GAOS “the money for developing sport for all did not rely on the government but on citizens themselves because they had to bear in mind one thing - it is their responsibility to invest their own money for maintaining their own health” (Interview, 4th January 2006). The evidence provided above makes clear the concern of the Chinese government to concentrate more of its provincial and national sport budget on supporting elite development, despite the consequent reduction in the proportion of national and provincial sport budget invested in sport for all programmes.

According to Zhang Hao, “the government encouraged every sport unit to exploit their resources not only to support themselves, but also to maintain the whole sport system” (Zhang, H. 1997: 55). He also highlighted that “the good image of Chinese elite sport was a very valuable intangible asset for the government and sport community. Therefore, adopting a market mechanism to exploit and market this intangible sports asset was a vital mission for our sport system at every level” (Zhang, H. 1997: 49). Under this policy, market promotion divisions were established at almost every level in the sport system, especially at national and provincial level.

First, the government established the Sport Apparatus Centre in the GAOS (named Market Promotion Division in the COC) which, according to a former member of staff in the Sport Apparatus Centre, “was in charge of the exploitation of intangible sports assets, especially in the mega events such as the Olympic Games, Asian Games, East Asian Games” (Interview, 3rd March 2006). According to one senior official in the Finance Department in GAOS, “The Chinese government was making efforts to shape the brand of COC and promote the market value of the “Team China” after the 2000 Olympics” (Interview, 4th January 2006). Therefore, all commercial rights related to athletes in Team China had to be under the control of the Sport Apparatus Centre (SAC) in GAOS and National Sport Management Centres had to obtain permission from SAC to make commercial deals for their elite athletes (Interview: former staff member in the SAC, 3rd March 2006). During the Athens Games for example, SAC gave its commercial media rights for broadcasting and interviewing Team China to its own internet company – China Interactive Sports by which it could monopolize the media’s commercial activities for Team China. In other words, GAOS
Chapter 5 Olympic Movement

centralized all Team China's commercial rights in the Sport Apparatus Centre in order to generate and maximize its multiple commercial incomes during the Olympic Games (Interview: former staff member in the SAC, 3rd March 2006). According to one senior staff member in the GAOS Financial Department, in order to legalize the role of the Sport Apparatus Centre "The GAOS asked every athlete to sign a commercial contract with the Sport Apparatus Centre if he or she would like to stay in Team China for the international mega events". He went on to argue that "this kind of idea was copied from the IOC who asked all the participants to sign a contract written on the opposite side of their application forms to give the IOC special commercial rights during the Olympic Games" (Interview, 4th January 2006). In addition, he also confirmed that "Basically, the way in which we were managing our Team China was the same as our counterpart in the UK who had special management regulations for their Team Great Britain" (Interview, 4th January 2006). "All the income of the Sport Apparatus Centre (SAC) would be redistributed by the GAOS to support elite sport training and competitions", according to one former SAC staff member (Interview, 3rd March 2006).

Second, the NSMCs established market promotion divisions to work as general commercial agents for their elite athletes, but they had to follow the rules and guidelines set by the GAOS (Interview: senior staff member in the GAOS Beijing Sport University, 3rd January 2006). Generally speaking, the authority for these market promotion divisions in the NSMCs was limited to the level of national and international championships to avoid overlapping with the commercial rights owned by the COC and the IOC. To rationalize the commercial relations between the NSMC and their athletes, an important document – "The Notice for Attempting to Manage Commercial Activities of National Squad Members by Contract" - issued by GAOS in 2006 stated that "each NSMC ... must sign contracts with their national squad members to manage their athletes' commercial activities" and "each NSMC must pay attention to coordinating the commercial rights among national squad members, NSMC, COC and IOC" (GAOS, 2006d). In addition, following an increasing volume of sponsorship and commercial activities among national squad members, one senior official in the Chinese Swimming Management Centre emphasized that "we would restructure the marketing division to generate more income to support and maintain the mission to prepare for the 2008 Olympics (Interview, 10th January 2006). China
was attempting to adopt the western “commercial mechanism” contracted by law or by regulation to control its elite athletes so that they not only concentrated on training and competition, but also generated more income to support China’s elite system.

Third, provincial sport bureaus also copied the model from the GAOS to market their provincial squads for sponsorship and commercial income, as in the case of Sichuan and Beijing. According to the director of the Sichuan provincial sport bureau, Zhu Ling, what they were doing was to match the market economy whereby they were maximizing the value of their provincial squads to bring in more money to support themselves (Yuan, Z. 2005a). Indeed, the establishment of sport marketing divisions at national and provincial level was playing an important role in generating income from the market and society. The total amount of commercial and sponsorship income has increased dramatically (see Table 5.5) since the transformation of the sport administrative structure in 1998. In addition, the money generated from the market was steadily increasing after 2001:

According to the data we have so far for 2006, almost half our total income came from government and the other funds were raised by the market and society of which most was generated from commercial sponsorship. (Interview: senior staff member in GAOS, 16th January 2006)

Table 5.5 Income in the Chinese Sport System 1993-2001 (Unit: 10 thousand yuan)

<table>
<thead>
<tr>
<th>Year</th>
<th>National &amp; Provincial Sport Budget</th>
<th>Commercial &amp; Sponsorship Income</th>
<th>Total Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>112412.7</td>
<td>97391.6</td>
<td>209804.3</td>
</tr>
<tr>
<td>1994</td>
<td>133515.4</td>
<td>96526.6</td>
<td>230042.0</td>
</tr>
<tr>
<td>1995</td>
<td>153958.5</td>
<td>128416.5</td>
<td>282375.0</td>
</tr>
<tr>
<td>1996</td>
<td>207652.9</td>
<td>187744.7</td>
<td>395397.6</td>
</tr>
<tr>
<td>1997</td>
<td>401359.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>406226.0</td>
<td>161913.0</td>
<td>568139.0</td>
</tr>
<tr>
<td>1999</td>
<td>415585.0</td>
<td>216123.0</td>
<td>631708.0</td>
</tr>
<tr>
<td>2000</td>
<td>505196.0</td>
<td>363256.0</td>
<td>868452.0</td>
</tr>
<tr>
<td>2001</td>
<td>675392.0</td>
<td>515695.0</td>
<td>1191087.0</td>
</tr>
</tbody>
</table>

Source: NSC (Planning and Finance Department), Statistical Yearbook of Sport (Internal Information), 1994-2002.

With regard to lottery funding, at first, the lottery system was introduced to fund international and national mega events (NSC, 1994). In 1998, the Financial
Department and The People’s Bank of China, announced that “the official rights for distributing the lottery funding belonged to the GAOS”, who decided that 60 percent of the income would be invested in the ‘Fitness for All’ project and 40 percent in the “Olympic Glory” project (NSC, 1998b). According to the GAOS’s report on the distribution for lottery funding in 2004, there was 1190 million yuan for elite sport and 1750 million yuan for mass sport. In fact, most of money for mass sport came from lottery funding of which the average funding for each province in 2002 was about 9.63 million yuan, according to Dong Xinguang (Dong, 2005: 12).

In short, due to pressure to find more resources to support its elite sport system, the Chinese government was, to some extent, under pressure to adopt the management practices and market mechanisms of their western counterparts. Although the new market practices could possibly help China produce more Olympic gold medallists, it could not guarantee that all Chinese elite athletes would continuously fight for China due to the strong financial attractions from the outside world. This raises several issues, including how the Chinese government retained their athletes and coaches in China. This and other related issues are considered in the next section.

5.3.3 Preventing coaches and athletes from going abroad

The strategies for discouraging Chinese athletes and coaches from going abroad were directly linked to the case of Chinese athletes who represented other countries in table tennis and badminton and seriously threatened Chinese Olympic success. According to NSC documents and a senior member in the GAOS Personnel Department:

After table tennis became a Summer Olympic Sport [in 1988], it became popular in terms of increased professionalism which was encouraging table tennis players to transfer between clubs and countries. ... Because going abroad meant earning a much higher salary than staying at home, it had a serious impact on some of our national squad members. (NSC, 1996g: 568)

During the late 1980s and early 1990s, Chinese table tennis received a serious setback due to lots of elite players going abroad. Some of them claimed to retire immediately and went abroad to play for another country after winning the title.
of world champion. As a result of this situation, these “Chinese foreign troops” seriously endangered our chances of defending the Olympic title. (Interview, 12th January 2006)

To reduce the threat of “Chinese foreign troops” and to persuade its top athletes to continue to compete for their homeland, the Chinese government introduced four changes to policy: i) setting an age limit in the domestic arena; ii) revising the competition regulations at IFs; iii) increasing athletes and coaches’ income by introducing a club system, sponsorship and the Commercial Grand Prix circuit; and iv) inculcating patriotism and nationalism.

First, in the domestic arena, The Chinese government set an age limit to prevent its top athletes going abroad. “All national athletes could not be dispatched to go abroad until male athletes were over the age of 28 and female athletes over 26” (NSC, 1996b: 1345-6). However, this regulation did not stop Chinese athletes leaving China as there was no specific penalty for violators. Consequently, in 1994, a new policy, “The Temporary Regulations for Chinese Players and Coaches of Table Tennis Who Work and Compete Abroad”, was issued by the NSC, and which stated that “no Chinese players and coaches of table tennis can sign contracts with foreign clubs or organizations until males are over 28 and females are over 25.” The penalty, was serious, not only for violators themselves, but in their provincial table tennis associations and their former clubs. The document highlighted the fact that “the players and coaches violating this regulation will lose their membership of the Chinese Table Tennis Association. ... The provincial table tennis associations and clubs will be punished for being connected with these violators. The penalty for these associations and clubs will be the imposition of a fine, cutting down the quota for participating in the competitions and suspending club competitions etc.” (NSC, 1996c: 596)

After Beijing won the bid for hosting the 2008 Olympics, another document was issued by the GAOS in 2001, “About the Regulations for Players and Coaches of Badminton Going Abroad”, which stated that “all coaches and athletes who compete in the Olympics, Asian Games and world championship are prohibited from going abroad to join training and competition activities in relation to badminton unless they have permission from the Chinese Badminton Association”. In addition, according to this document, “all contracts signed between athletes and foreign clubs or
organizations have to be double-checked by the Chinese Badminton Association, otherwise these contracts will be invalid. ... The teams associated with the violators will be suspended from participating in any games for one year” (GAOS, 2001a).

Second, at the international level, China revised the competition regulations of the IFs for table tennis and badminton. One of the senior personnel staff in the GAOS noted that “by revising the competition regulations at IFs, we can deter these retired Chinese athletes from representing other countries and competing against China for more than 2 or 4 years. In other words, we could limit their chances of endangering our elite success” (Interview, 12th January 2006). During the mid-1990s the Chinese government took advantage of their sports officials who held the president’s position in the IFs, such as Lu Shengrong in the International Badminton Federation (IBF) and XuYinsheng in International Table Tennis Federation (ITTF), in order to revise the rules of competition. Under the leadership of these Chinese officials, in the late 1990s, the IBF and ITTF both revised their regulations such that “athletes must not have represented any other Member Association for the three years immediately preceding the date of the fixture” (IBF, 2006) and “a player is eligible to represent an Association only if he is a national of the country in which that Association has jurisdiction; and a player shall not represent different Associations within a period of 3 years” (ITTF, 2006). Through these rule changes, China substantially reduced the threat from the retired athletes who represented other countries (GAOS, 2003c).

Third, as regards income generation, China not only accepted sponsorship but also introduced a club system to increase athletes’ and coaches’ earnings. Since the 1980s Chinese national squads, such as those of table tennis, badminton and volleyball, have accepted sponsorship so as to raise the salary of athletes and coaches (Interview: senior staff member in GAOS Personnel Department, 12th January 2006). But compared to their counterparts in the West, the total income was still lower than the Chinese athletes’ and coaches’ expectation, which affected their motivation to compete for China. To solve this problem, the Chinese government introduced a club system to subsidize athletes’ and coaches’ income. This club system was called the “double-track mechanism” by which national squad members could play for clubs which would not only pay for special training fees to national squads, but also provide substantial wages to the national squad members they recruited. According to the
Chinese government’s perspective, this would not only stop elite athletes going abroad, but also change athlete’s attitude from “being forced to participate in training and competition” towards “being eager to be involved in training and competition” (NSC, 1996g: 567-8). Since introducing the club system in table tennis and volleyball, the income for stars in these sports has increased substantially, especially in the case of table tennis players, such as Ma Lin, Wang Liqin, whose income was over 1 million yuan in 2005. Vice sport minister, Cai Zhenhua, who promoted the club system in Chinese table tennis, commented that “As national table tennis players devoted themselves to benefiting our country, they should earn more than several million yuan, as long as the market itself could pay for that” (quoted in Zhu, 2006).

Although Chinese badminton did not introduce a club system, the income of coaches and players in national squads did increase significantly, due to generating profits from commercial sponsorship and the Commercial Grand Prix circuit, which was directly linked to their competition result (Hong, 2006).

Finally, to make athletes compete wholeheartedly for China, patriotism and nationalism were inculcated in the athletes’ minds. According to the vice president of the COC, Wu Shouzhang who was one of the architects of the Olympic Glory Project, “the fundamental mission for Chinese athletes is to actively participate in international competition for the sake of the nation’s pride”. He went on to argue that “our job was to help athletes to establish their highest value of life which was to be fervent patriots whose responsibility was to raise the national flag and to play the national anthem in the international sport arenas” (Wu, S. 2001: 72). He also claimed that “the value of the lives of Chinese athletes would be nothing if it was not linked to the national pride” (Wu, S. 2001: 239). Responsibility for political education was given to one of the top managers in each national squad (Interview: former staff member in GAOS Training Centre for Sport Officials and Coaches, 23rd December 2005) with the emphasis on inculcating patriotism, collectivism and revolutionary heroism in order to dilute and reduce the allurements of materialism and money (Wu, S. 2001: 239). Therefore, banners such as “Put your Motherland in your heart as you cast your eyes on the world” and “Practice your skills and bring back something for your country” could be seen in many of China’s national training camps to remind the Chinese athletes about what they were really playing for (Rice, 2006). Although China did whatever she could to educate her athletes to hold the value of “national
pride first and personal interest second”, as argued by sport minister, Liu Peng (2006), the result seemed to go the opposite way in that “the inclination of Chinese athletes was towards fighting and competing for financial reward”, as noted by several senior officials in the GAOS, COC and Chinese academics (Interview: senior staff member in the GAOS Beijing Sport University, 3rd January 2006).

In short, as market mechanisms had been introduced into China’s elite sport system, it is not surprising to see that commercialisation, to some extent, has pervaded and penetrated the sport community. This was seen in the introduction of a system of financial rewards for motivating athletes, coaches and people who contribute to producing Olympic gold medallists, accepting sponsorship and participating in commercial championships to raise athletes’ and coaches’ income, and allowing athletes at different levels to be transferred for a fee. Commercialism was not only changing the way the Chinese government ran its elite system in order to generate more income from the market and society, but also changing the values and attitudes of Chinese athletes, coaches and managers towards financial reward. This could possibly outweigh the importance of national interest set by the government and in particular the goal of Olympic success. The response of the government to the increasing commercialisation of sport is discussed in the next section.

5.4 Commercialisation

As mentioned in an earlier section, the Chinese elite system or so-called “whole country supports elite sport system” was borrowed and modified from its former socialist mentor – the USSR. However, to solve the financial problems and to improve the efficiency and effectiveness of this old system, the PRC, arguably, had little option but to adopt the same methods as its western counterparts. Although the way the Chinese government ran its elite system was quite different from the Soviet Union, its fundamental principle – “Olympic success first” never changed. Under these circumstances, anything that endangered this principle could not be accepted but had to be controlled by the Chinese government. As Wu Shouzhang, vice president of COC noted that “the professionalisation and commercialisation of elite development was like a double-edged sword. On the one hand, it facilitated and allured athletes and
coached to raise their performance by high salaries and soaring rewards; on the other hand, it also cast a shadow over elite development” (Wu, S. 2001: 175). This kind of concern was echoed by one of the GAOS’ latest documents in which it stated that “under the structure of a socialist market economy, there are new problems and challenges for us in managing national squad members who are involved in commercial activities. It would not only affect the training and competitions of national squads, but also seriously interfere in the way we manage our teams if those problems can not be effectively solved in time” (GAOS, 2006d). To reduce the negative impact of commercialisation on Chinese elite development, the following four strategies were adopted: i) controlling the access by athletes to commercial activities; ii) redistributing a proportion of athletes’ commercial income; iii) punishing athletes who are considered to be too heavily involved in commercial activities; and iv) requesting National Sport Management Centres (NSMCs) to refrain from involvement in commercial activities.

4-1. Combating the attraction of foreign commercialisation

To control the access of athletes to commercial activities, the NSC in an official document stated that “all intangible assets of in-service Chinese athletes belonged to the state. ... Under no circumstance, can any in-service Chinese athlete be directly or indirectly involved in any commercial activities independently. [Furthermore] all the commercial activities have to be mediated by the national sport associations” (GAOS, 2000a: 87). Another document issued by GAOS in 2006 observed that “the conditions for athletes who are involved in commercial activities ... must avoid interfering in the affairs of training and competitions, and the administration of national squads” (GAOS, 2006d). The priority of Olympic success over commercial income could be seen in all NSMCs, such as athletics, volleyball, swimming and table tennis. Comments from one of the senior staff member in the Chinese Athletics Management Centre emphasise this priority:

Commercial income is less important than Olympic success because GAOS would guarantee the budget for training and competitions of national squad. Far more important is the athlete’s performance in the Olympic Games. That is why GAOS has instructed us that we should limit the star athlete’s commercial activities,
especially those of the Olympic gold medallist of 110 hurdle, Liu Xiang.

(Interview, 10th January 2006)

Second, to prevent athletes from moving toward “individualism” and “the pursuit of wealth”, China insisted that a proportion of an athlete’s income from competition and commercial activities be redistributed within sport (GAOS, 2003d: 60). According to a GAOS document, the principle for redistributing athletes’ commercial profit is: athlete (50 percent); coaches and people who have performed meritorious service (15 percent); the sport foundation of National Sport Association (15 percent); and the local teams which contributed to producing this athlete (20 percent). As regards the athlete’s income from Commercial Grand Prixs, redistribution is as follows: athletes, coaches and people who have performed meritorious service (50 percent); the sport foundation of National Sport Association (30 percent); the provinces from which the athlete and his/her coaches were recruited from (10 percent); and GAOS (10 percent) (GAOS, 2003d: 61). In order to ensure that athletes would follow the principle set by the GAOS, the PRC also requested each NSMC to sign a commercial contract with their athletes. This commercial contract was copied from a GAOS document – “The Commercial Contract of National Squads Members” – according to which the government could redistribute an athlete’s commercial profit by law once they signed the contract (GAOS, 2006d). From the Chinese government perspective, the main purpose of allowing athletes to become involved in commercial activities was because it “was a useful tool for exploiting intangible sport assets and for generating more income for the elite system” (GAOS, 2003d: 60).

Third, to restrict athlete’s commercial behaviour, the Chinese government removed the title of national squad member from athletes who were considered to be too heavily involved in commercial activities, as was the case with Tian Liang, an Olympic diving gold medallist, who was expelled from the national squad. According to one senior staff member in the Chinese Swimming Management Centre “We are following the regulations set by the GAOS by which athletes do not have a right to be involved in commercial advertisement. All commercial activities that athletes are involved in must be mediated by our centre. Besides, the number of advertisements has to be limited because the regular training schedule can not be interrupted by these social activities” (Interview, 10th January 2006).
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member, Tian Liang was deemed to have engaged in ‘too many commercial activities’ and was thrown out of the team. That meant Tian Liang did not have a chance to participate in any future international sport event. In the case of Tian Liang, a member of the senior personnel staff in GAOS argued that “this administration system of sport, is in some respects very strict with our athletes, but it works quite well”. He went on to argue that “the reason why China’s Olympic gold medals far outnumber the silver and bronze is that we can control any negative element. ...All these elements in relation to each athlete’s training, dietary and even everyday thought have to be totally controlled” (Interview, 12th January 2006). It is not unexpected that another Chinese Olympic gold star, diver Guo Jingjing, was given stern warnings that she, too, was expendable if she did not refrain from commercial activities.

Finally, to reduce the rampant commercialism in National Sport Management Centres (NSMCs), the GAOS not only criticized the indulgently commercial behaviour of the directors of NSMCs, but also gave instructions that all significant competitions and commercial contracts had to be approved by GAOS. In a speech preparing for the 2004 Olympics, former sport minister, Yuan Weimin stated that “The first and most important mission for NSMCs is to promote elite sport. Therefore all the things NSMCs do are to serve and support this mission”. He went on to remind NSMCs that “Some centres do not bear this in mind and even leaders in those centres are busy in sport competitions and commercial sponsorship. ...this way of putting the cart before the horse will lead to low performance of our athletes although everybody’s pocket will be full” (Yuan, W. 2004c: 16). In addition, in an official document - “The Notice for Standardizing the Code of Practice of National Sport Management Centres”, the GAOS requested all NSMCs to submit their annual programme of competitions and key commercial contracts to the GAOS before making any agreement with sponsors (GAOS, 2003d:56-63). The priority of Olympic success is reflected in the words of one senior staff member in the Chinese Swimming Management Centre:

We have an agreement with [Nike] until 2008 but the contract will be renewed each year. We want to make sure that commercial activities won’t adversely affect our training programmes and our national squad’s performance before signing a contract with commercial sponsors. We would reject the sponsorship if these
commercial contracts did not fit in our training and competition programmes.
(Interview, 10th January 2006).

In short, to combat the attraction of foreign commercialism and to maintain Olympic success, the Chinese government not only centralized most the commercial rights in the hands of the GAOS by which it could make sure that most of commercial income could be redistributed within sport, but also disciplined or punished those who were involved too heavily in commercial activities and ignored their main mission—Olympic success. Although the Chinese government has attempted, with reasonable success so far, to manage the impact of commercial interests on Chinese domestic sports practices and elite athletes, they still have to deal with tension among sport stars, clubs, sponsors and even NSMCs from time to time. As is made clear by the comments of Lin Xianpeng, a senior researcher in GAOS during his interview with Nanfang Daily, “Our sport system was facing new problems whereby the sport system under the planned economy, which had dominated most sport resources for a long time, was challenged by market forces” (Huang, 2005).

5.5 Conclusion

As indicated by the hard and soft indicators mentioned in Chapter 4 and Appendix 2-6, we have generated useful and valid evidence which is mapped out in this Chapter. Benefiting from Houlihan’s patterns of globalization (see Chapter 2), we are able to summarize China’s response to the Olympic Movement after China’s open-door policy in the late 1970s. Within this framework, the relationship between China and the Olympic Movement is located somewhere in between participative and conflictual. Most of China’s responses are ‘participative’ (see Table 5-6). Indeed, China has significantly controlled the resources in a number of ways. It has gradually increased the number of influential Chinese officials in the IOC and IFs (see 1h, 2h and 4s in Appendix 4), produced a huge elite sport squad (see 3h, 5h, 6h and 8h in Appendix 4), created a refined structure for producing world class athletes (see 4h, 6h, 7h and 4s in Appendix 4), set up a system of financial rewards to motivate all those involved in producing Olympic medallists (see 3s and 5s in Appendix 4) and channelled substantial multiple income, including over 97 percent of the national sport budget,
into the Olympic sport system (see 4h, 6h and 7h in Appendix 4). All of the resources mentioned above were to be used to produce Olympic gold medallists in order to raise national pride, to increase national cohesion and to demonstrate the superiority of Chinese socialism. As a ‘conflictual’ response, the Chinese government established a set of values, namely nationalism and patriotism (see 1s, 2s and 5s in Appendix 4) that led to an attempt to reject aspects of global culture, and of individualistic commercialism (see 3s, 5s and 9h in Appendix 4). But one thing we need to bear in mind is that China’s conflictual response did not totally reject global culture, as its former party leaders did during the Cultural Revolution. The PRC allowed Chinese athletes to be involved in commercial activities on the government’s terms. In other words, the government not only became the biggest agent of Chinese athletes’ commercial rights and interests but also set its own agenda in an attempt to reject the global culture that might endanger the government’s main goal of Olympic success.

Table 5.6: Summary of China’s response to the Olympic Movement

<table>
<thead>
<tr>
<th>Participative</th>
<th>Conflictual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meaning</td>
<td></td>
</tr>
<tr>
<td>Sufficient control over resources to provide recipient cultures with leverage</td>
<td>Not only the possession of sufficient resources to enable resistance but also a set of values that leads to rejection or attempted rejection of the global culture</td>
</tr>
<tr>
<td>A process of negotiation, bargaining and accommodation between global culture and local cultures;</td>
<td></td>
</tr>
<tr>
<td>Actions of the Chinese government</td>
<td></td>
</tr>
<tr>
<td>1. Setting a quota of 50 people to obtain leadership positions in IFs and having clear strategies for taking an IOC seat</td>
<td>1. Preventing coaches and athletes from going abroad</td>
</tr>
<tr>
<td>2. Strengthening athlete selection, training and competition systems leading toward the Olympic Games</td>
<td>2. Combating the attraction of foreign commercialisation</td>
</tr>
<tr>
<td>3. Transforming administrative structure and generating multiple incomes into the Olympic Sport System</td>
<td></td>
</tr>
<tr>
<td>4. Introducing a system of financial rewards</td>
<td></td>
</tr>
</tbody>
</table>

As regards the “reach” of global culture in the Chinese context, it appears that it has been a case of China reaching out to bring in global influences rather than global influences pushing their way in. This is seen especially in the slogan - “Sending
human capital out and bringing foreign resources in” by which athletes, coaches, managers and scientists were dispatched to learn new knowledge and skills from the outside world, and foreign experts, sponsors and companies were welcomed into China to bring new resources to promote the Chinese elite system. To a large extent, China has been enthusiastic about absorbing those international influences and, rather than seeing them as a threat, they have seen them as a resource. In the words of the central government document - “Strengthening and Progressing Sport in the New Era”: “after winning the bid for hosting 2008 Beijing Olympics in 2001, we will promote China’s economic and social development in the new era, open China’s doors more widely and deeply, and raise China’s status on the international scene. All of these will have a huge impact on China’s future.” (GAOS, 2003b: 5). This kind of perspective further echoed Deng’s active ‘open door’ policy which implied not only an economic involvement with the capitalist world – through trade, investment and technology transfer – but also an opening-up to ideas and cultural forms originating in the West (Knight, 2003: 318; Ness & Raichur, 1983: 85).

From the Summary of China’s response to the Olympic Movement, there are two main findings. First, the Chinese government has demonstrated a capacity to manage effectively the impact of the Olympic Movement and Olympic values on domestic sport practices, especially in relation to elite development; and second, the Chinese government has attempted, with reasonable success so far, to manage the impact of Olympic commercial interests on Chinese domestic sports practices and elite athletes.

China demonstrated the capacity to exercise choice in its relationship with sport globalization, as illustrated most clearly by its withdrawal from the Olympic Games and most international sporting contact during the Cultural Revolution. However, the enthusiastic embrace of capitalism, following the ‘open-door’ policy introduced by Deng Xiaoping in 1978, has not only made a return to sporting (cultural) isolation less likely, but also much more difficult. As regards the management of its relationship with sport globalisation the PRC faces increasing tension, between the individual interest of athletes and the collective interest emphasized by the Communist Government. This is seen in the case of Chinese sport stars Tiang Liang, an Olympic gold medallist in diving, Peng Shuai, a world class female tennis player, and Wang
Zhizhi, the first Chinese NBA player, all of whom have challenged the authority of the Communist Government.

In this case study, we have largely dealt with individuals and with the international organizations. But is government interest still dominating the concern with profit? A conclusion cannot be reached without investigating the relationship between government and commercial clubs and leagues. So far, we have noted the tension between the objectives of commercial sports and national sports (especially in soccer, basketball, volleyball). With some limited exceptions, such as the income from gate money, the Chinese government took all the commercial rights of these Super Leagues and clubs and drafted key players from clubs into national squads for competition and training, without considering the interests of clubs. This led most clubs to attempt to organise new leagues to compete with those controlled by the Chinese government. As for the Chinese government’s capacity to manage global culture, we clearly need to look at more evidence to balance our final interpretation and analysis. It is also clear that the part of an organizational challenge to the government is definitely crucial. Therefore, the final conclusion will not be apparent until we have looked at the case of elite football and basketball.
Chapter Six: Chinese Elite Football

6.1 Introduction

Although China was regarded as the birthplace of football, as acknowledged by the Fédération Internationale de Football Association (FIFA) in 2004, it was not until the late nineteenth century that China was introduced to the modern version (CFA, 1993: 39). Modern football was first introduced into Hong Kong and spread to coastal cities and some Church Universities as a result of colonialism in the mid-nineteenth century (CFA, 1993: 43). In the decades that followed, years of much political instability, its development was slow. Although a Chinese football team participated in the 1936 Berlin and 1948 London Olympics with the support of China’s National Amateur Athletic Federation (CNAAF), the Chinese team lost all its games. Generally speaking, before the mid-twentieth century, the popularity, playing and administration of Chinese football were far from mature (Dong and Mangan, 2001: 79). After the founding of the PRC in 1949, Communist China began building its elite football system, mostly learning from the USSR and Hungary. With the help of Soviet and Hungarian experts, the PRC gradually built up its own training and competition system. To prepare for the 1957 Asian football match to qualify for the football World Cup the Chinese government dispatched a football team of 25 players to Hungary for one and a half year’s training (CFA, 1993: 123). Unfortunately, in 1954 the Chinese football team did not qualify this World Cup and lost in the quarter-final of the ‘First New Emerging Forces Games’ (GANEFO I) in Indonesia in 1963.

Humiliated by a series of international defeats, the Vice Premier, He Long, summoned the “National Conference for Football Development” in 1964, in which the Central Communist League, the Educational Ministry, the National Sports Commission (NSC) and the All-China Trades Union were involved. Following this conference, the NSC issued an important document – “About the Decision for Promoting Football and for Raising International Performance” – with a focus on developing a training system for youth players and a national competition system (CFA, 1993: 132). Although this was a serious step towards raising international football performance and although the country was ranked second after Korea in the
'Asia Newly Emerging Forces Games' in 1965, China's ambition to make its mark on the world game was destroyed by the Cultural Revolution. Not only was the Vice Premier, He Long, accused of 'taking the bourgeois road' (Zhou ziben zhuy daolu) and died in jail in 1969, but also numerous elite players, coaches and administrators were purified, persecuted and tortured, football facilities were widely ruined and international sports contacts virtually ended (CFA, 1993: 135). Following the successful 'Ping Pong Diplomacy' supported by Premier Chou and Deng Xiaoping (Wu, S.Z. 1999a: 178; Li, X.M. 2001: 93-94), China re-established the national team in 1973 and began reintroducing the modern football system after the end of the Cultural Revolution in 1977.

Following China's open door policy, the PRC was eager to promote itself on the world football stage but there were two main policy challenges facing the Chinese government. One was how to raise the profile of Chinese football on the world stage, which involved not just producing a successful team, but also being prominent within FIFA and AFC. The other challenge was how to establish an effective domestic league to support and contribute to the national objective. These two questions will be discussed in more detail in the section on formal engagement with FIFA and the section on elite development. In addition, after Deng Xiaoping boldly advocated a market economy in China in early 1992 the Western market model, involving the club and transfer system, was widely adopted throughout the country. The acceptance of market approach also raises the question of how the Chinese government handled the issue of commercialization in relation to the flow of players and the commercial interests of clubs and sponsors. This issue will be discussed further in the section on commercialization.

6.2 Formal engagement with FIFA

The relationship between the PRC and FIFA appears to have gone through three quite distinct phrases - withdrawal, manipulation, and currently, enthusiastic involvement. During the first phase, Communist China was accepted by FIFA in 1952 but withdrew in 1958 due to the "Two Chinas" issue. In the second phase, the PRC not only sent a team to participate in GANEFO in the early 1960s but also attempted to expel and
replace Taiwanese membership in FIFA and the AFC. In the final phase, following China’s open-door policy the PRC has become enthusiastically involved in international football, especially focusing on qualifying for the World Cup, hosting the Women’s World Cup and the Olympic Games in Beijing and attempting to bid for the Men’s World Cup.

6.2.1 Engagement with FIFA

In 1952 Communist China was accepted by FIFA as a member, with the name ‘All-China Sports Federation (ACSF)’ (Zhonghu quanguo tiyu zonghui). Three years later, the Chinese government set up the Chinese Football Association (CFA) which claimed jurisdiction over all Chinese football activities and required FIFA to revoke Taiwan’s membership. Disappointed over representation issues, the PRC not only quit its membership of the IOC, but also withdrew from nine other international sporting organisations including football, in protest over the IOC’s ‘two Chinas’ policy in 1958. After withdrawing from FIFA, the PRC supported GANEFO to combat so-called western imperialism and capitalism, including FIFA. The PRC did not contact FIFA until after the success of China’s ‘Ping Pong Diplomacy’ which made a contribution towards improving the Sino-US bilateral relationship. This, to some extent, helped the PRC acquire a seat on the UN Security Council in the early 1970s. The PRC wanted to insist on its “One China” policy when rejoining FIFA, and the Chinese government needed someone who had power within FIFA to help them achieve this goal. A Hong Kong Tycoon, Fok Ying Tung, who was then the President of the Hong Kong Football Association and was one of the FIFA executive members (1978-1998), took the key role of helping the PRC to regain its membership of FIFA and also in forcing Taiwan to adopt a different national anthem and flag in 1979. Indeed, Fok Ying Tung was a very good friend of FIFA president, João Havelange who visited Beijing twice, in 1974 and 1978, and helped the PRC resolve the “Two Chinas” problem within FIFA. Due to Fok Ying Tung’s extraordinary contribution to Chinese sport in the international regime, he was selected as a Standing Committee member of the 7th National People's Congress in 1988 and has been vice-chairman of the National Committee of the Chinese People's Political Consultative Conference of PRC since March 1993.
Chapter 6 - Chinese Elite Football

Following the PRC’s re-engagement with global football, the Chinese government aimed to have its own voice and more influence within FIFA, according to a CFA document in 1992 (CFA, 2000a: 5), but due to the weak performance of the Chinese national football squads, China could only take very limited steps towards raising its profile in FIFA. The first step was to take advantage of hosting the 1991 and 2007 Women’s World Cup and the 2008 Beijing Olympic Games in order to impress FIFA, and Zhang Jilong, a CFA vice president, was selected as one of the members of the Organising Committee for the 2006 and 2010 World Cups and for the 2008 Olympic Football Tournaments. The next step was for the PRC to secure strong representation in the Asian Football Confederation (AFC) in order to gain membership and have its own representative in FIFA. This will be discussed in the following section.

6.2.2 Engagement with the Asian Football Confederation (AFC)

In order to participate in the football event at the Tehran Asian Games in 1974, the PRC started becoming involved in the AFC. According to FIFA regulations, only a FIFA member could become an AFC member, which was the requirement for participating in football events in the Asian Games. The problem was that the CFA was not accepted as a FIFA member in 1974 because the Chinese government’s condition of entry was that Taiwan must be expelled from FIFA and that the CFA must be confirmed as the sole sporting organisation representing the whole of China. The only chance for the CFA to take part in the Tehran Asian Games was to be accepted as a member of AFC. Mr. He Zhengliang, a powerful official in the department of international/external affairs in the National Sport Commission (NSC) and an IOC member in 1981, asked Fok Ying Tung to help China solve this problem. With the help of Mr. Fok and his son, Fok Tsun Ting (an IOC member since 2001), China cooperated with 13 Asian countries, such as Kuwait, Pakistan, Myanmar and Afghanistan, to defeat Tunku Rahman, President of the AFC and former Prime Minister of Malaysia, who had rejected the Chinese government’s condition of entry. During this conference of the AFC, the PRC was not only accepted as an AFC member, but there was also a revision of the AFC regulations to acknowledge that a non-FIFA member who was a member of the Olympic Council of Asia (OCA) could be an AFC member. In addition, Taiwan was successfully blocked by the AFC, with
the help of the Iran government, and Taiwanese participants were prevented from taking part in this Conference of the AFC (Liang, 2005: 82-83).

After becoming an AFC member, the PRC took an active part in the organization, especially on the executive board. The Chinese government nominated Chen Chengda, the director of the football division in the NSC and the Secretary of the CFA, for selection as an executive member of the AFC in 1984. Two years later in 1993, Mr. Chen was selected as an AFC Vice President. His successor, Xu Fang, CFA vice president and one of the key architects of the Chinese professional football club system, became the second Chinese AFC Vice President. Unfortunately, Mr. Xu died of a heart attack in 1996 and Zhang Jilong, who was a CFA vice president, became the third Chinese AFC Vice President. Taking advantage of Mr. Zhang’s diplomatic skill, China successfully won the right to host the 2003 Women’s World Cup and the 2004 Asian Cup. Furthermore, AFC President Mohamed Bin Hammam was persuaded first to reduce the penalties imposed on two Chinese football stars, An Qi and Zheng Zhi who had been banned from participating in any international competition for more than six months because of insulting referees during the AFC Club Championship in 2005, and second to design a competition schedule to help China qualify for the 2001 World Cup. According to FIFA’s decision, the AFC should follow the rules set by the president of the Organising Committee for the 2001 FIFA World Cup, Johansson Lennart, president of UEFA (since 1990), when arranging the competition schedule. If the AFC had accepted FIFA’s rule, China would have had to compete with Iran and would have had a very limited chance to qualify for the World Cup. Zhang Jilong, then a CFA vice president and a chairman of the Competition Committee, rejected the idea of following FIFA’s rule and proclaimed that FIFA had no right to interfere in the internal affairs of the AFC. Through his diplomatic ability, FIFA accepted the AFC’s autonomy and did not force it to follow this competition rule. Benefiting from AFC’s competition schedule, China avoided two of the strongest teams, Iran and Saudi Arabia and successfully qualified for the 2001 World Cup (Bo, 2001). Due to Mr. Zhang’s diplomatic talent, he was promoted to director of BOCOG sports department and was fully supported by GAOS and CFA in competing for the number one position of AFC Vice President again in 2007 (Zhu, 2006).
The Chinese government had been reasonably successful in increasing its influence within the AFC. However, it was more difficult to improve the standard of the national team. In order to understand the strategy for improving the standard of the national team, it is necessary to explore how the Chinese government transformed the administrative structure of football in China first, and then, how the Chinese government took advantage of this administrative structure to reinforce its athlete selection, training and competition system leading to the Olympics and World Cup.

6.3 Elite development

6.3.1 Transforming the administrative structure and strengthening the athlete selection, training and competition system

The administrative structure

To achieve the goal of qualifying as one of the Top 12 teams in the football World Cup before 1985, in the document—“The Request Instruction for Raising China’s Elite Football Performance from the NSC”—issued by the State Council in 1979 (National Sports Commission Policy Research Centre, 1982a: 515), enabled the NSC to restore the football administrative structure to what it had been before the Cultural Revolution. At this time the whole football system was embedded in part of the NSC’s administrative structure (see Figure 6.1) and the most important departments for promoting Chinese football were the Ball Games Department - for training and competition affairs, National Training Bureau - for national football squads, the Sport for All Department - for grassroots football and the External Affairs Department - for international football affairs. Unfortunately, under this administrative structure, the PRC was not only defeated by Hong Kong in Beijing on 19th May 1985 and excluded from the World Cup, but also suffered the so-called “519 football hooligan event” at which Chinese football fans could not accept the result which saw China defeated by Hong Kong and which resulted in a wave of football fan riots (CFA, 1993: 149).
In order to speed up the improvement in the Chinese football team’s performance, the "Football Office" was upgraded from being the "Division of Football" to being directly led by the then vice Sport Minister, Yuan Weiming in 1986 (Yuan, W. 2002b: 19). To reduce the tension between the Football Office and the Training Bureau, Nian Weigu, who became CFA’s president after Yuan Weiming in 1988, was appointed as vice director of the Training Bureau. Dishearteningly, Team China was defeated by Team Thailand and did not qualify for the semi-finals in the Asian Games in 1990, which brought about Mr. Nian’s resignation from his post as CFA president in 1991 (Wang, J. 2002: 7). Before his resignation, Mr. Nian asked FIFA president, João Havelange to send an expert team to help inspect the Chinese football system in order to improve Chinese football performance. After a 10 day visit to China in April 1992, the FIFA team, which consisted of a director of FIFA’s technical department, the Netherlands’ national football coach and the general secretary of the Malaysia Football Association, gave a report and presentation to FIFA officials, including FIFA president, João Havelange and FIFA general secretary, Joseph S. Blatter. Both of these invited Wang Junsheng, CFA’s new leader and Zhang Jilong, CFA’s new director of External Affair Department to visit FIFA for the Seminar on Chinese Football Development (Wang, J. 2002: 30-31). Wang Junsheng, the number one vice director of CFA and the main designer and promoter of the Chinese professional
football system, agreed with the conclusion of FIFA's report which stated that China had to reform totally its football administrative structure and introduce a professional club system and sponsorship. He also emphasized that "one of the main reasons for reforming Chinese football is to solve the problems of Chinese football's poor performance" (Wang, J. 2002: 36-37)

Indeed, introducing a western club system prompted a very strong debate at the 1992 National Football Conference and most officials rejected the idea of introducing this new system because they were worried about ceding power to these new clubs which were owned by capitalists (Wang, J. 2002: 44-45). Due to intervention from Li Tieying, a member of the Politburo Standing Committee (PSC), and a State Councillor (1988-1998) with a second job as a director of the Government Reform Commission opposition, voices were suppressed and the capitalist experiment was given the green light in the Chinese football system (Wang, J. 2002: 45-47). China not only introduced a club system but also took a dramatic step towards reforming its administrative structure. From Figure 6.2, we can see that China adopted a western and especially European approach, when establishing this new structure. The three key transformations in contrast with the original structure in Figure 6.1 are: i) setting up a highly institutionalized and rationalized Chinese football system; ii) introducing the club system; and iii) establishing football companies as commercial agents. As regards the first point, GAOS not only established more specialized departments, such as the Technical Department, National Squad Department, Competition Department and Comprehensive Department but also recruited into the CFA staff with more varied backgrounds, such as sport science, finance, law and management, in order to run this system more effectively. As for the second point, China introduced a club system replacing the Soviet system, to create a more competitive and material-oriented framework. Regarding the final point, in order to survive without government financial support, two football companies, the Chinese Super League Company (for the super league) and the Chinese Football Company (for the rest of the professional football league), were established, and one multi-national sport management company (Infront Sports & Media) was introduced. The Chinese Football Management Centre (CFMC) was created in 1994, but the leadership and the general function was exactly the same as the CFA. The title of the CFA was used to
connect with international organizations and the CFMC was used to interact with the domestic political system.

**Figure 6.2: Chinese Football Administrative Structure in 2006**

![Diagram of Chinese Football Administrative Structure in 2006]

Note: Progression routes for athletes: → Partnership between Sport Management Company and National Squads Department and National Squads: .......

**The selection system**

In order to "fulfil the emergent sport mission to speed up elite football development" (National Sports Commission Policy Research Centre, 1982a: 515), the NSC concentrated its limited football resources on 16 "significant cities and areas for football in China" (SCAAFF) which were identified in 1979. According to the requirements of the State Council, each SCAAFF had to not only promote grassroots football in primary and secondary schools but also establish 3-5 spare-time football schools to produce talented footballers. By 1989, there were 22 SCAAFFs in China. According to Yuan Weiming, former Sport Minister and former CFA president, "all the national squads (World Cup team, Olympic squad, U16, U19) were selected from
these SCAFFs” (Yuan, W. 2002b: 212). In addition, the Chinese government also selected, in 1985, 8 significant provincial football squads as priorities for financial support, namely Beijing, Tianjin, Shanghai, Shandong, Guangdong, Hubei, Liaoning & PLA (Yuan, W. 2002b: 212). Unfortunately, according to the vice president of COC, Wu Shouzhang, affected by the Olympic strategy in the mid-1980s, the Chinese government focused on potential individual Olympic medal sports, such as table tennis, diving, gymnastics, swimming and track and field in preference to team sports such as football (Wu, S. 2001: 46). From Table 6.1 we can see that the number of provincial footballers decreased from 1977 in 1985 to 1000 in 1991 and the number of young footballers in Spare-time Sport Schools declined from 21539 in 1985 to 16311 in 1991.

Table 6.1: Football players in the Chinese sport selection system 1979-2005

<table>
<thead>
<tr>
<th>Year</th>
<th>Level 1 Provincial Squads</th>
<th>Level 2 Sport Colleges</th>
<th>Level 3 Spare-time Sport School</th>
<th>Level 4 Traditional Schools</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1957</td>
<td>294</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>1202</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td>1230</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1970</td>
<td>764</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1975</td>
<td>1028</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1979</td>
<td>1768</td>
<td></td>
<td>16923</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1980</td>
<td>1207</td>
<td>553</td>
<td>16868</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1985</td>
<td>1977</td>
<td>1157</td>
<td>21539</td>
<td>211005</td>
<td>235678</td>
</tr>
<tr>
<td>1990</td>
<td>1245</td>
<td>1334</td>
<td>18092</td>
<td>221825</td>
<td>242496</td>
</tr>
<tr>
<td>1991</td>
<td>1000</td>
<td>1293</td>
<td>16311</td>
<td>230443</td>
<td>249047</td>
</tr>
<tr>
<td>1992</td>
<td>1169</td>
<td>1476</td>
<td>13531</td>
<td>284913</td>
<td>301089</td>
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<tr>
<td>1993</td>
<td>867</td>
<td>1430</td>
<td>13036</td>
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<tr>
<td>1994</td>
<td>911</td>
<td>1448</td>
<td>13642</td>
<td>226766</td>
<td>242767</td>
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<tr>
<td>1995</td>
<td>975</td>
<td>1399</td>
<td>14007</td>
<td>207089</td>
<td>223470</td>
</tr>
<tr>
<td>1996</td>
<td>979</td>
<td>1432</td>
<td>15821</td>
<td>218458</td>
<td>236690</td>
</tr>
<tr>
<td>1997</td>
<td>994</td>
<td>1895</td>
<td>17456</td>
<td>215083</td>
<td>235428</td>
</tr>
<tr>
<td>1998</td>
<td>863</td>
<td>2179</td>
<td>21026</td>
<td>245471</td>
<td>269539</td>
</tr>
<tr>
<td>1999</td>
<td>763</td>
<td>2524</td>
<td>21956</td>
<td>258723</td>
<td>283966</td>
</tr>
<tr>
<td>2000</td>
<td>762</td>
<td>2843</td>
<td>24417</td>
<td>323656</td>
<td>351678</td>
</tr>
<tr>
<td>2001</td>
<td>765</td>
<td>4454</td>
<td>25453</td>
<td>294065</td>
<td>324737</td>
</tr>
<tr>
<td>2005</td>
<td>595</td>
<td>4412</td>
<td>20770</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* There was no record during the period of Cultural Revolution (1966-1976)
Source: NSC (Planning and Finance Department), Statistical Yearbook of Sport (Internal information), 1994-2005.

Under these circumstances, unsurprisingly, the Chinese Team was again defeated and eliminated from the Olympic Games in 1992. After this defeat, According to CFA vice president, Wang Junsheng, State Councilor, Li Tieying, instructed the NSC in an
official document that “we must raise Chinese football’s performance in international competitions because it is not only the desire of all the Chinese people but also a challenging, honourable and historic mission for the NSC and the CFA” (Wang, J. 2002: 43). Under the direction of the powerful State Councillor, and Sport Minister, Wu Shaozu, football was proclaimed as the vanguard for experimentation with the club system. Due to the weak position of football the failure of the club’s experiment would not have a serious impact on China’s Olympic strategy. Furthermore, Mr. Wu emphasized that the fact “that Deng Xiaoping boldly advocated a market economy in China in early 1992 was strong ideological support for us to introduce the club system” (Wang, J. 2002: 43). With the full support of the State Council and the NSC, the CFA took a dramatic club approach; this is to say, a western European one, to transform its football selection system from a Soviet model (see Figure 6.3) to a Western model (see Figure 6.4).

Figure 6.3: China’s Football Selection System before 1992
Figure 6.4: China’s Football Selection System in 2006

To create a new football selection system, the CFA issued a document in 1992 titled “The 10-Year Development Project for Chinese Football (1993-2002)” which highlighted the establishment of a “Grassroots Club System” (Lu yin gong cheng) adapted to the market economy as a new way to develop Chinese football (CFA, 2000a: 4). In order to set up this new selection system, the NSC convened a “National Conference for Developing Young Football” in 1994. At this conference, the president of the Chinese Football Management Centre (CFMC), Wang Junsheng, announced that the new selection system would consist of 4 sub-systems, namely, the school football system, amateur club system, professional club system, and social support system.

As regards the school football system, the School Football Committee was established in the CFA in order to support similar committees in provincial and city football associations. These had the aim of promoting and organizing football activity in schools, especially the setting up of a system of weekend football competitions for primary, junior and senior high schools and universities. For the amateur club system, the CFA decided to create a trial “market for amateur young footballers” (Houbei rencai shchang) to transfer potential footballers to professional clubs in the 12
significant cities and areas for football in China" (SCAFAFF). For the professional club system, the CFA set a requirement for each professional club to establish its own U23 and U19 team. Unless they fulfilled these conditions, they could not participate in professional football competitions in 1996. For the social support system, the CFA encouraged provincial and city governments to promote football by attracting commercial resources from wider society to support football camps, weekend football cup, baby football cup and city football cup (CFA, 2000b: 541-2). In addition, to supplement and strengthen this new selection system, the CFA not only began introducing commercial football into the school system, but also set up in 1992 its own football school to produce potential footballers for the young national teams (U16, U19) and for professional clubs (CFA, 2000c: 535).

The CFA attempted to create this club selection system to replace the Soviet system but it has not so far fully succeeded due to the failure of the market system to generate the expected income which led to the reduction in the number of sport colleges and spare-time sport schools for football supported by the provincial and city government, and to the shrinking of school football activity supported by the education system. According to a CFA internal report — “The Survey and Analysis for the Development of Youth Football in China” - issued by the Youth Football Department of the CFA in 2006, the main challenges for the CFA in its club selection system were: the inferiority of football in the “Olympic strategy”; the collapse of the school football system; the limited investment from the CFA; and the serious decline of the football academy system (CFA, 2006a). We will consider each of these challenges in turn. From a provincial government’s perspective, football is a high investment but low output sport in National and Olympic Games therefore most resources were focused on their own key Olympic sports, which not only pushed football into a marginal position among 28 Olympic sports but also led gradually to a decline in local government support (CFA, 2006b).

Regarding school football, the school system gradually disappeared from the club selection system because local sport management centres focused on supporting the professional club competitions instead of promoting school football, and local education authorities ceased to set the requirement of promoting school football (CFA, 2006a). From Table 6.2, we can see that the number of students who participated in
football activity was increasing steadily from 1985 to 1995, but plummeted dramatically from 610,000 in the late 1990s to 180,000 in 2005. A similar pattern is evident in the selection system. Table 6.3 shows that the number of registered footballers declined from 39,408 in 2000 to 28,632 in 2005, which is consistent with the account in the CFA’s internal report, “The Survey and Analysis for the Development of Youth Football in China”.

Table 6.2: Students who participate in football activity 1985-2005

<table>
<thead>
<tr>
<th>Year</th>
<th>Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985-90</td>
<td>460,000</td>
</tr>
<tr>
<td>1990-95</td>
<td>650,000</td>
</tr>
<tr>
<td>1995-2000</td>
<td>610,000</td>
</tr>
<tr>
<td>2000-2005</td>
<td>180,000</td>
</tr>
</tbody>
</table>


Table 6.3: Chinese Football Players 1998-2005

<table>
<thead>
<tr>
<th>Year</th>
<th>GAOS</th>
<th>CFA Registration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>24068</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>25243</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>28022</td>
<td>39408</td>
</tr>
<tr>
<td>2001</td>
<td>30672</td>
<td>23792</td>
</tr>
<tr>
<td>2002</td>
<td></td>
<td>32592</td>
</tr>
<tr>
<td>2003</td>
<td></td>
<td>40213</td>
</tr>
<tr>
<td>2004</td>
<td></td>
<td>23161</td>
</tr>
<tr>
<td>2005</td>
<td></td>
<td>28632</td>
</tr>
</tbody>
</table>


The CFA budget for supporting youth football development relied heavily on the income of the Chinese Football Super League (CSL). The CFA had decided to invest 9 million yuan in promoting youth football development, including organising competitions (U-15, U-17 and U-19), supporting training camps and rewarding local football associations which had strongly promoted youth football since 2002. Unfortunately, affected by the shortage of income from CSL, the CFA cancelled the 9 million yuan financial support to local football associations, which had a huge impact on the development of youth football (CFA, 2006a).
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As for the school football system, at first it flourished, having more than 4200 football schools which were mostly unregistered in the 1990s, but then suddenly declined such, that there were only 300 unregistered and registered football schools in the early 2000s following the demise of the bubble-economy of CSL. From Table 6.4, we can see that registered football schools decreased from 84 in 2000 to 42 in 2005.

Table 6.4: Chinese Clubs and Football Schools 2000-2005

<table>
<thead>
<tr>
<th>Year</th>
<th>CSL (Jia A) &amp; Jia Ji (Jia B)</th>
<th>Semi-professional (Male &amp; Female)</th>
<th>Amateur Clubs</th>
<th>Football Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>26</td>
<td>33</td>
<td>1674</td>
<td>84</td>
</tr>
<tr>
<td>2002</td>
<td>27</td>
<td>21</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2003</td>
<td>29</td>
<td>35</td>
<td>1125</td>
<td>73</td>
</tr>
<tr>
<td>2004</td>
<td>29</td>
<td>39</td>
<td>545</td>
<td>51</td>
</tr>
<tr>
<td>2005</td>
<td>27</td>
<td>33</td>
<td>520</td>
<td>42</td>
</tr>
</tbody>
</table>


According to a senior staff member in the CFA’s Registration Office, “the reason why they did not take action to enforce a ban on these unregistered football schools was because they thought these schools would naturally die out due to having less and less new students”. This respondent went on to say that “it would be impossible for the Young National Teams (U16, U19) to recruit potential youth footballers under this kind of youth football development system” (Interview 18th January 2006). The same argument was echoed by the head coach of the Young National Teams (U16), Zheng Xiong, who complained that it was difficult for him to recruit potential youth footballers to his U16 national team due to the limited choice provided by the Chinese selection system (Meng, 2006).

The competition system

The Chinese government gradually rebuilt and refined its original competition system which had been established before the Cultural Revolution, namely, league matches with a promotion and relegation system. In 1980, one document issued by the NSC and the Ministry of Education focused on promoting national football competitions for young players in the education system (National Sports Commission Policy Research Centre, 1982b: 337-8). To unify and advance this competition system, the
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CFA divided domestic football competitions into three levels in 1985 (Yuan, W. 2002b: 110) (see Figure 6.5).

Figure 6.5: China's Elite Football Competition System for Olympics and World Cup before 1992

Level C consisted of the National Early Youth Cup (U12, 14 & 16) and the National Women's Cup and was supported by the provincial government, especially the 16 "significant cities and areas for football" (SCAFF) in China (CFA, 1993: 153). At Level B, there were Division 2, National City Games (U20) and National Youth Cup. Level A was composed of Division 1A and 1B, CFA Cup and National Games. In order to raise the chances of qualifying for the World Cup and Olympics, the national teams whose players were recruited from provincial and PLA teams were isolated in training camps and trained all year round. This policy seriously impacted on the Level A competition as key players from the stronger provincial teams were recruited into national teams thus increasing the likelihood that these teams would be defeated by other normally weaker provincial teams. According to the former head coach of the PLA football team, Liu Guojiang, the PLA used to be the national champions in Division 1A in 1986, but his team had gradually lost their title and fallen back to number five in 1991 due to key players being withdrawn for the national squads (Liu,
G. 1993: 231-2). In addition, to raise the Olympic squad’s chance to qualify for the Olympics, the Olympic squad began participating as a ‘club team’ in Division 1A in 1988 and became the champions in 1989. Due to heavy interference and manipulation of Division 1A, which gradually became the arena for honing the skills of the Olympic squad, the provincial government and the PLA were hesitant to invest more resources in their own teams causing a crisis in the competition system with the result that in 1992, there were only 700 footballers in 20 men’s teams and 8 women’s teams with a 9 million yuan national budget (Yuan, W. 2002b: 233).

In order to solve this crisis, Li Tieying, a member of Politburo Standing Committee (PSC) and, a State Councillor (1988-1998), required the NSC in an official document to take action to reform the Chinese football system in early 1992. In the then Sport Minister Wu Shaozu’s lectures at the 1992 and 1993 National Football Conferences, he highlighted and repeated Li Tieying’s official instruction that “In order to raise Team China’s profile, the Chinese football system has to be reformed” (Wu, S.Z. 2000a: 8) and “To find a way out for Chinese football, we have to adopt professional football and club approaches with the support of private enterprise and the wider society in order for football to develop” (Wu, S.Z. 2000c: 16). Mr Li’s instruction was quickly followed and embodied in a CFA document in 1992 — “The Initial Thought On Reforming the National Football Competition” — which highlighted the view that “Football competition is not only a useful lever to raise the Chinese elite football profile ..., but also a basic tool to promote China’s football market and the dynamic to bring about Chinese football professionalism” (CFA, 2000d: 56).

According to a CFA document (2000d: 56), the new domestic competition system would begin in 1995. This system consisted of National Men’s Leagues, the CFA Cup, National Women’s Cup and National Youth Cup (male and female) (see Figure 6.6). As regards the National Men’s Leagues, these were divided into three levels, which were Division 1A (known as Super League after 2003), Division 1B (known as Division 1 after 2003) and Division 2. There was a promotion and relegation mechanism among these leagues in which the first two teams in Division 1 would be promoted to the Super League whose last two teams would be relegated to Division 1, and the first 4 teams in Division 2 would qualify to join Division 1 and whose last 4 teams would be demoted to Division 2. The CFA Cup was similar to the English
Football Association Cup although only those teams in the Super League and Division I could qualify for knockout competition. The winning team in the CFA Cup could qualify to participate in the Asian Professional Club Cup. All teams in these three leagues could introduce three foreign players who, it was argued, would not only bring knowledge and skill to each team, but also raise the profile of the professional matches and thus stimulate the domestic football market. The National women’s competitions had low commercial potential but were heavily supported by the CFA due to the female team’s high medal potential in the Olympics and Women’s World Cup (CFA, 2000d: 56-8). The National Youth Cup was also supported by the CFA which asked the clubs’ reserve teams in the Super League and Division I to participate in these matches (Yuan, W. 2002b: 223). In addition, this document also underlined the CFA’s commercial thinking, which was to promote football through marketing, and to generate income from gate receipts, broadcasting rights, commercial advertisement and the lottery in order to support this competition system.
When contrasting Figure 6.5 and Figure 6.6, we find substantial differences in these two competition systems. Firstly, according to a senior staff member directly involved in preparing the CFA’s annual budget, commercial sponsorship dominated the 2006 competition system at all levels. This was especially true of the national squad and Olympic squad whose financial budget for competing in international official tournaments and international friendly matches was mostly provided by commercial sponsorship run by the China Football Industry Development Corp. (CFIDC) from 1994 to 2005 and was operated by a Sport Management Company (Infront Sports & Media) from 2006 (Interview 19th January 2006) (also see Figure 6.2 and section 3.2). Unfortunately, the National Early Youth Cup, which was supported primarily by the Ministry of Education under the previous competition system, died out and instead the National Youth Cup was established for reserve teams from the professional clubs. But due to the National Youth Cup’s low commercial potential and unstable financial support from the CFA, provincial/city football associations and professional clubs, the attractiveness of these matches to spectators is gradually declining, according to a 2006 CFA internal report (CFA, 2006a).

Secondly, in order to create more matches for potential Olympic footballers, both competition systems set age limits for footballers who participated in National Games and National City Games. In the 2006 competition system, the CFA required each professional club to send their reserve team to participate in the Olympic Cup (U23) although this kind of match did not have high commercial potential (CFA, 2006c). Thirdly, the CFA paid more attention to women’s football due to its high medal potential in the Olympics and Women’s World Cup. Therefore, the CFA created a women’s super league in 1997 to hone the female team’s skills, despite this league losing money and relying heavily on subsidy by the CFA and provincial sport bureaus. According to a senior official in the CFA’s Competition Department, the provision of the subsidy is the result of a decision by the GAOS (Interview, 17th January 2006).

Fourthly, the main purposes of creating this new club competition system were, first to increase competition chances for current and potential Olympic and World Cup footballers (as stated in FIFA’s report in 1992) and second, to generate income from commercial sponsorship, especially in Division 1A (Male Super League). According to a former director of the Chinese Football Management Centre, Wang Junsheng, in
1997, “Chinese football entered a socialist-market-economy following the initiative of Division 1 leagues; ... clubs, especially professional clubs, should be transformed by the new system and the new physical cultural organization solidly linked to elite sport and the economy” (Wang, J. 2000c: 99). Thus, it is not surprising that CFA leaders concentrated their minds on the National Squads Department. This Department was in charge of seven national teams and on the Competition Department which was in charge of the Super League. These two departments were directly linked, not only to the performance of Team China in international competitions, but also to the financial income needed to support the national teams. The performance of the national squads at Olympic Games and World Cup competition is closely linked to the prospects of CFA leaders keeping their jobs with the consequence that they all take a short-term strategy instead of a long-term strategy for producing potential footballers by, for example, promoting grassroots football. According to a senior official in CFA’s Competition Department, “That is why CFA’s leaders have to focus their minds on the Olympics and World Cup, because their future careers rely heavily on the performance of Team China” (Interview, 5th January 2006). As an illustration former CFA presidents Nian Weigu, Wang Junsheng and Yua Shiduo were all sacked from their positions because Team China was defeated or did not qualify for the Olympics and/or the World Cup.

Training system

In order to raise the performance of the national squads in a short period of time, the Chinese government attempted to bring in global football expertise. Two main approaches which have been adopted by the NSC (GAOS) since 1979 are “exporting human capital” (Song chuqu) and “brining foreign resources in” (Qing jinlai) (see Table 6.5) set out in the document – “The Request Instruction from the NSC for Raising China’s Elite Football Performance” – issued by the State Council in 1979 (National Sports Commission Policy Research Centre, 1982a: 516-9).
Table 6.5: The Summary of the Chinese Approach to Bringing in Global Football Resources to its Football Training System

<table>
<thead>
<tr>
<th>Exporting (human capital)</th>
<th>Bringing in (foreign resources)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• youth national teams trained in Brazil, and Russia in 1994; and in Germany in 2004</td>
<td>• foreign coaches in national squads &amp; professional clubs in the mid-1990s;</td>
</tr>
<tr>
<td>• national teams (from youth to Olympic and World Cup squads) to have more friendly matches and official tournaments to hone Chinese footballers' skill and to accumulate experience in the early 1990s;</td>
<td>• foreign players in professional clubs in the mid-1990s;</td>
</tr>
<tr>
<td>• Chinese coaches (especially national coaches), referees, administrators and scientists to gain new knowledge in the late 1990s;</td>
<td>• experts from FIFA, AFC and foreign countries, to raise the quality of Chinese coaches, referees, administrators and scientists in the mid-1990s.</td>
</tr>
<tr>
<td>• professional clubs trained by foreign clubs in the early 2000s</td>
<td></td>
</tr>
<tr>
<td>• individual potential China Team footballers to play for European clubs (gain skill and knowledge) after 2003</td>
<td></td>
</tr>
</tbody>
</table>

The first approach contained a number of distinct elements, the first of which was, in the early 1990s, the dispatch of national youth teams to be trained abroad, especially in Brazil, Germany and Russia. The official document of the State Council underlined the fact that “we have to send our national and strongest provincial teams, especially the new young national squads, in a planned way and in groups, to European and South American countries to be trained there for 6 – 12 months” (National Sports Commission Policy Research Centre, 1982a: 517-8). On 20th November 1981, one young Chinese national team led by head coach, Gao Fengwen, was dispatched to be trained in Argentina and Peru for over 2 months (CFA, 1993: 154). Due to a limited national budget, the policy for sending young national squads to be trained in foreign countries for over six months was not practised until the 1990s following the introduction of commercial sponsorship (Wang, J. 2002: 33). In 1992, the CFA decided to dispatch two young national teams to be trained abroad to prepare for the 2000 Olympics and the 2002 World Cup. The first young national team was sent to Brazil in 1994 to be trained for five years, sponsored by the Jianlibao Drink Company with $ 2.46 million. The second young national team was sent to be trained in Russia for two periods of three months (Wang, J. 2000a: 40) between 1994 and 1995, supported by Zhu Shuhao, CFA vice president and Hong Kong tycoon, with $ 0.6 million (CFA, 2000e: 44).
Following China's qualification for the 2002 World Cup, the CFA began planning a new overseas youth project in which 5 million yuan would be invested per year, according to the CFA document - "The 10-Year Development Project for Chinese Football (2003-2012)" (GAOS, 2004b: 114). Supported by the German Football Association and the Bad Kissingen government, China's national youth team, was to be trained by the German coach, Eckhard Krautzun from 8th December 2004 to the end of 2006, with the aim of producing 2008 stars (FIFA, 2005). The then director of the Chinese Football Management Centre, Yan Shiduo stated that setting up a European training camp at youth level was his strategic idea for the development of Chinese football over the next 10 years despite this being a highly controversial proposal within the CFA (Yan, S. 2006: 51). During the news conference for 08 Stars Project, he stated that "This is a platform from which we can set up long-term ties with footballing powers in Europe" and went on to say that "We are hoping to continue this cooperation with Germany after 2006, or even after 2008 as long as our football is benefiting and improving from such exchanges" (FIFA, 2005). According to a CFA official (Interview 19th January 2006), due to limited commercial sponsorship from the German Football Association and the Bad Kissingen government (Zhu and Wang, 2006), and the tension between the German coach and the CFA officials, this project was terminated earlier than planned in late 2005. Although the 08 Stars Project ended prematurely, it did not stop the CFA trying to send their national teams to be trained in Europe. According to China Xinhua News, Xie Yalong, vice president of the Chinese Football Association (CFA), stated that "the Chinese Olympic team will begin their two-week training on 1st February 2007 at Chelsea's training ground. During that time the London club will send their coaching and medical staff to help the Chinese side" (Xinhua News, 2007).

The second element was that after the 2002 World Cup the Chinese government, through the CFA, not only “encourages domestic professional clubs to be trained abroad instead of participating in the CFA winter training camp” (GAOS, 2004b: 113-4), but also asks that “professional clubs should select and send their young potential players to be trained in foreign clubs” (GAOS, 2004b: 114). In addition, the CFA also ruled that “Professional clubs have to broaden international exchange to pave the way for their players to play abroad” (GAOS, 2004b: 113). Given that the CFA had banned its national team members from playing abroad during the 2002
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World Cup campaign this change in policy was significant but was prompted by the humiliation of Team China at the 2002 World Cup where it lost all its matches and did not score any goals (People Daily, 2001). With the new belief that experience abroad will help Chinese players, it appears that more and more of the country's most prominent players will be going west. So far, not only have three Chinese stars sealed transfers to three of Europe's top leagues, with Dong Fangzhuo moving to Manchester United, Zheng Zhi joining Charlton Athletic and Sun Xiang going to Holland with a transfer to PSV Eindhoven (FIFA.com, 2007), but also more than 30 young players have played in European clubs or their reserve teams, according to Sina Sport News (Sina Sport News, 2007).

The third element was to create more international competition opportunities for the national teams. A former director of the Chinese Football Management Centre agreed with the conclusion of FIFA’s report in 1992 that “The only way to speed up the performance of Chinese football is to create more high-level competition opportunities for Chinese teams. Adult teams need 40-50 matches and young teams need 20-25 matches every year” (Wang, J. 2002: 32). Following FIFA’s report, the NSC set up “The 10-Year Development Project for Chinese Football (1993-2002)” in which it highlighted that “We have to guarantee that national teams from youth to Olympic and World Cup squads have enough chances to compete with world-class football teams, especially with other strong Asian national teams and with European and American professional football clubs” (CFA, 2000a: 5). In 2003, “The 10-Year Development Project for Chinese Football (2003-2012)” again underscored the importance of Chinese national teams having more opportunities to compete with the world’s strongest teams (GAOS, 2004b: 115). In practice, Chinese national teams, including the women’s team for the 2007 World Cup (Qiu, 2007), men’s team for the 2008 Olympics (Jia, 2007) and 2007 Asian Football Cup (Wang, S. 2007), all travel around the world with support from the GAOS so that they have more chance to compete with other national squads or foreign professional clubs.

The fourth element was to send out Chinese coaches (especially national coaches), referees, administrators and scientists to gather new knowledge. In 1979 the State Council claimed that “we have to select and dispatch Chinese coaches and referees to advanced football countries to be trained there for a short period of time and to
observe their training and competition system” (National Sports Commission Policy Research Centre, 1982a: 517-8). In 1992 the Chinese government proclaimed that the “CFA is working out a new method for selecting Chinese coaches to participate in the coaching seminars which are organized by the FIFA and AFC” (CFA, 2000a: 5). In 1996 CFA sent national coaches to be trained in Germany (Wang, J. 2000b: 94). In 2003, CFA highlighted that “CFA will invest 0.5 million yuan in sending young football coaches to be trained abroad, ... and will dispatch Chinese coaches, referees and top administrators to go abroad to gain new knowledge” (GAOS, 2004b: 115).

Encouraged and supported by the CFA, the number of Chinese coaches going abroad has been gradually increasing (see Table 6.6).

Table 6.6: Chinese Official Football Coaches Going Abroad 1998-2002

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of foreign visits</th>
<th>Number of countries involved</th>
<th>Number of people involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>5</td>
<td>3</td>
<td>20</td>
</tr>
<tr>
<td>1999</td>
<td>6</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>2000</td>
<td>6</td>
<td>4</td>
<td>14</td>
</tr>
<tr>
<td>2001</td>
<td>8</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>2002</td>
<td>7</td>
<td>5</td>
<td>20</td>
</tr>
</tbody>
</table>

Source: CFA (Competition Department), The Presentation Slides for 2003 Conference of CFA offered by a Chinese official in the CFA.

Regards the second main approach adopted by the NSC, which was to bring in foreign resources, the Chinese government brought in coaches, players and experts from abroad to raise the quality of Chinese coaches, players, referees, administrators and scientists. In 1979 the State Council encouraged the CFA “to introduce foreign elite football coaches to coach domestic football teams or to lecture Chinese coaches” (National Sports Commission Policy Research Centre, 1982a: 517). In 1993 the then vice Sport Minister and the CFA president, Yuan Weiming, in his summary speech for the National Football Conference argued that “In addition to employing foreign coaches for the national team and Olympic squad, we encourage each domestic club to introduce foreign coaches and 3 foreign players to participate in national matches in order to facilitate our elite football development” (Yuan, W. 2000b: 83). From Table 6.7, we can see the number of foreign coaches and players was maintained at a steady level. In 2003 CFA not only set a requirement that “clubs in CSL must hire a foreign coach to be performance director for their reserve teams” but also “introduced
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an elite foreign coach to be performance director for the 2008 Olympic football reserve teams" (GAOS, 2004b: 115).

Table 6.7: Foreign Football Players and Coaches Working in China 1995-2005

<table>
<thead>
<tr>
<th>Year</th>
<th>Players</th>
<th>Coaches</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>26</td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>94</td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>97</td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>118</td>
<td>7</td>
</tr>
<tr>
<td>1999</td>
<td>112</td>
<td>10</td>
</tr>
<tr>
<td>2000</td>
<td>109</td>
<td>28</td>
</tr>
<tr>
<td>2001</td>
<td>96</td>
<td>23</td>
</tr>
<tr>
<td>2002</td>
<td>112</td>
<td>24</td>
</tr>
<tr>
<td>2003</td>
<td>140</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>106</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>62</td>
<td></td>
</tr>
</tbody>
</table>

Source: CFA (Competition Department), The Presentation Slides for 2003 Conference of CFA offered by a Chinese official in the CFA.

To attract more international football resources, the Chinese government set up a "CFA training centre" for coaches, referees, administrators and scientists in its national Xiang He training camp and continued to invite various football experts from FIFA, the AFC and other advanced football countries to lecture in this centre with the aim of speeding up Chinese football development (GAOS, 2004b: 115). According to Xinhua News in 2007, the CFA attempted to introduce more global resources by cooperation with Chelsea Football Club which promised to help China in developing its soccer. Xie Yalong, vice president of the Chinese Football Association (CFA), during his interview, stated that "Chelsea is one of the world's best clubs. They have very good resources and experience. We hope to get stronger through the two sides' cooperation" (Xinhua News, 2007).

In addition to bringing in foreign coaches China also established a coach development programme designed to steadily increase the number of qualified officials. As regards the number of full-time football coaches qualifying each year, this remained broadly static between 1980 and 2005 (see Table 6.8). In total, by 2003, there were 4,600 registered coaches, 8,000 referees and 1,500 staff in CFA's affiliated associations and clubs (GAOS, 2004b: 111). However, in the words of Xie Yalong, vice president of the CFA, "Chinese football is in its early stages but we are hoping to make a big improvement" (Xinhua News, 2007). But this 'big improvement' will be achieved by
China’s own hand. As former Sport Minister, Wu Shaozu, stated, “Of course, we are learning from foreign coaches, but the responsibility for winning the glory of the World Cup will be shouldered by our Chinese coaches” (Wu, S.Z. 2000b: 15).

Table 6.8: Full-Time Football Coaches qualifying each year (1962-2005)

<table>
<thead>
<tr>
<th>Year</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Provincial Squads</td>
<td>Sport Colleges</td>
<td>Spare-time Sport School</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>115</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td>174</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>1970</td>
<td>94</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>1975</td>
<td>185</td>
<td></td>
<td></td>
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<tr>
<td>1979</td>
<td>284</td>
<td></td>
<td>781</td>
<td>1065</td>
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<tr>
<td>1980</td>
<td>245</td>
<td>70</td>
<td>750</td>
<td>1498</td>
</tr>
<tr>
<td>1985</td>
<td>423</td>
<td>140</td>
<td>935</td>
<td>1347</td>
</tr>
<tr>
<td>1990</td>
<td>346</td>
<td>183</td>
<td>818</td>
<td>1312</td>
</tr>
<tr>
<td>1991</td>
<td>284</td>
<td>196</td>
<td>832</td>
<td>1231</td>
</tr>
<tr>
<td>1992</td>
<td>286</td>
<td>181</td>
<td>764</td>
<td>1121</td>
</tr>
<tr>
<td>1993</td>
<td>256</td>
<td>178</td>
<td>687</td>
<td>1010</td>
</tr>
<tr>
<td>1994</td>
<td>227</td>
<td>169</td>
<td>704</td>
<td>1083</td>
</tr>
<tr>
<td>1995</td>
<td>238</td>
<td>169</td>
<td>676</td>
<td>1080</td>
</tr>
<tr>
<td>1996</td>
<td>220</td>
<td>176</td>
<td>684</td>
<td>1080</td>
</tr>
<tr>
<td>1997</td>
<td>231</td>
<td>179</td>
<td>716</td>
<td>1126</td>
</tr>
<tr>
<td>1998</td>
<td>207</td>
<td>172</td>
<td>722</td>
<td>1101</td>
</tr>
<tr>
<td>1999</td>
<td>192</td>
<td>175</td>
<td>718</td>
<td>1085</td>
</tr>
<tr>
<td>2000</td>
<td>194</td>
<td>186</td>
<td>709</td>
<td>1089</td>
</tr>
<tr>
<td>2001</td>
<td>209</td>
<td>201</td>
<td>699</td>
<td>1109</td>
</tr>
<tr>
<td>2005</td>
<td>195</td>
<td>241</td>
<td>644</td>
<td>1080</td>
</tr>
</tbody>
</table>

* There was no record during the period of the Cultural Revolution (1966-1976)

Source: NSC (Planning and Finance Department), Statistical Yearbook of Sport (Internal information), 1994-2006.

6.3.2 Generating multiple incomes for the elite football system

In his speech in 1993 at the All States Sports Minister Conference, Li Tieying, a member of Politiburo Standing Committee (PSC), and a State Councillor (1988-1998), stated that “Following the development of Chinese sport, the problem of investing more in the national sport budget and generating more extra sport income is a highly critical issue”. He went on to argue that “the sport system has to transform the ideas, and ways of thinking and working which were formed by the structure of the planned economy, into the objective requirements of a market economy in which we should reform boldly in order to explore new ways to facilitate Chinese sport development” (Li, T.Y. 1996: 5-6). Following Li Tieying’s speech, an internal official document -
 Chapter 6 - Chinese Elite Football

"The Suggestions of the NSC On Deepening Sport Reform" – which was issued by the NSC in 1993 - highlighted that "We have to learn how they govern and run sport in other countries of the world, including advanced capitalist countries, so that we can go ahead and seek a variety of forms and ways to reform" (NSC, 1996d: 152). In its affiliated document - "Suggestions in Relation to Promoting Sport Marketing and Speeding Up the Process of Sport Industrialisation" – the NSC also emphasized that "National Sport Associations have to look for multiple channels to generate income and some associations with commercial potential should establish “economic bodies” (Jingji shiti) to generate income in order to subsidize the sport system" (NSC, 1996e: 179). From then on, the Chinese government established two different “economic bodies” (companies) and signed contracts with international sport management companies to generate multiple incomes from the football market.

Figure 6.7: Income of the Chinese Elite Football System in 2006

In Figure 6.7, we can see that there were three sources of income in the Chinese elite football system in 2006: the national sport budget, the provincial sport budget and commercial income/sponsorship. The national football budget was 9 million yuan in 1992, but according to a senior staff member in CFA Comprehensive Department,
following the establishment of The Chinese Professional Soccer League (CPSL) in 1994, the budget was reduced substantially. (Interview 19th January 2006)

As regards the provincial budget, there was about 2 million yuan for each key football province or city in 1993 (Wang, J. 2002: 118) and this decreased substantially after the formation of CPSL. According to staff in the CFA registration office, the salary of 7-10 staff in each provincial/city football association was included in the provincial/city football budget, and therefore, “the provincial/city sport bureaus have more influence than the CFA in these CFA affiliated associations”. For commercial income/sponsorship, there are three different types of companies, including the China Football Industry Development Corp. (CFIDC), Sport Management Company (Infront Sports & Media), and The China Football Association Super League Company (CSLC) which work as commercial agents to help CFA generate multiple incomes. From Table 6.9 we can see that the CFA earned 198.75 million yuan in 2001, which is more than 50 times the national football budget in 2005. In contrast to the account from senior official in the CFA Comprehensive Department, the total expenditure of the CFA, including training, competition and human resources, was about 200 million yuan in early 2000 but was decreasing in 2004 and 2005 (Interview 5th January 2006). Deducting the CFA’s expenses from its annual income, there was still a surplus which was used by GAOS to support other elite sport, according to a senior official in the CFA financial office (Interview 19th January 2006). This means that the “real” CFA income was possibly more than its income statement in Table 6.9.

Table 6.9: The Annual Income of the CFA (1998-2002)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>81.00</td>
</tr>
<tr>
<td>1999</td>
<td>112.71</td>
</tr>
<tr>
<td>2000</td>
<td>131.94</td>
</tr>
<tr>
<td>2001</td>
<td>198.75</td>
</tr>
<tr>
<td>2002</td>
<td>160.54</td>
</tr>
</tbody>
</table>

Source: CFA (Competition Department), The Presentation Slides for 2003 Conference of CFA offered by a Chinese official in the CFA.

Firstly, we discuss the case of China Football Industry Development Corp. (CFIDC). Following Li Tieying’s argument and NSC documents in early 1993, CFIDC, being a state-owned enterprise directly under the control of China Football Association (CFA),
was established with the authorization of the Economic and Trade Committee of the State Council in August 1993. It is also the exclusive agency (named Market Promotion Division in the CFA) authorized by the CFA for the exploitation of various football commercial operations (CFIDC, 2007). Although CFIDC was established and led directly by the CFA vice president, Xu Fang, the CFA did not have any experience of running a business. According to a former director of CFMC, Wang Junsheng, the NSC asked him to start the new Chinese club competition system with 1 million yuan in 1994. With such limited resources, it was impossible for him to maintain the League Competition System. At the suggestion of the AFC General Secretary, Peter Velappan, he went to Japan in 1993 to see how the Japanese Football Association generated its income to support its Football League competition system. After his visit, he made an oral report to the NSC leaders who agreed that he should introduce foreign sponsorship to support the Chinese elite football system. From November 1993, CFIDC, led by the CFA vice president, Xu Fang, began commercial negotiations with IMG Sports & Entertainment and Media Company and signed a five-year commercial contract with IMG worth $1.2 million per year. Eighty percent of the commercial income from IMG was distributed to professional clubs and affiliated associations and 20 percent to youth and female football development (Wang, J. 2002: 109-118). From Table 6.10, we can see that about 50 percent of the commercial income from the IMG contract was reinvested in the Chinese elite football system. Because the profits of IMG from running the business of Jia A were much higher than the Chinese government expected, CFIDC attempted to compete with IMG to win the next five-year commercial contract of Jia A in 1999. In the end, IMG won the second contract with CFA by offering a price ten times higher than CFIDC could afford (Zhou, 2005: 149).

Table 6.10: The Distribution of CFA’s Commercial Income from IMG’s Contract (1994-2001)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Clubs</td>
<td>144 million yuan</td>
</tr>
<tr>
<td>Affiliated Associations</td>
<td>76 million yuan</td>
</tr>
<tr>
<td>Youth and Women Teams</td>
<td>70 million yuan</td>
</tr>
<tr>
<td>Competition Cost</td>
<td>10 million yuan</td>
</tr>
<tr>
<td>Total</td>
<td>300 million yuan</td>
</tr>
</tbody>
</table>

Due to the tension between IMG and CFA during which the CFA rejected the request of IMG's largest commercial sponsor, Pepsi-Cola, to shift the time of the 2002 annual award ceremony of Jia A (CSL) to cater for football stars' schedules, Pepsi-Cola withdrew sponsorship from the IMG. This led to the termination of commercial cooperation between CFA and IMG in early 2003. From then on, CFIDC took over the role of IMG in being the exclusive commercial agency of Jia A (Zhou, 2005: 151).

From Table 6.11, we can see that the title sponsorship and other commercial sponsorship gradually increased from 1994 to 2003. Unfortunately, this kind of situation did not last after CFIDC took over IMG's role. Despite the CFA recruiting former IMG regional executive in China, Wang Yingquan, and the former vice executive of Shanghai Shenhua professional club in order to upgrade the marketing ability of CFIDC, the commercial income/sponsorship of Jia A (renamed “The China Football Association Super League” (CSL) in May 2004) decreased substantially (Zhou, 2005: 153). However, it also started the second season in 2005 with no title sponsor, and was simply called the Chinese Football Association Super League (Zhang, L. 2005).

Table 6.11: The Income of Title Sponsorship and other Sponsorship of Jia A 1994-2003 (Unit: $ 10 thousand)

<table>
<thead>
<tr>
<th>Year</th>
<th>Title Sponsorship</th>
<th>The other Sponsorship</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>230</td>
<td></td>
<td>230</td>
</tr>
<tr>
<td>1995</td>
<td>253</td>
<td></td>
<td>253</td>
</tr>
<tr>
<td>1996</td>
<td>279</td>
<td></td>
<td>279</td>
</tr>
<tr>
<td>1997</td>
<td>307</td>
<td></td>
<td>307</td>
</tr>
<tr>
<td>1998</td>
<td>338</td>
<td></td>
<td>338</td>
</tr>
<tr>
<td>1999</td>
<td>450</td>
<td>640</td>
<td>1090</td>
</tr>
<tr>
<td>2000</td>
<td>472</td>
<td>672</td>
<td>1144</td>
</tr>
<tr>
<td>2001</td>
<td>496</td>
<td>705</td>
<td>1201</td>
</tr>
<tr>
<td>2002</td>
<td>520</td>
<td>740</td>
<td>1260</td>
</tr>
<tr>
<td>2003</td>
<td>546</td>
<td>777</td>
<td>1323</td>
</tr>
<tr>
<td>Total</td>
<td>3891</td>
<td>3534</td>
<td>7425</td>
</tr>
</tbody>
</table>


In addition to being the exclusive commercial agency of Jia A (CSL) before 2006, CFIDC also became the exclusive commercial agency of the Chinese Football Association's “Team China” in 2001 after bankruptcy of the ISL international sport management company, which signed a six-year commercial project with CFA for $10 million to cover key aspects of marketing and technical development of the
national teams at all levels (Zhou, 2005: 153-4). According to a senior official in the CFA financial office, “ISL not only offered big sponsorship and hired world-class foreign coaches to help China qualify for the 2002 World Cup, but also set a good model for CFIDC” (Interview, 19th January 2006). Under the CFIDC commercial operation, the annual commercial income of “Team China” was about 50 million yuan, which was the main financial resource to support Chinese men’s and women’s national soccer teams, including the junior squads (Interview, 19th January 2006). Due to immature marketing skills and lack of international sport capital, CFIDC not only earned less commercial income, but also failed to organize home and away friendly matches which directly influenced the preparation for qualifying for the Asian Cup, World Cup and Olympic Games (Han, X. 2006).

Unsurprisingly, in April 2006 the Chinese government made a critical decision to sign an agreement with Swiss company, Infront Sports & Media, for $10 million per year to replace CFIDC in dealing with the business aspects of Team China in preparation for the 2008 Beijing Olympic Games and the 2010 FIFA World Cup. This agreement will involve recruiting experts in specialized areas, such as coaching, nutrition, scouting and mental conditioning. Furthermore, Infront will be responsible for organizing all home and away friendly matches, according to the requirements of the CFA (Xinhua News Agency, 2006).

Finally, we turn to the case of The China Football Association Super League Company (CSLC). The name of CSLC was mentioned by a former director of CFMC, Yan Shiduo, in 2001 when he made a decision to use CSL to replace Jia A from 2004. CSLC did not really become established until 2006, and was set up as a result of the “G7 event” in which seven CSL football clubs asked the CFA to keep its promise to establish an independent commercial company for the CSL in 2004 (see next section for more details). Although the CFA registered CSLC (composed of 14 CSL clubs and the CFA) with The State Administration for Industry & Commerce (SAIC) in 2006, it seemed reluctant to allow CSLC to be a really independent commercial agency for the CSL. According to regulations 1-4, 6-0 and 6-27 of CSLC, “The CSLC is authorized to exploit the various football commercial operations and business developments of CSL by the CFA, who is the initial owner of CSL” and “The CFA is the biggest stakeholder and owns 36 percent share in CSLC” and “The chairman of
Chapter 6 - Chinese Elite Football

CSLC is nominated by the CFA” (CFA, 2005). Indeed, according to a senior member of staff in charge of establishing CSLC, the real power of this company is still tightly held by the CFA because not only is the chairman of CSLC, Nan Yong, also the CFA vice president, but is also in charge of CFIDC. In addition, the decision-making regarding the distribution of surplus resources of CSLC is steered by The Commission of China Football Association Super League (CCSL) in which CFA and its affiliated associations and provincial sport bureaus have the dominant voice, in contrast to CSL clubs (Interview: a senior official in the CFA financial office, 19th January 2006.). In fact, most of CSLC’s staff come from CFIDC and the general manager of CSLC, Qu Yuming, is the former vice general manager of CFIDC (Zhang, N. 2005). At present, it is still difficult to see the real connection between the CFIDC and the CSLC, but one thing is clear, is, that these two companies were dominated by the CFA and the GAOS.

6.3.3 Intervention in the transfer of footballers

The attitude of the Chinese government towards the transfer of Chinese footballers was directly linked to the issue of Team China’s international performance. To ensure that the PRC could take advantage of the introduction of global football resources to facilitate its elite football development and also to prevent an adverse impact from global football, several strategies were adopted by the CFA.

First, the CFA set an age limit to prevent its top players going abroad. One document issued by the CFA in 1993 noted that “national athletes can not go abroad until either the male athletes are over the age of 28 or female athletes over 26 or the footballers are dispatched by the CFA” (Yuan, W. 2002c: 299). Constrained by CFA’s regulations, very few Chinese footballers were able to play abroad unless they were sent by the Chinese government, as in the case of the youth national teams sent to be trained in Brazil and Russia in 1994. In 1996, the director of the CFA Competition Department, Ma Kejian, led a delegation with national coaches, Jia A club coaches, referees and CFA officials on a visit to England during the European Football Championship. In Mr. Ma’s report to the CFA and the NSC, he stated that “exporting elite footballers to play in the European clubs (Jieji xiadan) is a very useful strategy for raising the performance of national teams in second division football countries and
African countries” (Wu, S.Z. 2000d: 558). Ma’s words were echoed by the then CFA vice president, Wang Junsheng, who said that “sending potential footballers to play in European and South American football clubs will benefit us a lot by raising the profile of our national squads” (Wang, J. 2002: 220). In 1998, CFA transfer regulations were relaxed and the age limit reduced to 26 for male players (Wang, J. 2000c: 100). With the help of Greatgate (Beijing) Sports & Entertainment Co., Ltd, whose director was Han Jingmin, CFA vice president, not only did Team China get a unique chance to play a friendly match with Team England, but also two elite Chinese footballers, Sun Jihai and Fan Zhiyi were permitted by the CFA to be transferred to Crystal Palace Football Club in 1998 (Wang, J. 2002: 228-32).

However, the strategy of “exporting elite footballers to play in the European clubs” was abandoned shortly after the power of the CFA vice president, Wang Junsheng, was taken away by the new director of Chinese Football Management Centre, Yan Shiduo. Yan made a decision in early 2002 that “no China National Soccer Team (CNST) footballers are allowed to transfer to clubs of other countries during World Cup 2002 preliminary matches”, according to People Daily (Yin, 2002). After being badly defeated by various teams in the 2002 World Cup, the Chinese government realized that they needed to go abroad to improve because the quality of domestic coaching was not good enough. The CFA vice president, Nan Yong, claimed that, “It will contribute a lot to Chinese soccer if more Chinese move to world top leagues and learn superb tactics and skills” (People Daily, 2001). Following Mr. Na’s statement, Li Tie, a Chinese elite football player was transferred to Everton Football Club in 2002. Although Mr. Nan also stressed that the CFA only supports Chinese players who are “above the level of the Chinese first division league” (People Daily, 2001) to move to overseas leagues, a young Chinese footballer, Dong Fangzhuo, was transferred to Manchester United F.C. when he was 19 years old in 2004 (see Table 6.12). According to a senior staff official in the CFA Technical Department, the Chinese government has to become more liberal in order to see the positive side of the release of Chinese players, but he also emphasized the importance of signing a conditional contract before permitting Chinese players to go abroad:

We set an age limit to prevent our top players going abroad in the past, but we have relaxed restrictions nowadays. We previously thought that to release
young Chinese footballers to go abroad would have an adverse effect on our elite football development in the past but when we permitted Dong Fangzhuo to play abroad, he came back to play for Team China. That means that these European clubs are helping us to train our potential footballers. We have to change our attitude and values regarding international football movement. Effective contracts between players and clubs must be permitted and signed by the CFA and the additional rule that players must come back to compete for Team China must be written into the contract to protect the national interest, as in the case of Sun Jihai and Dong Fangzhuo. (Interview, 16th January 2006)

Table 6.12: Chinese Elite Footballers in European Clubs

<table>
<thead>
<tr>
<th>Footballer</th>
<th>Transfer/On Loan Year</th>
<th>Transfer Age</th>
<th>Fist Transfer/ On Loan Club</th>
<th>Latest Transfer/ On Loan Club</th>
<th>National/Olympic Squads</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yang Chen</td>
<td>1998</td>
<td>25</td>
<td>Eintracht Frankfurt (Germany)</td>
<td>Xiamen Lanshi (China)</td>
<td>1996 - 2002</td>
</tr>
<tr>
<td>Shi Jun</td>
<td>2005</td>
<td>23</td>
<td>Young Boys (Switzerland)</td>
<td></td>
<td>2005 - 2007</td>
</tr>
<tr>
<td>Du Wei</td>
<td>2005</td>
<td>23</td>
<td>Celtic (Scotland)</td>
<td>Shanghai Shenhua (China)</td>
<td>2001 - 2007</td>
</tr>
<tr>
<td>Shao Jia-Yi</td>
<td>2006</td>
<td>26</td>
<td>TSV 1860 Muenchen (Germany)</td>
<td>Energie Cottbus in the Bundesliga</td>
<td>2000 - 2007</td>
</tr>
</tbody>
</table>

The age limit regulation was replaced by a system of special permission by which Chinese players could not play for any foreign club or other countries unless dispatched by the CFA or agreed by the CFA after 2002 (CFA, 2002a: 195; CFA, 2006d). Under the new regulations, the CFA still appeared to hold the ultimate power to decide who could or could not play abroad. One example here is that a Chinese football superstar, Hao Haidong, could not play for any foreign football club until he was 35 years old and had obtained permission from the CFA to be transferred to
Sheffield United Football Club in the F.A. Premier League in 2005. However, in 2006 the GAOS announced that “the government encourages and supports international transfers from Chinese professional clubs” — (“The Project for the Sport Industry”2006). Consequently, more and more elite Chinese footballers were permitted to transfer to European clubs to earn money and learn skills at the same time. From Table 6.12, we can see that since the 2002 World Cup, the number of Chinese elite footballers joining European football clubs has increased. But one thing we should be aware of is that the relaxed policy towards domestic players going abroad is not necessarily evidence that China is really becoming a more liberal country because this shift in sport policy had, as its main priority, the production of a strong national team, and China was under strong pressure to show high performance on her own soil in the 2008 Beijing Games. As the former director of the Chinese Football Management Centre, Wang Junsheng said in his book in 2002, “I am sure that the dream of breaking out of Asia and advancing to become a World football power will come true when the young generation of Chinese elite footballers continuously and frequently appear in European and South American football matches. I am sure that we won’t wait too long for that day” (Wang, J. 2002: 220).

In addition to setting an age limit, the CFA set quotas for introducing foreign players. The quotas were strongly influenced by the preparation for the Olympics and World Cup. Because most elite domestic players in CSL clubs were recruited into the national team and Olympic squad by the Chinese government, to be trained for a long period of time to prepare for global events, and the CFA could do was to relax the quota for introducing foreign players in order to “compensate” clubs for the loss of their key Chinese players. One example here is that eight key players from the Shandong Luneng FC, a Chinese Super League football club, were recruited into the China 08 Stars Team training in Germany to prepare for the 2008 Olympics. CFA’s decision was seriously damaging to Shandong Luneng FC’s ability to maintain its leading position in the CSL. After a complaint by the owner of Shandong Luneng FC, Dong Gang, and after “private” negotiations with the CFA, the CFA agreed that Shandong Luneng FC had approval to allow its three foreign players play in CSL matches without limitation by the 2006 CFA regulations but other CSL football clubs had to follow the rules set by the CFA in 2006 (Peter, 2006). From Table 6.13, we can see that the CFA attempted to reduce its foreign quota in order to allow its domestic
players greater opportunities to hone their own skills, but was affected by the tension between the national interest of preparing for the World Cup and Olympics and the commercial interest of each CSL football club. The strategy adopted by the CFA, similar to the case of Shandong Luneng FC, was to allow more foreign players to fill the gaps left by the withdrawal of domestic elite players.

Table 6.13: The quota set by the CFA for foreign players

<table>
<thead>
<tr>
<th>Year</th>
<th>Maximum quota for each club squad</th>
<th>Number of foreign player allowed to play during each match at the same time</th>
<th>Important issue</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>5</td>
<td>5</td>
<td>Introduction of the club system</td>
</tr>
<tr>
<td>1996</td>
<td>5</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>4</td>
<td>3</td>
<td>Preparing for 2002 World Cup</td>
</tr>
<tr>
<td>2006</td>
<td>3</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>4</td>
<td>3</td>
<td>Preparing for 2008 Beijing Games</td>
</tr>
</tbody>
</table>

Finally, in order to protect domestic goalkeepers, who, it was considered, would have more chance to be trained in their own clubs and in CSL competitions, the CFA not only prohibited clubs from introducing a foreign goalkeeper after 2000, but also required clubs to recruit a specialist goalkeeping coach from 2003 (GAOS, 2004b: 113). In short, the initial policy of the Chinese government toward footballer transfers was to seek to take advantage of international football resources, through bringing in foreign expertise, to raise the profile of Chinese elite football while at the same time keeping players in China. But due to poor coaching, low domestic professional competition, and the tension between national interest and commercial interest, the Chinese government was forced to alter its policy in an attempt to manage the relationship with globalization, but had as its main priority the building of a strong national team.

6.4 Commercialisation

6.4.1 Introducing a more commercial system

As mentioned in section 3.2, under the encouragement of Li Tieying China, adopted a western capitalist approach as part of the strategy to revitalise the Chinese elite
football system (NSC, 1996d: 152). Mr. Li’s argument was echoed by the then Sport Minister, Wu Shaozu, who claimed in his lecture for the 1992 Opening Ceremony of the National Football Conference that “to catch up with these advanced football countries in a short period of time, we have to learn new things from these countries, including those capitalist advanced knowledge and systems” (Wu, S.Z. 2000a: 9). Mr. Wu went on to argue that “we should not be influenced by the political debate about the capitalist way and the socialist way to reform our system. We should have more liberal thought, and take a bolder way and much bigger step by learning from these capitalist countries.” After the Chinese government’s confirmation and support, the “The 10-Year Development Project for Chinese Football (1993-2002)” issued by the CFA in 1992, highlighted that “the club system has a highly competitive mechanism which can not only motivate and mobilize footballers and coaches, but also can raise the domestic football profile” (CFA, 2000a: 3). From then on, a more commercial system was introduced and became embedded in the new elite football system to activate and stimulate domestic players from amateur and professional clubs, and even national squads.

The first aspect of increased commercialisation considered concerns the Chinese government allowing footballers at different levels to be transferred for a fee. An official document, “The Suggestions of NSC About Deepening the Reform of Sport” issued by the NSC in 1993, highlighted that the NSC promoted and encouraged athletes to be transferred for a fee and “the former employers can receive the transfer fee from their athletes’ new employers, and the price can be evaluated by the period of training and the level of skill of the athletes transferred. Some national sport associations and clubs can start trying to introduce a transfer fee system” (NSC, 1996d: 148). From Table 6.14 we can see that the transfer fee for a Chinese amateur footballer to CSL clubs (named Jia A before 2004) was 50,000 yuan in 1993 and the price was six times higher in 2006. A similar situation was happening in the CSL club transfer market. From Table 6.15 we can see that the highest transfer fee for Chinese footballers in CSL clubs was 0.64 million yuan in 1995. By 2003 the price had increased dramatically to 13 million yuan.
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Table 6.14: The transfer fee set by the CFA for Chinese amateur footballers
(Unit: yuan)

<table>
<thead>
<tr>
<th>Year</th>
<th>To amateur clubs</th>
<th>To reserve teams in Division 2</th>
<th>To reserve teams in Division 1</th>
<th>To Division 2 clubs</th>
<th>To Division 1 clubs (Jia B League)</th>
<th>CSL clubs (Jia A)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>30,000</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>2002</td>
<td>3,000</td>
<td>10,000</td>
<td>10,000</td>
<td>50,000</td>
<td>100,000</td>
<td>150,000</td>
</tr>
<tr>
<td>2006</td>
<td>5,000</td>
<td>50,000</td>
<td>100,000</td>
<td>200,000</td>
<td>300,000</td>
<td></td>
</tr>
</tbody>
</table>


Table 6.15: The list of the highest transfer fee of Chinese footballers in domestic football clubs, 1995-2007 (Unit: 1 million yuan)

<table>
<thead>
<tr>
<th>Year</th>
<th>Footballers</th>
<th>Transfer Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>Li Bing</td>
<td>0.64</td>
</tr>
<tr>
<td>1996</td>
<td>Wang Tao</td>
<td>0.66</td>
</tr>
<tr>
<td>1997</td>
<td>Gao Hongbo</td>
<td>1.20</td>
</tr>
<tr>
<td>1998</td>
<td>Hao Haidong</td>
<td>2.20</td>
</tr>
<tr>
<td>1999</td>
<td>Peng Weigu</td>
<td>2.35</td>
</tr>
<tr>
<td>2000</td>
<td>Qu Chuliang</td>
<td>4.97</td>
</tr>
<tr>
<td>2001</td>
<td>Qu Shengqin</td>
<td>5.50</td>
</tr>
<tr>
<td>2002</td>
<td>Qi Hong</td>
<td>9.50</td>
</tr>
<tr>
<td>2003</td>
<td>Wu Chengying</td>
<td>13.00</td>
</tr>
<tr>
<td>2004</td>
<td>Li Jinyu</td>
<td>4.90</td>
</tr>
<tr>
<td>2005</td>
<td>Zheng Zhi</td>
<td>8.50</td>
</tr>
<tr>
<td>2006</td>
<td>Li Weifeng</td>
<td>4.90</td>
</tr>
<tr>
<td>2007</td>
<td>Wang Liang</td>
<td>4.80</td>
</tr>
</tbody>
</table>


Second, clubs offered extraordinary contracts (which included a high salary, house, and household registration shift\(^1\)) to lure elite footballers to play for their clubs. In 1996, according to Wang Junsheng, former director of the Chinese Football Management Centre, “some footballers started asking for even more money and materials before agreeing to transfer to those clubs which attempted to bid for them” (Wang, J. 2000b: 96). In 1995, the CFA set the system of “relegation and promotion” (Shengjiang ji) by which, at the end of each season, the top two teams in Jia B League are promoted to Jia A League and the two lowest placed teams from Jia A League are relegated to the Jia B League. To win the matches in each of their leagues, more and more clubs took a shortcut strategy to lure domestic players from other clubs to help them win matches instead of investing money in their own reserve teams and affiliated amateur clubs. This kind of situation was at its height in 1998, according to Wang Junsheng (2002: 320-3). Due to domestic professional players’

\(^1\) Household registration shift refers to the process of granting the footballer the right to live in a different region of China.
continuous demands for higher salaries and extra benefits from clubs, and the fierce competition between clubs to sign domestic star players, a large financial burden was placed on most domestic professional football clubs, according to Zhang Lu, the vice president of Beijing Guoan Football Club (a CSL football club) (Interview, 6th January 2006).

Third, clubs motivated their players by gifts of cash during the club competition. Since the Chinese professional club system was created, using high rewards to motivate players had prevailed in almost every club, especially in Jia A League (renamed as CSL in 2004). In 1995, according its former head coach, Xu Genbao, Shanghai Shenhua F.C., a Jia A League club, began giving rewards of 1 million yuan and seven houses to its coaches and players after winning the 1995 CFA Cup. This was supported by the then vice mayor of Shanghai city, Chen Liangyu, a member of the Politburo of the Communist Party of China (2003-2006) (Xu, G. 2000: 183-4). Clubs’ lavish rewards to their players and coaches were causing concern to the CFA leader, Wang Junsheng. In the 1996 CFA Annual Report Wang stated that “in order to win the league matches, some clubs lavished rewards on their players, which led those footballers to become much greedier” (Wang, J. 2000b: 96). Nine years later, when a Chinese tycoon, Zhu Jun, became the owner of Shanghai United FC, he motivated his players by gifts of money during the club competition, which helped his team to win a series of critical matches. This type of activity forced rival clubs to adopt the same high rewards strategy in order to motivate their players to win league matches (www.sports.cn, 2006). Indeed, according to a CFA senior official in the Comprehensive Department, “As far as CSL clubs are concerned, the reward to each of their teams is about 0.2 - 0.4 million yuan, but the amount of bonus will increase if their teams win a series of matches” (Interview, 18th January 2006). From Table 6.16, we can see that the price clubs actually paid to motivate their own team was much higher than that stated by the Chinese football official.
Table 6.16: The rewards given by the top 6 CSL football clubs in each match in 2006 (Unit: 1 million yuan)

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Club</th>
<th>Reward</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Shanghai United</td>
<td>4.0</td>
</tr>
<tr>
<td>2</td>
<td>Shandong Luneng</td>
<td>3.0</td>
</tr>
<tr>
<td>3</td>
<td>Tianjin Teda</td>
<td>2.0</td>
</tr>
<tr>
<td>4</td>
<td>Beijing Guoan</td>
<td>1.3</td>
</tr>
<tr>
<td>5</td>
<td>Wuhan Guanggu</td>
<td>1.2</td>
</tr>
<tr>
<td>6</td>
<td>Chongqing Lifan</td>
<td>1.0</td>
</tr>
</tbody>
</table>


Finally, the reward system of CSL clubs was adopted by the Chinese government to motivate national squads to win international competitions in the late 1990s. After winning second place in the 1999 Women’s World Cup, the Chinese government (State Council) awarded 1 million yuan to the Chinese national women’s team for the first time (Wang, J. 2002: 319). In early 2000, GAOS and CFA set a reward policy in which Team China could be awarded 2 million yuan if it won the championship of the Asian Cup (Li, H. 2006). The Chinese government’s reward policy appeared to be a useful tool to motivate its national players, especially its women players. In the 2004 Asian Cup the Chinese women’s team won first place and the men’s team took second place (www.sports.cn, 2004).

In short, in order to maintain motivation and especially to prevent Chinese elite footballers from retiring early (Ma and Zhang, 1999), the capitalist reward system was adopted by, and embedded in, the Chinese elite football system. Due to the limited number of high potential Chinese players in the domestic football market and the limited member of foreign players allowed into the PRC, most CSL football clubs chose to lure and mobilize these Chinese “star” footballers by paying a high transfer fee and offering them extraordinary contracts and tremendous rewards. In the words of Wang Junsheng, former director of the Chinese Football Management Centre, some Chinese players were very mercenary and were asking for additional signing-on fees from the clubs (Wang, J. 2002: 323). In addition, some club managers and coaches were even losing control of their “star” players because their jobs relied on these players’ “normal” performance (Wang, J. 2000c: 100). Due to the heavy financial burden of paying the huge transfer fee, high salary and other rewards, clubs have made, and continue to make, significant annual losses. Some clubs were in financial crisis and found it extremely hard to survive in the domestic football leagues.
According to Yang Yimin, the CFA vice president, after experiencing the Chinese club system for 10 years, out of the 127 clubs in Jia A and Jia B, 32 clubs changed their ownership, seven clubs de-registered after being relegated to Jia B and Division 2, and 55 teams changed their sponsors. This kind of unstable situation in the domestic club system not only prevented the healthy development of Jia A and Jia B, but also endangered the development of grassroots clubs (China Sport News, 2003). Following the introduction of the club system, the commercial market did bring new resources and energy which revitalized the Chinese elite football system, but it also substantially influenced the attitudes and values of individual footballers, club owners and CFA officials toward a more materialistic view of the world and consequently raises a number of important issues. Among these issues are the response by the CFA to the mercenary behaviour of these highly paid domestic players and the viciously commercial competition of the clubs, and whether the Chinese government could balance its national interest (Olympic and World Cup success) with the interests of professional clubs.

6.4.2 Managing the consequences of a more commercial system

In the preceding sections we mentioned that, after adopting capitalist elements to energize the Chinese elite football system, the Chinese players have become more materially demanding and the domestic club owners have been forced towards being interest-driven and focused on match-winning in Division 1 (Jia A (CSL) and Jia B (Jia League)). In 1998 the side-effects of a more commercial system came to the attention of the Chinese government and GAOS requested the CFA to “not only to investigate but also to take action on these problems” according to CFA executive vice president, Wang Junsheng (2002: 323). But there was a greater problem due to the corruption found in some national sport associations, which forced GAOS to regulate more tightly the financial and personnel powers of the CFA in 2002. In addition, in order to ensure that the national teams achieved success in the Olympics and World Cup, the CFA not only took most of the commercial rights from domestic football leagues in order to generate income to support national teams, but also shortened or rescheduled the domestic league matches to allow the national team and Olympic squad to draft key club players to be trained for five to six months each year. The way in which the Chinese government regarded the commercial income of
domestic leagues as its "money trees" and used the clubs as training and competition arena for potential Chinese players, caused serious tensions between the CFA and the owners of CSL clubs. These tensions reached their peak in 2004 when seven CSL clubs attempted to organize a new Chinese premier league to challenge the authority of the CFA.

It may be argued that all the problems in relation to "star" players, clubs and even the CFA seem to be strongly linked to the consequences of introducing a more commercial system. To reduce the negative impact of commercialism on Chinese elite football development, four strategies were introduced by the PRC: i) setting, in 1997, limits on the salaries and transfer fees that professional clubs could offer their players and their buyers; ii) creating, in 1998, a special procedure for dealing with the domestic transfer market; iii) controlling, in 2002, the CFA and manipulating the Chinese Super league (CSL); and iv) in 2004, prevent the seven largest clubs from organizing a new super league.

Firstly, the CFA set a limit on the salary and transfer fee that professional clubs could offer to their players and their buyers. In 1995, Li Tieying, reminded the NSC and CFA that "our players should become football stars but we must not let them become 'peculiar men'. ...All the regulations of NSC, FIFA and CFA must be carried out seriously and we won't allow any footballer to become a 'peculiar man' who overrides these official rules" (Li, T.Y. 2000: 6-7). Mr. Li's words were followed by the vice Sport Minister and CFA president, Yuan Weiming at the 1995 National Football Conference. Yuan stated that "We should make suitable rules to regulate the material interests of clubs, coaches and players" (Yuan, W. 2000c: 87). Following the reminders from these two leaders, the director of the CFMC & the vice executive president of the CFA, Wang Junsheng, claimed that "the CFA will adopt a comprehensive measure to manage and oversee clubs' commercial activities and footballers' transfer affairs, including the clubs' budgeted revenue and expenditure; the distribution of footballers' base pay, training subsidies and rewards; footballers' income tax; the expenditure of transfer fees and the investment in reserve teams and affiliated amateur clubs" (Wang, J. 2000b: 93). This was announced at the 1996 National Football Conference in which an official document, "The Club Salary System of CFA", was discussed. This salary system was implemented in 1997 (Wang,
J. 2000b: 96). From Table 6.17, we can see that the Jia A club salary system was composed of reward (win bonus), training subsidy and base pay. The monthly salary of each player relied on the annual income of each Jia A club, of which at most 12.5 percent of the annual income could be distributed to their 40 players as reward, and 20 percent as training subsidy. The level of base pay was evaluated by the performance of each player, such as whether he was a member of the national team, a key player in his own team or a non-key player in his club. According to Wang Junsheng, the director of CFMC, the total salary and reward of players could not be more than 32.5 percent of the annual income of each club although the total salary of Jia A players should be higher than that for Jia B players (Wang, J. 2000b: 100) (see Table 6.17, 6.18 and 6.19). Unfortunately, the system was not successful and some clubs even spent as much as 63-65 percent of their annual income on salaries and rewards for players, due to the incapacity of the CFMC to oversee the clubs’ finance and there being no substantial penalty from the CFA for violators, according to Wang Junsheng (2002: 327).

Table 6.17: The Jia A Club Salary System of CFA in 1997 (Unit: yuan)

<table>
<thead>
<tr>
<th>The annual income of each Jia A club = (X)</th>
<th>Monthly reward per player = 12.5% (X) + 40 (players) + 12 (months)</th>
<th>Monthly training subsidies per player = 20% (X) + 40 (players) + 12 (months)</th>
<th>Base pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 million</td>
<td>2,600</td>
<td>4,166</td>
<td>1</td>
</tr>
<tr>
<td>8 million</td>
<td>2,083</td>
<td>3,333</td>
<td>2</td>
</tr>
<tr>
<td>6 million</td>
<td>1,562</td>
<td>2,500</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5</td>
</tr>
</tbody>
</table>

Table 6.18: The Jia B Club Salary System of CFA in 1997 (Unit: yuan)

<table>
<thead>
<tr>
<th>Level</th>
<th>Monthly reward</th>
<th>Monthly training subsidies</th>
<th>Monthly base pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1,000</td>
<td>1,800</td>
<td>800</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td>700</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td>600</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td>500</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
<td>400</td>
</tr>
</tbody>
</table>

Table 6.19: The Division 2 Club Salary System of CFA in 1997 (Unit: yuan)

<table>
<thead>
<tr>
<th>Monthly reward</th>
<th>Monthly training subsidies</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000</td>
<td>800</td>
</tr>
</tbody>
</table>
To solve this problem, in 1998 the CFA asked the 26 Jia A and Jia B clubs to make a “restricted salary” agreement with their players and coaches. According to this agreement, all the clubs would not only reject players’ requests for additional signing-on fees but also set limits on salary and appearance money for their teams (CFA, 2002b: 47) (see Table 6.20). The way in which the CFA pressurised the 26 clubs to suppress these domestic “star” players showed that the CFA attempts to deal with this difficult issue at the expense of players’ interests. This kind of agreement was relatively fragile, especially for those Jia B League clubs who wanted to be promoted to Jia A League and the Jia A League clubs who were at the risk of being relegated to the Jia B League (Wang, J. 2002: 346-7). To manage this situation, the agreement became a regulation issued by the CFA in 2002, which stated that “the CFA has the right to do random financial inspections of clubs to make sure that clubs follow the agreement of restricted salary” and “any club that violates this agreement will lose its right to transfer any domestic or foreign player for one year” (CFA, 2002c: 49-50).

Table 6.20: The Agreement of Restricted Salary among 26 Jia A and Jia B Clubs in 1998 (Unit: yuan)

<table>
<thead>
<tr>
<th></th>
<th>Jia A</th>
<th>Jia B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Player (monthly pay)</td>
<td>12,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Coach (monthly pay)</td>
<td>18,000</td>
<td>16,000</td>
</tr>
<tr>
<td>Team appearance money (per match)</td>
<td>400,000</td>
<td>250,000</td>
</tr>
</tbody>
</table>


Secondly, the CFA created a special procedure for dealing with the domestic transfer market. According to a senior official in the CFA Technical Department, in order to deal with the issue of transfer fees, the CFA began borrowing the transfer model from Germany in 1993. With the CFA transfer model, some key elements which were linked to the player’s age, former salary, player’s performance (national or Olympic team member) and the club price index, were considered and converted into a reference price (CFA, 2000g: 152). According to a senior official in the CFA Technical Department, “If a club attempts to prevent its key players from transferring to the other clubs or asks for a transfer fee which is much higher than the CFA reference price, the other clubs can go to CFA arbitration” (Interview, 16th January 2006). The problem was that “the real transfer fee is a commercial secret between seller club and buyer club”, according to this senior CFA official. And it was difficult
for the CFA to become involved in transfer affairs if no club asked for arbitration. To tighten up the transfer market and to prevent domestic players from asking for additional signing-on fees from the clubs, the CFA set up a draft transfer system similar to the NBA in 1998, which allowed lower placed clubs priority in acquiring transfer-listed players who no longer had the right to choose their preferred club (Wang, J. 2002: 327). After implementing the draft system, "the unreasonable behaviour of these Chinese ‘star’ players in asking for additional signing-on fees, high salary, house and household registration change was initially under control" (Wang, J. 2002: 327).

Although the CFA tackled the problem of these so-called ‘peculiar men’, it was forced to face more serious problems, such as game fixing and "black whistle" (corruption of match officials) which were the consequences of vicious competition between the 26 domestic professional clubs after the decision made by the CFA in 1997 to enlarge the Jia A league from 12 to 14 clubs. According to Wang Junsheng, in order to prevent the problems of game fixing and black whistle, an official document, “The Notice of the Last Three Run Matches of Jia A League”, was issued by the CFA in late 1997 to warn clubs and referees not to become involved in these immoral practices (Wang, J. 2002: 329). But the strategy adopted by the CFA to prohibit game fixing and black whistle seemed to have been in vain after the domestic media conducted and published a survey in early 1998 to reveal that at least 12 out of 16 Jia A and Jia B clubs admitted that they had bribed referees to favour their teams (Wang, J. 2002: 330). This media report caught the attention of FIFA and the CFA was asked to investigate this issue and produce a report (Wang, J. 2002: 330). Under huge pressure from both the rampant club commercialisation and these two international football organizations, Wang Junsheng, the director of CFMC, attempted to temporarily terminate the system of “relegation and promotion”. However, his proposal was rejected by most of the participants in the 1998 National Football Conference due to the possible adverse consequences for commercial income and sponsorship (Wang, J. 2002: 344-7). Mr. Wang’s proposal was not accepted until the 2001 National Football Conference and then only under pressure from the State Council (Wang, J. 2002: 347).
Thirdly, the Chinese government tightened up the financial and personnel power of the CFA in an effort to control, what was perceived to be, excessive commercialisation which penetrated into all NSMCs in early 2001. Sport Minister, Yuan Weiming, in his 2001 GAOS lecture, underlined that “After introducing a market economy into all NSMCs, most leaders in these NSMCs have more official power to make decisions on matters such as how to run sport marketing, who has the right to organize the national competition, who can be a referee, who can be selected into national teams, how to distribute the annual budget and who can be commercial sponsors for their NSMCs and their teams.” He went on to say that “in order to prevent corruption from being rampant, we have to effectively oversee and control how these leaders of NSMCs execute their power” (Yuan, W. 2002a: 18). Similar words were spoken in late 1997 by the vice Sport Minister, Zhang Faqiang, who was in charge of all the financial and marketing affairs of the NSC (GAOS). He highlighted that “All the CFA income belongs to the NSC. ... As long as the CFA generates income in the name of ‘sport’, all of the money will belong to the Chinese government” (Zhang, F.Q. 1997: 16). Following these two sport leaders’ arguments, two official documents, “The Notice for Standardizing the Codes of Practice of National Sport Management Centres” (GAOS, 2003d: 56-63) and “The Temporary Regulation for Centralizing Accounting and Finance Management of GAOS Affiliated Institutions” (GAOS, 2003f: 223-8), were issued by GAOS in 2001 and 2002 respectively. According to these two documents, the financial and personnel power of the CFA was tightened up by the GAOS. The special measures taken by the Chinese government were: all training and competition programmes have to be examined and approved by the GAOS; all income and expenditure have to be examined and approved by the “Accounting and Finance Management Centre” of the GAOS, which not only asked the CFA to cancel all its bank accounts but also only allowed the CFA to keep an assigned bank account; and all directors of the CFA department have to regularly alternate their jobs, especially for some key departments, in order to prevent corruption. After strong interference by the GAOS, the rampant commercialisation which penetrated the CFA was restricted, but the tighter regulation by GAOS “not only reduced CFA’s flexibility and efficiency, but also increased the tension between the CFA and GAOS, intervened too much in the CFA’s affairs”, according one senior staff in the CFA comprehensive department (Interview, January 2006).
Fourthly, in order to reduce the vicious competition among the Jia A and Jia B clubs in which most would rather use short-term tactics of luring elite footballers with unusual fees and taking advantage of fixed games and black whistle to win club matches rather than invest more money in their reserve teams, the Chinese government chose two main strategies. These were to temporarily terminate the system of "relegation and promotion" in 2001 and to began carrying out the so-called "One Protocol & Two Licences" policy in 2002, which will be discussed in more detail below.

Affected by the issues of 'game fixing' and 'black whistle', two owners of Jia A clubs, Wang Jianlin (Dalian Wanda F.C.) and Li Shilin (Beijing Guoan F.C.), who used to be key supporters of Wang Junsheng, the director of the CFMC, proclaimed that they were to withdraw their clubs from Jia A league to protest against the 'unfair matches' in 1998 and 2000 in which controversial referees were favouring the other teams. In addition, league matches were seriously troubled by a series of local football hooligan events which drew the attention of the leaders of the State Council, GAOS and the Public Security Department (Wang, J. 2002: 337-344). In order to tackle the problems of 'fixed games' and 'black whistle' and to rebuild the clean image of Jia A, the State Council issued an official document, "The Notice for Promoting the Clean Image and Maintaining the Order during Football Matches", to tighten up the management of Jia A and Jia B leagues in 2000 (State Council, 2002: 159-60). Moreover, in 2001, the GAOS agreed that the CFA should temporarily terminate the system of "relegation and promotion" between 2001 and 2003 and rebuild its 'clean' image by renaming the Jia A League as the Chinese Football Association Super League (commonly known as Chinese Super League or CSL). According to Wang Junsheng, the director of CFMC, by temporarily terminating the system of "relegation and promotion", the CFA would, ideally, not only reduce the clubs' motivation to become involved in the issue of 'fixed games' and 'black whistle', but also pay more attention to designing and organising a CSL in which clubs would be required to pass a series of requirements set by the CFA. These included strong and stable financial income (at least 30 million yuan per year), at least three reserve teams (U15, U17, U19) owned by each club and at least 10 percent of the annual club income invested in reserve teams (Wang, J. 2002: 398-9).
Unfortunately, the policy of temporarily terminating the system of "relegation and promotion" led to a series of 'fixed games' involving five Jia B clubs. According to Chen Peide, the former director of the sport bureau in Zhe Jiang Province, this was because of the CFA’s misguided policy of "relegation and promotion", by which only the top two Jia B clubs could be promoted to Jia A without relegation from Jia A to Jia B in 2001 and this system was temporarily terminated in 2002. This policy put great pressure on Jia B league clubs because they had to wait until 2003 if they lost the chance to be promoted to Jia A in 2001. Under this heavy pressure, five Jia B clubs took a risk by becoming involved in fixed games and there was a notorious scandal known as "Jia B Five Clubs Issue". Yan Shiduo, who became the director of CFMC in 2000, states that he attempted to prevent the clubs from becoming involved in fixed games by having intensive meetings with the owners of clubs, by hiring foreign referees and even by warning some club owners, but it seemed to be in vain (Yan, S. 2002: 347-50). To deal with the "Jia B Five Clubs Issue", the Sport Minister, Yuan Weiming, asked Yan Shiduo to "punish the clubs involved in fixed games with the utmost severity" (Yan, S. 2006: 85). Under instructions from the GAOS, the CFA made a critical decision in late 2001 to punish the clubs involved in game fixing with a grave penalty by which all the five clubs were banned from transferring any domestic players for two years, four out of these five clubs were deprived of their right to be promoted to Jia A and one of the clubs was kicked out of the Jia B league (CFA, 2002g: 353-4).

The "One Protocol & Two Licences" policy was one approach the Chinese government adopted to attempt to force the Jia A and Jia B clubs to not only put more resources into their reserve teams instead of recruiting talent from other domestic clubs, but also to give up their leagues’ main commercial rights, including broadcasting, advertising and sponsorship. According to Wang Junsheng, the then CFA vice president, the failure to qualify for participating in the World Cup and Olympic Games between 1992 to 2000 and the low profile of domestic football leagues were strongly influenced by the professional clubs seeking quick success and instant benefits, and ignoring the CFA regulation that each league club had to set up its three reserve teams. Indeed, most professional clubs tackled the CFA requirement by temporarily borrowing a whole young football team from the other football schools or amateur clubs to participate in the required matches organized by the CFA (Wang,
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J. 2002: 320-1). In order to manage clubs’ uncooperative behaviour, the CFA set up the “One Protocol & Two Licences” policy in which any club that would like to stay in Jia A and Jia B must receive two licences, a “club qualification licence” and a “match participation licence”. They must also sign a contract (the “Protocol for Jia A and Jia B”) with the CFA. For the “club qualification licence”, the CFA set requirements for Jia A and Jia B clubs in which they had to prove their capability to be qualified in these two leagues. The main requirements were: to have 20-30 million yuan, to own at least 18 players, and to have at least three reserve teams, including U19, U17 and U15. After satisfying these requirements, a club could register to receive from the CFA the first licence to become a professional football club (CFA, 2002f: 19-21). In order to hold the power to distribute the commercial income of domestic football leagues, in early 2000 a CFA document, “The Temporary Commercial Regulation of National Football Matches”, highlighted that “The CFA not only owns the exclusive commercial rights, including broadcasting, advertising and sponsorship, but also has the right to distribute the commercial income” (CFA, 2002d: 235).

To prevent domestic professional football clubs from resisting this commercial regulation, all clubs had to register every year and sign a contract with the CFA (the “Protocol for Jia A and Jia B”). They also had to give a deposit of 1-2 million yuan to the CFA to make sure that each club accepted the CFA’s conditional offer. The key points in the “Protocol for Jia A and Jia B” were: to agree that the CFA could recruit any club player unconditionally; to comply with “The Temporary Commercial Regulation of National Football Matches”; and to accept the CFA arbitration and promise that clubs would not take their case to the courts (CFA, 2002e: 23-8). Only after signing the unconditional agreement of the “Protocol for Jia A and Jia B” with the CFA, could clubs receive the second licence, the “match participation licence” and be accepted as a member of the Jia A or the Jia B (CFA, 2002f: 19-21).

Finally, the Chinese government prevented the seven big clubs from organizing a new super league after carrying out a series of tough policies towards professional clubs. According to Zhang Lu, the vice president of the Beijing Guoan Football Club, “In the past, the CFA always made its own decisions and asked our clubs to follow its policy without listening to our voice, which made most clubs unhappy about CFA
He went on to say that "We supposed that after the Jia A League was renamed the Chinese Football Association Super League (CSL), the CFA would keep its promise to establish an independent commercial company, The China Football Association Super League Company (CSLC) and an independent commission, “The Commission of China Football Association Super League” (CCSL), which could be in charge of the CSL from 2004. Unfortunately, the CFA breached its promise to do so.”

In fact, according to the “One Protocol & Two Licences” policy and the official document, “The Regulation of Commercial Management for Jia A League and the CFA Cup” issued by the CFA in 2002, the CFA not only controlled most of the commercial rights but also arbitrarily recruited any club player they wanted into seven national squads without any compensation (see Figure 6.8).

Figure 6.8: The relationship between the Chinese government and football clubs in the Chinese Super League (CSL)

Disappointed by the CFA’s broken promise, some CSL clubs attempted to ‘gang up’ on the CFA. The opportune moment came in the controversial match between Beijing Guoan FC and Shenyang Ginde FC on 2nd October 2004. To protest against the unfair referee who favoured Shenyang Ginde FC, Beijing Guoan FC refused to carry on in the match. According to Yan Shiduo, the director of CFMC, on 10th October 2004, seven CSL clubs, including Beijing Guoan FC and Dalian Shide FC, asked the CFA to transfer its power over the CSL to the clubs so that they could organize a new
Super League, and to temporarily terminate the 2004 CSL season and publish the financial reports from 1994 to 2004. The CFA finally made a decision on 14th October 2004 that not only did Beijing Guoan FC lose the match to Shenyang Ginde FC 0:3, but also Beijing Guoan FC should be penalized with a fine of 300 thousand yuan and having its manager, Yang Zuwu, banned for six months (Peng, 2005: 551-2). This appeared to make Beijing Guoan FC even angrier about the dominating power of the CFA. At the request of the CSL clubs, the CFA convened a conference of all owners of CSL clubs on 26th October 2004. Although the seven CSL clubs attempted to take advantage of this conference by drawing up and proposing 11 documents in relation to establishing a new Super League to force the CFA to cede all its CSL power, their scheme to challenge the CFA authority appeared to fail because it was under the autocratic government of the Chinese Communist Party, according to a senior official in the CFA Comprehensive Department (Interview, 18th January 2006). During the conference of 12 CSL clubs, the then director of the Chinese Football Management Center, Yan Shiduo, fully supported by the GAOS and the leaders of provinces and municipalities, proclaimed that “the Chinese Super League is not run by a free market so it is impossible to let clubs decide the future of the CSL”. He went on to emphasize that “The authority of CFA is unchallengeable and the status of CFA is unalterable because it is empowered by law” (Yan, S. 2006: 264). After his emphatic speech, Mr. Yan heavily hit the table to show his anger and determination that it was out of the question to allow the clubs to organise another new Super League (Yan, S. 2006: 264). Without the support of GAOS and local political leaders, it would be impossible for clubs to set up any new football league, according to a senior official in the GAOS Personnel Department which is in charge of the examination of new national sport organizations (Interview, 10th January 2006).

After this conference, the following agreements made were: to establish a “reform group” contained within the CFA, to include clubs and representatives from society; to relegate any club involved in a match strike; and to publish the CSL financial report in November 2004 (Yan, S. 2006: 265). Although the CFA successfully prevented the big seven clubs from organizing a new super league, this issue alerted Yan Shiduo’s successor, Xie Yalong, who became the director of the CFMC in early 2005. According to Zhang Lu, the vice president of Beijing Guoan Football Club, the new director of CFMC, Xie Yalong, with the permission of the GAOS agreed to
allocate a higher quota of the CSL’s commercial income to each CSL club and was quite happy to see the CFA show a friendly attitude towards the clubs (Interview, 6th January 2006). The reason for the CFA and the GAOS agreeing to reduce the commercial interest of the CSL from 40-50 percent to 10 percent was because they wanted to dominate the decision-making of The China Football Association Super League Company (CSLC) which distributed commercial income to the clubs (Guo, L. 2005). Under huge pressure from GAOS, the CFA decided not only to shorten the 2007 timetable of the CSL but also to terminate the CFA Cup for two years, in order to squeeze in 150 training days for the 2008 Olympic squad (Zhang, X.M. 2006).

According to Zhang Lu, the vice president of the Beijing Guoan Football Club, “it is impossible for us to reject the decision if the CFA wants to shorten the timetable of the CSL to give more time for the Olympic squad to prepare for the Beijing Games”. But he went on to say that “we will do whatever we can to persuade the CFA to adopt another way to avoid drafting club players to be trained for a long period of time”.

Regarding the Chinese government’s point of view, Mr. Zhang’s hopes seem not to have been realised, at least, for the 2008 Beijing Games. The vice Sport Minister, Cui Dalin, during his interview with Time Commercial News, stated that “we will do whatever we can to give our Olympic squad more time to prepare for the 2008 Olympic Games” (Zhao, 2006). Mr. Cui’s words were echoed by Ma Chengquan, the director of the CFA Competition Department. He said that “the premier mission of the 2007 CSL season is to fully support 2008 Beijing games and the stabilising of the development of the CSL is secondary” (Wang, L. 2007). Moreover, according to GAOS’s new policy (Teng, 2007), one to two weeks’ military training with the People’s Liberation Army (PLA) has become a new form of training strategy to “discipline” and “inspire” these high-paid footballers to work harder like their PLA counterparts in order to fight wholeheartedly for the country in international matches, especially for the 2008 Olympic Games.

6.5 Conclusion

Following the open-door policy, business people (investors) clearly saw sport, especially football, as a business opportunity. There were probably two kinds of
business opportunity involved in Chinese elite football development. One was to see football and football clubs as sources of profit in themselves, by selling tickets and merchandise. More commonly, however, it was seen as part of a broader commercial strategy – a networking opportunity to connect with local political leaders, and a chance for non-sport businesses to put their name on the clubs. By so doing, these investors could not only receive special treatment, such as tax exemption and other financial incentives from the municipality, but could also take the opportunity to market their non-sport products. So it was not surprising to see a rapid expansion of interest in investing in football. With the full support of a group of Chinese leaders, such as Li Tieying, Wu Shaozu, the Sport Minister (1988-2000) and the director of CFMC, Wang Junsheng (1991-2000), the club approach, particularly the European model supported by private and state-owned enterprise and wider society was adopted in order to develop a strong national football team (Wu, S.Z. 2000c: 16), has been adopted since 1992. But the ambition of the Chinese government, which attempted to maintain the socialist way and take advantage of capitalist elements at the same time when reforming its elite football system, turned out to be problematic.

There are four identifiable issues which have arisen as a result of rapid commercialization. These not only set an agenda for the Chinese government, but also forced the Chinese government to respond to those issues. The issues were: corruption (match-fixing, black whistle); the emergence of stars in the transfer system (peculiar men); movement of players abroad, involving the import and export of players and coaches; and the priority of the national team.

Looking at the development of football from the government’s point of view, its concern was not so much with the development of professional football but the development of a strong national team. These agendas are in many ways quite different. For government, the constant problem was how to rapidly improve the quality of the national team. The government strategy was always a short-term approach in which they continuously searched for rapid improvement of Chinese football in order to break away from Asia and reach world class level. In the beginning, professional clubs were regarded as a means to rapid development, but in the late 1990s, they were seen as a barrier to it. The public policy agenda the government was faced with was partly set by the clubs, for example, the corruption,
the high payment to players and the transfer of players, but was also set by itself by looking for quick solutions. With regard to each of the four problems, (club corruption, the star system, player transfer and the national teams), the government has demonstrated its capacity to intervene in these issues very forcibly, although sometimes its intervention was short term as a result of failing to tackle the problem, particularly with regard to the national team. As for the professional teams, there were some elements of negotiation, but it seems not a great deal, due to tight control by the CFA and the GAOS.

With regard to the hard and soft indicators (see Chapter 4 and Appendix 2-6) for this case study, we have generated useful and valid evidence which is mapped out in this chapter. Using Houlihan's patterns of globalization (see Chapter 2 Patterns of Globalisation), we can summarize China's response to global football and answer our three research questions. Within this framework, the relationship between China and global football is located somewhere in between participative and conflictual, although it appears to be more conflictual than participative (see Table 6.21). Indeed, China has significantly controlled resources in a number of ways. It has gradually become more serious about obtaining a leadership position in the AFC and has desired more influence in FIFA (see 1h, 2h and 4s in Appendix 5), strengthened athlete selection, training and competition systems for the Olympics and World Cup (see 4h, 5h, 6h, 7h, 8h and 4s in Appendix 5), transformed the administrative structure and generated multiple incomes for the elite football system (see 4h, 4s and 5s in Appendix 5). It has also introduced the system of financial rewards to mobilize players and coaches to win domestic and international matches (see 3s and 5s in Appendix 5). All the resources mentioned above were to be used to "break out of Asia and enter World class level" in order to raise national pride, to increase national cohesion and to demonstrate the superiority of socialism.
Table 6.21: Summary of China’s response to the Global Football

<table>
<thead>
<tr>
<th>Meaning</th>
<th>Participative</th>
<th>Conflictual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sufficient control over resources to provide recipient cultures with leverage</td>
<td>A set of values that leads to attempts to reject the global culture</td>
<td></td>
</tr>
<tr>
<td>Actions of the Chinese government</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Taking more seriously the aim to obtain a leadership position in the AFC and desiring to have more influence in the FIFA</td>
<td>1. Intervening in footballers’ transfer affairs</td>
<td></td>
</tr>
<tr>
<td>2. Strengthening athlete selection, training and competition system for the Olympics and World Cup</td>
<td>2. Preventing 7 big clubs from organizing new super league</td>
<td></td>
</tr>
<tr>
<td>4. Introducing the system of financial rewards</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As a conflictual response, the Chinese government established a set of values, namely nationalism and patriotism (see 1s, 2s and 5s in Appendix 5) that led to an attempt to reject the global culture of commercialism (see 3s, 5s and 9h in Appendix 5). By the forceful actions of the Chinese government towards players, clubs, CSL and even the CFA, (such as interfering in footballers’ transfer affairs, preventing seven big clubs from organizing a new super league, controlling the CFA and manipulating the Chinese Super League (CSL)), the PRC only allowed commercial football activities to be developed on the government’s own terms. In other words, the government not only became the biggest agent of Chinese elite football commercial rights and interests, but also set its own agenda and values in an attempt to reject global culture that might endanger the government’s main goal – “Olympic and World Cup success”.

Although the government has demonstrated its capacity to intervene in the issues listed in Table 6.21, a number of tensions still exist in China’s elite football system are: first, that between the priorities of commercial clubs and the national team development; and second, that between the highly paid and internationally mobile sports ‘stars’ and the centrally controlled elite development system.
Regarding the tension between clubs’ commercial interest and the country’s priority of the Olympics and World Cup, there are many cases in which the government not only took most of the commercial rights from the domestic leagues and clubs but also drafted key players from the clubs to prepare for international games without any compensation. Although the plan for organizing a new super league finally died out due to Chinese government suppression, it could possibly reach another peak after the 2008 Beijing Games, according to a top manager of one of the CSL clubs (Interview, 6th January 2006). As for the tension between players and the government, only players who pass a fitness test, such as Coopers 12-min Run Test before 2003, and Yo-Yo Intermittent Recovery Test after 2003, set by the CFA can take part in the Super League and Division I championships. Several national footballers withdrew from national squads after failing the fitness test and challenged the authority of the Communist Government even though they had a second chance to pass this test.

With regard to the tension between commercial sponsors and the government, one of the big commercial sponsors, Infront Sports & Media, attempted to become more involved in the decision-making process concerning the football head coach selection for the 2008 Olympic squad, and to put commercial interest above national interest when arranging international friendly matches (Xu and Zhang, 2006). As for the tension between GAOS and the Chinese Football Association (CFA), officials in the CFA complained that GAOS had control over football and its development, personnel and financing, which not only made the CFA staff become lethargic but also increased the tension, especially in communication between different departments of the CFA and the GAOS (Interview, 18th January 2006). As a result of the ongoing tensions identified above, it is difficult for us to answer the question, “what is the long term direction of the relationship between Chinese sport and globalization?”, without completing the final case study (elite basketball) which will provide us with more evidence to continue investigating this issue in the final chapter.
Chapter Seven: The Case of Chinese Elite Basketball

7.1 Introduction

Basketball was invented in 1891 by Dr. James Naismith at the YMCA Training School (which later became Springfield College) in Springfield, Massachusetts, USA. Through its connection with YMCA missionaries and Church universities, basketball was introduced into China in 1895 and spread throughout the country (Yang and Jiang, 1997: 34). During the early 20th century, China was, in fact, one of the countries that helped to globalize basketball through the YMCA (Veseth, 2005). One of Dr. James Naismith’s students, Dr. C. Saler, was dispatched to China by the YMCA in 1912 and became Chinese basketball coach for 1st – 3rd Far East Games in the 1910s (Yang and Jiang, 1997: 34). Following the promotion of the YMCA and Church Universities, some Chinese students went to Springfield College to learn basketball and had a significant influence on the development of Chinese elite basketball in the early stages. Among these were Dong Shouyi, Song Junfu and Mou Zuoyun, who not only became national basketball coaches for Far East Games and Olympic Games between the 1930s and 1950s, but also took senior positions in the Chinese Basketball Association between the 1950s and 1980s. Unfortunately, the coming of World War II and civil war between the Kuomintang Party (KMT) led by Chiang Kai-Shek and the Chinese Communist Party headed by Mao Zedong meant that the development of elite basketball was slow. Although the Chinese basketball team participated in the 1936 Berlin and 1948 London Olympics with the support of China’s National Amateur Athletic Federation (CNAAF), the Chinese team not only lost most games, but lagged far behind their western counterparts. Generally speaking, before the mid-twentieth century the popularity, playing and administration of Chinese basketball were far from mature (CBA, 1991: 76-88).

After the founding of the PRC in 1949, Communist China began building its elite basketball system, mostly learning from the USSR. With the help of Soviet experts, the PRC gradually built up its own initial training and competition system. To speed up the development of elite basketball, the Chinese government sent its best basketball team, the Bayi army team (the name "Bayi" representing the anniversary of
the founding of the People's Liberation Army) to have a series of friendly matches with Eastern Bloc countries, such as Bulgaria, Hungary, Poland and Romania in 1954, in order to improve their skills. It also dispatched its two national teams (men's and women's) to the USSR to be trained by Soviet coaches (CBA, 1991: 104). The Soviet model, with its competition system, ranking system of referees and basketball players and training system, was imitated by the PRC, and the Chinese men's and women's basketball teams were both ranked first in the 'Games of the New Emerging Forces' (GANFEO I) in 1963 (CBA, 1991: 124 - 145). Unfortunately, China's ambition to make its mark in the world basketball arena was destroyed by the Cultural Revolution. The Vice Premier, He Long was accused of 'taking the bourgeois road' (Zhou ziben zhuy daolu) and died in jail in 1969, numerous sports administrators, elite players, coaches, and referees were purified and persecuted, and basketball facilities along with many other sports facilities were widely ruined and international sports contacts virtually ended (CBA, 1991: 153-4). However, due to diplomatic motives, China re-established the national team in 1973 (CBA, 1991: 156) and began reintroducing the modern basketball system after the end of the Cultural Revolution in 1977.

Following China's open door policy, the PRC was eager to project itself on the world basketball stage but there were two main policy challenges which lay ahead of the Chinese government. One was "how to raise the profile of Chinese basketball on the world stage", which involved not just producing a successful team, but also becoming prominent within FIBA and FIBA Asia (ABC). The other was "how to establish an effective domestic league to support and contribute to the national goal". These two questions will be discussed in more detail in the section on formal engagement with FIBA and the section on elite development. In addition, after Deng Xiaoping boldly advocated a market economy in China in early 1992, the Western market model, involving a club and transfer system, was widely adopted throughout the country. This also raises the question of how the Chinese government handled the issue of commercialisation in relation to the flow of players and the commercial interest of clubs and sponsors. This issue will be discussed further in the section on commercialisation.
7.2 Formal engagement with FIBA

The relationship between the PRC and FIBA seems to have gone through three quite distinct phases namely: withdrawal; manipulation; and currently, enthusiastic involvement. During the first phase, Communist China was accepted by FIBA in 1952, but withdrew in 1958, due to the “Two Chinas” issue. In the second phase, the PRC not only sent a team to participate in GANEFO in the early 1960s, but also attempted, during the 1970s, to exclude Taiwanese membership of FIBA and FIBA-Asia with the support of many Third World countries, and with the support of the Hong Kong Tycoon, Fok Ying Tung and the president of the Hong Kong Basketball Association, Carl Men Ky Ching (Zhang, C. 2000: 28). Taiwan was still important as a key foreign policy issue, but the PRC adopted a broader set of objectives which included raising the profile of the PRC in global sport and seeing international sporting success as valuable for reasons of national prestige and identity. In the final phase, the PRC has been enthusiastically involved in international basketball, especially focusing on success at the World Championships and the Olympic Games.

7.2.1 Engagement with the FIBA

In 1952 Communist China was accepted as a member by FIBA using the name of All-China Sports Federation (ACSF) (Zhonghu quanguo tiyu zonghui). In 1956 the Chinese government set up the Chinese Basketball Association (CBA) which claimed jurisdiction over all Chinese basketball activities and required FIBA to terminate Taiwan’s membership. Disappointed over representation issues, the PRC not only cancelled its membership of the IOC but also withdrew from nine other international sporting organizations, including that for basketball, in protest over the IOC’s ‘two Chinas’ policy in 1958 (Wang, H. 2000: 35). After withdrawing from FIBA, the PRC supported GANEFO to combat so called western imperialism and capitalism, which included FIBA. The PRC did not contact FIBA until the success of China’s ‘Ping Pong Diplomacy’ which contributed towards improving the Sino-US bilateral relationship and which, to some extent, helped the PRC acquire a seat on the UN Security Council in the early 1970s.
In order to rejoin FIBA, the Chinese government invited Sa Bo Er Te, who was then the FIBA Executive member and chairman of the International Affairs Commission, to visit China in 1974 and asked to renew its membership of FIBA with the condition of an acceptance of its "One China" policy. After his visit, the central board of FIBA initially decided to accept the CBA's affiliation, but the final decision had to be made by the FIBA World Congress in 1976. In order to successfully gain the FIBA seat, the then Secretary of FIBA, William Jones, was invited to visit Beijing in 1975. Impressed by the enthusiasm of the Chinese government to promote basketball, Mr. Jones not only endorsed the PRC's FIBA membership, but also supported Zhang Changlu, then CBA vice president and vice director of the Ball Game Department in the NSC, to become a FIBA Central Board member in 1976 (Zhang, C. 2000: 29).

After taking the FIBA seat, the Chinese government did whatever it could to prevent Taiwan from participating in FIBA events. In 1987, the Taiwanese government, with the help of the FIBA-Asia Secretary, Lin YiZe, asked FIBA to acknowledge the international "William Jones Basketball Championship", supported and organized by the Taiwanese government, as one of FIBA's annual events, but due to the influence of Chinese official, Zhang Changlu, this proposal was withdrawn (Zhang, C. 2000: 30). Because of the PRC's insistence on a 'one China' policy, Taiwan could not join FIBA competitions until acceptance of the so-called "Olympic model" in 1988, by which Taiwan was forced to adopt a different national anthem and flag. According to Zhang Changlu, he was unable to accept the FIBA decision to allow Taiwan become involved in any FIBA activities until the final decision was confirmed by Wei Jizhong, the then the Director of International Affairs in the NSC (Zhang, C. 2000: 30).

Although the PRC gradually increased its influence in FIBA and began taking an executive seat after 1986 (see Table 7.1), it still had to grasp the really 'key' and 'powerful' seats of the President or Secretary of FIBA. During his interview with The Journal of Sport History and Culture, Wei Jizhong, former Director of International Affairs in the NSC, the vice president of the Federation International de Volleyball (FIVA) and an executive member of the World Taekwondo Federation (WTF) stated that "Theoretically, the executive committee is the highest executive authority, but in fact, the executive committee is manipulated by the president, the general secretary and a few key figures. The function of the executive committee just echoes the
Chapter 7 - Chinese Elite Basketball

decision made by these few vital actors”. He went on to claim that “Although to take a seat on the executive committee is very important, a more important thing is to take over the decision-making power on some vital issues, such as the competition schedule, competition regulation and the dispatch of the referees” (Ding, 2003: 18). In addition, Mr. Wei also emphasized that “it is easier to be selected on to the executive committee if the power of the nation-state is strong enough in the world political regime and if its national team has a high profile in the world ranking” (Ding, 2003: 19).

Table 7.1: Chinese officials involved in FIBA’s Central Board and Executive Committee

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>FIBA position</th>
<th>Domestic position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1976-1993</td>
<td>Zhang Changlu</td>
<td>FIBA Central Board (1976-93) FIBA Executive Committee (1986-93)</td>
<td>CBA vice president and vice director of the Ball Game Department in NSC</td>
</tr>
<tr>
<td>1998-2005</td>
<td>Ms. Liu Yumin</td>
<td>FIBA Executive Committee</td>
<td>CBA vice president</td>
</tr>
<tr>
<td>2006-now</td>
<td>Mr. Yu Zaiqing</td>
<td>FIBA Executive Committee</td>
<td>Vice Sport Minister, the IOC executive member</td>
</tr>
</tbody>
</table>

On comparing Mr. Wei’s words with Table 7.2 and Table 7.3, it is clear that the ranking of the Chinese Men’s Basketball Team in the Olympic Games and the FIBA World Championship was not particularly impressive but that the PRC could still take a seat on the FIBA Executive Committee, which could be due to China’s rising global political and economic status. Indeed, the Chinese government understood that it only needed to increase the performance of its national basketball squads in order to guarantee that Chinese officials had a better chance to dominate the decision-making of FIBA. From Table 7.1, we can also see that Yu Zaiqing, the vice sport minister and the IOC executive member, was selected as a FIBA Executive Committee member, which to some extent, implied that China was taking its role within the sport more seriously. The increase in Chinese membership of FIBA needs to be seen in relation to the next section, which is concerned with FIBA-Asia. The PRC needed to have strong representation in this regional federation in order to increase its membership and have its own representatives in FIBA and to prevent Taiwan from raising any political issues in the international basketball arena.
### Table 7.2: Ranking of the Chinese Men’s Basketball Team in the Olympic Games (1936-2004)

<table>
<thead>
<tr>
<th>Year</th>
<th>Olympic Games</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>1936</td>
<td>11th</td>
<td>21</td>
</tr>
<tr>
<td>1948</td>
<td>14th</td>
<td>18</td>
</tr>
<tr>
<td>1984</td>
<td>23rd</td>
<td>10</td>
</tr>
<tr>
<td>1988</td>
<td>24th</td>
<td>11</td>
</tr>
<tr>
<td>1992</td>
<td>15th</td>
<td>12</td>
</tr>
<tr>
<td>1996</td>
<td>16th</td>
<td>8</td>
</tr>
<tr>
<td>2000</td>
<td>17th</td>
<td>10</td>
</tr>
<tr>
<td>2004</td>
<td>18th</td>
<td>8</td>
</tr>
</tbody>
</table>


### Table 7.3: Ranking of the Chinese Men’s Basketball Team in the FIBA World Championship (1936-2006)

<table>
<thead>
<tr>
<th>Year</th>
<th>World Championship</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>8th</td>
<td>11</td>
</tr>
<tr>
<td>1982</td>
<td>9th</td>
<td>12</td>
</tr>
<tr>
<td>1986</td>
<td>10th</td>
<td>9</td>
</tr>
<tr>
<td>1990</td>
<td>11th</td>
<td>14</td>
</tr>
<tr>
<td>1994</td>
<td>12th</td>
<td>8</td>
</tr>
<tr>
<td>2002</td>
<td>14th</td>
<td>12</td>
</tr>
<tr>
<td>2006</td>
<td>15th</td>
<td>11</td>
</tr>
</tbody>
</table>

Source: CBA (2004g).

### 7.2.2 Engagement with the Asian Basketball Confederation (ABC)

In order to participate in the FIBA Asia Championship for Men (formerly Asian Basketball Confederation Championship) in Bangkok, Thailand in 1975, the PRC started becoming involved in the ABC. According to the FIBA Regulations, only a FIBA member could be an ABC member and this was the requirement for participating in the Asian Basketball Confederation Championship, which is the Asian qualifying tournament for the FIBA World Championship and the Olympic basketball tournament. The problem was that the CBA was not formally accepted as a FIBA member in 1975 because the Chinese government’s condition of entry was that Taiwan must be expelled from FIBA and that the CBA must be confirmed as the sole sport organisation representing the whole of China. According to Mr. Zhang Changlu, the then CBA vice president and vice director of the Ball Game Department in the NSC, Hong Kong Tycoon, Fok Ying Tung and the president of the Hong Kong Basketball Association, Carl Men Ky Ching helped the PRC solve this problem. With the help of Mr. Fok and Mr. Ching (president of the executive committee in 1975 and
president of FIBA between 2002 and 2006), China cooperated with other Asian countries to undermine the position of Taiwan. During this Conference of the ABC, it not only accepted the PRC as an ABC member, but also successfully isolated Taiwan with the consequence that Taiwan was prevented from participating in this Conference of the ABC (Zhang, C. 2000: 30).

After becoming an ABC member, the PRC took an active role, especially on the executive board. The Chinese government nominated, in 1979, Mou Zuoyun, the then CBA president and the vice director of the Ball Game Department in NSC for election as an executive member of the ABC (Gao et al, 1989: 180). Four years later, Mr. Mou was selected as an ABC First Vice President. In Table 7.4, we can see that from 1979 onwards, the PRC played a key role in the ABC (also named FIBA-Asia). In addition, according to Zhang Changlu, who was a FIBA Central Board member (1976-93), a FIBA Executive Committee member (1986-93) and the FIBA-Asia vice president (1987-98), one of his missions in these two international organizations was to prevent the Taiwanese government using international basketball activities to achieve any Taiwanese political objectives in relation to the “Two Chinas” issue (Zhang, C. 2000: 30).

The Chinese government had been reasonably successful in increasing its influence within the ABC. However, it would be much more difficult to improve the standard of the national team. In order to understand the strategy for improving the national team, we need first to see how the Chinese government transformed the administrative structure of basketball in China, and then how the Chinese government took advantage of this administrative structure in order to reinforce its athlete selection, training and competition system with a view to the Olympic Games and FIBA World Championships.
Table 7.4: Chinese Officials Involved in FIBA-Asia Central Board

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>FIBA-Asia position</th>
<th>Domestic position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979-1987</td>
<td>Mou Zuoyun</td>
<td>First Vice-President</td>
<td>CBA president, deputy director of the Ball Game Department in NSC</td>
</tr>
<tr>
<td>1987-1998</td>
<td>Zhang Changlu</td>
<td>Board member and Vice-President</td>
<td>CBA Vice-President and deputy director of the Ball Game Department in NSC</td>
</tr>
<tr>
<td>1998-2006</td>
<td>Xin Lancheng</td>
<td>First Vice-President</td>
<td>Director of the Chinese Basketball Management Centre (1997-2002)</td>
</tr>
<tr>
<td>1998-2006</td>
<td>Ms. Liu Yumin</td>
<td>Board member</td>
<td>CBA Vice-President</td>
</tr>
<tr>
<td>2006-2010</td>
<td>Mr. Li Yuanwei</td>
<td>Hon. Chairman and also a member in FIBA-Asia Executive Committee and FIBA-Asia Central Board</td>
<td>Deputy Director of the Chinese Basketball Management Centre (1997-2000) Director of the Chinese Basketball Management Centre (2003-present)</td>
</tr>
</tbody>
</table>

7.3 Elite development

7.3.1 Transforming administrative structures and strengthening the athlete selection, training and competition system

The administrative structure

In order to achieve the goal set by the Chinese government of qualifying among the Top eight basketball teams in the World Championship and in the Olympic Games as set out in the document “The Four Years Training Project for Basketball, Football and Volleyball”, produced after the All States Sports Ministers’ Conference in 1972 (CBA, 1991: 155), the NSC gradually restored the basketball administrative structure to what it had been before the Cultural Revolution. The whole basketball system became embedded in the NSC’s administrative structure (see Figure 7.1) and the most important departments for promoting Chinese basketball were the Ball Games Department (for training and competition affairs), the National Training Bureau (for national basketball squads), the Sport for All Department (for grassroots basketball) and the External Affairs Department (for international basketball affairs) (Zhao, 2005: 37).
Although this administrative structure had previously helped the PRC dominate in Asian basketball matches and achieve its goal to be among the Top eight basketball teams in the World Championship and in the Olympic Games in the mid-1990s, it could not, according to the former director of Chinese Basketball Management Centre (1997-2002), Xin Lancheng (1998: 4), cover up the fact that this structure had difficulty in dealing with an increasingly commercialized and professionalized sport. After Team China (Men and Women) and young national squads were defeated by other Asian countries, such as Japan and South Korea in a series of international basketball competitions in 1997, the PRC failed to qualify for the FIBA World Championship for the first time since 1978 (Xu, J. 1998). During a conference on basketball reform, Zhang Changlu, former vice director of the Ball Game Department in NSC, claimed that “There are only three members of staff in the Basketball Division in the NSC. It is difficult enough for them to deal with the multi-national companies, such as IMG and Hong Kong Jing-Ying Company, without having to supervise provincial governments to produce elite basketball players” (Basketball Magazine, 1997: 5). Indeed, following in the footsteps of football, Chinese elite basketball introduced a club system in 1995 which was sponsored primarily by IMG for Jia A League and by the Hong Kong Jing-Ying Company for the B League (Xue, 1997). In order to deal with an increasingly complicated and commercial elite basketball structure, the Chinese Basketball Management Centre (CBMC) was
established in 1997, with 27 staff in charge of administrative work and 36 others (including 4 coaches, 4 managers and 28 members of national squads) (GAOS, 2000d: 119).

According to Xin Lancheng, the director of the CBMC (1997-2002), his main mission was to focus on the training and monitoring of national teams and young national squads and to manage the Jia A Basketball League (Xin, 1998b: 5). Under the leadership of Mr Xin, the CBMC emphasized the development of elite basketball and paid less attention to the commercial benefits available to clubs, which led seven clubs to attempt to organize a new league in 1998 to challenge the authority of the CBMC (Xin, 1999a: 24). Although the plan for organizing a new basketball league was suppressed by the government, it had an impact on Mr Xin’s successor, Li Yuanwei, who became director of the CBMC in 2003 and took a more westernized approach to reforming the administrative structure of the CBMC, although the final decision would lie with the GAOS. From Figure 7.2, it is clear that China adopted a western approach, especially that of the NBA, to establish this new structure.
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Figure 7.2: Chinese Basketball Administrative Structure in 2006

GAOS (COC, ACSF)

7 Non-Olympic Sport Management Centers (10 National Sport Associations)

16 Olympic Sport Management Centers (285 + 3W National Sport Associations)

Chinese Basketball Association/Chinese Basketball Management Centre

National Squads Donors

Marketing Department

Competition Department

Technical Department

Social Development Department

Comprehensive Department

Provincial Sport Bureaus

National Squads

Sport Management Company (Infront Sports & Media)

China Basketball Industry Development Corp

CBA's managing office

Provincial City Basketball Associations

Chinese Professional League

Sports Management Company

Professional Clubs

Amateur Clubs

Note: Progression routes for athletes: → ; Partnership between Sport Management Company and Chinese Professional League and National Squads: . . .

The three key transformations from the original structure described in Figure 7.1 are: i) setting up a highly institutionalized and rationalized Chinese basketball system; ii) introducing a club system; and iii) establishing basketball companies as commercial agents. Regarding the first point, the GAOS not only established more specialized departments, such as a Marketing Department, Technical Department, National Squad Department, Competition Department and Comprehensive Department, but also recruited more staff with specialist backgrounds, such as sport science, finance, law and management, into the CBMC to run this system more effectively. As for the second point, China introduced a club system to replace the Soviet system and to create a more competitive and material-oriented mechanism. As regards the final point, in order to survive without government financial support the Chinese
Basketball Company was established, and a multi-national sport management company (Infront Sports & Media) was introduced. The Chinese Basketball Management Centre (CBMC) was created in 1997 but the leadership and the general function was exactly the same as the CBA. The title of the CBA was used to connect with international organizations and the CBMC was used to interact with the domestic political system (Bai, 2003: 50).

The selection system

In order to speed up elite basketball development, in 1973 the NSC announced a four-year basketball project (1973-1976) which requested provincial governments to set up provincial basketball teams to be a talent pool for national squads (CBA, 1991: 155). From Table 7.5 we can see that the number of provincial players doubled from 1,373 in 1975 to 2,549 in 1979. But the dramatic increase in provincial basketball players, as in football and volleyball, was disadvantaged by the government concern to maximize its Olympic medals. At the heart of the problem was that in order to win as many Olympic medals as it could as quickly as possible, the Chinese government had to reallocate its limited resources from team sports to individual sports. In 1980 the State Council ratified the NSC’s proposal (NSC, 1993c: 227-228) to pay more attention to developing individual sports which had a higher medal quota in the Olympic Games. It stated that “There are 203 gold medals in the Olympic Games and almost half of them come from 4 sports: Track and Field, Gymnastics, Swimming and Weightlifting. But there are less than 25 percent of Chinese elite athletes who are trained for these 4 sports. Compared to the team sports, there are only 4 Olympic gold medals in basketball, volleyball and football, but more than 35 percent of Chinese elite athletes are trained to achieve them. It is urgent for us to change this situation.”
### Table 7.5: Basketball players in the Chinese sport system 1957-2005

<table>
<thead>
<tr>
<th>Year</th>
<th>Level 1 Provincial Squads</th>
<th>Level 2 Sport Colleges</th>
<th>Level 3 Spare-time Sport School</th>
<th>Level 4 Traditional Schools</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1957</td>
<td>593</td>
<td></td>
<td>0</td>
<td>0</td>
<td>593</td>
</tr>
<tr>
<td>1962</td>
<td>2147</td>
<td></td>
<td>0</td>
<td>0</td>
<td>2147</td>
</tr>
<tr>
<td>1965</td>
<td>1860</td>
<td></td>
<td>0</td>
<td>0</td>
<td>1860</td>
</tr>
<tr>
<td>1970</td>
<td>1073</td>
<td></td>
<td>0</td>
<td>0</td>
<td>1073</td>
</tr>
<tr>
<td>1975</td>
<td>1373</td>
<td></td>
<td>0</td>
<td>0</td>
<td>1373</td>
</tr>
<tr>
<td>1979</td>
<td>2549</td>
<td></td>
<td>61289</td>
<td>0</td>
<td>86288</td>
</tr>
<tr>
<td>1980</td>
<td>1323 678</td>
<td></td>
<td>5029</td>
<td></td>
<td>1878</td>
</tr>
<tr>
<td>1985</td>
<td>1927 1194</td>
<td></td>
<td>42549</td>
<td>280907</td>
<td>326577</td>
</tr>
<tr>
<td>1990</td>
<td>1250 2103</td>
<td></td>
<td>38520</td>
<td>505846</td>
<td>547719</td>
</tr>
<tr>
<td>1995</td>
<td>553 2398</td>
<td></td>
<td>29653</td>
<td>473541</td>
<td>506145</td>
</tr>
<tr>
<td>2000</td>
<td>526 3703</td>
<td></td>
<td>32657</td>
<td>649138</td>
<td>686024</td>
</tr>
<tr>
<td>2005</td>
<td>696 7943</td>
<td></td>
<td>34321</td>
<td></td>
<td>507774</td>
</tr>
</tbody>
</table>

*There was no record during the period of the Cultural Revolution (1966-1976)*

Source: NSC (Planning and Finance Department), Statistical Yearbook of Sport (Internal information), 1994-2006.

The policy of earning more Olympic medals had a significant influence on the selection system of Chinese basketball. The number of provincial basketball players declined from 2549 in 1979 to 1323 in 1980. In order to encourage the provincial governments into moving resources from team sports to individual sports another NSC proposal, ratified by the State Council in 1986, stated that “From now on, provincial teams have to focus on individual sports (such as track & field and swimming) and responsibility for team sports (such as basketball, volleyball and football) should be gradually transferred to cities, Trade Unions and Universities. By so doing, the performance of provincial teams in individual sports can be improved further” (NSC, 1993c: 104). Influenced by the Olympic strategy of the NSC in the 1980s, many provincial governments dismantled their basketball teams (Guo, 2000: 298), which led to a threefold decline in the number of players from 1927 in 1985 to 598 in 1993. The dramatic diminution in the number of provincial basketball players caused a crisis in Chinese elite basketball. In order to solve this problem, in 1995 the Chinese government began to introduce a club system (following in the steps of Chinese football). Unfortunately, the club system itself could not solve this problem because the owners of clubs wanted to buy potential players rather than produce elite players themselves. After being seriously defeated in a series of international
basketball matches in 1997, the Chinese government began to refine its selection system.

In 1980 the State Council ratified the NSC's proposal (NSC, 1993c: 227-228) for dividing the Chinese sport selection system into three levels. Following the National Conference of Basketball in 1981, the Chinese basketball selection system was gradually established (see Figure 7.3).

**Figure 7.3: China's Basketball Selection System in the 1980s**

In order to support this selection system, 12 “significant cities and areas for basketball in China” (SCAAFB) were selected and established in 1981 namely: Beijing, Tianjin, Shanghai, Shandong, Guangdong, Hubei, Liaoning, Jilin, Heilongjiang, Jiangsu, Sichuan and People’s Liberation Army (PLA) (Gao et al, 1989: 104). The conclusion of the National Conference of Basketball in 1981 highlighted that “in order to raise the profile of Chinese basketball in international competitions, we must not only set up National Team 1 and National Team 2 (U19), but also establish Youth National Squads (U16) to be trained in training camps over a certain period of time” (CBA, 1991: 217). To strengthen the selection system, the NSC required the 12 SCAAFB to
build up second teams and to maintain or increase Spare-time Sport Schools for basketball, Schools with Basketball Tradition and School Basketball Teams. It also signed, in 1985, a three-year-contract with the 12 SCAABFB in which each SCAABFB must produce at least one player for both the national basketball team and the Youth National Squad (U19) (CBA, 1991: 224).

Unfortunately, according to the director of the Competition Department in GAOS, Wu Shouzhang (2001: 46), additional changes were needed to overcome the impact of the Olympic strategy of the mid-1980s which prioritised individual Olympic sports. Consequently, the Chinese government focused on potential individual Olympic medal sports, such as table tennis, diving, gymnastics, swimming and track and field, and team sports like basketball were seriously diminished. In order to solve this problem, the Chinese government gradually refined its selection system (see Figure 7.4).

Figure 7.4: China’s Basketball Selection System in 2007

Olympic Squad

National Team

Young National Teams (U15, U17, U19)

Professional Clubs (Division A & B league)

(Potential Level) (Professional club reserve teams, Sport college teams, Basketball school teams)

(Grassroots Level) (General Spare Time Sport Schools, Schools with basketball tradition & School)

The new strategies adopted in the selection system were: initiating the project of small basketball backboards, establishing basketball schools, selecting cities of basketball,
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asking professional clubs to set up reserve teams, setting up two national teams and attempting to extend the talent pool to the basketball teams in the education system.

In 1999, GAOS initiated the “Project of Small Basketball Backboards” which was aimed to “increase the basketball participation and produce potential young basketball players through the creation of more opportunities for informal play” (GAOS, 2000e: 75). With this project, the GAOS would, by 2009, install 80,000 small basketball backboards in 100 cities to attract about 10 million young people to play basketball regularly (GAOS, 2000e: 76-9). With regard to selecting the ‘basketball cities’, GAOS set criteria to select some richer cities to produce basketball players. Three key criteria were: maintaining two basketball teams (Men’s and Women’s), having at least 160 basketball players in sport schools (including basketball clubs and training centres) and producing five elite players for provincial level (GAOS, 2000e: 108-9). To date, there are 15 “National Basketball Cities” selected by the GAOS (Sun, 2004).

Regarding the establishment of basketball schools, in the 1990s the GAOS encouraged local government to set up basketball schools to supplement the role of sport colleges. According to a senior official in the CBMC Comprehensive Department, although most basketball schools were supported by provincial and city governments, most of them did not run very efficiently. In order to improve the quality of basketball schools and motivate provincial and city governments to invest more money into their basketball schools, the GAOS began selecting a few basketball schools for their good practice and increased their level of subsidy in 1999. So far, six schools have been awarded the title of “CBA basketball schools” by the evaluation system, which facilitated the development of basketball schools and raised the quality of training for talented players (Interview: senior official in the CBA Comprehensive Department, 5th January 2006). A similar evaluation and competition mechanism was adopted to revitalize the sport colleges. There are 24 sport colleges which have been awarded the title of “National Key Training Units of Basketball” and into which CBMC invested more resources to improve their quality of training (Zhao, 2005: 37).

Benefiting from the policies of “CBA basketball schools” and “National Key Training Units of Basketball”, the number of basketball players in Sport Colleges (including basketball schools) increased from 3058 in 1998 to 7943 in 2005. Although the
quantity of potential basketball players in Sport Colleges is increasing, in terms of the quality of training and resources, professional clubs out-perform Sport Colleges. In order to take advantage of the rich resources of professional clubs the CBA set a requirement in 2005 for each professional club to establish its own U19 team. Unless they fulfilled the conditions, they could not qualify for participating in professional basketball competitions in 2005. According to a top manager of one of the CBA clubs (Interview, 7th January 2006), “under the requirement of the CBA, each CBA club must set up its own reserve team with a guaranteed investment of at least 0.6 million yuan per year”. He went on to say that “we spend about 1.2 million yuan every year on our U19s team and the investment is getting higher and higher”.

As for youth national squads and national teams, there are five national young squads, made up of three men’s teams (U15, U17 and U19) and two women’s teams (U16, U18), and three national squads, consisting of one women’s team and two national teams in the Chinese basketball selection system. In order to prepare for the 2008 Olympic Games, the Chinese government selected 38 of the best male players from professional clubs to create two national teams (National Team and Olympic Squad) (Ren, 2007) and introduced a competitive mechanism and evaluation system into these two teams in 2007. After several public matches between the National Team (NT) and Olympic Squad (OS), the best players in the NT, such as Ding Jinhui, Liu Xiaoyu and Wang Lei, were promoted to OS, while the weakest players, such as Zhang Qingpeng, Li Xiaoxu and Huo Nan in the OS were relegated to the NT, U19 or even to their own clubs (Zhang, J.Q. 2007). According to the vice director of CMBC, Hu Jiashi, “The impressive progress of our young players allowed us to consider introducing a competitive mechanism into our national teams”. There was no guarantee that players in the OS could participate in the 2008 Beijing Games unless they could demonstrate that they could maintain their skill and ability all the time”. He went on to say that “we have not only to set up the mechanism to motivate young players, but also to give senior players a sense of crisis. That means we will not exclude the possibility that the positions of key players in the OS will be taken over by the young players in the 2008 Olympic Games” (Shan, 2007).

In addition, the Chinese government attempted to model the NCAA in creating a talent pool from its education system, especially at university and high school level.
Unfortunately, according to a senior official in CBMC Comprehensive Department (Interview, 5th January 2006), due to lack of good coaches and the unique entrance exam system in which students were requested to invest more time in academic learning than playing basketball, there appeared to be a long way to go to include university players in this selection system. But one thing worth noting is that the idea of learning from the experience of the NCAA had its influence on the Chinese basketball selection system. According to a top manager of one of the CBA clubs (Interview, 7th January 2006), the education system was creating its own selection system which had led an increasing number of students in primary and secondary schools to prefer staying in their own school teams rather than joining the Spare Time Sport Schools, due to the better chance for these students to enter university to study. Thus, it raised the tension between the education system and the sport system in competing for young players: a tension which will be discussed in a later section.

In short, the Chinese basketball selection system was rebuilt and refined from the Soviet model in the 1980s but, affected by the Olympic strategy after 1986, the provincial teams were seriously reduced, which cast a shadow over the development of Chinese elite basketball. In order to solve this problem, elements of the capitalist approach, such as the club system, competitive mechanism and evaluation system were introduced to revitalize and refine this aged Soviet model. In addition, professional clubs gradually replaced the role of provincial teams in producing elite players to be selected for national squads. Unlike players in the NCAA, who are a talent pool for the NBA, the quality of Chinese players in the education system was too immature to be a talent pool for Chinese professional clubs, due to poor quality of coaching and high academic pressure.

The competitive system

The Chinese government gradually rebuilt and refined its original competition system which had been established after the Cultural Revolution, namely, league matches with a promotion and relegation system in Division 1, 2 and 3 (CBA, 1991: 155). Affected by the Olympic strategy, the promotion and relegation system was replaced by the system of regional and final matches. In 1983, one document issued by the State Council stated that “we have to reform the promotion and relegation system...
within league matches in basketball, volleyball and football. This year the basketball league matches will be first to trial cancelling the promotion and relegation system between Division 1 and Division 2, and instead having regional matches first, then carrying on to final matches later” (NSC, 1993f: 240). In order to strengthen the Olympic strategy which was focused on the individual Olympic sports, the Chinese government reformed the basketball competition system and transferred its attention from provincial level to City, Trade Unions, PLA and University level.

In 1987, the then Sport Minister, Li Menghua, argued that “we have to carry on the trial policy in order to select the champion teams from each provincial basketball championship to represent their own provinces in the National Basketball Championship”. He went on to argue that “all kinds of competitions have to open their doors to the squads of City, Trade Unions, PLA and University”. He also emphasized that “the purpose of doing so is to gradually transform the present competition structure which is based on the provincial squads” (NSC, 1993g: 118). Strongly influenced by the NSC’s Olympic Strategy, the number of provincial basketball players shrank from the early 1980s to the mid-1990s (see Table 7.6) and the performance of champion provincial basketball teams in the National Young League and CBA League was gradually surpassed by the PLA. From Table 7.6 and Table 7.7 we can see that the PLA dominated these two leagues from the late 1980s to the mid-1990s. The same situation also occurred in the two counterpart women’s leagues.
Table 7.6: The Top 6 in the Men’s National Young League Competition from 1973 to 2007

<table>
<thead>
<tr>
<th>Year</th>
<th>Teams participating</th>
<th>PLA teams in the Top 6</th>
<th>Name of PLA teams</th>
</tr>
</thead>
<tbody>
<tr>
<td>1973</td>
<td>2</td>
<td>Lanzhou Force (4), Guangzhou Force (5)</td>
<td></td>
</tr>
<tr>
<td>1974</td>
<td>2</td>
<td>Lanzhou Force (4), Guangzhou Force (3)</td>
<td></td>
</tr>
<tr>
<td>1978</td>
<td>2</td>
<td>Nanjing Force (2), Shenyang Force (4)</td>
<td></td>
</tr>
<tr>
<td>1979</td>
<td>3</td>
<td>Air Force (3), Shenyang Force (5), Beijing Force (6)</td>
<td></td>
</tr>
<tr>
<td>1980</td>
<td>1</td>
<td>Shenyang Force (4)</td>
<td></td>
</tr>
<tr>
<td>1981</td>
<td>1</td>
<td>Bayi Force (3)</td>
<td></td>
</tr>
<tr>
<td>1982</td>
<td>1</td>
<td>Bayi Force (1)</td>
<td></td>
</tr>
<tr>
<td>1983</td>
<td>1</td>
<td>Bayi Force (1)</td>
<td></td>
</tr>
<tr>
<td>1984</td>
<td>2</td>
<td>Bayi Force (3), Jinan Force (4)</td>
<td></td>
</tr>
<tr>
<td>1986</td>
<td>1</td>
<td>Bayi Force (1)</td>
<td></td>
</tr>
<tr>
<td>1987</td>
<td>2</td>
<td>Jinan Force (1), Guangzhou Force (3)</td>
<td></td>
</tr>
<tr>
<td>1988</td>
<td>2</td>
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<td>1992</td>
<td>18</td>
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<tr>
<td>1993</td>
<td>14</td>
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<td>1994</td>
<td>14</td>
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<tr>
<td>1996</td>
<td>16</td>
<td>Bayi Force (1), Air Force (5), Jinan Force (6)</td>
<td></td>
</tr>
<tr>
<td>1998</td>
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<td>Nanjing Force (2) (Only top 3 listed)</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>16</td>
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</tr>
<tr>
<td>2000</td>
<td>16</td>
<td>Bayi Force (4)</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>16</td>
<td>Bayi Force (3)</td>
<td></td>
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<tr>
<td>2002</td>
<td>17</td>
<td>Bayi Force (1), Jinan Force (6)</td>
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<td>2004</td>
<td>20</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>21</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>24</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>24</td>
<td>Bayi Fubang (4)</td>
<td></td>
</tr>
</tbody>
</table>

Source: Gao, et al. (1989); NSC (GAOS), The Yearbook of Sport and Physical Education of PRC (1949-2005); and CBA, (2007), http://www.cba.gov.cn/
Table 7.7: The Top 6 in the Men’s CBA League Competition from 1954 to 2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Teams participated</th>
<th>PLA teams in the Top 6</th>
<th>Name of PLA teams</th>
</tr>
</thead>
<tbody>
<tr>
<td>1954</td>
<td>6</td>
<td>0</td>
<td>Shenyang Force (1), Guangzhou Force (5)</td>
</tr>
<tr>
<td>1955</td>
<td>14</td>
<td>2</td>
<td>Bayi Force (3), Shenyang Force (4)</td>
</tr>
<tr>
<td>1956</td>
<td>12</td>
<td>3</td>
<td>Bayi Force (red) (1), Bayi Force (yellow) (4), Shenyang Force (5)</td>
</tr>
<tr>
<td>1957</td>
<td>12</td>
<td>3</td>
<td>Bayi Force (1), Shenyang Force (4), Nanjing Force (6)</td>
</tr>
<tr>
<td>1958</td>
<td>12</td>
<td>1</td>
<td>Bayi Force (1)</td>
</tr>
<tr>
<td>1960</td>
<td>12</td>
<td>1</td>
<td>Bayi Force (1)</td>
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<tr>
<td>1961</td>
<td>11</td>
<td>1</td>
<td>Bayi Force (1)</td>
</tr>
<tr>
<td>1962</td>
<td>11</td>
<td>2</td>
<td>Bayi Force (1), Beijing Force (6)</td>
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<td>1963</td>
<td>9</td>
<td>2</td>
<td>Bayi Force (1), Air Force (3)</td>
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<td>15</td>
<td>2</td>
<td>Bayi Force (1), Air Force (3)</td>
</tr>
<tr>
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<td>12</td>
<td>3</td>
<td>Guangzhou Force (1), Jinan Force (3), Shenyang Force (5)</td>
</tr>
<tr>
<td>1974</td>
<td>14</td>
<td>3</td>
<td>Bayi Force (1), Shenyang Force (4), Guangzhou Force (6)</td>
</tr>
<tr>
<td>1977</td>
<td>11</td>
<td>4</td>
<td>Wuhan Force (1), Jinan Force (2), Shenyang Force (3), Beijing Force (4)</td>
</tr>
<tr>
<td>1978</td>
<td>9</td>
<td>2</td>
<td>Wuhan Force (1), Shenyang Force (2)</td>
</tr>
<tr>
<td>1980</td>
<td>14</td>
<td>2</td>
<td>Beijing Force (5), Shenyang Force (6)</td>
</tr>
<tr>
<td>1981</td>
<td>15</td>
<td>2</td>
<td>Bayi Force (1), Beijing Force (4)</td>
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<tr>
<td>1982</td>
<td>15</td>
<td>3</td>
<td>Bayi Force (1), Nanjing Force (2), Jinan Force (3)</td>
</tr>
<tr>
<td>1984</td>
<td>24</td>
<td>3</td>
<td>Bayi Force (1), Jinan Force (3), Nanjing Force (5)</td>
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<td>16</td>
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<td>Bayi Force (1), Jinan Force (4), Beijing Force (5)</td>
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<td>2006</td>
<td>16</td>
<td>1</td>
<td>Bayi Rockets (1)</td>
</tr>
</tbody>
</table>

Source: Gao, et al. (1989); NSC (GAOS), The Yearbook of Sport and Physical Education of PRC (1949-2005); and CBA, (2007), http://www.cba.gov.cn/

From 1975 onward, the Chinese domestic basketball competitions were driven by the PLA Games and the National Games, which led the PLA and provincial teams to hone their skills in the other national basketball competitions (Gao et al., 1989: 100). Influenced by the Olympic Strategy, the role of the PLA in the development of Chinese elite basketball became more marked in the early 1990s. In 1992 the main designer of the Olympic Strategy, Wu Shouzhang, the director of the Competition Department in GAOS, stated that “the development of team sports should not be
limited to the provinces and PLA and we should request Trade Unions and Universities to establish more teams and should look for new initiatives from cities in the provinces” (Wu, S. 2001: 15). In 1994 Mr. Wu surprisingly raised the critical issue of Chinese team sport, including basketball. He claimed that “for the very popular sport of basketball, the number of provincial players has decreased from 1920 in 1985 to 970 in 1993” and “we will make a tremendous mistake if we do not take action to prevent the number of players and teams from declining” (Wu, S. 2001: 47).

In order to motivate provincial governments to maintain or increase their investment in team sports such as basketball, the NSC, in 1997, not only introduced a “double score system” in the National Games in which one medal in team sport was equal to two medals in individual sport, but also increased the number of teams from 8 to 12 who would be awarded points which would be used to calculate which province was the winner of the National Games (GAOS, 2000f: 149-51).

Before 1995 the Chinese basketball competition system was quite similar to its football counterpart and the domestic basketball competitions were divided into three levels (see Figure 7.5). The main difference between the competition system of basketball and football in the 1980s was that the former introduced the system of “regional and final matches”, which is similar to the NBA approach, and the latter maintained the “promotion and relegation” system which was borrowed from the Eastern Bloc before the Cultural Revolution. In 1987 the Sport Minister, Li Menghua highlighted that “the reform of basketball competition system is a new experiment and we have to carry on this reform persistently to set a model for the other team sports” (NSC, 1993g: 118).
From Figure 7.5, we can see that Level C consisted of the National Early Youth Cup (Spare-time sport schools) and the National Sport College Cup. This level, and particularly the 12 “significant cities and areas for basketball in China” (SCAAFB) was supported by the provincial government. In Level B, there were the National Young League, National City Games and National Young Cup. Level A was composed of the CBA League (Division 1A), CBA Cup and the National Games. In order to raise the chances of qualifying for the World Cup and Olympics, the national teams whose players were recruited from provincial and PLA teams were isolated in training camps and trained all year round. Although the initial reform of the basketball competition system did help Chinese teams make a breakthrough in the international championships, the Chinese government still had to face the side effects following the initial reform. In 1994, a CBA document claimed that “although the Women’s team won the 2nd place in the 1992 Olympic Games and the Men’s team dominated the Asia Games and Asia Championship, generally speaking, the performance of provincial and city teams is declining, the number of strong teams is shrinking, and it is becoming difficult for the national teams to find and recruit new elite players” (CBA, 1994: 4). It also underlined that “under the Olympic strategy, it is impossible
to ask the government to invest more resources in basketball. ... We have to attract more resources from society to vitalize this system” (CBA, 1994: 4). In 1995, the Sport Minister, Wu Shaozu, emphasized that “the reform of Chinese football has achieved its initial goal of raising the profile of Chinese elite football. Now sports, including basketball, are following in the steps of football” (GAOS, 1999b: 123).

In order to gain experience of the assumed “successful” model the club system, with its promotion and relegation mechanism and “home and away” matches, was introduced in 1995 (Sina.com, 2005). In 1997, the director of the Ball Game Department in NSC, Zhong Tianfa reported that “the new club system had increased the enthusiasm of basketball players and coaches for participating in competitions, and this began to set fire to China’s basketball market and positively promoted the development of Chinese elite basketball”. He went on to say that “we will carry on attracting foreign investment and introducing foreign players to create a good environment for Chinese basketball to become more professional. ...Under the leadership of the NSC and in cooperation with the leaders of provincial sport bureaus, we will exploit the Chinese basketball market to the full” (Zhong, 1997: 1). Driven by commercialism, competition in Jia A (Division 1A) League was fully sponsored by the IMG in 1995 and a special league championship named CNBA in Division B was organized by the Chinese government and supported by the Hong Kong Jing-Ying Company in 1996 (Xue, 1997). As it happened, not only were the rules of CNBA copied from NBA, but 32 American players and eight American coaches were also introduced to eight teams of CNBA by the Jing-Ying Company (Liu, H. 2002: 414). According to the then director of the Ball Game Department in the NSC, Zhong Tianfa, “the CNBA is an experiment in Division 2. It does not matter if the CNBA is not successful. Once it does become successful we will have a model for the reform of Chinese basketball” (Xue, 1997). Although the CNBA was very successful, it died out in the same year, due to the financial crisis of the Jing-Ying Company.

As a result of paying more attention to developing the domestic basketball market, further reform of the competition system did not occur until the loss of a series of international matches and the failure to qualify for the FIBA World Championship in 1997 (Liu, H. 2002: 414). The director of the Chinese Basketball Management Centre (CBMC), Xin Lancheng, claimed that “the frustration of our Men’s, Women’s and
Youth national teams in international basketball matches is the real reflection of Chinese basketball" (1998: 5). In order to strengthen its basketball competition system, the Chinese government organized a National Basketball Conference in 1999 (Zhu, 2005: 49) and emphasized that "the reform of the Competition system should carry on" (Xin, 2000b: 20). The director of CBMC confirmed that "we should strengthen the structure of talent identification in our sport system and set up a systematic training system for those in CBA Basketball Schools, Sport Colleges, National Key Training Units of Basketball, Spare-time Sport Schools and Schools with Basketball Tradition" (Xin, 2000b: 21). Mr. Xin also emphasized that "we should cooperate with the education system to establish a new talent identification system in Universities, Senior & Junior High Schools, and Primary Schools". After this conference, the Chinese basketball competition system gradually grew in strength by integrating the resources from both the sport and education systems. Table 7.8 illustrates that the number of basketball teams and competitions at almost all levels gradually increased after 1999.

Table 7.8: The Men's Teams Participating in the Chinese Basketball Competition System from 1991 to 2007

<table>
<thead>
<tr>
<th>Year</th>
<th>Division 1A</th>
<th>Division 1B &amp; Division 2B</th>
<th>National Young League</th>
<th>National Young Club League</th>
<th>National Early Young Cup (U17)</th>
<th>National Early Young Cup (U15)</th>
<th>National Key Training Units of Basketball Cup</th>
<th>Amateur Early Young Club Cup</th>
<th>Schools with Basketball Tradition (U13-14)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991</td>
<td>25</td>
<td>20</td>
<td>7</td>
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</tbody>
</table>

Source: Gao, et al. (1989); NSC (GAOS), The Yearbook of Sport and Physical Education of PRC (1949-2005); and CBA, (2007), http://www.cba.gov.cn/
Another key conclusion of the 1999 conference was to “recognize the need for separating off the management structure of professional basketball, while not breaking its links with non-professional basketball” (Xin, 2000b: 20). This conclusion was supported by the CBMC director, Xin Lancheng who claimed that “We should learn from other countries and transfer their experience of developing professional basketball to our own situation” (Xin, 2000b: 20).

Following this conference, the CBMC deputy director (1997-2000), Li Yuanwei, led a group of CBMC senior officials on a visit to Japan and South Korea to see how the Japanese Basketball League (JBL) and Korean Basketball League (KBL) ran and managed their professional basketball (CBA, 2000: 37). After returning to the CBMC and becoming a new director of the organisation in 2003, Mr. Li Yuanwei travelled to America to see how the NBA and NCAA ran their system. The experience Mr. Li gained from visiting the JBL, KBL, NBA and NCAA inspired him to put forward a “Northern Star Project” (the so-called CBA League 10-year Reform Project 2005-2014) in 2004, the aims of which were to shape the CBA League to become the biggest global professional basketball league apart from the NBA and to win the top three for the Women’s team and the top six for the Men’s team in the 2008 Olympic Games (Li, Y.W. 2003). In order to achieve these two goals, the new domestic competition system began in 2004. This system set up a structure which consisted of the Chinese Basketball Associational League (CBAL), Chinese Basketball League (CBL), WCBA, National Young Club League, Chinese University Basketball Association (CUBA), and the Chinese University Basketball Super League (CUBSL) (see Figure 7.6).
As regards the National Men’s Leagues, in 1994 they were divided into two levels (see Table 7.8), which were Division 1 (Jia A) (known as the Chinese Basketball Association League – CBAL after 2004), Division 2 (Jia B) (known as Chinese Basketball League - CBL after 2004). In order to be in line with the NBA, the promotion and relegation rule, in which the first two teams in Division 2 would be promoted to Division 1 and the last two teams in Division 1 would be relegated to Division 2, was abandoned in favour of the NBA model of competition. Under that system highlighting the South and North Conferences, the 14-16 CBAL sides were to be divided into different groups for preliminary round-robin competitions based on their geographic locations. The top four teams of each group would qualify for the second phase where the final champions would be decided after knockout duels.

According to the director of the CBMC, Li Yuanwei, “The purpose of terminating the relegation rule is not only to prevent clubs from [getting involved in] corrupt competition [in order] to maintain their position in Division 1, but also to pay more attention to attracting and servicing fans, media and sponsors because the survivability and development of our leagues relies on them” (Li, Y.W. 2004). He not
only acknowledged that “the way the NBA runs its professional basketball is far better than the CBA in terms of serving fans, sponsors and media”, but also raised the question, “should we consider adapting the NBA market way to reform our professional basketball leagues?” (Li, Y.W. 2003) Indeed, the CBA attempted to learn from the NBA in running its CBAL and in 2003 it turned to ZOU Marketing Inc., one of NBA’s cooperating companies (Bi, X. 2005), for strategies to re-engineer the men’s 10-year-old professional league (Li, Y.W. 2003). With the help of ZOU Marketing Inc, in 2004 the CBA issued the “Northern Star Project” - a strategic planning process that resulted in a new CBAL business model (ZOU Marketing Inc, 2007). All teams in CBAL could introduce two foreign players who would not only bring knowledge and skill to each team, but also raise the profile of the professional matches and thus promote the domestic basketball market.

Although the director of the CBMC understood that they needed to pay more attention to the basketball market, especially to fans, sponsors and the media in order for the Chinese basketball market to compete with the NBA (Li, Y.W. 2003), he was also aware of the priority of the national teams and claimed that, “It is the primary mission for any director of the National Sport Management Centre in Olympic Sport to raise the profile of national teams in the international competitions and this is becoming even more vital under the huge pressure to prepare for the 2008 Beijing Games” (Li, Y.W. 2006b). This is why he argued that “the attitude and determination of the CBMC to take whatever resources and costs it needs to support the national teams is unchallengeable” (Li, Y.W. 2005) and emphasized that “the CBAL is located in the centre of the pyramid of the competition structure, which produces elite players for Team China Basketball”(Li, Y.W. 2006a). Although China attempted to learn from the NBA in running its CBAL, the CBAL still plays by FIBA rules rather than by NBA rules\(^1\) in order to prepare for the FIBA World Championship and Olympic Games.

The women's counterpart to the CBAL, the Women's Chinese Basketball Association League (WCBAL), was established in 2002. It had low commercial potential but was heavily supported by the CBA, due to the female team’s high medal potential in the

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\(^1\) NBA rules differ slightly from FIBA rules in terms of size of the court, attack time and defence rules.
Olympics and Women’s World Championship. According to the director of the CBMC, the WCBA was subsidized by more than 5 million yuan in 2003 and 6 million yuan in 2004 by the CBMC (Li, Y.W. 2003). The Chinese University Basketball Association (CUBA) was established by the Federation of University Sports of China (FUSC) under the leadership of the Ministry of Education in 1998. The education system attempted to adapt the methods of the United States and build up a systematic selection and competition system right through from primary, secondary and high school to university level. During his interview by Xinhua News, the General Secretary of CUBA, Gong Peishan, highlighted that the CUBA learned some successful methods from the NBA and the aim of the CUBA was to produce elite players for CBAL, just like the NCAA did for NBA (Liu, N. 2006). In order to be distinct from the sport system, all players registered in the CBA or had joined the CBAL and CBL were prohibited from participating in CUBA (CUBA, 2007).

Restricted by the CUBA regulations imposed by the Ministry of Education, CUBA could not recruit elite players from the sport system. As a result of this policy, according to a senior official in the CBMC Comprehensive Department (Interview, 5th January 2006), the performance of players in CUBA was so poor that it was impossible for CUBA basketball teams to win the competition in the Universiade (the World University Games). In order to win the the Universiade and to produce professional players, the Chinese University Basketball Super League (CUBSL) was created in 2004 with the support of the FUSC and CBMC in order to build up a Chinese NCAA which would bridge the gap between the competition structure of education and the sport system (Liu et al, 2007: 270). During his interview with China Sport News, Zhang Xiong, director of the training and research department of the CBMC said “China is learning from American experience when organizing the CUBSL” (China Sport News, 2005).

In addition, a senior official in the CBMC Comprehensive Department also highlighted that “although the FUSC dominated CUBSL decision-making, the CBA did not worry about commercial competition from the CUBSL. Just like NCAA in the United States, the CUBSL market is small.” This official went on to state that “The reason for CBA to support the CUBSL is because this league can cooperate with the CBAL clubs’ reserve teams and help these young club players solve the … problems [of low levels of educational achievement among players]” (Interview, 5th January
2006). In essence, the Chinese government attempted to integrate the resources from the education and sport system to support CUBSL, on the one hand to gradually replace the National Young Club League, composed of the professional club reserve teams, and on the other hand to select elite players to join the Universiade and to be a talent pool for the CBAL and national squads (Liu et al., 2007: 270).

In summary, it had become harder for the basketball teams in the PLA system to survive under the market-oriented club system. The CBA had attempted to gain experience from the NBA regarding rules, the home and away model, regional and final matches system and "permitted entrance mechanism" in order to build up a global basketball league and to win Olympic glory. Finally, the Chinese government attempted to copy the NCAA by organizing CUBA and UBSL to extend the talent pool from the sport system to the education system.

Training system

In 2000 during the National Training Conference of Basketball, the then director of CBMC (1997-2002), Xin Lancheng, highlighted that the CBA was going to carry on the policy of "exporting human capital" (Song chuqu) and "bringing foreign resources in" (Qing Jinlai) to fundamentally improve the quality of the Chinese elite basketball coaches and players (Xin, 2000a: 22-9). Indeed, the Chinese government had been adopting these two main approaches since the late 1970s in order to reach out to the wider world and bring in global basketball resources to raise the performance of the national squads (CBA, 1991: 204) (see Table 7.9).
## Table 7.9 Summary of Chinese Approaches to Bringing Global Basketball Resource into its Basketball Training System

<table>
<thead>
<tr>
<th>Exporting (human capital)</th>
<th>Bringing in (foreign resources)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• national teams, including Men’s, Women’s and Junior teams, to be trained at the United States Basketball Academy (USBA) in early 2000</td>
<td>• foreign players and coaches in professional clubs in the mid-1990s</td>
</tr>
<tr>
<td>• CBA clubs to be trained at the United States Basketball Academy (USBA) in early 2000</td>
<td>• foreign coaches in national squads in 2004;</td>
</tr>
<tr>
<td>• individual potential Chinese basketball players to play for NBA (gain skill and knowledge) after 2001</td>
<td>• experts from NBA, FIBA, ABC and foreign countries, to raise the quality of Chinese coaches, referees, administrators and scientists in the 2004.</td>
</tr>
<tr>
<td>• national teams (from youth to World Championship and Olympic squads) to have more friendly matches and official tournaments to hone Chinese basketball players’ skills and to accumulate experience in the early 2000s;</td>
<td></td>
</tr>
<tr>
<td>• Chinese coaches (especially national coaches), referees, administrators and scientists to gain new knowledge from other countries, particularly the U.S. in early 2000;</td>
<td></td>
</tr>
</tbody>
</table>

There were several elements to the first approach, i.e. ‘exporting human capital’. The first was that the Chinese government began sending its national teams to be trained abroad, especially in the United States with NBA clubs in the early 1980s. This reached a peak in the early 2000s when national teams were trained at the United States Basketball Academy (USBA). In 1980, a Men’s junior national team was dispatched to be trained by American coaches at the American Olympic Training Centre in Colorado, USA for five weeks (CBA, 1991: 206). In 1985, the Chinese National Basketball Team arrived in New York to begin a month of training and practice with NBA teams. Known as the NBA-China Friendship Tour, the Chinese team trained with the Boston Celtics assistant coach Ed Badger while receiving special instruction from NBA Legends Red Auerbach and Pete Newell (NBA, 2004). After the CBMC was established in 1997, the Chinese government began contact with the United States Basketball Academy (USBA), located in Eugene-Springfield, Oregon, USA, which is known for player and coach development and has a strong link with the NBA and the NCAA. In early 2000, the CMBC began to send their national teams, including Men’s, Women’s and junior teams, to be trained by the coaches from NBA and NCAA in the USBA (USBA, 2007a).
Chapter 7 - Chinese Elite Basketball

The second element was that after early 2000 the Chinese government encouraged domestic professional clubs to send their best players to play abroad, especially with the NBA, in order to improve their skills and knowledge. The then director of CBMC (1997-2002), Xin Lancheng, emphasized that “We have to dispatch our key players to be honed in the international basketball clubs in order to produce world-class star players” (Xin, 2000a: 28). To date, four Chinese players are playing or used to play in the NBA (see Table 7.10) and all of them were dispatched to be trained in USBA before being drawn by the NBA teams (USBA, 2007b). According to a senior official in the CBMC Training and Research Department, “after being honed by the NBA, Yao Ming and Wang Zhi-Zhi have proved their ability to be world-class players, which increases the chances for Team China Basketball to win glory in the World Championship and Olympic Games” (Interview, 13th January 2006). In addition, since the start of 2007 three Chinese basketball players have been recruited into the NCAA to hone their skills (Wu, G. 2007). Moreover, one of the key decisions of the National Training Conference of Basketball in 2000 was to “send a group of high potential early young players to be trained in America or European countries” (Xin, 2000a: 28). From 2005, 40 of China's top junior players (around 12-17 years old and 2 metres high) were trained by American coaches in the USBA, which was the second group of tall teenage players sent by the Chinese government (Yang, 2007b). In addition, China's professional teams also train annually, using USBA's facilities in USBA (USBA, 2007c).

Table 7.10: Chinese Elite Basketball Players in NBA Clubs

<table>
<thead>
<tr>
<th>Basketball player</th>
<th>Transfer Year</th>
<th>Transfer Club</th>
<th>Clubs Playing Now</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wang Zhi-Zhi</td>
<td>2001</td>
<td>Dallas Mavericks (NBA)</td>
<td>Bayi Rockets (CBA)</td>
</tr>
<tr>
<td>Mengke Bateer</td>
<td>2002</td>
<td>Denver Nuggets (NBA)</td>
<td>Beijing Jinyu Ducks (CBA)</td>
</tr>
<tr>
<td>Yao Ming</td>
<td>2002</td>
<td>Houston Rockets (NBA)</td>
<td>Houston Rockets (NBA)</td>
</tr>
<tr>
<td>Yi Jianlian</td>
<td>2007</td>
<td>Milwaukee Bucks (NBA)</td>
<td>Milwaukee Bucks (NBA)</td>
</tr>
</tbody>
</table>

The third element was to create more international competition opportunities for national teams. After the late 1970s, the Chinese national teams became involved in more international friendly matches to learn skills and tactics from their foreign counterparts (CBA, 1991: 236), including NBA teams, such as the Washington Bullets (now Wizards) in 1979 and the Boston Celtics in 1985 (NBA, 2004).
Constrained by the limited budget for international contact, this type of systematic arrangement for Team China Basketball to engage in international friendly matches was not completed until the signing of a contract in 2006 with Infront Sport & Media, which became the exclusive global marketing partner for China’s national basketball teams (Infront Sport & Media, 2006). According to vice director of the CBMC, Hu Jiashi, after the 2004 Olympic Games, CBMC began arranging 20-25 international friendly matches with world-class teams per year for the Chinese national teams in order to prepare for the 2008 Beijing Games (Hu, 2006). Indeed, with the help of Infront Sport & Media, the Men’s Team China Basketball increased their competition opportunities to 30 international friendly matches per year against qualified opponents from American and European countries (Hu, 2006). In 2007, with the aid of global resources (Infront Sport & Media), seven Chinese national teams, including the Men’s, Women’s and junior teams, with GAOS’s support, all travelled around the world competing with other national squads or foreign professional clubs (Du, 2007).

The fourth element was to send out Chinese coaches (especially national coaches), referees, administrators and scientists to gather new knowledge. Although the Chinese government began to dispatch its coaches, referees and scientists to be retrained abroad in 1976 (CBA, 1991: 108), this policy was not applied consistently until the failure to qualify for the FIBA World Championship in 1997 and the humiliation of two Junior national teams (U17, U20) in the Asian Championship in 2000 (Liu, F. 2000: 15). In 2000 the then director of CBMC, Xin Lancheng, initiated a new plan to select 10 Chinese candidates to go abroad and train to coach national basketball teams (Xin, 2000a: 27). According to a senior official in the CBMC Comprehensive Department, most Chinese coaches dispatched by the CBMC were trained in USBA or in NCAA Universities that had strong links with USBA (Interview, 5th January 2006). One decision of the 2005 National Conference of Basketball was that, from 2006, the CBMC would set up a group of national reserve coaches who were required not only to learn English, computer/IT and basketball knowledge in China for 18 months, but also to be trained for five months in NCAA Universities and be involved in management and coaching affairs of NCAA basketball teams (Ma, 2005: 48). Indeed, the CBMC signed a five-year contract with the University of Memphis (one of the NCAA Universities) in 2007 to which 15 elite coaches were dispatched (CBMC, 2007).
The second main approach adopted by the NSC (GAOS) was to bring in foreign resources. After 1979 the Chinese government began to introduce foreign elite basketball coaches to lecture to Chinese coaches (Gao et al, 1989: 109). During the 1980s most invited coaches came from the NBA, NCAA and American national basketball teams (CBA, 1991: 210). After the club system was introduced in 1995, the Chinese government encouraged domestic clubs to introduce foreign coaches and foreign players to participate in national matches in order to facilitate Chinese elite basketball development. The classic case here was the CNBA where the Chinese government introduced 32 American players and eight American coaches to participate in the eight CNBA teams.

From Table 7.11, we can see that the number of foreign coaches and players was maintained at a certain level. Although it is quite normal to see foreign coaches employed in Chinese basketball clubs, the Chinese government did not introduce any foreign coaches into its national teams until 2004. The director of the CBMC, Li Yuanwei, stated that “it was very difficult for me to make this decision during that period because this was a controversial issue which was strongly linked to national pride, honour and confidence” (Li, Y.W. 2003). But he also emphasized that “introducing foreign coaches to help Chinese national basketball teams speed up their performance is a vital choice that must be made because we are in unusual circumstances which let us to take this kind of unusual approach” (Li, Y.W. 2006a).

Table 7.11: Foreign Basketball Players and Coaches Working in China 1995-2005

<table>
<thead>
<tr>
<th>Year</th>
<th>Players</th>
<th>Coaches</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995-1996</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>1996-1997</td>
<td>11</td>
<td>0</td>
</tr>
<tr>
<td>1997-1998</td>
<td>14</td>
<td>1</td>
</tr>
<tr>
<td>1998-1999</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>1999-2000</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>2000-2001</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>2001-2002</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>2002-2003</td>
<td>23</td>
<td>6</td>
</tr>
<tr>
<td>2003-2004</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>2004-2005</td>
<td>22</td>
<td></td>
</tr>
</tbody>
</table>

Chapter 7 - Chinese Elite Basketball

Indeed, in order to win Olympic glory, the Chinese government began introducing foreign coaches to lead the Men’s and Women’s Team China Basketball from 2004. The first head coach of the Men’s Team China Basketball was Del Harris, an assistant coach at the NBA club Dallas Mavericks (NBA, 2004). The second was Jonas Kazlauskas, a famous European coach who led the Lithuania national basketball team to third place in both the 1996 and 2000 Olympic Games. As part of the scheme, the best Chinese domestic coaches became assistants in order to learn from these world class coaches, whose responsibility was not only to train national squads but also to share their knowledge with local coaches.

In addition to introducing foreign coaches and players, the Chinese government also understood that in terms of scientific training and support, Chinese basketball seriously lagged behind its counterparts in American and European countries. During the National Training Conference for Basketball in 2000, the vice director of CBMC, Liu Fengyan, claimed that “At this moment, scientific research and support for Chinese basketball lags far behind Western countries, which is a great obstacle to the development of the Chinese basketball training system”. He claimed that “CBMC will organize a scientific team to service and support the Chinese national basketball teams” (Liu, F. 2000: 21). To achieve this objective the Chinese government, in 2006, cooperated with Infront Sport & Media to carry out a unique plan which included the implementation of a comprehensive technical development plan for the Chinese national teams. According to the agreement, Infront Sport & Media would recruit top foreign coaching staff, nutritionists, scouts, psychologists and fitness training experts to support these basketball teams (Infront Sport & Media, 2006). Moreover, in order to attract more international basketball resources, the Chinese government set up a “CBA training centre” for coaches, referees, administrators and scientists in its national Beijing training camp and continued to invite various basketball experts from the NBA, FIBA, ABC and other advanced basketball countries to lecture in this centre with the aim of speeding up Chinese basketball development (CBA, 2002: 28).

Since 1979 the number of coaches at level 1 and 3 has gradually declined (see Table 7.12), a trend which led in 2005 to the introduction of a new four-stage coach qualification system in line with international, and especially American standards (Ma, 2005: 48). By adopting the training approaches of “exporting human capital” (Song
Chuqu) and “bringing foreign resources in” (Qing Jinlai), China is attempting to improve the quality rather than just the quantity of coaches in its own training system. In the words of Li Yuanwei, the director of the CBMC, "We are building up a new training system to prepare for the Olympic Games by introducing ‘the exclusive global marketing partner for Team China Basketball’ (Infront Sport & Media) to service and support our national teams and by carrying on our traditional and effective mechanism of ideological education and management” (Li, Y.W. 2006a). Moreover, according to CBMC’s new policy (Yang, 2007a), short-term military training with the People’s Liberation Army (PLA) has become a new form of training strategy to “discipline” and “inspire” these high-paid basketball players to work harder like their PLA counterparts in order to fight wholeheartedly for the country in international matches, especially for the 2008 Olympic Games.

Table 7.12: Full-Time Basketball Coaches in the PRC 1962-2001

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Provincial Squads</td>
<td>Sport Colleges</td>
<td>Spare-time Sport School</td>
</tr>
<tr>
<td>1962</td>
<td>257</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1965</td>
<td>290</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1970</td>
<td>164</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1975</td>
<td>282</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1979</td>
<td>463</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1980</td>
<td>342</td>
<td>128</td>
<td>2794</td>
</tr>
<tr>
<td>1985</td>
<td>494</td>
<td>218</td>
<td>2516</td>
</tr>
<tr>
<td>1990</td>
<td>407</td>
<td>301</td>
<td>2076</td>
</tr>
<tr>
<td>1991</td>
<td>282</td>
<td>289</td>
<td>2135</td>
</tr>
<tr>
<td>1992</td>
<td>260</td>
<td>312</td>
<td>2124</td>
</tr>
<tr>
<td>1993</td>
<td>229</td>
<td>321</td>
<td>1992</td>
</tr>
<tr>
<td>1994</td>
<td>199</td>
<td>316</td>
<td>2026</td>
</tr>
<tr>
<td>1995</td>
<td>198</td>
<td>313</td>
<td>1998</td>
</tr>
<tr>
<td>1996</td>
<td>178</td>
<td>301</td>
<td>1880</td>
</tr>
<tr>
<td>1997</td>
<td>177</td>
<td>312</td>
<td>1882</td>
</tr>
<tr>
<td>1998</td>
<td>173</td>
<td>321</td>
<td>1934</td>
</tr>
<tr>
<td>1999</td>
<td>145</td>
<td>310</td>
<td>1830</td>
</tr>
<tr>
<td>2000</td>
<td>152</td>
<td>296</td>
<td>1728</td>
</tr>
<tr>
<td>2005</td>
<td>161</td>
<td>379</td>
<td>1350</td>
</tr>
</tbody>
</table>

* There was no record during the period of the Cultural Revolution (1966-1976)

Source: NSC (Planning and Finance Department), Statistical Yearbook of Sport (Internal information), 1994-2005.
7.3.2 Generating multiple sources of income for the elite basketball system

Li Tieying, a member of Politburo Standing Committee (PSC) and a State Councillor (1988-1998), in his speech in 1993 at the All States Sports Ministers’ Conference, argued that “Following the development of Chinese sport, the problem of investing more in the national sport budget and generating extra sport income is a highly critical issue”. He went on to argue that “the sport system has to transform the ideas, and ways of thinking and working which were formed by the structure of the planned economy, into the objective requirements of a market economy in which we need to reform boldly in order to explore new ways to facilitate Chinese sport development” (Li, T.Y. 1996: 5-6). Following Li Tieying’s speech, an internal official document - “The Suggestions of the NSC On Deepening Sport Reform” – which was issued in 1993 - highlighted that “We have to learn how they govern and run sport in other countries of the world, including advanced capitalist countries, so that we can go ahead and discover a variety of forms and ways to reform” (NSC, 1996d: 152). In its affiliated document - “Suggestions in Relation to Promoting Sport Marketing and Speeding Up the Process of Sport Industrialisation” - , it also emphasized that “National Sport Associations have to look for multiple channels to generate income and some associations with commercial potential should establish “economic bodies” (Jingji shiti) to generate income in order to subsidize the sport system” (NSC, 1996e: 179). With the support of high-ranking political leaders, such as Li Tieying, Xu Zhijian (vice General Secretary for the State Council) (Xu, Z. 1993: 16-7), Wu Shaouz (then Sport Minister) (GAOS, 1999b: 123) and Zhong Tianfa (director of the Ball Game Department in NSC in 1997) (Zhong, 1997: 1), the Chinese government, followed the “successful” pattern of the Chinese Football Association and established two “economic bodies” (companies) and also signed contracts with international sport management companies to generate multiple sources of incomes from the basketball market.

In Figure 7.7, it is clear that there were three sources of income in the Chinese elite basketball system in 2007: the national sport budget; the provincial sport budget; and commercial income/sponsorship. According to a senior official in the CBMC Comprehensive Department (Interview, 5th January 2006), after the establishment of the CBMC in 1997 which was in charge of the Chinese Professional Basketball
League, the national basketball budget was reduced to just a few million yuan with the money saved being diverted to subsidize the national teams and Olympic squads.

As regards the provincial budget, according to a senior manager of one of the CBA clubs (Interview, 7th January 2006) which was strongly linked with local government, there was about 1 million yuan for female teams in each key basketball province or city in 2005, but there was no special budget for male teams after 2002, due to heavy reliance on commercial income. For commercial income/sponsorship, four key commercial agents (see Figure 7.7) were drafted in and put in charge of different levels of the basketball market. These were: i) the "China Basketball Industry Development Corp" (CBIDC) in 1998; ii) the "China Basketball & Infront Sport Management Company" (CBISMC) in 2005; iii) the Sport Management Company (Infront Sports & Media) in 2006; and iv) the "CBA Equipment Committee" (CBAEC) also in 2006.
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We will firstly consider the case of the “China Basketball Industry Development Corp” (CBIDC). Following Li Tieying’s statement and the NSC’s documents, as well as the successful preliminarily commercial model of the CFA in the mid-1990s, the CBIDC, a state-owned enterprise directly under the control of the China Basketball Association (CBA), was established in 1998 with the authorization of the Economic and Trade Committee of the State Council. The CBIDC is the exclusive agency (named Market Promotion Division in the CBA) authorized by the CBA for the exploitation of various basketball commercial operations and business development (CBIDC, 2007). The CBIDC was led directly by the CBA General Secretary, Ms. Liu Yumin, a vice director of the basketball division in NSC before 1998. Despite not having any experience of running a business the CBA, according to Ms. Liu Yumin, began, in 1995, commercial negotiations with IMG Sports & Entertainment and Media Company (known as IMG) (Basketball Magazine, 1997: 4) and signed a six-year commercial contract with IMG worth $2.5 million for the first year and $3.0 million for the remaining years (Bi et al, 2007: 556). During the National Conference for Sport Marketing Management in 1999, the vice director of Finance Department in GAOS, Li Dunhou, was proud to say “we earned more than 3 million US dollars per year by selling the commercial rights of the CBA League and clubs, including the league title, promotion rights, and 75 percent of the advertising rights of basketball courts, to the IMG” (Li, D.H. 1999: 29).

In 2001, affected by the new government policy which prohibited commercial sport sponsorship by cigarette companies, IMG was somewhat reluctant to raise the price for the next three-year commercial contract with the CBIDC on behalf of the CBA (Chen and Yuan, 2005). A large Chinese News Group, Guangdong JinYang Network & Information Co.Ltd. (GDJYNIC), offering 35 million yuan per year, won the contract and took over the role of IMG. Ironically, the CBIDC forgot to sign a formal contract with GDJYNIC who refused to fulfil their previous oral agreement with CBIDC when they realized that their commercial rights would be interfered with by the CBIDC (Chen and Yuan 2005). This caused a crisis over how the 2001-2002 CBAL season could start within 45 days with insufficient financial support. In order to solve this problem, the CBIDC had no choice but to run CBAL itself (Wang, D. 2002a). From 2001 to 2005, CBIDC totally controlled the commercial rights of CBAL, CBL and Team China Basketball. Although CBIDC did maintain the basketball
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market at a reasonable level (see Table 7.13), it still lagged far behind its American counterpart, NBA, which was making an effort to invade and conquer the giant Chinese basketball market. According to the director of the CBMC, Li Yuanwei, due to the pressure to compete with the NBA in attracting Chinese fans, especially the younger generation and the pressure to lure global commercial sponsorship, CMBC needed to take advantage of the 2008 Beijing Games to build up a strong professional brand for the CBA League, by introducing international management and marketing companies (Li, Y.W. 2003). In these circumstances, a multinational company (MNC), Infront Sport & Media, was selected to cooperate with CBIDC to help China achieve its basketball ambitions.

Table 7.13: Spectators for the CBA League 1995-2005

<table>
<thead>
<tr>
<th>Year</th>
<th>95-96</th>
<th>96-97</th>
<th>97-98</th>
<th>98-99</th>
<th>99-00</th>
<th>00-01</th>
<th>01-02</th>
<th>02-03</th>
<th>03-04</th>
<th>04-05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Matches</td>
<td>154</td>
<td>168</td>
<td>162</td>
<td>162</td>
<td>163</td>
<td>164</td>
<td>194</td>
<td>212</td>
<td>162</td>
<td>307</td>
</tr>
<tr>
<td>Spectators (Total)</td>
<td>500,000</td>
<td>600,000</td>
<td>630,000</td>
<td>643,950</td>
<td>536,107</td>
<td>565,964</td>
<td>746,500</td>
<td>765,000</td>
<td>610,000</td>
<td>1231,830</td>
</tr>
<tr>
<td>Spectators (Average)</td>
<td>3,200</td>
<td>3,500</td>
<td>3,900</td>
<td>3,975</td>
<td>3,289</td>
<td>3,451</td>
<td>3,848</td>
<td>3,607</td>
<td>3,800</td>
<td>4,012</td>
</tr>
</tbody>
</table>


The second commercial agent is CBAISC. With the full support of GAOS and the new director of CBMC, Li Yuanwei, the CBIDC's partnership with Infront was structured as a joint venture company in 2006, CBA & Infront Sports Company (CBAISC), owned by Infront (49 percent) and the CBIDC (51 percent), in which are vested all commercial rights of the CBA League and clubs (except club title and gate money) for seven years, with options for a further five years (Infront Sport & Media, 2007a). Benefiting from this new model of cooperation with MNCs, the CBA can not only earn $6.5 million per year, but can also share in the other profits from commercial incomes, with the condition that it must not interfere in the commercial activity of Infront Sport & Media (Wang, Y. 2006: 49). According to a senior official in CBIDC (Interview, 10th January 2006), this design of cooperating with Infront (MNC) but with 51 percent shares of CBAISC was a lesson learnt from Infront's predecessor, IMG, who heavily dominated the commercial rights of the CBA League and clubs. This official emphasized that "the reason for establishing the CBAISC is in
order to prevent Infront controlling the market of the CBA League and clubs”. He also highlighted that “The Chinese domestic basketball leagues are not as privatized as NBA and these leagues have to shoulder the responsibility of national interests [national teams], so we still have to guide the direction of the CBAISC and its decision-making”.

The third commercial agent is Infront Sports & Media. The priority given to national team interests affected CBA decision-making when choosing Infront Sports & Media as its exclusive global marketing partner for China’s national basketball teams in 2006. According to a senior official in CBIDC (Interview, 10th January 2006), the domestic agency, Zhongding Sports, which used to be the exclusive commercial agent for Team China Basketball, lost the new contract with CBA not only due to the high price, but also due to the need to support the technical development of the national teams. The NBA and Infront Sports & Media both offered greater technical support for the national team. However, a CBIDC staff member observed that “our concerns are not just over the commercial income but, more importantly, over the performance of the national teams in the Olympic Games” (Interview, 10th January 2006). Although the NBA agreed to offer substantial money and implement a comprehensive technical development plan for the national teams, it finally failed to win this contract, partly, due to the CBA’s serious concerns over NBA colonization of Chinese basketball (Interview, 10th January 2006).

The other possible reasons for the Chinese government choosing Infront Sports & Media rather than the NBA to run the Team China business were the money issues, in that Infront Sports & Media signed a three-year-contract for $15 million with CBA (Yan, Z. 2006), and also matters of the performance of national teams, as Infront Sports & Media promised to help raise China’s position in the FIBA world rankings and honour China on its own soil in the 2008 Beijing Games. The way in which they planned to fulfil this commitment was by recruiting top foreign coaching staff, nutritionists, scouts, psychologists and other fitness training experts in support of the national teams, and by helping to arrange some high quality international basketball partnerships for the CBA, including a collaboration agreement with Euroleague Basketball and cooperation with the NBA D-League in two exhibition games (Infront Sport & Media, 2007b).
By contrast with the predecessor of Infront Sport & Media, the domestic agency Zhongding Sports, who paid in total 20 million yuan (around $ 2.5 million) to the CBA for a five-year-contact (Yan, Z. 2006), Infront Sport & Media will offer more than 10 times that amount to help China develop its elite basketball, especially at the national level. According to the director of CBMC, “We did not include much technology and science in our training model before, but from now on we have to invest enormous amounts of money in preparing for the Olympic Games. The huge sums of money will not only be spent on the training of national teams, including fitness training, nutrition supplement, training monitoring, medical and recovery and psychological adjustment, but it will also contribute to hiring expertise and scientists, purchasing facilities and equipment, and supporting the training of young national squads and the project for data collection on rival teams” (China Interactive Sports, 2006a).

In order to deal with the mammoth expenditure of the elite basketball system, the system of the title sponsorship of the CBAL was abandoned and the “Top Programme” of sponsorship, which was modelled on the IOC marketing project, was created by the CBA in 2004 and continued by Infront Sport & Media after 2005. According to this programme, four Partnership Groupings were set up with different payments for different sponsorship. These groupings comprised three Presenting Partners (at least 20 million yuan per year), four Marketing Partners (4 million yuan per year), one Official Apparel and Footwear Partner (10 million yuan per year), and some Official Suppliers (CBA, 2004b). In 2006, the CBA signed individual contracts with eight commercial partners whose real price for individual sponsorship was between $0.3 and 1.5 million per year (Lin, 2006: 86).

The fourth CBA commercial agent is the “CBA Equipment Committee” (CBAEC). In order to separate sponsorship from Team China and the CBA league, which have responsibility for Infront Sport & Media, the CBAEC was set up to control the market of domestic basketball equipment and facilities. The director of Marketing Department in CBMC, Xiao Hongan, became the first President and General Secretary of CBAEC. The CBA can in fact generate substantial commercial income from recruiting a limited number of commercial partners into the CBAEC, which has the administrative power not only to set the standard of domestic basketball equipment and facilities, but also to promote the products of its commercial partners.
(CBA, 2006c). In 2007 the CBA recruited 25 commercial partners into the CBAEC and each partner has to pay to the CBA at least 0.1 million yuan membership fee per year, plus extra activity fees (CBA, 2006a). By selling the CBAEC brand, the CBA can also collect substantial income to support Chinese basketball.

In addition, from the mid-1990s the CBA began collecting money not only from exploiting the commercial image of Chinese star players, but also from imposing special taxes on the transfer fees and commercial income of these players (Liu, X. 2006). Although it helped the Chinese government generate more income from its national property (Chinese players), it raised the tension between these star players and the CBA. Take the Chinese NBA player, Yao Ming for example. After being transferred to play for NBA’s Houston Rockets in 2002, he signed a commercial contract with the Pepsi-Cola Company whose rival was the Coca-Cola Company, the main sponsor of the CBA. In order to protect its commercial rights, the Pepsi-Cola Company asked Yao Ming’s commercial agent to file a lawsuit against Coca-Cola. During this period, the chief executive of CBIDC, Di Jirong quoted the government regulation that “all the commercial rights of the intangible property of the Chinese national athletes belongs to the state”, from the official document “The Notice about Strengthening the Management of the National Athletes Who Are Involved in Commercial Activities” issued by the NSC in 1996 (NSC, 1996h). He proclaimed that “Yan Ming is part of the collective image of Team China Basketball. This collective image is owned by the GAOS because it is the intangible property of national sport” (Xinhua News, 2003). The case was finally settled out of court between Yao Ming’s commercial agent and the CBA who promised to clarify the commercial rights between individual players and the national team under the new regulations of the GAOS (Han, Y. 2006: 170-1). After the case of Yao Ming, the GAOS and CBA were forced to revise their regulations in relation to the commercial rights of Chinese athletes in an attempt to prevent so-called ‘national property’ from leaking out of the circle of the elite sport system (see more detail in the section on “Managing the consequence of a more commercial system”). Although, after much effort, it was not possible to find details of the annual budget of the CBA, interview data indicate that the proportion of commercial income in the CBA annual budget has dramatically increased since 2006, while “the national budget from GAOS has been stagnant at
several million yuan”, according to a senior official in the CBA Comprehensive Department (Interview, 5th January 2006).

In short, the Chinese government is attempting to adopt a new market-oriented approach to generate multiple sources of income from the market in order to nurture elite basketball. It is also attempting to dominate the decision-making on commercial issues to ensure that commercialisation does not adversely affect the performance of the national teams. According to one senior official in the GAOS Sport Industry Section, “Basically, we are attempting to generate multiple sources of income from foreign and domestic companies by exploiting the intangible property of Chinese basketball and then redistributing this income to support our elite basketball. By doing so, we can not only reduce the financial burden on the government, but also facilitate the development of Chinese elite basketball” (Interview, 4th January 2006). Moreover, this official emphasized that “GAOS was involved in the contract negotiations between CBA and Infront Sport & Media, and made the final decision. In this way, we can prevent our national property from leaking out of the elite sport system”. Finally, he summed up by saying that “In order to serve and improve elite sport, we are shaping and refining the new mechanism of the market-oriented approach”.

7.3.3 Controlling the transfer of basketball players

The attitude of the Chinese government towards controlling Chinese basketball players’ foreign transfer affairs was directly linked to the matter of Team China’s international performance. To ensure that the PRC could take advantage of global basketball resources to facilitate its elite basketball development and yet at the same time prevent any adverse effect of global basketball, several strategies were adopted by the CBA namely: i) setting an age limit to prevent top players going abroad; ii) setting the requirement of obtaining CBA permission before transferring Chinese players abroad; and iii) setting quotas for introducing foreign players.

With the first strategy, the CBA set an age limit to prevent its top players going abroad. In 1989, the National Sport Commission (NSC) submitted a report to the State Council and claimed that “In order to prevent Chinese elite athletes from leaking out, the NSC will issue a regulation in which national athletes cannot be transferred to
other countries until the male athletes are over the age of 28 and female athletes over 26" (NSC, 1993: 126). Players of these ages were considered to be too old to interest foreign clubs. This policy was embedded in the CBA’s document in 1996 which noted that “Only Chinese players who conform to one of three conditions can go abroad. These conditions are that players: i) conform to the (age) regulations of the NSC and CBA; ii) recommended by the CBA to be trained abroad; or iii) are recommended by the provincial basketball association and permitted by the CBA” (CBA, 1996: 29).

Constrained by the CBA’s regulations, almost no one could go abroad to play for any basketball clubs or basketball teams except for Ma Jian, a famous star player in the Chinese national team in the 1990s. Ma was offered a scholarship to play college basketball at UCLA and used his personal connections to apply for a passport and attempted to join the NBA, although his application to play abroad was refused by the CBA and the National Sport Commission (NSC). Due to going abroad without the permission of the Chinese government, Ma was dropped from the Chinese National Team (Dustin, 2004: 145-6). After suffering heavy defeats in a series of international basketball matches in the late 1990s, the Chinese government began to change its attitude towards Chinese basketball players’ foreign transfer affairs. The then director of the CBMC, Xin Lancheng, acknowledged in 2000 that they had to dispatch their key players to the international basketball clubs in order to raise the performance of the national teams (Xin, 2000a: 28). Following Mr. Xin’s statement, Wang Zhi-Zhi, a Chinese elite basketball player was transferred to NBA Dallas Mavericks Club in 2001. He was followed by Mengke Bateer and Yao Ming who signed separate contracts with NBA Denver Nuggets and NBA Houston Rockets in 2002. According to a senior official in CBIDC who was involved in the transfer of the Chinese players (Interview, 10th January 2006), “Only players, such as Wang Zhi-Zhi and Mengke Bateer, who received permission from the CBA, can play for the NBA. Besides which, the NBA would be unlikely to sign contracts with any Chinese player without the permission of the CBA”.

Unfortunately, the liberal thinking of the Chinese government towards international transfers was, to some extent, frustrated by the case of Wang Zhi-Zhi, who failed to meet two CBA-imposed deadlines to return to China and practice with the National Team to prepare for the World Championships at the end of his 2001-2002 NBA season with the Dallas Mavericks (Dustin, 2004: 147). In 2003, another Chinese elite
player, Xue Yuyang was prohibited from entering the NBA. According to the director of the CBMC (quoted in Liu, J. 2003), this decision was made partly because the CBA did not want the CBA League to become one of the NBA's global talent pools, (this was particularly problematic for young Chinese players who were 'creamed off' by the NBA but who might later be rejected by them if they were not good enough) and partly, according to the official statement of the CBA in 2003 (CBA, 2003), because Xue Yuyang entered the NBA draft without official permission.

The second of the CBA’s strategies was to set the requirement for obtaining CBA permission before transferring Chinese players abroad. After the case of Wang Zhi-Zhi and Xue Yuyang, special permission was required from the CBA for Chinese players to transfer abroad. Although the age limit regulation was loosened and conditions were set out in the CBA transfer regulations of 2004, allowing male athletes over the age of 22 and female athletes over 20 to apply for transfer to foreign clubs, they still had to become members of the National Team (not including U18 and U20) and serve their country by competing twice in the international championships (at least at Asian Level) and by signing a formal contract with the CBA guaranteeing that they would return to China to join the training and competitions of the National Team whenever called upon. In addition, these players must promise not to reveal confidential information in relation to the tactics and strategies of Team China, while playing abroad (CBA, 2004a).

Indeed, in order to protect national interests, the CBA attempted to take advantage of its authority to monitor and manipulate foreign transfer affairs. According to a senior official in CBIDC, “in order to prevent MNCs (i.e. the NBA) from taking most of the domestic elite players, and to make sure that these transferred players will play for the Chinese national teams, the whole process of Chinese basketball players’ foreign transfer affairs comes under the control of the CBA and contracts to be signed by the receiving clubs, the transferring players and the CBA to ensure that these Chinese national team players play for their country whenever called upon” (Interview, 10th January 2006). In 2007, due to the huge pressure to prepare for the 2008 Beijing Games, two other Chinese players, Yi Jianlian and Sun Yue, were allowed by the CBA to be transferred to NBA Milwaukee Bucks Club and NBA Los Angeles Lakers Club respectively to improve their skills. According to the director of the CBMC, Li
Yuangwei, the main strategy of the Argentine Olympic Team (which was defeated by Team China in the 1996 Olympics but surprisingly won the gold medal in the 2004 Olympic Games), was to send more Argentine players to join world-class basketball clubs. Mr. Li stated that “there were 12 players in the 2004 Argentine Olympic Team, of which 11 players had played in American and European basketball leagues”. He also noted that “the NBA and Australian Basketball Leagues can offer better chances than the domestic CBA league to hone the skills of Chinese players. ... We should take a more positive attitude towards foreign transfer affairs and send more Chinese players abroad” (Li, Y.W. 2004).

Although attitudes towards Chinese players transferring abroad were increasingly positive in 2004, the CBA still attempted to control the transfer process. Take Yi Jianlian, the Chinese superstar in the CBA League, for example. Yi was not permitted to join the NBA’s annual draft until 2007 because the CBA had to ensure that all the Chinese players who were transferred to the NBA, were strong enough to gain sufficient time in NBA matches to improve their skills. According to the director of CBMC, “It would be meaningless to join the NBA if Chinese players did not get enough chances to compete in the NBA matches, because we hope they can be honed by high-level competition and raise the profile of Team China” (Yi, 2007).

The CBA’s third strategy is setting quota limits for introducing foreign players. In order to allow domestic players more chance to improve their skills the CBA set quota limits for introducing foreign players and also introduced playing quotas for each club. From Table 7.14, we can see that after introducing a western professional club system, the Chinese government also set limited quotas for introducing foreign players. In the 1995-1996 season, the NSC permitted each CBA club to introduce two foreign players to their teams but did not allow these two players to play simultaneously (CBA, 1996: 29). In the 1999-2000 season, after the episode of the seven major clubs which attempted to organize a new super league in 1999, the CBMC allowed two foreign players in each club to play simultaneously but with a quota of five players in Regular Seasons and Playoffs (Xin, 2000c: 2).
Table 7.14: Quotas set by the CBA for introducing foreign players

<table>
<thead>
<tr>
<th>Year</th>
<th>Introducing quota for each club</th>
<th>Setting Playing Quota during 4 periods in each match 2 players X 4 periods (8 players, periods)</th>
<th>Extra condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995-1996</td>
<td>2</td>
<td>4</td>
<td>Did not allow two foreign players to play simultaneously</td>
</tr>
<tr>
<td>1999-2000</td>
<td>2</td>
<td>5</td>
<td>Started allowing two foreign players to play simultaneously but with a quota of 5 players in Regular Seasons and Playoffs.</td>
</tr>
<tr>
<td>2003-2004</td>
<td>2</td>
<td>4</td>
<td>Reduced playing quotas from 5 to 4 and did not allow two foreign players to play simultaneously in the Playoffs.</td>
</tr>
<tr>
<td>2006-2007</td>
<td>2</td>
<td>5</td>
<td>Did not allow introduction of new foreign players to replace the 2 original foreign players who were injured during the matches</td>
</tr>
</tbody>
</table>

In 2004, the CBMC vice director, Wang Du stated that under this new policy, “the performance of the two foreign players in each club had become the key issue in winning the CBAL matches.” He noted that “Not only did each club invest huge amounts of money in attempts to hire high-quality foreign players, but also the whole attention of clubs and coaches was cantered on their two foreign players. This situation seriously damaged club training, especially for young domestic players” (Wang, D. 2004). In order to manage the “two-foreign-player phenomenon”, in the 2003-2004 season the CBA reduced the playing quotas from five to four and also prohibited the two foreign players from playing simultaneously in the Playoffs (Wang, D. 2004). Although the playing quota was increased again in the 2006-2007 season, after signing a contract with Infront Sport & Media in 2005 to promote the Chinese basketball market, the CBA still prevented the introduction of new foreign players to replace the two original foreign players if they become injured during matches. The exception to this is the eight qualified teams in the CBA Playoffs in which each team can temporarily take on 1 foreign player from the teams which are disqualified to compete in the playoffs (CBA, 2006b).

In short, the key reason for the Chinese government’s intervention in basketball players’ transfer affairs was to take advantage of international basketball resources in order to raise the profile of Chinese elite basketball development and avoid losing its
Chapter 7 - Chinese Elite Basketball

key players from home soil. But due to poor coaching, the low standard of domestic professional competition and the tension between national interests and commercial interests, the Chinese government was ‘forced’ to alter its policy in an attempt to manage its relationship with globalisation and still retain its main priority the building of a strong national team.

7.4 Commercialisation

7.4.1 Introducing a more commercial system

As mentioned in section 3.2, under the encouragement of Politburo Standing Committee member Li Tieying, China adopted a western approach, namely capitalist ideas, to revitalise the Chinese elite basketball system (NSC, 1996d: 152). Mr. Li’s argument was echoed by sport minister, Wu Shaozu (2000: 9), and vice sport minister, Yuan Weiming, (1994: 6-7) both of whom held that in order to improve standards and catch up with advanced basketball countries in a short period of time, China must learn from those countries, including an acceptance of some capitalist systems (Wu, S.Z. 2000: 9). With the confirmation and support of these high-ranking political actors, the director of the NSC Ball Games Department, Yang Boyong, who was then in charge of Chinese basketball reform made a statement at the 1994 National Basketball Competition and Training Conference. He announced that “In order to reform the Chinese basketball system, especially the structure of the competition system, we will be bolder and take a much bigger step to push the basketball competition system towards the market, and also actively transform the system in the direction of commercialism because it is a very important step for basketball reform” (Yang, 1994: 14).

From then on, commercial principles were introduced and became embedded in the new elite basketball system to activate and stimulate domestic players from amateur and professional clubs, and even national squads. The increasingly commercial approach adopted by Chinese elite basketball allowed a number of changes. Players could be transferred for a fee; they could enjoy improved contracts with high salaries; elite basketball players could be lured to play for the clubs; club players could be
mobilized with financial incentives; and financial rewards could be used to motivate national squads to win international competitions.

In 1993, the Chinese government began allowing basketball players at different levels to be transferred for a fee. An official document, "The Suggestions of the NSC About Deepening the Reform of Sport" issued by the NSC in 1993, highlighted that the NSC promoted and encouraged athletes to be transferred for a fee and that "the former employers can receive the transfer fee from their athletes' new owners, and the price can be evaluated according to the period of training and the level of skill of the athletes transferred. Some national sport associations and clubs can start trying to introduce a transfer fee system" (NSC, 1996d: 148). According to the then vice director of the CBMC, Xu Chuan, the Chinese government set a series of recommended prices to encourage clubs to transfer players from amateur to professional level after introducing western club systems in 1996 (Xu, C. 1998: 11), and the price for transferring domestic players was revised and raised by the CBA in 2003 (see Table 7.15). In 2005, the lowest and highest limits for transfer fees in the CBA League were set by the CBA. From Table 7.16 we can see that the lowest limit of the transfer fee in the 2005-2006 season was to be increased from 50,000 yuan to 150,000 yuan in three years.

Table 7.15: Transfer fees set by the CBA for Chinese basketball players in 2003 (Unit: yuan)

<table>
<thead>
<tr>
<th></th>
<th>Team China 1</th>
<th>Team China 2 or previously in Team China 1</th>
<th>National level</th>
<th>Other levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>250,000</td>
<td>200,000</td>
<td>150,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Women</td>
<td>200,000</td>
<td>150,000</td>
<td>100,000</td>
<td>80,000</td>
</tr>
</tbody>
</table>


Table 7.16: Transfer fees allowed the CBA for Chinese players in the CBA League 2005-2008 (Unit: yuan)

<table>
<thead>
<tr>
<th>Year</th>
<th>Lowest fee limit</th>
<th>Highest fee limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-2006</td>
<td>50,000</td>
<td>200,000</td>
</tr>
<tr>
<td>2006-2007</td>
<td>100,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2007-2008</td>
<td>150,000</td>
<td>300,000</td>
</tr>
</tbody>
</table>

According to Xin Lancheng, former director of the CBMC, at the 1997-1998 CBA League Conference, some clubs offered extraordinary contracts (high salary) to lure elite basketball players to play for their clubs (Xin, 1998a: 25). In 2000, the then director of the CBMC Competition Department, Guo Jianjun, also highlighted that "the fierce competition between clubs to sign domestic and foreign star players has placed a big financial burden on most domestic professional basketball clubs" (Guo, 2000: 300). In 1996 the CBA set up the system of "relegation and promotion" (Sheng jiang ji) by which, at the end of each season, the top two teams in Jia B League were promoted to Jia A League and the two lowest placed teams from Jia A League were relegated to the Jia B League.

To win matches in each of their leagues, more and more clubs took a shortcut strategy to lure domestic players from other clubs and introduce good foreign players instead of investing money in their own reserve teams and affiliated amateur clubs. This situation was at its height in 2003, according to the director of the CBMC Marketing Department, Zhang Xiong (2005: 15). Director Zhang, also stated that "according to the survey of the CBMC, some Jia A clubs spent over 0.7 million yuan for a coach, and also around 0.5 million yuan for each domestic player and 2 million yuan for each foreign player". He went on to say that "Generally speaking, for most of the 12 Jia A clubs, their annual budget is around 6 - 8 million yuan. But some special clubs spend over 10 million yuan each year and more than half of their spending is to hire coaches and players, both including domestic and foreign" (Zhang, X. 2005: 15). Due to the extremely high cost of competing for the hire of coaches and players for their Jia A teams, most clubs had no choice but to cut down the investment in their reserve teams, which seriously endangered the development of Chinese elite basketball (Zhang, X. 2005: 15).

In addition, the CBA mobilized club players with financial incentives during club competitions. After the Chinese professional club system was created, using rewards to motivate players had prevailed in the mind of the CBA officials. Zhong Tianfa (the director of the Ball Game Department in NSC in 1995), when interviewed by the CBA's Basketball magazine, stated that he would motivate players by using rewards of 1 million yuan and 0.5 million yuan for the top two teams in the 1995 professional basketball matches (Zhang, X. 1996: 3). In 1998, the vice director of CBMC, Xu
Chuan noted that "In order to animate players to fight harder in the matches, we will refine the reward system still further" (Xu, C. 1998:10). In 2004, the director of the CBMC Competition Department, Wang Xuan, proclaimed the establishment of the CBAL's reward system and announced that more than 5.51 million yuan of the CBA League's annual budget would be directly awarded to the best teams and players in the 2004-2005 CBAL season. The best team could win 350,000 yuan while the lowest could only get 10,000 yuan (Wang, X. 2004).

Finally, around 2004, the reward system of the CBAL was adopted by the Chinese government to motivate national squads to win international competitions. After winning 8th place in the 2004 Olympic Games, the Chinese government (GAOS) awarded 4,500 yuan to each basketball player in the Chinese Olympic national men's team (Xiao, W. 2005). In 2006, following the news that Team China had qualified for the top 16 teams in the FIBA World Championship, the director of the CBMC, Li Yuangwei immediately proclaimed that the CBMC would give rewards to Team China once they entered the semi-final for the top 8 teams (Xie, 2006). Although Team China failed to gain this reward, from the perspective of the Chinese government, the reward policy was regarded as a useful tool to motivate its national players.

In short, in order to prevent Chinese elite basketball players from retiring early (Yang, 1994: 12-13) and to mobilize them to fight for their clubs and their country, the capitalist reward system was adopted and became embedded in the Chinese elite basketball system. Due to limited talent in the Chinese domestic basketball market and the limited number of foreign players allowed into the PRC, most CBAL clubs chose to lure and mobilize Chinese "stars" and foreign players by paying a high transfer fee and offering them extraordinary contracts. As a result of the heavy financial burden of paying large transfer fees and high salaries, most clubs were making significant annual losses by early 2004. Following the introduction of the club system, the commercial market certainly brought new resources and energy which revitalized the Chinese elite basketball system, but it also substantially influenced the attitudes and values of individual basketball players, club owners and CBA officials in the direction of a more materialistic view of the world. The adoption of the reward policy described above raises issues about the CBA's capacity to manage the income
maximising behaviour of these highly paid domestic and foreign players and whether it was possible for the Chinese government to strike a balance between its national interest (Olympic and World Championship success) and professional club interests (domestic basketball market success). These issues are discussed in the next section.

7.4.2 Managing the consequence of a more commercial system

In the preceding sections it was mentioned that, after adopting capitalist elements to energize the Chinese elite basketball system, domestic and foreign players became more materially demanding and domestic club owners were forced to place greater emphasis on match-winning in Division 1 (Jia A (CBAL) and Jia B (CBL)). At the 1994 National Training and Competition Conference for Basketball, the Director of NSC Ball Game Department, Yang Baoyong, reminded the CBA officials that “As the Chinese basketball matches become commercialized, our strategies to manage and to educate these basketball teams have to be advanced - otherwise, these teams could be out of our control” (Yang, 1994: 17). In order to ensure that the national teams achieved success in the Olympics and World Championships, the CBA not only took control of most of the commercial rights of domestic basketball leagues in order to generate income to support national teams, but also shortened or rescheduled the season to allow the national team and Olympic squad to draft key club players to be trained for seven to eight months each year. The way in which the Chinese government regarded the commercial income of domestic leagues as its personal “money trees” and used clubs as training and competition arenas for potential Chinese national team players, raised serious tensions between the CBA and the owners of CBAL clubs. The tension reached breaking point in 1999 and again in 2000 when more than seven CBAL clubs attempted to organize a new Chinese premier league to challenge the authority of the CBA. After temporarily suppressing the issue of organizing a new premier league, the CBMC then attempted to manage the commercialisation of basketball. In 2000 the CBMC director, claimed that “We should take action to deal with these commercial issues in which the salaries, transfer fees and rewards of the players and coaches have risen far too high due to fierce market competition” (Xin, 2000b: 21). There was even more of a headache when the corruption of sport officials was found in some national sport associations such as
football, which led the GAOS to restrict the financial and personnel powers of all national sport associations, including the CBA in 2002.

It may be argued that all the problems identified by the CBMC in relation to "star" players, clubs and even the CBA seem to be the consequence of introducing a more commercial system. To reduce the negative impact of commercialism on Chinese elite basketball development, five main strategies were adopted by the CBMC. These were: i) the imposition of special taxes and the setting of limits on salaries and transfer fees in the mid-1990s; ii) preventing the seven largest clubs from organizing a new super league in the late 1990s; iii) the creation of a special procedure for dealing with the domestic and foreign transfer market in early 2000; iv) the assertion of control on the CBA and manipulation of the Chinese Basketball Association League (CBAL) in 2002; and iv) the dismissal of a private professional club from the CBAL in 2004.

The CBA not only imposed special taxes on Chinese players, but also set a limit on the salaries and transfer fees which professional clubs could offer to their players and fees they could charge their buyers. Regarding the taxation of transfer fees and salaries, the CBA issued an official document - "The CBA Regulation for the Transfer of Basketball Players in 1996". This required each Chinese player transferred to pay the transfer tax (see Table 7.17). This regulation was countered by a strong argument from the Director of the NSC Ball Games Department, Yang Baoyong, in 1994, who emphasized that "it is up to the government to make these players' dreams possible by covering all the players' fees including food, clothing, accommodation and transportation over the long term. We have to highlight this point otherwise we will be guilty of political blindness which will lead us the wrong way" (Yang, 1994: 17).

Table 7.17: The transfer tax imposed by the CBA on Chinese basketball players in 1996 (Unit: yuan)

<table>
<thead>
<tr>
<th>Players in international level or in national teams</th>
<th>Players in national level</th>
<th>Other levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer at domestic level</td>
<td>5,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Temporary transfer in CBA Leagues</td>
<td>10,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Transfer at international level</td>
<td>32,000 ($4,000)</td>
<td>25,000 ($3,400)</td>
</tr>
</tbody>
</table>


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In 2001, after the case of Wang Zhizhi and before Yao Ming transferred to the NBA, the CBA issued a document to impose a salary tax on all players transferred abroad. According to this document, “The income earned by players of national teams … from major games and commercial games has to be distributed in the following ways: the players, coaches, and other relevant personnel will get 50 percent; the relevant association’s reward fund and development fund 30 percent; the province (region, municipality) where the athletes and coaches reside 10 percent; and the GAOS 10 percent” (CBA, 2004c). In this way, the Chinese government could still retain half the salary of its domestic players who were transferred abroad within the financial circle of the Chinese elite basketball system. Although the PRC attempted to prevent its “national property” leaking abroad, the “Yao Ming’s image” lawsuit, between Yao’s commercial agent and the CBA’s official sponsor, the Coca-Cola Company (see section 3-2), forced the GAOS and CBA to issue new regulations to manage the commercial activities of all Chinese players. In 2006, the GAOS issued an official document “The Commercial Contract of National Squad Members” – by which the government could redistribute athletes’ commercial profit by law once athletes signed their names to this contract (GAOS, 2006d). Following GAOS’s instruction, the CBA issued another document in the same year to manage Chinese players’ commercial activities. This document, “The Regulation of the Commercial Rights of CBA Registered Players” (CBA, 2006d), on the one hand re-emphasized the legitimacy of CBA ownership of the exclusive “image rights” of all CBA Chinese registered players and that any commercial income would be redistributed by the CBA. The player and his agent would keep 70 percent, the club where the player resides 20 percent and the CBA 10 percent. On the other hand, it allowed two exceptions in that players like Yao Ming would not be affected by this regulation as long as their commercial contracts were signed before this document was issued, and Chinese players retained their own image rights as long as their commercial activities had nothing to do with the CBA, the national teams and their clubs.

Regarding transfer fees and salaries of players, limits were set for the salary and transfer fee that professional clubs could offer to their players and for their transfer targets after 1998. From Table 7.15 and Table 7.16, we can see that the highest domestic transfer fees set by the CBA were 250,000 yuan for the 2003-2004 season and 300,000 yuan for the 2007-2008 season. Due to the dramatically increasing
salaries of foreign players, whose highest salary in 2003-2004 season was $38,000 per month (76 times higher than that in the 1995-1996 season) (Li, H. 2005: 117), the CBA set a salary limit by which the highest salary that CBAL clubs could offer their foreign players was $20,000 per month (Zhu, 2005). In order to ensure this limited salary policy was achieved, the CBMC director, Xin Lancheng, claimed in 2003 that “We will gradually adopt South Korea’s model to introduce foreign players in a collective way to control the abnormal price for hiring foreign players” (Xin, 2003: 11). Under this new policy, CBAL clubs were not allowed to sign any contract with foreign players without permission from the CBA. By so doing, the CBA could not only prevent excessive competition between clubs, but also take advantage of collective bargaining to keep the salary of foreign players at a certain level. According to the CBMC Director of the Competition Department, Wang Xuan, who was in charge of introducing foreign players in 2005, this limited salary policy helped CBAL clubs save about 10 million yuan which could be invested in the reserve teams of the CBAL clubs (Zhu, 2005). Indeed, in 2005 the CBA, in a document, “The Action Project to Qualify for the 2005-2008 CBAL Clubs”, required that “every CBAL club must invest at least 0.7 million yuan in their reserve teams after 2006” (CBA, 2005: 18). In addition, the CBA attempted to narrow the salary gap between ‘star’ players, whose annual salary was about 1-3 million yuan, and ‘normal’ players, whose annual salary was about 17,000 – 48,000 yuan. This action project required each club to guarantee the minimum pay to newly transferred players, increasing it from 70 percent of the average salary of their players in the 2005-2006 season to 90 percent in the 2007-2008 season (CBA, 2005: 8-23). Unfortunately, CBA’s policy was challenged by one of the wealthier clubs, Xinjiang Guanghui, which spent 4.5 million yuan (about half of CBAL club’s annual budget) on buying a former Chinese NBA player, Mengke Baiteer in 2007 (Kang, 2007).

As regards the second strategy, the CBA created a special procedure for managing and regulating the domestic transfer market. In order to narrow the performance gap between strong and weak CBAL teams and to prevent Chinese players asking for high transfer fees and salaries, in 2002 the CBA set up a draft system similar to that of the NBA in the form of a “temporary transfer” market in which each club had to release its surplus players to be temporarily transferred to (or borrowed by) other clubs for one year. Through this NBA draft transfer system, the CBA allowed lower placed...
clubs priority in acquiring transfer-listed players, the players themselves having no rights to choose their favourite club (Wang, D. 2002b: 9). Although the draft system substantially controlled the unreasonable behaviour of the Chinese ‘star’ players in asking for high salaries in the “temporary transfer” market, unfortunately this was not the situation in the “permanent transfer” market, as previously mentioned in the case of Mengke Bateer and his wealthy new owner, the Xinjiang Guanghui club.

Moreover, according to an interview with Sina Sport in 2007, the director of the CBAL office in the CBA, Hao Guohua, who was in charge of the domestic transfer affairs acknowledged that this “temporary transfer system” was not very successful in achieving a balance between rich and poor clubs due to the reluctance of the CBAL clubs to release their potential players who had been trained by their own clubs since an early age (Chen, X. 2007). Although the CBA set the maximum quota for the number of key players that each club could keep out of the temporary transfer market (namely, 10 in the 2005-2007 season and 8 in the 2007-2008 season) (CBA, 2005: 18), the new policy, that attempted to force each CBAL club to release more players into the temporary transfer market, seems to have only succeeded in increasing the transfer figure, not the quality of players transferred. From Table 7.18, we can see that less than one third of the players in the temporary transfer market were drawn by the clubs. As a matter of interest, most players transferred were drawn by their own clubs (Su, Q. 2005).

Table 7.18: Players drawn by clubs in the temporary transfer market 2001-2007

<table>
<thead>
<tr>
<th>Year</th>
<th>Players in the temporary transfer market</th>
<th>Players drawn by the clubs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-2003</td>
<td>46</td>
<td>11</td>
</tr>
<tr>
<td>2003-2004</td>
<td>36</td>
<td>6</td>
</tr>
<tr>
<td>2004-2005</td>
<td>34</td>
<td>8</td>
</tr>
<tr>
<td>2007-2008</td>
<td>95</td>
<td>28</td>
</tr>
</tbody>
</table>


Although Hao Guohua declared that “the NBA transfer system is a perfect commercial model” (Hou, 2007), he conceded that “we can’t achieve it at this moment due to our ‘policy of whole country support for the elite sport system’ in which not only are one third of CBA clubs tightly linked to the provincial sport bureaus, but also we have to make sure that all clubs have their reserve teams” (Hou,
2007). He went on to say that "This is a structural conflict which exists within the Chinese basketball system itself. We still have to resolve the domestic transfer affair otherwise the whole CBA league will lose its vitality" (Hou, 2007).

Regarding the third CBMC strategy, the Chinese government prevented the seven major clubs from organizing a new super league in the late 1990s. According to Yuan Chao, senior manager of the Beijing Ducks Basketball Club, "After the CBA introduced the professional club system, these club managers, most of whom came from outside the Chinese elite sport system but had a commercial background, realized quickly that running a basketball club could make money. They therefore attempted to follow the NBA model by organizing an independent Chinese basketball league" (Interview, 7th January 2006). In late 1998, seven major clubs which were led by Li Yaomin, a senior manager in Shanghai Dongfang Sharks basketball club, began making plans to host a preparatory meeting about organizing a "Chinese Basketball Clubs' League" (Lai, 1999). However, using the law as justification, the Director of CBMC, Xin Lancheng, claimed that "to organize such a league without any permission from the CBMC of GAOS in advance is illegal. ... Besides which, setting an agenda for organizing a 'Chinese Basketball Clubs' League' is far beyond the authority of these clubs" (Hao, 1999: 24). He also argued that "We are in the preliminary stage of socialist economic development and the American NBA is at a highly developed economic level under the capitalist system". He therefore went on to state that "The particular domestic situation of the PRC must be considered before establishing a new league" (Hao, 1999: 24). Without the CBMC's permission and support, this attempt to organize a new league died out early the following year (Lai, 1999).

In late 1999, the "Two Clubs' Merging Issue" between Qianwei and Aoshen gave clubs another chance to organize the new league. Due to Qianwei and Aoshen arbitrarily agreeing to merge without asking any other clubs, there was a strong reaction from the other 10 clubs. These clubs, led by the senior manager of Shanghai Dongfang Sharks, Li Yaomin, again threatened to withdraw from the Jia A League (Qi, 1999) and also attempted to organize a Shanghai Professional Basketball Company (CPBC) to take back all the commercial rights from the CBA with the exception of those of the Jia A League (Zhang, Y. 2000). Not surprisingly, due to
opposition from the CBMC and the GAOS, this new league again failed (Xu, J. 1999: 18). According to the former director of Sport Marketing Department, Zgang Xion, although the clubs’ ambition to organize an independent club league was ultimately unsuccessful, it drew the attention of the CBA and, to some extent, forced the CBA to organize the Chinese National Conference for Basketball in 1999 to speed up reform for Chinese basketball. According to Beijing Ducks manager, Yuan Chao, most of the conclusions from this 1999 National Conference became the blueprint for the “Northern Star Project” (the so-called CBA League 10-year Reform Project 2005-2014) which was drafted and supported by the new director of the CBMC, Li Yuanwei in 2004.

Regarding the fourth CBMC strategy, the Chinese government dismissed a private professional club from the CBAL in 2004. Although the “Northern Star Project” was set to allow clubs to become involved in some of the decision-making, it goes without saying that the Chinese government did not stop using its administrative authority to maintain and protect the interest of the Chinese state. One striking examples here is that of Beijing Aoshen, one of the few commercial clubs that links to a private rather than a state enterprise, which was dismissed from the CBAL in 2004 due to refusing to release its star players to join the U20 nation team. According to CBA’s official announcement, Beijing Aoshen would not allow its key player, Sun Yue, to join the U20 nation team, stated that Sun Yue had a serious injury to his left foot. This reason was not accepted by the CBA and they then asked this club to release the player to join the U20 national team by 7th May 2004 (CBA, 2004d). Due to Beijing Aoshen’s insistence on keeping its own player, the CBA claimed that this club violated the “National Regulation for the Registration and Transfer of Chinese Players” (CBA, 2004d) in which “All the registered clubs have the responsibility to make their players available for national teams at all levels. All registered clubs and players must fulfill the requirements of the national teams, or they will be punished [by suspension for 1-5 years or by a large fine of up to 2 million yuan]”(CBA, 2004c). In order to maintain the authority of the CBA and to ensure that all clubs followed CBA orders to prepare for the 2008 Olympic Games, the CBA made an official announcement preventing Beijing Aoshen from registering as a member of the CBAL for one year (CBA, 2004d). Following the issue of Beijing Aoshen, the new director of CBMC, Li Yuanwei, when publicly announcing the “Northern Star Project” in 2004, underlined
that “The whole meaning of Chinese basketball is to enhance the profile of the national teams. ... Every club has to support and serve the nation’s teams without any conditions” (Li, Y.W. 2004). Although Aoshen was eager to rejoin the CBAL in 2007, its application was dismissed again by the CBA, who insisted that the home stadium of Aoshen must be located in mainland China instead of Macao (CBA, 2007).

The fifth CBMC strategy concerns the Chinese government’s control of the CBA and its manipulation of CBAL. After the ‘unruly’ commercialism which penetrated all NSMCs in early 2001, the Chinese government again tightened up the financial and personnel power of the CBA. Sport Minister, Yuan Weiming, in his 2001 GAOS lecture, underlined that “After introducing a market economy into all NSMCs, most leaders in these NSMCs have more official power to make decisions on matters such as how to run sport marketing, who has the right to organize national competitions, who can be a referee, who can be selected into national teams, how to distribute the annual budget and who can be commercial sponsors for the NSMCs and their teams.” He went on to say that “in order to prevent corruption from becoming rampant, we have to effectively oversee and control how these leaders of NSMCs execute their power” (Yuan, W. 2002a: 18). Following the sport minister’s arguments, two official documents, “The Notice for Standardizing the Codes of Practice of National Sport Management Centers” (GAOS, 2003d: 56-63) and “The Temporary Regulation for Centralizing Accounting and Finance Management of GAOS Affiliated Institutions” (GAOS, 2003f: 223-8), were issued by GAOS in 2001 and 2002 respectively. According to these two documents, the financial and personnel power of the CBA was brought more tightly under the control of the GAOS. The special measures that the Chinese government took were that: i) all the training and competition programmes have to be examined and approved by the GAOS; ii) all the income and expenditure has to be examined and approved by the “Accounting and Finance Management Centre” of the GAOS, which requested the CBA to cancel all its bank accounts, and also only allowed the CBA to keep an assigned bank account; and iii) all directors of the CBA department have to regularly alternate their jobs, especially in some key departments, in order to prevent corruption. After strong interference by the GAOS, the excessive commercialism which penetrated the CBA was restricted, but “it not only reduced CBA’s flexibility and efficiency, but also increased the tension between the CBA and GAOS, which interfered too much in the CBA’s affairs”, according to
one senior official in the CBA Comprehensive Department (Interview, 5th January 2006).

Regarding the manipulation of the Chinese Basketball Association League (CBAL), the CBA learned from the experience of its domestic football counterpart, the CFA, and terminated the system of “relegation and promotion” in 2004, adopting the “Two Protocols & One Licence” policy which was included in the “Northern Star Project” (the so-called CBA League 10-year Reform Project 2005-2014) in 2005. This will be discussed in more detail below. In 1999 the director of the CBMC, claimed that “Under the brutal system of ‘relegation and promotion’, some clubs would rather use the short-term tactics of luring elite basketball players with unusual fees and using illegal methods (such as bribing referees and rival players) to win club matches rather than investing more money in their reserve teams. All these situations directly impacted on and endangered the existence of the CBA league” (Xin, 1999b: 18). In order to solve this problem, the director of the CBMC learned from the experience of his football counterpart, Wang Junsheng, the director of CFMC, who suggested temporarily terminating the ‘relegation and promotion’ system at the 1998 National Football Conference (Wang, J. 2002: 344). During the “National Training Conference for Chinese Basketball” in 2000, Xin Lancheng raised the possibility of terminating the ‘relegation and promotion’ system (2000: 29). Affected by the notorious football scandal known as “Jia B Five Clubs Issue”, which was the side effect of the GAOS’s policy to temporarily terminate the ‘relegation and promotion’ system in early 2001, a similar policy was not carried out by the CBMC until the new director, Li Yuanwei officially announced in 2004 the termination of the ‘relegation and promotion’ system in favour of the NBA model.

As mentioned in a previous section (7.3.1 The competitive system), Li Yuanwei not only wanted to prevent clubs from corrupt competition by ending the relegation rule, but also to let clubs have more time and energy to give to attracting and servicing fans, media and sponsors by adopting the NBA market model (Li, Y.W. 2004). According to Li Yuanwei, “The new CBA league is learning a negative lesson from the experience of Chinese Football, but also a positive lesson from these internationally successful professional leagues”. He emphasized that he was reluctant to allow the media to call the new CBA league the ‘Chinese Basketball Super League’ (CBSL)
because he wanted his new league to steer clear of the negative image of the ‘Chinese Football Super League’ (CFSL) (Li, Y.W. 2004).

The “Two Protocols & One Licence” policy was one approach the Chinese government adopted from the Chinese football case in an attempt to force the CBAL clubs to put more resources into their reserve teams instead of recruiting talent from other domestic clubs, and to give up their leagues’ main commercial rights, including broadcasting, advertising and sponsorship. The first Protocol was in relation to organizing “home” matches in the CBAL competitions. Because most of the stadiums are owned by local government or provincial sport bureaus (China Interactive Sports, 2006b), CBAL clubs were not allowed to organize their CBAL home matches (even though they were eager to do so). The senior manager of Shanghai Dongfang Sharks, Li Yaomin, who twice led other clubs to challenge the CBA’s authority, complained that “It is very difficult for a club to survive if they do not have a right to organize their own ‘home’ matches” (Zhang, Y. 2000).

Essentially, the provincial or municipal sport bureaus of these CBAL clubs are in charge of organizing their own clubs’ home matches. In order to avoid corrupt competition, these sport bureaus are required to sign a contract with the CBA (the “Protocol for organizing CBAL matches”) to promise that these matches will be run smoothly (CBA, 2006e: 77-82). In the second stage of the ‘Northern Star Project’ (2009-2012), “all CBAL clubs can totally own the right to organize their home matches” (CBMC, 2005), but the director of the CBMC, Li Yuanwei also reminded clubs in 2007 that “the ranking of the men’s and women’s national teams in the 2008 Olympic Games will play a key role in deciding whether Chinese basketball will move towards a ‘real’ club system or not” (Lan, 2007a).
### Table 7.19: CBA Jia A clubs’ income in the 1998-1999 season (Unit: 0.1 million yuan)

<table>
<thead>
<tr>
<th>Clubs</th>
<th>Local Income kept by Clubs</th>
<th>Bonus from CBA</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gate Money</td>
<td>Local Advertising</td>
<td>Local TV right</td>
</tr>
<tr>
<td>Guangdong Hongyuan</td>
<td>20</td>
<td>2.0</td>
<td>0</td>
</tr>
<tr>
<td>Jiangsu Nangang</td>
<td>19</td>
<td>1.5</td>
<td>5.0</td>
</tr>
<tr>
<td>Liaoning Lieren</td>
<td>18</td>
<td>1.5</td>
<td>1.5</td>
</tr>
<tr>
<td>Shanghai Dongfang</td>
<td>10</td>
<td>1.5</td>
<td>0</td>
</tr>
<tr>
<td>Shandong Yongan</td>
<td>16</td>
<td>1.0</td>
<td>0</td>
</tr>
<tr>
<td>Sichuan Lanjian</td>
<td>10</td>
<td>0.8</td>
<td>0</td>
</tr>
<tr>
<td>Zhejiang Wanma</td>
<td>9</td>
<td>0.8</td>
<td>0</td>
</tr>
<tr>
<td>Shangxing Jibu</td>
<td>9</td>
<td>0.6</td>
<td>0</td>
</tr>
<tr>
<td>Jilin Dongbei Tiger</td>
<td>17</td>
<td>1.5</td>
<td>0</td>
</tr>
<tr>
<td>Bayi Rocket</td>
<td>10</td>
<td>0.8</td>
<td>0</td>
</tr>
<tr>
<td>Beijing Shougang Jingshi</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Beijing Aoshen</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>


The second Protocol is related to participation in CBAL matches. According to the senior manager of the Beijing Shou Gang Basketball Club, Yuan Chao, following two occasions when clubs attempted to organize a new independent league in the late 1990s, the CBA began to ask clubs to sign a contract (the “Protocol for participating in the Jia A basketball matches”) (Interview, 7th January 2006). As set out in the “Protocol for participating in the Jia A basketball matches in 2001-2002 season”, all clubs who wanted to join the 2001-2002 Jia A basketball matches had to follow all regulations issued and set by the CBMC of GAOS (CBA, 2001: 114-5). From Table 7.19 we can see that most commercial rights were in the hands of the CBA which only allocated 1.1 million yuan to each Jia A club per year.

According to the Protocol for participating in the CBAL basketball matches in the 2006-2007 season, all clubs that wished to take part in the 2006-2007 CBAL basketball matches had to agree that “The CBA not only owns the exclusive
commercial rights, including broadcasting, advertising and sponsorship, but also had the right to distribute the commercial income“ (CBA, 2006f: 66). In order to prevent domestic professional basketball clubs from resisting this commercial regulation, all clubs had to register every year and sign this contract (the “Protocol for participating in the CBAL basketball matches”) by which each club must provide a deposit of seven million yuan to the CBA to ensure that they totally accept the CBA’s conditional offer. In addition, this protocol also not only asked clubs to follow the “National Regulation of the Registration and Transfer for Chinese Players” (CBA, 2004d) and agree that the CBA could recruit any club player unconditionally, but also to accept the Beijing Board of Arbitration (BBA) as the exclusive arbiter to solve the problems between the CBA and the clubs (CBA, 2006f: 76). Thus, from Figure 7.8 we can see that the CBA not only controlled most of the commercial rights but also arbitrarily recruited any club player they wanted into the seven national squads without any compensation.

Figure 7.8: The relationship between the Chinese government and the basketball clubs in the Chinese Basketball Association League (CBAL)

For the “club qualification licence”, the CBA set requirements for CBAL clubs whereby they had to prove their capability to be qualified for this league. The main requirements were: to have at least 20 million yuan for the club; to accept that the CBA would check clubs’ accounts when necessary; to own at least 12 players; and to
have at least one reserve team with 12 players and an annual budget of at least 0.6 million yuan (CBA, 2005: 18). After satisfying these requirements, a club could apply to the CBA to receive a licence to become a professional basketball club (CBA, 2005: 18). Only after being accepted each year as a member of the CBAL club and after signing the unconditional agreement with the CBA, entitled “the Protocol for participating in the CBAL basketball matches”, could clubs have a legal right to take part in CBAL basketball matches.

7.5 Conclusion

When attempting to sum up the relationship between the CBA and global basketball, we find that, in contrast to global football, where there is no single dominant country, the relationship with global basketball is strongly affected, if not determined, by the relationship with American basketball, namely the NBA. By carrying out the twin policies of “exporting human capital” (Song chuqu) and “bringing foreign resources in” (Qingjiniai), the Chinese government attempted to introduce global resources, particularly from American basketball, to fundamentally improve the quality of the Chinese elite basketball coaches and players. During the learning process, according to the director of the CBMC, Li Yuanwei, a unique opportunity was created for NBA to advance upon the Chinese basketball market, especially among the younger generation (Li, Y.W. 2004). In 2004 the NBA began its NBA China Games (NBA.com, 2007) and in 2006 generated about $50 million in revenue from China – the league's largest market outside the United States – as part of the overall NBA revenue of almost four billion dollars (Su, Z. 2007).

In 2007 it also announced the establishment of NBA China, which will be headed by the former boss of Microsoft's China operations, Tim Chen, and which will lead to an eventual NBA-managed Chinese domestic league (China Daily.com, 2007). In the “Northern Star Project”, the Chinese government acknowledged that “there is huge pressure to compete with NBA for limited domestic basketball resources” (CBA, 2004e). In order to deal with this pressure, the director of the CBMC, Li Yuanwei in 2004 (Li, Y.W. 2004) and the first vice Director of the Competition Department in
GAOS, Guo Jianjun (Guo, 2005), travelled to America in 2005 to learn how to run the CBAL by adopting the NBA’s marketing approaches. But, according to the “Northern Star Project”, the Chinese government is also aware that “CBAL can learn much from the NBA but should not become a ‘clone’ of the NBA” (CBA, 2004e). In 2007 the CBA organized “The Summit of Chinese Basketball Development” and invited NBA Commissioner David Stern to speak. David Stern proclaimed that “the NBA is going to cooperate with the CBA and GAOS to organize a China-NBA League” (Li, R., 2007). After this summit, the director of the CBMC, Li Yuanwei, responded to the issue of the “China-NBA League” by stating that “the ranking of Team China Basketball in the 2008 Beijing Games will play a key role in deciding whether the NBA can establish a league in China or not” (Lan, 2007a). In addition, Mr. Li highlighted that “If the NBA wants to organize a China-NBA League, they must cooperate with the CBA” (Lan, 2007a). A similar argument can be found in the words of Guo Jianjun, the first Deputy Director of the Competition Department in GAOS, and former Director of the Competition Department of the CBMC. “It is necessary to set up a special organization to manage Chinese professional basketball”. However, he highlighted that “we have to make sure that when it is established; this organization is led and dominated by the CBA without question” (Guo, 2000: 302).

The club approach, in particular the American model, supported by private and state-owned enterprise and the wider society, has been adopted since 1995 in order to develop a strong national basketball team (Yang, 1994: 17). This has had the full support of a group of Chinese leaders, including Li Tieying, a member of the Politburo Standing Committee (PSC) and a State Councillor (1988-1998); Xu Zhijian (Vice General Secretary for State Council) (Xu, Z. 1993: 16-7); Wu Shaozu (then Sport Minister) (GAOS, 1999b: 123); and Zhong Tianfa (Director of the Ball Games Department in the NSC in 1997) (1997: 1). The Chinese government’s attempts to reform the elite basketball system by trying to maintain the socialist pattern and at the same time take advantage of capitalist elements, turned out to be problematic.

Looking at the development of basketball from the government’s point of view, its concern was not so much with the development of professional basketball but the development of a strong national team. These agendas are in many ways quite different. For the government, the constant problem was how to rapidly improve the
quality of the national team. The government strategy was always a short-term approach in which they continuously strove for rapid improvement of Chinese basketball in order to break away from Asia and reach world class level. In the beginning, the professional clubs were regarded as a means to rapid development, but by the late 1990s, they were seen as a barrier to it. The public policy agenda the government faced was partly set by the clubs (as a result of corruption, high payments to players and the transfer of players), but was also set by itself through looking for quick solutions. With regard to each of the four problems, (club corruption, the star system, player transfer and the national teams), the government demonstrated its capacity to intervene in these issues very forcibly, although sometimes its intervention was short term as a result of failing to fully tackle the problem, particularly with regard to the national team. As for the professional teams, there were some elements of negotiation, but not a great deal it seems due to the tight control of the CBA and the GAOS.

With regard to the hard and soft indicators for this case study (see Chapter 4 and Appendix 2-6) we have generated useful and valid evidence which is mapped out in this chapter. Using Houlihan’s patterns of globalisation (see Chapter 2 Patterns of Globalisation), we are able to summarize China’s response to global basketball and answer our three research questions. Within this framework, the relationship between China and global basketball is located somewhere in between participative and conflictual. It is in fact quite similar to the case of football. There does not seem to be a uniform management style but instead there is very forceful intervention and, sometimes, more subtle negotiation. The response of the Chinese government toward global basketball appears to oscillate between participative and conflictual (see Table 7.20).
Table 7.20: Summary of China’s response to Global Basketball

<table>
<thead>
<tr>
<th>Meaning</th>
<th>Participative</th>
<th>Conflictual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sufficient control over resources to provide recipient cultures with leverage</td>
<td>A set of values that leads to attempted rejection of the global culture</td>
</tr>
<tr>
<td>Actions of the Chinese government</td>
<td>1. Serious attempts to obtain a leadership position in the ABC and desiring to have more influence in FIBA</td>
<td>1. Intervening in basketball players’ transfer affairs</td>
</tr>
<tr>
<td></td>
<td>2. Strengthening the athlete selection, training and competition system for the World Cup and Olympics</td>
<td>2. Preventing 7 major clubs from organizing a new super league</td>
</tr>
<tr>
<td></td>
<td>3. Transforming the administrative structure and generating multiple incomes for the elite basketball system</td>
<td>3. Dismissing a private professional club from the premier league</td>
</tr>
<tr>
<td></td>
<td>4. Introducing a system of financial rewards</td>
<td>4. Controlling CBA and manipulating the premier basketball league</td>
</tr>
</tbody>
</table>

Indeed, China has significantly controlled resources in a number of ways. It has gradually become more serious about obtaining a leadership position in the Asian Basketball Confederation (ABC) and has desired more influence in FIBA (see, 1h, 2h and 4s in Appendix 6). It has strengthened players’ selection, training and competition systems for the Olympics and World Championship (see 4h, 5h, 6h, 7h, 8h and 4s in Appendix 6), transformed the administrative structure and generated multiple sources of income for the elite basketball system (see 4h, 4s and 5s in Appendix 6). In addition, it has introduced a system of financial rewards to motivate players and coaches to win domestic and international matches (see 3s and 5s in Appendix 6). All the resources mentioned above were for the purpose of breaking out of Asia and entering the World class level in order to increase national pride and cohesion, and to demonstrate the superiority of socialism.

At the same time, however, the Chinese government has displayed an opposite response, again in the name of nationalism and patriotism (see 1s, 2s and 5s in Appendix 6), in that it attempted to reject the global culture of commercialism (see, 3s,
5s and 9h in Appendix 6). By the use of forceful action towards players, clubs, CBAL and even the CBA, (such as interfering in basketball players' transfer affairs, preventing seven major clubs from organizing a new super league, controlling the CFA and manipulating the Chinese Basketball Association League (CBAL) and dismissing a private professional club from the CBAL), the Chinese government only allowed commercial basketball activities to be developed on its own terms. In other words, the government became the major agent of Chinese elite basketball commercial rights and interests, and also set its own agenda and values in an attempt to reject the global culture that might endanger the government's main goal - "Olympic and World Championship success". In the words of the director of the CBMC, Li Yuanwei, in 2004 “We have made our mind up to raise the profile of the national teams and without hesitation to use whatever resources we can and to pay whatever is necessary, regardless of the cost” (Li, Y.W. 2004).

Although the government has in the short term demonstrated its capacity to intervene in the issues listed in Table 7.19, a number of tensions still exist in China’s elite basketball system: first, the tension between the priorities of commercial clubs and national team development; second, between the highly paid and internationally mobile sports ‘stars’ and the centrally controlled elite development system; third, between commercial sponsors and the government; and fourth, between GAOS and the Chinese Basketball Association (CBA).

First, regarding the tension between the interests of the emerging commercial club sector and the national priority of the Olympics and World Championship, there are many cases in which the government not only took most of the commercial rights from the domestic leagues and clubs, but also drafted key players from the clubs to prepare for international games without any compensation. Moreover, due to refusing to release its star players to join the national team, one of a handful of commercial clubs with links to private rather than state enterprise was dismissed from the CBA League in 2004. According to a senior manager of one of the CBAL clubs (Interview, 7th January 2006), although the plans for organizing a new independent league died due to Chinese government suppression, it could possibly come to the fore again after the 2008 Beijing Games if the CBMC does not keep the promise which was written in
the "Northern Star Project" to let the clubs be more involved in decision-making in the CBAL and allow them a greater share of the commercial income.

Second, as for the tension between players and the Communist Government, there was an opinion within the government that the players were not fit enough. They were fit enough to play at Chinese inter-club professional level, but not fit enough to compete in international competition. Therefore, the CBMC introduced a fitness test for club players, with the rule that if players did not pass the fitness test, they could not play (CBA, 2006g: 26). This is a national strategy to raise the performance of the national team. Another example relates to individual Chinese players. A former Chinese NBA player, Wang Zhi-Zhi, challenged the authority of the Communist Government in 2002 by remaining in the United States to play for his NBA team rather than returning to China to play for the national team. There are three identifiable issues which have arisen as a result of rapid commercialisation in relation to highly mobile international players. These issues not only set the agenda for the Chinese government, but also forced the Chinese government to respond. The issues are: the emergence of stars in the transfer system; movement of players abroad, involving the import and export of players and coaches; and the priority of the national team.

Third, with regard to the tension between multi-national companies and government, there are a number of examples where the commercial organisation (NBA) attempted to expand and maximize its global market by introducing NBA China Games to compete with the Chinese national team. Although the NBA has quite a good relationship with the Chinese government, in terms of helping China improve the quality of the national team, it seems not to be the case with the NBA China Games. This was because the Chinese government set two conditions, one being to play by FIBA rules rather than NBA rules, and the other being that two Chinese NBA stars, Yao Ming and Yi Jianlian must return to China to play for the national side rather than remaining in America to play for their NBA teams (Liu, X., 2007). Although an agreement was made by both sides to play by FIBA rules, but with two foreign players to replace Yao Ming and Yi Jianlian in the NBA China Games (Sun, 2007a), the tension between the commercial interests of NBA and the national interest of the CBMC remains.
Another example of the tension between commercial interests and the government is that Infront Sports & Media, the exclusive global marketing partner for the country’s national basketball teams, attempted to put commercial interest above national interest when arranging international friendly matches. The head coach of the Chinese Men’s Basketball Team, Jonas Kazlauskas, stated during his interview with Sina Sports, that “Due to the huge pressure from Infront Sports & Media, the Chinese Men’s Basketball Team has to adhere to the commercial arrangements of Infront Sports & Media to compete in friendly matches, but this has a negative impact on our systematic training” (Yuan, J. 2007). After signing a three-year-contract for $15 million with CBA (Yan, Z. 2006), Infront Sports & Media arranged 35 friendly international matches within 138 days for the Team China Men’s Basketball but the commercial implications appeared to be of greater importance than the quality of Team China’s rival teams. Finally, the director of the CBMC, Li Yuanwei noted that “there were only five good contests among these friendly matches” (Sun, 2007b) and the head coach of the Chinese Men’s Basketball Team, Jonas Kazlauskas, appealed to Infront Sport & Media by arguing “Please don’t kill Team China for money next year” (Sun, 2007b). Clearly, there is a tension between the commercial interests of “NBA” and “Infront Sports & Media”, which aims to maximise income, and the national interest of the PRC, which felt that the friendly matches against the toughest teams with FIBA rules would enable them to improve the quality of the national side and so win glory in the 2008 Beijing Games.

Finally, as for the tension between the GAOS and the CBA, officials in the CBA complained that the GAOS had control over basketball and its development, personnel and financing, and this demotivated CBA staff and also increased the tension, especially in communication, between the CBA and the GAOS (Interview, 5th January 2006).
Chapter Eight: Conclusion

8.1 Introduction

Using the evidence gathered in the empirical case studies, this Chapter provides an evaluation of the utility of the globalisation theories as identified in the key questions outlined in Chapter 1. To reiterate, the principal questions we are concerned with answering are:

1. To what extent did/does the Chinese government have a choice in its relationship with sport globalisation?
2. To what extent can the Chinese government manage its interaction with sport globalisation?
3. In what ways does the Chinese government seek to manage its relationship with sport globalisation?
4. Methodological reflection
5. How useful are the globalisation theories for analysis of the development of sport policy in China?

Regarding the first three questions, we use the patterns of globalisation (see Figure 8.1) developed by Houlihan (1994, 2003) as an analytical framework (see more detail in Chapter 2). A critical evaluation of the utility of Houlihan’s analytical framework is provided in section 8.6. However, at this stage it should be emphasised that the references to specific ‘boxes’ indicates the predominant character of the relationship and does not indicate that other dimensions are unimportant. As mentioned in Chapter 4, there is a problem in that in a country like China, it is difficult to distinguish the cultural/ideological and economic from the political, because the political system is still so dominant. Although we attempted to assess the depth of penetration of global values by using Houlihan’s three categories of reach, all the evidence in the economic, political and cultural/ideological fields appeared to suggest that these changes were led by the Chinese government and that these were political decisions (embracing capitalism and transforming administrative structure) but that they led to social transformation (emerging individualism and commercialism in star athletes) and
economic changes (emphasis on commercial rights and sponsorship). The trend towards sport globalisation in the Chinese context is so complicated that it is difficult for us to locate the global reach and local response in each case of the Olympic Movement, elite football and elite basketball in just one category of reach or one precise response. This limitation of Houlihan’s framework is discussed in section 8.6.

**Figure 8.1: Patterns of Globalisation**

<table>
<thead>
<tr>
<th>Economic</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Reach</strong></td>
<td>D</td>
<td>E</td>
<td>F</td>
</tr>
<tr>
<td>Political</td>
<td>G</td>
<td>H</td>
<td>I</td>
</tr>
</tbody>
</table>

Passive | Participative | Conflictual |


Regarding the concept of “choice” or “making the choice” raised by the first key research question, it is often very difficult to be able to identify that an agent is completely unconstrained by the structures due to “free will” or “free choice” of agent. As discussion in section 4.3 (methodological considerations) in Chapter 4, the domestic and international structures constantly “limited” or “facilitated” the choice of Chinese state agency. We utilize the concept of choice to take account of these institutional and structural constraints or facilitations and explore the Chinese government’s degree of latitude for manoeuvre. In respect of question four, we discuss the methodological issues in relation to the indicators and the analytical framework selected for this research. Finally, the suitability of globalisation theories for analysis of the development of sport policy in China is considered in question five.

As for the ‘problems’ of the validity of evidence from indicators, we have already
discussed these in Chapter 4. We are cautious and aware of the limitation of the data. Therefore, all the indicators we generate are strongly linked to each other (see Appendixes 4, 5 and 6), which helped us to look for consistency and logic between the variables, such as commercialisation and globalisation. This means that we are not relying on one indicator alone, but on a cluster of indicators which are all moving in the same direction. The values of indicators help to identify tensions, particularly between clubs and country, and also to analyse the relationship of the PRC to globalisation. In addition, the preliminary findings from the case studies (empirical research) have been presented at five conferences\(^1\) in Europe and also in China, where our initial findings were generally endorsed and where we received some useful feedback. Although we have made every effort to maintain high levels of validity for this study, Maxwell still reminds us that ‘validity is a goal rather than a product; it is never something that can be proven or taken for granted’ (1996: 86).

8.2 To what extent did/does the Chinese government have a choice in its relationship with sport globalisation?

Here, we are interested in assessing the extent to which the Chinese government retains the capacity to have a choice in its relationship with sport globalisation. By carrying out the historical literature reviews in relation to the PRC’s sport development in Chapter 3 and completing three empirical case studies in Chapters 5, 6 and 7, three phases have been identified – withdrawal/isolation, manipulative

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engagement and, most recently, enthusiastic engagement. All these have been shaped to a significant extent by internal ideological shifts, for example the shift from international socialism to cultural isolation, and also by external diplomatic concerns, such as the dispute with Taiwan. In order to gain a deeper insight into the capacity of the Chinese government to make choices in its relationship with sport globalisation, three case studies were conducted and will be examined here under two sub-headings (Olympic Movement and Elite Football and Basketball) due to the remarkable similarities between the football and basketball case studies.

8.2.1 Olympic Movement

During the first phase China rejected the Olympic Movement and sought to participate in the GANEFO games after it failed to resolve the “two Chinas issue” with the IOC. During the second phase the Chinese government re-engaged with the Olympic Movement but appeared to be less interested in sport and more interested in the leverage that the Olympic Movement could provide in relation to its dispute with Taiwan. In the final phase, China participated in the Olympic Movement and focused on winning medals in the Olympic Games; it was chosen to host the 2008 Olympic Games in Beijing, it became a “good” Olympic member and it adopted an IOC market-approach (sport sponsorship) to run its National Games and to generate commercial income to support its elite sport system. As indicated by the hard and soft indicators outlined in Chapter 4 and Appendix 4 (such as 1h, 2h, 4h, 4s, 6h and 5s), we have generated useful and valid evidence to enable us to evaluate the Chinese government’s capacity to have a choice in its relationship with the Olympic Movement. According to this case study, China has demonstrated the capacity to exercise choice in its relationship with the Olympic Movement, as illustrated most clearly by its withdrawal from the IOC and most international sporting contacts during the ‘Cultural Revolution’. However, the enthusiastic embrace of capitalism following the ‘open door’ policy introduced by Deng Xiaoping in 1978 illustrated by adopting a market-approach to manage its elite sport system and hosting the 2008

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2 These six indicators are as follows: 1h. Formal engagement with international sport as a participant country (including membership, joining competitions, ranking, bidding for or hosting global sport events); 2h. The number and position of Chinese sports representatives in the world sports governing bodies; 4h. The distribution of national sports budget in elite sport; 4s. The structure of sport governing bodies in PRC; 6h. The resource of coach development programmes for elite sport; 5s. The values and attitudes of the government towards commercial sport sponsorship
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Olympic Games, has not only made a return to sporting (cultural) isolation less likely, but also much more difficult. From the perspective of Houlihan's framework (1994, 2003), we find that China's position was moving from box E to somewhere between box E and box F.

In the late 1950s and mid-1960s, the Chinese government established a set of values, namely anti-capitalism and anti-imperialism, that led to an attempt to reject the Olympic Movement by withdrawing from it and fully supporting GANEFO (Games of the New Emerging Forces) in order to challenge the authority of the IOC.

After the late 1970s, the Chinese government was less reluctant to 'open its doors' and it appears that it was a case of China making up its own mind to reach out and bring in global influences, rather than global influences forcing their way in. This is seen especially in the slogan - "Sending human capital out and bringing foreign resources in" - by which athletes, coaches, managers and scientists were dispatched to gain new knowledge and skills from the outside world, and foreign experts, sponsors and companies were welcomed into China, to bring in new resources to promote the Chinese elite system. Although it was being enthusiastic about embracing capitalism, the Chinese government did not passively accept capitalist values. The PRC chose to allow Chinese athletes to be involved in commercial activities, but on the government's own terms. Not only did the government become the main agent of Chinese athletes' commercial rights and interests, but it also set its own agenda and values in an attempt to reject those aspects of the global culture that might endanger the government's main goal - "Olympic success". Indeed, from the perspective of the three main schools of globalisation theories, the argument of the hyperglobalists, such as Ohmae, that contemporary globalisation defines a new era in which people everywhere are increasingly subject to the discipline of the global market (Ohmae, 1990; 1995), appears not to hold true in the case of the Chinese government's capacity to make choices over its relationship with Olympic Movement.

8.2.2 Elite Football and Basketball

The trajectory of the PRC's involvement in global football and basketball is very similar to the case of the Olympic Movement, insofar as most critical decisions were
made by the GAOS (the NSC before 1998). From Figure 6.1 and Figure 6.2 in Chapter 6 and Figure 7.1 and Figure 7.2 in Chapter 7, it can be seen that the decision-making centre is located in the GAOS (NSC). Furthermore, Party members (dangzu) comprised the high ranking sport officials in the GAOS (NSC).

Due to the dominant role of the GAOS, the process of PRC involvement in global football and basketball is very similar to the case of the Olympic Movement. During the first and second phase, for the same reasons, the PRC rejected FIFA and FIBA and sought to participate in the GANEFO Games at first, and then became more interested in the leverage that FIFA, FIBA, Asia Football Confederation (AFC) and the Asia Basketball Confederation (ABC) could provide to prevent the Taiwanese government gaining some advantage regarding its political agenda in terms of the "Two Chinas" issue. In the final phase, China participated in FIFA and FIBA, and focused on: i) winning medals in the Olympic Games, FIFA World Cup and FIBA World Championship; ii) hosting the Women's World Cup twice (1991, 2007), FIBA Women's World Championship in 2002 and the 2008 Olympic Games in Beijing; iii) being a "good" FIFA and FIBA member; iv) adopting the European club system and NBA marketing approaches; v) introducing a system of financial rewards; and vi) generating most of its income from the market by means of football and basketball sponsorship in order to support its elite football and basketball system.

Indeed, all three case studies indicated four main similarities. Firstly, the Chinese government "chose" to have more influence in the IOC, FIFA and FIBA by centralizing China's diplomatic power within these three global organisations in its sport leaders, such as the Vice Sport Minister, Yu Zaiqing, who became an IOC executive member in 2004 and FIBA Executive member in 2006 and Zhang Jilong, a CFA Vice President, was selected as one of the members of the Organising Committee for the 2006 and 2010 World Cups and for the 2008 Olympic Football Tournaments. Secondly, in these three case studies, the Chinese government "chose" Western market-oriented approaches to vitalize its out-of-date Soviet models. Thirdly, the government "chose" to take a short cut by carrying on the policy of "sending human capital out and bringing foreign resources in" in an attempt to raise the profile of all its national teams in the ranking for the Olympic Games, FIFA World Cup and FIBA World Championship (as shown in each section on the "Training System" in Chapter 5.3.1; Chapter 6.3.1; and Chapter 7.3.1). Fourthly, the government often "chose" to
exercise its administrative authority to respond to the problems raised by globalisation and commercialisation. The main difference between the cases of football and basketball is that at one time both football and basketball "chose" to learn the European Model, but recently there has been a "decision" within basketball to refocus on the NBA model, which has a dominant global position.

As with the first case study, the hard and soft indicators (such as, 1h, 2h, 4h, 4s, 6h and 5s in Appendix 5\(^1\) and Appendix 6\(^4\)) also helped to generate useful evidence which partly provides an answer to the first research question. Take indicators 4s and 5s in Appendix 5 and Appendix 6 for example. By examining the **structure of the CFA and the CBA (4s)** and, the **values and attitudes of the government towards commercial football and basketball (5s)**, we found that the Chinese government had made its own choice to transform its football and basketball administrative structure (based on that of the former Soviet Union) and move towards imitating the model of its Western counterparts. It introduced the Western club system and, to some extent, accepted the values of commercial football and basketball. Indeed, when high ranking leaders, such as Li Tieying, a member of the Politburo Standing Committee (PSC), and a State Councillor (1988-1998), insisted that the capitalist experiment be given the green light in the Chinese football and basketball system, the government appeared to be very confident of being able to manage the consequences of globalisation and commercialisation. This confidence led the Chinese government to "choose" to introduce multi-national sport management companies (such as IMG Sports & Entertainment and Media Company in the mid-1990s and Infront Sports & Media in the mid-2000s) and to send its high ranking sport officials (the director of the CBMC, Li Yuanwei, and the first vice Director of Competition Department in GAOS, Guo Jianjun) to learn from the NBA how to run a successful commercial

\(^1\) These six indicators are as follows: 1h.Formal engagement with FIFA as a participant country (including becoming membership, joining competitions, ranking, biding or hosting for FIFA World Cup); 2h.The number and position of Chinese sports representatives in FIFA; 4h.The distribution of national sports budget in elite football; 4s.The structure of Chinese Football Association; 6h.The resource of coach development programmes for elite football; 5s.The values and attitudes of the government towards commercial football

\(^4\) These six indicators are as follows: 1h.Formal engagement with FIBA as a participant country (including becoming membership, joining competitions, ranking, biding for or hosting FIBA World Championship); 2h.The number and position of Chinese sports representatives in FIBA; 4h.The distribution of national sports budget in elite basketball; 4s.The structure of Chinese Basketball Association; 6h.The resource of coach development programmes for elite basketball; 5s.The values and attitudes of the government towards commercial basketball
basketball league in the mid-2000s.

Indeed, as in the case of the Olympic Movement, the Chinese government demonstrated its capacity to exercise choice in its relationship with sport globalisation, as illustrated most clearly by its withdrawal from FIFA and FIBA and most international sporting contact during the ‘Cultural Revolution’. However, the enthusiastic embrace of capitalism (following the directions of the powerful State Councillor and Sport Minister, Wu Shaozu, in 1992), as seen in the fact that more than 95 percent of the annual income of Chinese elite football and basketball relies on commercial football and basketball and that the door was opened more widely by “sending human capital out and bringing foreign resources in”, has meant that a return to sporting (cultural) isolation is less likely and much more difficult. In the words of the director of CBMC, Li Yuanwei, at the ‘Summit of Chinese Basketball Development’ in 2007, “Although lots of new problems in Chinese basketball were raised by globalisation, the only way to tackle these problems is to insist that we ‘reform deeply’ and ‘open widely’” (Li, Y.W. 2007).

According to Houlihan’s framework, Figure 8.1., (1994, 2003), China’s position in the cases of elite football and basketball was moving from being substantially/primarily in box E to somewhere between box E and box F. As with the case of the Olympic Movement, the PRC adhered to its “pure” communist values and attempted to reject global football and basketball by withdrawing from FIFA and FIBA and then fully supporting GANEFO in the late 1950s and mid-1960s, to challenge global football and basketball dominated by Western capitalist values. During the 1990s, when the Chinese government took certain decisions over global football and basketball, such as transforming the administrative structure of football and basketball to resemble Western models, introducing the Western club system, hosting the Women’s World Cup twice (1991, 2007) and the FIBA Women’s World Championship in 2002 and the 2008 Olympic Games in Beijing, and possibly bidding to host the 2018 Men’s World Cup, we could possibly locate the government’s position in box E. But when taking into account the anti-free market choices the Chinese government made, such as interfering in footballers’ transfer affairs and preventing the seven major clubs from organizing a new super league, it appears that they should be located box F. Using Houlihan’s framework, we were able to summarize China’s “choices” in relation to
the Olympic Movement, global football and global basketball in Table 8.1.

Indeed, from the view point of the transformationalists, such as Rosenau (1997), globalisation pulls and pushes societies in opposing directions; it fragments as it integrates, engenders cooperation as well as conflict, and universalises while it particularizes. Just like the choices of the Chinese government in response to commercial football and basketball, cooperation (box E) and conflict (box F) can coexist. This phenomenon can therefore be described in relation to the process of globalisation as both contingent and contradictory. In addition, from the perspective of the sceptics, such as Gilpin (2001: 21), “States continue to use their power to implement policies to channel economic forces in ways favourable to their own national interests and to secure...a favourable share of the gains from international economic activities”. In all three case studies, the evidence suggests that the Chinese government was able to exercise a considerable degree of choice to deal with the problems of commercialisation (organizing a new super league) and globalisation (player transfer) when these issues could possibly endanger the national interest.
<table>
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<tr>
<th>Key Indicators</th>
<th>Key Responses</th>
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<tr>
<td><strong>Olympic Movement</strong></td>
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<tr>
<td>1. (1h). Formal engagement with international sport as a participant country (including membership, joining competitions, ranking, bidding for or hosting Olympic Games);</td>
<td>1. Withdrew from the IOC and most international sporting contact during the “Cultural Revolution”;</td>
<td>1. Moving from box E to somewhere between box E and box F</td>
<td>1. Hyperglobalists' viewpoint not supported. More evidence in support of sceptics' argument.</td>
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<tr>
<td>2. (5s). The values and attitudes of the government towards commercial sport sponsorship</td>
<td>2. Enthusiastically embraced capitalism (adopting a market-approach to manage its elite sport system and hosting the 2008 Olympic Games);</td>
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<td>3. (9h). The tension between the Chinese professional football clubs and the government.</td>
<td>4. Exercised arbitrary administrative authority to suppress the problems raised by globalisation and commercialisation</td>
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<tr>
<td><strong>Global Football</strong></td>
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<tr>
<td>1. (1h). Formal engagement with FIFA as a participant country (including membership, joining competitions, ranking, bidding for or hosting FIFA World Cup);</td>
<td>1. Rejected global football by withdrawing from FIFA and then fully supporting the organizing of GANEFO;</td>
<td>1. Moving from box E to somewhere between box E and box F</td>
<td>1. Part of transformationalists' perspective can be found.</td>
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<td>2. (4s). The structure of the CFA;</td>
<td>2. Transformed its old football administrative structure, which was learned from former Soviet Union, and started imitating the new model from its Western counterparts;</td>
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<tr>
<td>3. (5s). The values and attitudes of the government towards commercial football;</td>
<td>3. Introduced European club system and, to some extent, accepted the values of commercial football;</td>
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<tr>
<td>4. (9h). The tension between the Chinese professional football clubs and the government.</td>
<td>4. Exercised arbitrary administrative authority to suppress the problems raised by globalisation and commercialisation</td>
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<tr>
<td>Global basketball</td>
<td>1. (1h). Formal engagement with FIBA as a participant country (including membership, joining competitions, ranking, bidding for or hosting FIBA World Championship);</td>
<td>1. Rejected global basketball by withdrawing from FIBA and then fully supporting the organizing of GANEFO from box E to the argument of the sceptics.</td>
<td>1. Moving from box E to somewhere between box E and box F</td>
</tr>
<tr>
<td></td>
<td>2. (4s). The structure of the CBA;</td>
<td>2. Transformed its old basketball administrative structure, which was learned from former Soviet Union and began imitating the new model from its Western counterparts;</td>
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<td></td>
<td>3. (5s). The values and attitudes of the government towards commercial basketball;</td>
<td>3. Attempted to adopt the European Model at first, but recently there has been a “decision” to refocus on the model of the NBA and, to some extent, accept the values of commercial football.</td>
<td></td>
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<tr>
<td></td>
<td>4. (9h). The tension between the Chinese professional basketball clubs and the government.</td>
<td>4. Exercised arbitrary administrative authority to suppress the problems raised by globalisation and commercialisation</td>
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</table>
8.3 To what extent can the Chinese government manage its interaction with sport globalisation?

From the previous section, we know that the PRC demonstrated the capacity to exercise choice in its relationship with sport globalisation, but due to its enthusiastic embrace of capitalism, tensions emerged from this ideological shift which were highlighted in the three empirical case studies in Chapters 5, 6 and 7. The tensions are: i) athletes versus the Communist Government; ii) the GAOS versus the National Sport Associations (the Sport Management Centres); iii) clubs versus country (national teams); and iv) commercial sponsors versus the Communist Government. The tensions raised by an increase in the commercialisation of sport demonstrate the depth of the struggle over priorities between emergent commercial clubs and national team development, and also between highly paid and internationally mobile sports 'stars' and the state controlled elite (Olympic) development system. By examining these four main tensions, we aim to provide a much clearer picture which will enable us to evaluate the extent to which the Chinese government sustains the capacity to manage its interaction with sport globalisation.

8.3.1 Olympic Movement

Using the hard and soft indicators (such as, 3s, 4h, 4s, 6h and 5s in Appendix 4), we are able to identify two main tensions and find a possible answer to the question, “To what extent can the Chinese government manage its interaction with the Olympic Movement?” Take indicators 3s, 4h and 5s in Appendix 4 for example. By examining the attitudes and values of athletes towards material awards (3s), the distribution of the national sports budget in elite sport (4h) and the values and attitudes of the government towards sport commercial sponsorship (5s), we found that the two most obvious tensions are first between athletes and the Communist Government and second between the GAOS and the National Sport Associations (the Sport Management Centres). The first tension concerns the roles, rights and responsibilities

5 These five indicators are as follows: 3s. The attitudes and values of athletes towards material awards; 4h. The distribution of national sports budget in elite sport; 4s. The structure of sport governing bodies in PRC; 6h. The resource of coach development programmes for elite sport; 5s. The values and attitudes of the government towards commercial sport sponsorship
of the athletes and the collective (national) interest as defined by the Communist Government. For example, Tiang Liang and Guo Jingjing, both Olympic gold medallists in diving, and Peng Shuai, a world-class female tennis player, all challenged the authority of the Chinese government. However, in the cases of Tiang Liang, Guo Jingjing and Peng Shuai, the government was so concerned that their individual commercial interests were impinging on their availability for national events that they were summarily ‘removed’ from the team. After acknowledging their “mistakes” in public, Guo Jingjing and Peng Shuai were permitted by the GAOS to return to the national teams in 2005 – 2006 (Liang, 2006). But Tiang Liang was not allowed to return to the national team partly because he refused to acknowledge his “mistake” in taking part in commercial activities and partly because his diving skill had been overtaken by other young national divers.

Regarding the tension between the GAOS and the National Sport Associations (Sport Management Centres), such as the Chinese Athletics Association, Chinese Swimming Association and Chinese Badminton Association, officials in all three Associations complained that the GAOS controlled their sports in respect of development, personnel and financing. This not only resulted in staff in the Associations becoming less active but also increased the tension, especially in communications within different departments and between the Associations and the GAOS. Although officials in these Associations were reluctant to let the GAOS control their affairs, they all realised that they were under enormous pressure to win Olympic medals on their own soil in 2008. As voiced by one senior official in the Chinese Athletics Association, “The GAOS would guarantee the budget for training and competitions for the national squad and what is most important for their jobs is the athletes’ performance in the Olympic Games” (Interview, 10th January 2006).

Indeed, these two main tensions in the case of the Olympic Movement are strongly linked to the commercialisation of sport. The Chinese government attempted to “discipline” its individual Olympic “star athletes” who were involved in too many commercial activities and to “command” its National Sport Associations to concentrate their minds on winning more Olympic medals in the 2008 Beijing Games. Therefore, the capacity of the PRC to manage its engagement with the Olympic Movement should not be underestimated. Political control remains strongly focused
on the GAOS reinforced by the Central Committee of the Chinese Communist Party, while administrative control, particularly over individual athletes, is exercised by the GAOS through its domination of the COC and the domestic Olympic federations.

From the perspective of Houlihan’s framework (1994, 2003), we find that China’s position should be located somewhere between participative and conflictual. The Chinese government attempted to reject sport commercialism (following the Olympic Movement) by “disciplining” its star athletes and “commanding” its National Sport Associations to refrain from being involved in too many commercial activities. More importantly, there is little evidence that the government’s actions were the result of global forces. Indeed, viewed from the perspective of the hyperglobalists such as Strange (1996: 4), evidence that “the power of the world market is considered to be much more influential than nation-state” could not be found in the case of the Olympic Movement. Instead, the position appears to be closer to the arguments of the sceptics, such as Hirst and Thompson (1998: 17) who stress that, far from the nation state being undermined by the processes of internationalisation, these processes strengthen the importance of the nation state in many ways.

8.3.2 Elite Football and Basketball

As with the case of the Olympic Movement, the hard and soft indicators (such as, 2s, 4h, 4s, 6h, 5s and 9h in Appendix 56 and Appendix 67) help us identify four main tensions from which we are able to answer the question “To what extent can the Chinese government manage its interaction with global football and basketball?” By examining indicator 2s.**The attitudes and values of the Chinese government towards the human rights of elite athletes (for example, the transfer of players);**

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6 These six indicators are as follows: 2s. The attitudes and values of the Chinese government and Chinese professional football clubs towards human rights of elite athletes (for example, the transfer & players); 4h. The distribution of national sports budget in elite football; 4s. The structure of Chinese Football Association; 6h. The resource of coach development programmes for elite football; 5s. The values and attitudes of the government towards commercial football; 9h. The tension between the Chinese professional football clubs and government.

7 These six indicators are as follows: 2s. The attitudes and values of the Chinese government and Chinese professional basketball clubs towards human rights of elite athletes (for example, the transfer & players); 4h. The distribution of national sports budget in elite basketball; 4s. The structure of Chinese Basketball Association; 6h. The resource of coach development programmes for elite basketball; 5s. The values and attitudes of the government towards commercial basketball; 9h. The tension between the Chinese professional basketball clubs and government.
and indicator 4s. The structure of the CFA and the CBA, the first two tensions identified are: i) footballers and basketball players versus the Communist Government; and ii) the GAOS versus the CFA (CFMC) and the CBA (CBMC). In the same way, by considering the indicators 9h. The tension between the Chinese professional clubs (football and basketball) and government and 5s. The values and attitudes of the government towards commercial football and basketball, the last two tensions identified are iii) clubs versus country (national teams); and iv) multi-national companies versus the Communist Government.

As for the tension between players and the Communist Government, only players who passed a fitness test set by the CFA (the Coopers 12-min Run Test before 2003, and Yo-Yo Intermittent Recovery Test after 2003) could take part in the Super League and Division 1 championships. Although several national footballers such as Gao Feng, withdrew from national squads after failing the fitness test and challenged the authority of the Communist Government, despite having had a second chance to pass the test in 2003, the Chinese government did not change its mind. Rather, the Director of the CFA Competition Department, Ma ChengQuan, who was in charge of the fitness test for professional players in 2007, proclaimed that the CFA would carry on the policy of the “Yo-Yo Test” with a sanction, because it would push Chinese players to train harder and get them fit enough not only for domestic club matches but also for international competition (Ma, 2007). Following CFMC’s step, the CBMC introduced a similar fitness test for club players, with the rule that if players did not pass, they could not play (CBA, 2006g: 26). This was a national strategy to raise the performance of the national team. Another example relates to individual Chinese basketball players. When Wang Zhi-Zhi, one of the former Chinese NBA players, challenged the authority of the Communist Government in 2002 by remaining in the United States to play for his NBA team rather than returning to China to play for his own national team, he was not allowed to return to Team China until he acknowledged his “mistakes” in public in 2006 (Yang, 2006). Indeed, all three case studies show that it is a national policy to raise the performance of the national team by using state power to “force” players to achieve national goals.

The second tension is between GAOS and the CFA and CBA. As with the case of the Olympic Movement, officials in the CFA and the CBA complained that GAOS had
control over football and basketball and their development, personnel and financing, which not only demotivated staff members in the two associations but also increased the tension, especially in communication between different departments of the two associations and the GAOS. But due to the subordinate status of the two associations and in the reformed administrative structure of GAOS (NSC) after the mid-1990s, officials in the CFA and CBA had no choice but to follow the “command” of the GAOS, which has the legal power to “discipline” sport associations (see more detail in the discussion in relation to the third question).

The third tension is between clubs’ commercial interests and the country’s priority of the Olympics, World Cup and World Championships. There are many cases in which the government not only took most of the commercial rights from the domestic leagues and clubs, but also drafted key players from the clubs to prepare for international games without compensation. The tension reached its peak when the seven major basketball and football clubs attempted to organize a new super league in the late 1990s and in 2004 respectively and were promptly suppressed by the Chinese government and heavily criticised by senior officials in the GAOS and the CFA, such as Cui Dalin, the Vice Sport Minister, and Ma Chengquan, the director of the CFA Competition Department. These officials claimed that “the premier mission of the 2007 CSL season is to fully support the 2008 Beijing Games and that stabilising the development of the CSL is secondary” (Wang, L. 2007). Moreover, due to its refusal to release its star players to join the national team, Beijing Aoshen, one of a handful of commercial clubs with links to private rather than state enterprise, was dismissed from the CBA League in 2004. Although Aoshen was eager to rejoin the CBAL in 2007, its application was dismissed again by the CBA, insisting that the home stadium of Aoshen must be relocated to mainland China from Macao (CBA, 2007).

The fourth tension is between commercial sponsors and the government. One of the major commercial sponsors, Infront Sports & Media, attempted to become more involved in the decision-making process concerning the selection of the football head coach for the 2008 Olympic squad (Ma, D., 2006), and to put commercial interest above national interest when arranging international friendly matches (Xu and Zhang, 2006). Although Infront Sports & Media was favoured by the German football coaches and its own representative, Liu Hao was involved in the decision-making to
select a football head coach for the Olympic Team, all three German candidates recommended by Infront Sports & Media were rejected by the other five key actors from the CFA (Ma, D., 2006). Indeed, the final decision to ratify an agreement to hire Serbian Ratomin Dujkovic as head coach for China's Olympic football team was made by the GAOS (Xu, J. 2006). As for arranging international friendly matches, Infront Sports & Media agreed to "do their best" to arrange international friendly matches to satisfy the requirements set by the CFA after the Director of the CFMC, Xie Yalong, officially criticised Infront Sports & Media, whose match arrangements in 2006 were unacceptable to the CFA because they were considered to be more concerned with playing against teams that would generate income rather than improve the national team (Zhu, 2006).

As in the football case study, there was a very similar tension between Infront Sports & Media and the CBA. Infront Sports & Media, the exclusive global marketing partner for the country’s national basketball teams, attempted to put commercial interest above national interest when arranging international friendly matches. The head coach of the Chinese Men’s Basketball Team, Jonas Kazlauskas, stated during his interview with Sina Sports, that “Due to the huge pressure from Infront Sports & Media, the Chinese Men’s Basketball Team has to adhere to the commercial arrangements of Infront Sports & Media and compete in friendly matches, but this has a negative impact on our systematic training" (Yuan, J., 2007). After signing a three-year-contract for $ 15 million with CBA (Yan, 2006), Infront Sports & Media arranged 35 friendly international matches in 138 days for the Team China Men’s Basketball, but the commercial implications appeared to be more important than the quality of Team China’s rival teams. Finally, the Chinese NBA superstar, Yao Ming, complained that there were too many commercial arrangements in these friendly matches (Zhu, J., 2007) and the head coach of the Chinese Men’s Basketball Team appealed to Infront Sport & Media by saying, “Please don’t kill Team China for money next year” (Sun, B., 2007b).

Although both Yao Ming and Jonas Kazlauskas criticized the commercial arrangements of Infront Sports & Media, surprisingly, the director of the CBMC, Li Yuanwei, (Sport.Sohu.Com, 2007) and the deputy director of the CBMC, Hu Jiashi, both defended Infront Sports & Media by arguing that “all the 35 friendly
international matches were requested by the coaches of Team China, ratified by the CBMC and arranged by Infront Sports & Media. All Infront Sports & Media did was just to fulfil the request of the CBMC” (Lan, Y., 2007b). Judging by the case of Infront Sports & Media, it appears that there was a certain compromise to enable the CBMC to balance commercial interests and national interests, because the CBMC needed the resources from the commercial profits of Infront Sports & Media to enable them to improve the quality of the national side in advance of the 2008 Beijing Games. One thing is certain, that the CBMC was not passive in following the commercial rules of these multinational companies (MNCs) (such as Infront Sports & Media). This is made clear in the words of the director of the CBMC, Li Yuanwei, who argued in 2004 that, “We have made our mind up to raise the profile of the national teams and without hesitation to use whatever resources we can and to pay whatever is necessary, regardless of the cost to achieve this” (Li, Y.W. 2004).

Unlike elite football, there is a tension between the NBA and the government in the case of elite basketball. There are a number of examples where the commercial organisation (NBA) attempted to expand and maximize its global market by introducing NBA China Games to compete with the Chinese national team. Although the NBA had a reasonable relationship with the Chinese government, in terms of helping China improve the quality of the national team, it appeared not to have been the case with the NBA China Games. This was because the Chinese government set two conditions, one being to play by FIBA rules rather than NBA rules, and the other that two Chinese NBA stars, Yao Ming and Yi Jianlian must return to China to play for the national side rather than staying in America to play for their NBA teams (Liu, X., 2007). Under pressure from the CBMC, the NBA agreed to play by FIBA rules, but with two foreign players to replace Yao Ming and Yi Jianlian in the NBA China Games (Sun, 2007a). This appears to indicate that the CBMC was quite active in negotiations with the NBA rather than passively following NBA’s commercial rules. A similar ongoing issue is that NBA Commissioner David Stern proclaimed in late 2007 that “the NBA is going to cooperate with the CBA and GAOS to organize a China-NBA League” (Li, R., 2007). The director of the CBMC, Li Yuanwei, was cautious about the NBA’s proposal, maintains that “the ranking of Team China Basketball in the 2008 Beijing Games will play a key role in deciding whether the NBA can establish a league in China or not” (Lan, 2007a), but he was also definite
about the fact that "If the NBA wants to organize a China-NBA League, they must cooperate with the CBA" (Lan, 2007a).

When considering these four tensions, we found that the most obvious tensions in the case of elite football and basketball are strongly linked to commercial aspects. The Chinese government attempted not only to "force" its professional players to do certain things and to "command" its subordinate organizations (the CFMC/CFA and the CBMC/CBA) in order to raise the profile of the national teams, but also to "suppress" the seven major clubs, to "dismiss" the defiant commercial club and to "curb" commercial sponsors, Infron Sports & Media and NBA in order to prevent them jeopardizing its primary political mission (the glory of the 2008 Olympic Games, the FIFA World Cup and the FIBA World Championship). Based on these findings it would appear that the Chinese government has attempted, with reasonable success so far, to manage the impact of commercial interests on Chinese domestic football/basketball practices, elite footballers/basketball players and professional football/basketball clubs.

From the viewpoint of Houlihan's framework (1994, 2003), we find that China's position in elite football and basketball, similar to the case of the Olympic Movement, should be located somewhere between box E and box F. Although the Chinese government attempted to reject the key values of commercial football and basketball (i.e. the trend towards global football and basketball professionalism) by "suppressing" commercial clubs and by "curbing" commercial sponsors, Infron Sports & Media and the NBA, the PRC still sought to achieve its political agenda by "forcing" its club footballers and "commanding" its dependent organisations (the CFMC/CFA and CBMC/CBA) to become involved in global football and basketball (specifically the 2008 Beijing Games, the FIFA World Cup and the FIBA World Championship). As a result there were problems, as with the Olympic Movement case, in locating the response of the Chinese government clearly in box E and box F. Using Houlihan's framework, we were able to summarize China's capability to manage its interaction with the Olympic Movement, global football and global basketball in Table 8.2.
Table 8.2: Summary of China’s capability to manage its interaction with the Olympic Movement, global football and global basketball

<table>
<thead>
<tr>
<th>Key Indicators</th>
<th>Capabilities demonstrated in managing tensions arising from Globalisation &amp; Commercialisation</th>
<th>Patterns of Reach and Response</th>
<th>Theoretical Implication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Olympic Movement</td>
<td>1. (3s). The attitudes and values of athletes towards material awards; 2. (5s). The values and attitudes of the government towards commercial sport sponsorship; 3. (4s). The structure of sport governing bodies in PRC</td>
<td>1. “Disciplined” its individual Olympic “star athletes” who were involved in too many commercial activities (such as Tiang Liang and Peng Shuai). 2. “Commanded” its National Sport Associations to concentrate their minds on winning more Olympic medals in the 2008 Beijing Games.</td>
<td>1. Located somewhere between box E and box F 1. Support for the hyperglobalists’ argument could not be found and more evidence underpinned the position of the sceptics.</td>
</tr>
<tr>
<td>Global football</td>
<td>1. (2s). The attitudes and values of the Chinese government towards human rights of elite athletes (for example, the transfer of players); 2. (4s). The structure of the CFA; 3. (5s). The values and attitudes of the government towards commercial football; 4. (9h). The tension between the Chinese professional football clubs and government.</td>
<td>1. “Forced” its club footballers and “commanded” its dependent organization, (the CFMC or CFA) to be involved in global football (especially in 2008 Beijing Games and the FIFA World Cup) to achieve its political agenda; 2. “Suppressed” domestic commercial clubs and “curbed” commercial sponsors, Infront Sports &amp; Media in an attempt to reject the key values of commercial football so as to avoid endangering the performance of national teams (national interest).</td>
<td>1. Located somewhere between box E and box F 1. Part of the transformationalists’ argument can be supported.</td>
</tr>
<tr>
<td>Global basketball</td>
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<tr>
<td>1. (2s). The attitudes and values of the Chinese government towards human rights of elite athletes (for example, the transfer of players);</td>
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<td>2. (4s). The structure of the CBA;</td>
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<tr>
<td>3. (9h). The tension between the Chinese professional basketball clubs and the government;</td>
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<td></td>
<td></td>
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<tr>
<td>4. (5s). The values and attitudes of the government towards commercial basketball.</td>
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<td></td>
</tr>
</tbody>
</table>

| 1. "Forced" its professional players and "commanded" its subordinate governing body (the CBMC or CBA) to raise the profile of the national teams |
| 2. "Dismissed" the defiant commercial club and "negotiated" with MNCs, such as NBA and Infront Sports & Media, to avoid them jeopardizing its political mission of glory in the 2008 Olympic Games and the FIBA World Championship. |

| 1. Located somewhere |
| 2. Between box E and box F |
| 1. The hyperglobalists' argument can not be supported. Instead, the arguments of sceptics are mainly supported. |
Certainly, from the perspective of the transformationalists like Held et al (1999: 9), the power of national governments is not necessarily diminished by globalisation but, on the contrary, is being reconstituted and restructured (such as by creating the CFMC/CBMC and by introducing professional football and basketball clubs) in response to the growing complexity of the process of governance in a more interconnected world. In addition, to answer whether the Chinese government can manage its interaction with global football and basketball, such as with the NBA and Infront Sports & Media, the argument of the hyperglobalists, such as Ohmae (1990), which contends that two forces matter in the world economy, global market forces and transnational companies, and that neither of these is or can be subject to effective public governance, is problematic. Instead, the argument of the sceptics, such as Hirst and Thompson (1998: 183), that “sovereign nation states claimed as their distinctive feature the right to determine how any activity within their territory was governed [such as whether to let NBA organize a China-NBA League], either to perform that function themselves or to set the limits of other agencies [such as insisting on using FIBA rules in the NBA China Games]”, is more persuasive. Although Hirst and Thompson (1998: 170) claimed that “the state remained a pivotal institution, especially in terms of creating the conditions for effective international governance”, they acknowledged that “the state’s capacities for governance have changed and in many respects [especially national macroeconomic management] have weakened considerably [particularly the interaction of CFMC and CBMC with Infront Sports & Media].”

8.4 In what ways does the Chinese government seek to manage its relationship with sport globalisation?

From the previous section, we know that the PRC demonstrated the capacity to exercise choice and manage its relationship with sport globalisation. In this section we are interested in understanding the ways in which the Chinese government seeks to manage its relationship with sport globalisation. Benefiting from Houlihan’s framework (1994, 2003) and his concept of “the depth of global reach” we can better understand the strategic implications of the Chinese government’s attempts to deal with the challenges of global sports from the economic, political and

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cultural/ideological point of view.

8.4.1 Olympic Movement

In order to manage its relationship with the Olympic Movement, the Chinese government adopted a strategic approach in the political, economic and cultural/ideological spheres. Elements of the strategic approaches included: i) transforming the domestic administrative structure in order to use its political power more effectively and efficiently to manipulate international and domestic elite sport; ii) setting up Market Promotion Divisions in the COC and NSMCs and updating sport regulations to provide leverage over sport commercialisation; and iii) strengthening Chinese communist ideological education to manage the consequences of commercialisation.

The soft and hard indicators, (such as, 1h, 2h, 4h, 5h, 6h and 9h in Appendix 4), particularly 2h. The number and position of Chinese sports representatives in the world sports governing bodies, 4s. The structure of sport governing bodies in the PRC and 4h. The distribution of national sports budget in elite sport, help us identify four main political strategies adopted by the Chinese government to deal with the challenges from the Olympic Movement. These four political strategies were: i) setting a target of 50 people to obtain leadership positions in the IFs and having clear strategies for taking an IOC seat; ii) transforming the administrative structure of domestic sport; iii) strengthening athlete selection, training and competition systems leading towards the Olympic Games; and iv) preventing coaches and athletes from going abroad.

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8 These seven indicators are as follows: 1h. Formal engagement with Olympic Movement as a participant country (including membership, joining competitions, ranking, bidding for or hosting Olympic Games); 2h. The number and position of Chinese sports representatives in the IOC and other world sports governing bodies; 3h. The number and purpose of sport facilities in China; 4h. The distribution of national sports budget within elite sport; 4s. The structure of sport governing bodies in the PRC; 5h. The number and purpose of special elite universities or training centres for elite sport; 8h. The number of athletes in elite sport system.
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The momentum to drive these strategies forward was the sheer dominance of the Central Committee of the Chinese Communist Party (State Council) in transforming the administrative structure of sport. The design of 'three in one' or 'two in one' agencies was and is paramount in the state's construction of a centralised and simplified political and sporting administration to underpin the country's system of elite sport development. For example, the GAOS, the Chinese Olympic Committee and the All-China Sport Federation (ACSF) all report to the sports minister and the National Sport Associations (NSAs) and National Sport Management Centres (NSMCs) are under the control of one organisation - the GAOS.

**Figure 8.2: China's Centralised Elite Sports Structure**

![Diagram of China's Centralised Elite Sports Structure](image)

Figure 8.2, illustrates China's centralised and simplified administrative structure, and also depicts the common goal ('Olympic glory') and the remit of some of the sporting organisations and supporting agencies involved. The GAOS is the dominant organisation. Its main goal is Olympic glory and it sets medal quotas for each of the 16 NSMCs working with Olympic sports. The primary concern of these Centres is to oversee and manage the training and monitoring of national teams. At the provincial level there are also sport bureaus and sport management centres with responsibility
for producing elite athletes for selection into the national squads. By centralizing and simplifying sport’s administrative structures, the Chinese government is able to drive its elite athletes to win Olympic glory and encourage them to develop (governmental) values of raising national pride, increasing national cohesion and demonstrating the superiority of socialism. It also enabled the high-ranking officials in GAOS and NSMCs to obtain leadership positions in the IFs and take more IOC seats in order to influence decision-making at the international level. This makes it possible for the PRC to use its political power more effectively and efficiently to manipulate events in the international and domestic elite sport arenas.

As for the economic aspect, we also used the indicators (3s, 4h, 4s, 6h, 5s and 9h in Appendix 4), particularly 4s. The structure of sport governing bodies in the PRC; 4h. The distribution of national sports budget in elite sport; and 5s. The values and attitudes of the government towards commercial sport sponsorship. These helped us identify three main economic strategies adopted by the Chinese government in response to the Olympic Movement. These three strategies were: i) generating multiple incomes for the Olympic sport system; ii) introducing a system of financial rewards; and iii) combating the attraction of foreign commercialisation. These economic strategies were backed by the setting up of Market Promotion Divisions in the COC and NSMCs and by updating sport regulations to enable greater control and influence over sport commercialisation.

As mentioned in Chapter 5 (see more detail in section 5.3.2 generating multiple incomes in Chapter 5) in 1992 high ranking officials in the NSC (GAOS) and State Council raised the alarm that the shortage of funds from the national budget available for sport development was becoming more and more serious. They highlighted, from a socialist viewpoint, the need to locate a new way to generate more income from different channels through a socialist market economy, in order to vitalise China’s sport development. In order to cover the extremely high expenditure needed to win Olympic glory, three main sources of income were used to support Chinese elite sport

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9 These six indicators are as follows: 3s. The attitudes and values of athletes towards material awards; 4h. The distribution of national sports budget in elite sport; 4s. The structure of sport governing bodies in PRC; 6h. The resource of coach development programmes for elite sport; 5s. The values and attitudes of the government towards commercial sport sponsorship; 9h. The tension between the national teams’ sponsors and government.
systems. These three income sources were: the government sport budget (at national and provincial level); lottery funding; and commercial and sponsorship income. By concentrating its national budget on promoting the aims of Olympic glory, the central government encouraged provincial governments to invest their own sport budgets in the development of elite performers (by creating the National Games) and enabled the creation of the lottery to support the "Olympic glory" project. But when the Chinese government decided to adopt a market mechanism to generate commercial income (including sponsorship) it had to face a deep struggle over priorities between emergent commercial sectors (particularly sponsors) and national team development, and also between highly paid and internationally mobile sports ‘stars’ and the centrally controlled elite (Olympic) development system.

In order to manage the consequences of commercialisation, Market Promotion Divisions in the COC and NSMCs were set up under the surveillance of the GAOS Finance Department. By creating these new governmental commercial agencies, the Chinese government was able to generate commercial income from its National Sport Associations, national teams and individual sports stars, but, more importantly, make sure that all commercial contracts and activities would not endanger the national priority of the performance of the national teams. Indeed, the GAOS, particularly the Finance Department, played a key role by “updating” the instructions and regulations, in four ways, in order to reduce the negative impact of commercialisation on Chinese elite development. These four ways were: i) controlling access by athletes to commercial activities; ii) redistributing a proportion of athletes’ commercial income; iii) punishing athletes who were considered to be too heavily involved in commercial activities; and iv) asking the National Sport Management Centres (NSMCs) to refrain from involvement in commercial activities.

Indeed, in 2000 GAOS issued “The Notice for Tightening Up the Administration of In-Service Athletes Involved in Commercial Activities” which stated that “all intangible assets of in-service Chinese athletes belonged to the state” and “all commercial activities have to be mediated by the national sport associations”. In 2006, a more operational and practical regulation- “The Notice on Attempting to Manage Commercial Activities of National Squad Members by Contract”- was issued by the GAOS and each NSMC was asked to sign a commercial contract with its athletes.
Once athletes signed their name to this contract with their NSMCs, not only would their commercial activities be limited and their commercial profits redistributed by Market Promotion Divisions in the COC and NSMCs, but they could also be thrown out of their teams if they violated this contract, as was the case with Tian Liang (see more detail in section 5.4.1 combating the attraction of foreign commercialisation of Chapter 5). In addition to controlling the commercial activities of individual star athletes, in 2003, the GAOS also issued an official document called "The Notice for Standardizing the Code of Practice of National Sport Management Centres" which requested all NSMCs to submit their annual programme of competitions and key commercial contracts to the GAOS Finance Department before making any agreement with sponsors. In short, by creating new government commercial agencies within the GAOS, COC and NSMCs and by updating sport regulations, the Chinese government was not only able to centralize most commercial rights in the hands of the GAOS and therefore make sure that most commercial income could be redistributed within sport, but was also able to discipline or punish those who were involved in too many commercial activities at the expense of their main mission – "Olympic success first".

As for the cultural/ideological aspect, by examining the indicators, particularly 3s. The attitudes and values of athletes towards material awards and 5s. The values and attitudes of the government towards commercial sport sponsorship, we identified that 'ideological education' was used to reduce the negative impact of commercialisation, particularly among elite athletes. Although China is embracing principles of western capitalism, patriotism, nationalism and ideology remain important expressions of national distinctiveness which can be realised through international elite sport success. Thus, in order to encourage Chinese athletes to compete wholeheartedly for their country, patriotism and nationalism are constant themes in the 'education' of elite athletes. According to the vice president of the Chinese Olympic Committee, who was one of the architects of the 'Olympic glory' project, 'The fundamental mission for Chinese athletes is to actively participate in international competition for the sake of the nation’s pride' (Wu, S., 2001: 72). The vice president also maintained that 'Our job is to help athletes to establish their highest value in life, which is to be fervent patriots whose responsibility is to raise the national flag and to play the national anthem in the international sport arenas' (Wu, S., 2001: 72). The depth of feeling associated with elite sport success in China was also
highlighted: ‘The value of the lives of Chinese athletes would be nothing if it was not linked to national pride’ (Wu, S., 2001: 239).

To achieve such intense ideological indoctrination, responsibility for ‘ideological education’ was given to a senior manager of each national squad. Generally speaking, this education took the form of teaching on patriotism, collectivism and revolutionary heroism, in order to dilute and reduce the allure of materialism and money. In addition, the Chinese government educated young participants in the Olympic principles of humanism and self-development, and this ‘education’ was aligned with the legendary history of Chinese advanced revolutionaries and Chinese Olympic or world champions in each sport. The annual ritual for celebrating new world champions in elite sport teams therefore became an important tradition and tool with which to inspire athletes to work harder in order to win these ‘honourable titles’ and emulate their eminent predecessors (Zhao, 2003: 41-4). Indeed, according to the sport minister, Liu Peng (2006), the whole purpose of ‘ideological education’ was to deeply implant the value of “national pride first and personal interest second” in each Chinese athlete’s mind, in order to prevent star athletes (such as Tian Liang, Guo Jingjing and Peng Shuai) from having a negative impact by putting a high value on global capitalist sport individualism and commercialism.

From the perspective of Houlihan’s framework (1994, 2003), we find that China’s position, in terms of the depth of ‘reach’ in economic, political and cultural/ideological spheres should probably be located somewhere between box B and box C, between box E and box F, and between box H and box I, respectively. Indeed, by taking strategic approaches in the political, economic and cultural/ideological spheres, the Chinese government demonstrated its capacity, in general, successfully to find ways to manage its relationship with the Olympic Movement, particularly by setting up new governmental commercial agencies in the GAOS, COC and NSMCs, updating sport regulations and strengthening Chinese communist ideological education.

The view of the hyperglobalists, such as Ohmae, that “in a borderless world traditional national interest has no meaningful place” (1995: 64), could not be supported in the case of the Olympic Movement. Instead, there appears to be more
support for the views of sceptics, such as Vogel, (1996: 19) who argue that "Regulatory reform of the state is about more than liberating markets" an observation amply illustrated by the motives for the reform of the administrative structure for sport and the amendment to sports regulations. Vogel also commented that "Two things that typically concern state actors far more than private-sector actors are finding new ways to raise government revenue and designing new mechanisms of policy implementation" (1996: 19). Both these concerns are also illustrated by the actions of the PRC government first in establishing Market Promotion Divisions in the GAOS, COC and NSMCs and second in carrying on the design of the 'three in one' or 'two in one' agencies to achieve Olympic glory. Moreover, sceptics, such as Hirst and Thompson (1998: 180) note that "It is virtually impossible to continue to operate in the various world markets and, at the same time, to ignore the internationalised cultures that go along with that." Indeed, the way in which the Chinese government decided to give its elite athletes intense ideological indoctrination, particularly in nationalism, attempted to exclude the values of global capitalist sport individualism and commercialism (cosmopolitan culture). Hirst and Thompson acknowledge that "Complete cultural homogeneity and exclusiveness between cosmopolitan and national cultures are less and less possible" (1998: 180). This would, therefore, explain why the tension between the commercial interest of individual athletes and the collective (national) interest surfaced from time to time in the case of the Olympic Movement.

8.4.2 Elite Football and Basketball

In order to manage its relationship with global football and basketball, the Chinese government took similar strategic approaches to those used with the Olympic Movement in the political, economic and cultural/ideological fields. These were: i) transforming the domestic administrative structure so as to use its political power more effectively and efficiently in the international and domestic elite football and basketball arenas; ii) setting up a Competition Divisions in the CFMC (CFA) and a Marketing Department and CBA Management Office in the CBMC (CBA) and amending sport regulations in order to be able to control, or at least influence, commercialisation; and iii) strengthening Chinese communist ideological education to manage the consequences of commercialisation.
Utilizing the soft and hard indicators (such as, 1h, 2h, 4h, 4s, 5h, 6h, 7h and 8h in Appendix 5\(^{10}\) and in Appendix 6\(^{11}\)), particularly 2h. The number and position of Chinese sports representatives in FIFA, FIBA, AFC and ABC; 4s. The structure of the CFA and CBA; 4h. The distribution of the national sports budget in elite football and basketball; and 9h. The tension between the Chinese professional football/basketball clubs and government, we are able to identify four main political strategies adopted by the Chinese government to deal with the challenges from global football and basketball. These four political strategies were: i) taking more seriously the aim of obtaining a leadership position in the AFC and ABC and desiring to have more influence in FIFA and FIBA; ii) transforming the administrative structure; and iii) strengthening the athlete selection, training and competition system towards the Olympics, World Cup and World Championship; iv) preventing the seven major football and basketball clubs from organizing a new super league.

As with the case of the Olympic Movement, the momentum to adopt and maintain these strategies came from the sheer dominance of the Central Committee of the Chinese Communist Party (State Council), particularly the key actor, Li Tieying, a member of the Politburo Standing Committee (PSC) and a State Councillor.

\(^{10}\) These eight indicators are as follows: 1h. Formal engagement with FIFA as a participant country (including becoming a member, joining competitions, ranking, biding for or hosting FIFA World Cup); 2h. The number and position of Chinese sports representatives in FIFA and Asia Football Confederation; 4h. The distribution of the national sports budget in elite football; 4s. The structure of the Chinese Football Association; 5h. The number and purpose of special elite universities or training centres for football; 6h. The resource of coach development programmes for elite football; 7h. The ownership of special elite training facilities for football in China; 8h. The number of people or local clubs who participated in elite football.

\(^{11}\) These eight indicators are as follows: 1h. Formal engagement with FIBA as a participant country (including becoming membership, joining competitions, ranking, biding for or hosting FIBA World Championship); 2h. The number and position of Chinese sports representatives in FIBA and Asia Basketball Confederation; 4h. The distribution of the national sports budget in elite basketball; 4s. The structure of the Chinese Basketball Association; 5h. The number and purpose of special elite universities or training centres for basketball; 6h. The resource of coach development programmes for elite basketball; 7h. The ownership of special elite training facilities for basketball in China; 8h. The number of people or local clubs that participated in elite basketball.
(1988-1998), who encouraged the adoption of a western approach, in particular, capitalist principles, to revitalise the Chinese elite football and basketball system. The design of ‘two in one’ agencies was and is paramount in the state’s construction of a centralised and simplified political and sporting administration that underpins the country’s system of elite football and basketball development. For example, the Chinese Football Management Centre (CFMC) and the Chinese Basketball Management Centre were created by the GAOS in the 1990s, but the leadership and general function was exactly the same as in the CFA and the CBA. The title of ‘CFA’ and ‘CBA’ was used to connect with international organizations and ‘CFMC’ and ‘CBMC’ was used to interact with the domestic political system. Under this design, the Chinese government was able to transform its football administrative structure in three ways: i) by setting up a highly institutionalized and rationalized Chinese football and basketball system; ii) by introducing the club system; and iii) by establishing football and basketball companies as commercial agents (see more detail in section 6.3.1 and 7.3.1 The administrative structure in Chapter 6 and Chapter 7). The primary concern of the CFMC (CFA) and CBMC (CBA), as with the other NSMCs, is to oversee and manage the training and monitoring of its seven national teams respectively. By centralizing and simplifying its football and basketball administrative structure, the Chinese government could drive its elite footballers and basketball players in the CSL and CBAL clubs to strive for success in the Olympic Games, the FIFA World Cup and the FIBA World Championship and also encourage them to develop government’s values of raising national pride, increasing national cohesion and demonstrating the superiority of socialism. It also helped high-ranking officials in the CFA, CBA and GAOS (such as CFA vice President, Zhang Jilong, CBA vice President, Mr. Li Yuanwei and Vice Sport Minister, Yu Zaiqing) (see more detail in section 6.2.1 Engagement with FIFA of Chapter 6 and also in Table 7.3, 7.4) to obtain leadership positions in the AFC and ABA and take more FIFA and FIBA seats in order to influence the decision-making in the international sport regime. By so doing, the PRC could use its political power more effectively and efficiently in the international and domestic elite football and basketball arenas.

As for the economic aspect, we used the indicators (such as, 3s, 4h, 4s, 6h, 5s and 9h
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in Appendix 5\textsuperscript{12} and Appendix 6\textsuperscript{13}), particularly 4s.\textit{The structure of the CFA and CBA}; 5s.\textit{The values and attitudes of the government towards commercial football and basketball}; and 9h.\textit{The tension between the Chinese professional football/basketball clubs and government}. Five main economic strategies adopted by the Chinese government to respond to global football and basketball were identified, namely: i) generating multiple sources of incomes for elite football and basketball systems; ii) introducing a system of financial rewards; iii) intervening in players' transfer affairs; iv) controlling the CFA and CBA; and v) manipulating the domestic professional leagues (such as CSL and CBAL). These economic strategies were supported by setting up of a Competition Division in the CFA and a Marketing Department and CBA Management Office in the CBMC (CBA) and by amending sport, football and basketball regulations to act as constraints on football and basketball commercialisation.

As mentioned in Chapters 6 and 7 (see more detail in section 6.3.2 and section 7.3.2 of Generating Multiple Incomes in Chapters 6 and 7), in 1993 high ranking officials in the NSC (GAOS) and the State Council highlighted the view that “Following the development of Chinese sport, the problem of investing more in the national sport budget and generating more extra sport income is a highly critical issue”. Following the words of these political leaders the NSC issued two internal official documents in 1993,\textsuperscript{14} which not only gave the CFA and CBA a green light to learn from advanced capitalist countries, but also empowered the CFA and CBA to generate multiple sources of income by establishing “economic bodies” (\textit{Jingji shiti}) to subsidize elite football and basketball systems. After this, the Chinese government allowed the CFA and CBA to establish different “economic bodies” or companies (such as CFIDC and

\textsuperscript{12} These six indicators are as follows: 3s.\textit{The attitudes and values of football players towards material awards}; 4h.\textit{The distribution of the national sports budget in elite football}; 4s.\textit{The structure of the Chinese Football Association}; 6h.\textit{The resource of coach development programmes for elite football}; 5s.\textit{The values and attitudes of the government towards commercial football}; 9h.\textit{The tension between the Chinese professional football clubs and government}.

\textsuperscript{13} These six indicators are as follows: 3s.\textit{The attitudes and values of basketball players towards material awards}; 4h.\textit{The distribution of national sports budget in elite basketball}; 4s.\textit{The structure of the Chinese Basketball Association}; 6h.\textit{The resource of coach development programmes for elite basketball}; 5s.\textit{The values and attitudes of the government towards commercial basketball}; 9h.\textit{The tension between the Chinese professional basketball clubs and government}.

\textsuperscript{14} The first document is “The Suggestions of the NSC on Deepening Sport Reform” and the second is “Suggestions in Relation to Promoting Sport Marketing and Speeding Up the Process of Sport Industrialisation”.

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CSLC in the football case and the CBIDC and CBAEC in the basketball case) and to sign contracts with international sport management companies (such as IMG and Infront Sports & Media) in order to generate multiple incomes from the football and basketball market. After introducing a capitalist football and basketball system, the national football and basketball budget was considerably reduced to a few million yuan which was used to directly subsidize the national teams and Olympic squads. As a result, the Chinese elite football and basketball systems became heavily dependent on investment from commercial football clubs and the commercial incomes of the CFA and CBA, e.g. the CFA’s commercial income, which was more than 50 times the national football budget in 2005. However, when the Chinese government decided to adopt a market mechanism and sponsorship to generate commercial income, as with the case of the Olympic Movement, it faced a serious struggle over priorities between the emergent commercial sectors (particularly clubs and sponsors) and national team development, and also between highly paid and internationally mobile football and basketball ‘stars’ and the state controlled elite (Olympics, World Cup and World Championship) development system.

In order to manage the consequences of commercialisation, the Competition Division and two companies, CFIDC and CSLC, in the CFMC (CFA) and the Marketing Department, the CBA Management Office and two companies (CBIDC and CBAEC) in the CBMC (CBA) were set up under the supervision of the GAOS (see Figure 6.2, Figure 7.2 and Figure 7.7). By creating these new governmental commercial agencies, the Chinese government could generate commercial incomes from the CFA, CBA, national teams and individual sports stars, but more importantly, ensure that all their commercial contracts and activities would not endanger the national priority of the performance of the national teams. Indeed, by “updating” the instructions and regulations in football and basketball, the GAOS, particularly its Finance

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Department, played a key role in reducing the perceived negative impact of commercialisation on Chinese elite football and basketball development in four ways, namely: i) setting a limit on the salaries and transfer fees that professional clubs could offer their players and their buyers; ii) creating a special procedure for dealing with the domestic transfer market; iii) controlling the CFA and CBA and iv) manipulating the Chinese Super League (CSL) and the CBA League (CBAL). By integrating these four strategies and updating the regulations in the “One Protocol & Two Licences” policy in football and in the “Two Protocols & One Licence” policy in basketball (see section 6.4.2 and section 7.4.2 Managing the consequences of a more commercial system in Chapters 6 and 7), it allowed the CFA and CBA to own the exclusive commercial rights of domestic football and basketball leagues and recruit any club player unconditionally. It also allowed the CFA and CBA to shorten the season of CSL and CBAL and intervene in players’ transfer affairs in order to support their main mission – “Olympic, World Cup and FIBA World Championship success first”. In the words of Cui Dalin, the Vice Sport Minister and Ma Chengquan, the director of the CFA Competition Department, “The premier mission of the 2007 CSL season is to fully support the 2008 Beijing Games. Stabilising the development of the CSL is secondary” (Wang, L. 2007). A similar argument can be found in the basketball case. In the words of the director of the CBMC, Li Yuanwei, “The whole meaning of Chinese basketball is to enhance the profile of the national teams. ... Every club has to support and serve the nation’s teams without any conditions” (Li, Y.W. 2004), and “The CBMC will use whatever resources we can to raise the profile of the national teams, regardless of the cost” (Li, Y.W. 2004).

As for the cultural/ideological aspect, by examining the indicators, particularly 3s. The attitudes and values of footballers and basketball players towards material awards and 5s. The values and attitudes of the government towards commercial football and basketball, we identified that ‘ideological education’ was adopted to reduce the negative impact of commercialisation, particularly among star players. Indeed, the danger of creating ‘peculiar men’ was warned against by the political and party leaders in 1995 after the embrace of the principles of western capitalism. In

addition to instigating suitable rules to regulate the material interests of clubs, coaches and players, the responsibility for carrying out intense ideological indoctrination was given to a senior manager of each national squad. Similar to the case of the Olympic Movement, the ‘ideological education’ took the form of teaching on patriotism, collectivism and revolutionary heroism, in order to dilute and reduce the allure of materialism and money. Moreover, in line with new policy, one to two weeks military training with the People’s Liberation Army (PLA) became a new form of training strategy to “discipline” and “inspire” these highly-paid footballers and basketball players to work as hard as their PLA counterparts, in order to fight wholeheartedly for their country in international matches, especially in the 2008 Olympic Games. Indeed, the whole purpose of ‘ideological education’ as in the case of the Olympic Movement, was to firmly fix the value of “national pride first and personal interest second” in the mind of Chinese footballers and basketball players in order to prevent star players (such as Wang Zhi-Zhi) or ‘peculiar men’ from having a negative impact by adopting the values the of global capitalist sport individualism and commercialism. As stated by the Vice Sport Minister, Xiao Tian, the highest goal for Chinese basketball players was to actively participate in international competition for the sake of the nation’s pride, because it was their responsibility to raise the national flag and to play the national anthem in the international sport arenas (CBA website, 2007).

Similar to the case of the Olympic Movement, from the perspective of Houlihan’s framework (1994, 2003), China’s position, in terms of the depth of ‘reach’ in the economic, political and cultural/ideological fields should probably be located somewhere between box B and box C, between box E and box F, and between box H and box I, respectively. But the problem is that in a country like China it is very difficult to distinguish the cultural/ideological and economic from the political, because the political system is still very dominant. Although we attempted to assess the depth of penetration of global values using Houlihan’s three categories of reach, all the evidence in the economic, political and cultural/ideological spheres appeared to point to the fact that these changes were led by the Chinese government and were political decisions (embracing capitalism and transforming administrative structures). However, the government also brought about social transformation (emerging individualism and commercialism in star players, particularly the phenomenon of ‘peculiar men’) and economic changes (emphasis on commercial rights and
Chapter 8 - Conclusion

sponsorship). The trend towards sport globalisation in the Chinese context is so complicated that it is difficult for us to locate the global reach and local response in the cases of global football and basketball in just one category of reach and one precise response. Using Houlihan’s framework, we were able to summarize China’s attempts to manage its interaction with the Olympic Movement, global football and global basketball in Table 8.3.
### Table 8.3: Summary of China’s attempts to manage its interaction with the Olympic Movement, global football and global basketball

<table>
<thead>
<tr>
<th>Key Indicators</th>
<th>Main Strategies Adopted to Manage Globalisation &amp; Commercialisation</th>
<th>Patterns of Reach and Response</th>
<th>Theoretical Implication</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Olympic Movement</strong></td>
<td><strong>Economic aspect:</strong> 1. Set up Market Promotion Divisions in the COC and NSMCs to generate multiple incomes for the Olympic Sport System and introduced a system of financial rewards 2. Updated sport regulations as levers on sport commercialisation in four ways: i) controlling the access by athletes to commercial activities, ii) redistributing a proportion of athletes’ commercial income, iii) punishing athletes considered to be too heavily involved in commercial activities and iv) asking the National Sport Management Centres (NSMCs) to refrain from involvement in commercial activities. <strong>Political aspect:</strong> 1. Set a quota of 50 people to obtain leadership positions in the IFs and had clear strategies for taking an IOC seat; 2. Transformed administrative structure; 3. Strengthened athlete selection, training and competition systems leading up to the Olympic games;</td>
<td>1. Located somewhere between box B and box C</td>
<td>1. The hyperglobalists’ viewpoint could not be supported and it appears to fit more closely to the arguments of sceptics.</td>
</tr>
<tr>
<td><strong>Economic aspect:</strong></td>
<td>1. The hyperglobalists' viewpoint could not be supported and it appears to fit more closely to the arguments of sceptics.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. (4s). The structure of sport governing bodies in the PRC; 2. (5h). The distribution of national sports budget within elite sport; 3. (5s). The values and attitudes of the government towards commercial sport sponsorship;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Political aspect:</strong></td>
<td>1. Set a quota of 50 people to obtain leadership positions in the world sports governing bodies; 2. (4s). The structure of sports governing bodies in the PRC; 3. (4h). The distribution of the national sports budget in elite sport,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cultural/ideological aspect:</td>
<td>Economic aspect:</td>
<td>Political aspect:</td>
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<td>----------------------------</td>
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<td></td>
</tr>
<tr>
<td>1. (3s). The attitudes and values of athletes regarding material awards;</td>
<td>1. Set up Competition Divisions in the CFA to generate multiple sources of income for the Elite Football System;</td>
<td>1. Took more seriously the aim of obtaining a leadership position in the Asia Football Confederation (AFC) and desired to have more influence in FIFA;</td>
<td></td>
</tr>
<tr>
<td>2. (5s). The values and attitudes of the government regarding commercial sport sponsorship.</td>
<td>2. Introduced a system of financial rewards;</td>
<td>1. Located somewhere between box H and box I</td>
<td></td>
</tr>
</tbody>
</table>

**Global football**

<table>
<thead>
<tr>
<th>Economic aspect:</th>
<th>Cultural/ideological aspect:</th>
<th>Economic aspect:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. (4s). The structure of the Chinese Football Association;</td>
<td>4. Prevented coaches and athletes from going abroad.</td>
<td>1. Part of the transformationalists’ argument was supported but more evidence backed the case of the sceptics.</td>
</tr>
<tr>
<td>2. (5s). The values and attitudes of the government towards commercial football;</td>
<td>Cultural/ideological aspect:</td>
<td>1. Located somewhere between box B and box C</td>
</tr>
<tr>
<td>3. (9h). The tension between the Chinese professional football clubs and government.</td>
<td>1. Used ‘ideological education’ to inculcate the values of “national pride first and personal interest second” in each Chinese athletes’ mind</td>
<td></td>
</tr>
<tr>
<td>2. (4s). The structure of the Chinese Football Association;</td>
<td>2. Transformed administrative structure;</td>
<td>E and box F</td>
</tr>
<tr>
<td>3. (4h). The distribution of the national sports budget with in elite football;</td>
<td>3. Strengthened athlete selection, training and competition system regarding towards World Cup and Olympics;</td>
<td>Cultural/ideological aspect:</td>
</tr>
<tr>
<td>4. (9h). The tension between the Chinese professional football clubs and government.</td>
<td>4. Prevented seven major clubs from organizing a new super league.</td>
<td>1. Located somewhere between box H and box I</td>
</tr>
</tbody>
</table>

**Cultural/ideological aspect:**

| 1. (3s). The attitudes and values of football players regarding material awards; | 1. Used ‘ideological education’ and “military training” to prevent star players from becoming “peculiar men”. | Cultural/ideological aspect: |
| 2. (5s). The values and attitudes of the government regarding commercial football. | | 1. Located somewhere between box B and box C |

**Economic aspect:**

| Economic aspect: 1. (4s). The structure of the Chinese Basketball Association; | Economic aspect: 1. Set up a Marketing Department and Management Office in the CBMC (CBA) to generate multiple sources of income for the Elite Basketball System; | 1. Part of transformationalists’ viewpoint was supported but more evidence supported sceptics’ perspective. |
| Economic aspect: 2. (5s). The values and attitudes of the government regarding commercial basketball; | Economic aspect: 2. Introduced a system of financial rewards; | |
| Economic aspect: 3. (9h). The tension between the Chinese professional basketball clubs and government. | Economic aspect: 3. Updated sport & basketball regulations to control basketball commercialisation in three ways: i) intervened in basketball players' transfer affairs, ii) controlled CBA and iii), manipulated CBA League (CBAL) | |

Global basketball
<table>
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<tr>
<th>Political aspect:</th>
<th>Political aspect:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. (2h). The number and position of Chinese sports representatives in FIBA and the Asia Basketball Confederation;</td>
<td>1. Took more seriously the aim of obtaining a leadership position in the Asia Basketball Confederation (ABC) and desired to have more influence in FIBA;</td>
</tr>
<tr>
<td>2. (4s). The structure of the Chinese Basketball Association;</td>
<td>2. Transformed administrative structure;</td>
</tr>
<tr>
<td>3. (4h). The distribution of the national sports budget within elite basketball;</td>
<td>3. Strengthened athlete selection, training and competition system leading towards the FIBA World Championship and Olympics;</td>
</tr>
<tr>
<td>4. (9h). The tension between the Chinese professional basketball clubs and government.</td>
<td>4. Prevented seven major clubs from organizing a new super league.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cultural/ideological aspect:</th>
<th>Cultural/ideological aspect:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. (3s). The attitudes and values of basketball players regarding material awards;</td>
<td>1. Used ‘ideological education’ and “military training” to prevent star players (such as Wang Zhi-Zhi) from becoming individualistic and mercenary.</td>
</tr>
<tr>
<td>2. (5s). The values and attitudes of the government regarding commercial basketball.</td>
<td></td>
</tr>
</tbody>
</table>
By taking strategic approaches in the political, economic and cultural/ideological fields, the Chinese government demonstrated its capacity, to some degree, to successfully find effective ways to manage its relationship with global football and basketball. This was shown particularly by: i) the setting up of new governmental commercial agencies such as (such as the CFA Competition Division, CFIDC and CSLC in football case and the Marketing Department, CBA Management Office, CBIDC and CBAEC in basketball case); ii) updating sport, football and basketball regulations; and iii) strengthening Chinese communist ideological education.

From the perspective of the transformationalists, rather than globalisation bringing about the 'end of the state', it has encouraged a spectrum of adjustment strategies - by setting up new governmental commercial agencies, updating sport, football and basketball regulations, and strengthening Chinese communist ideological education - and, in certain respects, has produced a more activist state. In addition, the sceptics share a similar viewpoint to their transformationalist counterparts. Vogel contends that "regulatory reform by definition involves reformulating the mechanisms of policy implementation" and is amply illustrated by the updating of sport, football and regulation and the influence of the policies of "One Protocol & Two Licences" in football and "Two Protocols & One Licence" in basketball. Modification of implementation mechanisms in turn, affects the very ability of state actors (GAOS, CFA Competition Division, CFIDC, CSLC, the CBA Marketing Department, CBA Management Office and CBIDC and CBAEC) to perform their functions, which is why they insist on giving their own needs and preferences high priority (Olympic, World Cup and World Championship glory) as they pursue regulatory reform (Vogel: 1996: 19).

8.5 Methodological reflection

In this section, we focus on four main methodological challenges and reflect on how they were addressed and the implications for the validity and reliability of this research. These four issues relate to: i) indicators; ii) data collection; iii) the author's position as a Taiwanese researcher; and iv) the author's position as a critical realist.
Chapter 8 - Conclusion

Firstly, regarding the quantifiable and qualitative indicators we adopted to guide us during the collection and analysis of relevant data, there are three critical methodological questions we need to reflect upon, namely: i) was the original choice validated?; ii) how useful were these indicators?; and iii) did any new indicators emerge during the research?

As mentioned in Chapter 4, on completion of the literature review in relation to globalisation theories and Chinese cultural/ideological, economic and political context, we were better able to grasp the main debates among the three main schools of thought on globalisation and make sense of sport development in the Chinese context. The review also assisted us in deductively generating the indicators. Indeed, a number of indicators were adapted from well-established indicators in the area of economic globalisation (Held etc, 1999; Hirst and Thompson, 1996; Vogel, 1998), such as (1h) Formal engagement with international sport as a participant country (including membership, joining competitions, ranking, bidding for or hosting global sport events), (2h) The number and position of Chinese sports representatives in the world sports governing bodies, (5h) The distribution of the national sports budget in football, basketball and other elite sport and (9h) The number of people or local clubs which participated in football and basketball and other elite sports. Many of the indicators are quantitative and focus on the value of trade, the patterns of trade, the balance of trade between different partners and what is traded. To some extent, we adapted these and discussed the level of investment in elite sport, the development of network relationships and the strength of those relationships.

In addition, by reflecting on other globalisation literature (particularly in the sport sector), several key issues emerged including: i) the function and structure in both the governmental and the non-governmental spheres as manifest in the works of Weiss (1998: x), Vogel (1996: 20) and Houlihan (2004: 53); ii) the issue of player transfer highlighted by Houlihan (2004: 62-66), Maguire (1999: 97-127) and Maguire and Stead (1997: 59-73); and iii) the commercialisation of sport by Slack (2004), Maguire (1999: 128-143) and Houlihan (2003: 345-363). These emerging issues helped us to identify indicators such as (4s) The structure of sport governing bodies in the PRC, (2s) The attitudes and values of the Chinese government and clubs towards human rights of elite athletes (for example, the transfer of players), (9h) The tension between
the professional clubs and government or the tension between the national teams' sponsors and government. A reflection on the PRC's sport history also helped us to understand that the Chinese government made a clear strategic decision about the importance of the Olympic Games. We therefore aimed to generate indicators which related specially to the Olympic Games such as (6h) The resource of coach development programmes for the Olympic sport and (7h) The ownership of special elite training facilities for Olympic sport in China.

Indeed, by regular meetings with supervisors and by reviewing the literature in relation to globalisation theories and sport development in the PRC, we generated 9 hard indicators and 5 soft indicators for our research. But the challenge was to answer the question “How useful were these indicators?” In order to access these indicators, in 2006 the author presented a paper in relation to these indicators - “Chinese Sports Policy and Globalisation: The Methodological Consideration for the Cases of Football, Basketball and the Olympic Movement” - at the Conference of China Sport Management in Beijing Sport University and at The 3rd International Sport Sociology Summer School, in Copenhagen, Demark (granted by ISSA). During these two conferences, there were no challenges and no suggestion of extra indicators. Although we had a positive response from Chinese scholars and Western sport sociologists, we did not take this for granted. We then faced another challenge – “Did any new indicators emerge during the research?” After each interview, there were some reflections on the usefulness of these indicators, particular from the Chinese academic interviewees. In addition, there was a constant process of reflection as the author went though each of the three case studies, and regularly met with supervisors to discuss whether anything was being missed, or whether the indicators were indeed as useful as we hoped they would be. Generally, we found they worked but we also carried out subtle refinement based on feedback from interviewees and supervisors. The first refinement was to delete indicator - The distribution of national sports budget in elite sports and traditional sports - and integrate it into indicator (4h) The distribution of national sports budget in elite football, elite basketball and other elite sport. The reason for doing so is that it is very difficult to identify the precise proportion of the national sport budget allocated to elite sports and traditional sports because the NSC (GAOS) tended to calculate the national budget using the names “elite sport” and “mass sport”. Besides, the proportion of the national and provincial
sport budget invested in sport for all decreased from 2.38 percent in 1990 – 1994 to 1.39 percent in 1995 – 1999. And there was only 2 million yuan per year for developing sport for all in the GAOS Sport for All Department and less than 1 million yuan from the sport budget for each provincial government to invest in mass sport each year (see more detail in section 4.3.2, Generating multiple incomes in Chapter 4).

Other indicators, such as (2s). The attitudes and values of the Chinese government and clubs towards the human rights of elite athletes (including anti-doping policy, women’s rights, the situation of over-training athletes and the transfer of players) were also refined. Indeed, our initial list of indicators was much longer. If we wished to investigate athletes’ rights, there were a number of issues we could explore, for example, rights in relation to anti-doping, women’s rights and children’s rights. We decided to choose players’ freedom of movement because this issue was most likely to be affected by commercial objectives. There was a commercial aspect to anti-doping and women’s participation but it was, at least, most prominent in relation to the freedom of movement of athletes and presented the Chinese government with the hardest challenge.

We do not think there is any indicator that we ignored but we had to be selective within these indicators. In terms of quantifying elite success, we looked at Olympic medals and world ranking in football and basketball but we did not look at world ranking in individual Olympic sports. We were going to have more complicated quantitative indicators but within all indicators we had to ask ourselves what were going to be their most revealing aspects. Some indicators that were identified were more narrowly focused than others, such as realising Chinese membership of IFs and IOC. That was simple and straightforward. However, with investment in elite sport, there would be many different types of investment, such as central government, provincial government, municipal government and commercial investment. Presented with the whole range, we had to choose one which we felt would be the most useful and revealing indicator. Overall, our indicators appear to have been very useful because they emphasized the importance of getting hard evidence wherever possible. There is a general critique of much of the literature on globalisation because it is very vague as to what constitutes greater or lesser globalisation. This is seen in the
argument of Houlihan (1994) and Maguire (2000: 366) in which they point out the need to develop criteria by which to judge the 'reach' and 'response' of global flows on local cultures and we attempted to address that problem.

Secondly, as for the data collection, the most challenging job would be the interviews, particular regarding the issue of recording interviewees. Gratton and Jones (2004: 148-149) suggest that the best option during the interview is to record it on tape, but as we mentioned in Chapter 4, Party and government officials in the PRC did not like to interpret official policy, particular if it was being tape-recorded, due to the political monitoring of their comments. It raised a critical issue for us — “Should the researcher choose to tape-record during his interview in order not to be distracted by having to concentrate on writing notes on what was revealed?” or “Should the researcher choose to gain more frank responses and explore further unexpected perceptions from the interviewees at the expense of tape-recording?” Before travelling to Beijing for the fieldwork, the researcher had conducted interviews with five Chinese sport academics in the UK using a tape-recorder. Influenced by these successful interviews, the researcher made an assumption that Chinese sport academics would be more open-minded than Chinese sport officials. Therefore the researcher adopted different approaches towards different interviewees. For the sport academics, during the interview the researcher used a digital recorder after gaining consent. For the sport officials, at the beginning, the researcher attempted to record the conversation during the interview. Several sport officials in GAOS told me that they regarded me as a friend and would tell me more about what I wanted to know if I switched my digital recorder off. They also reminded me that it was almost impossible for Chinese sport officials to give their real opinions and information by putting a digital recorder in front of them. Under these circumstances, the researcher had no choice but to give up tape-recording in favour of writing notes during the interview, in order to obtain more useful accounts from these Chinese officials. Indeed, in order to keep their accounts as accurate as possible the researcher attempted to rebuild their key account by recording his own voice according to the notes taken and the fresh memories recalled following the end of the interview. The researcher was aware that it was impossible to rebuild the account exactly, but at least the key issues and main meaning of their account would be maintained.
Although the political structure of the PRC discouraged the researcher from using a recorder, the unique propaganda mechanism embedded in the political system in general and the sport system in particular, allowed the researcher to access these high ranking sport leaders’ accounts from documents and articles for example: i) yearbooks, such as “The Yearbook of Sport and Physical Education of the PRC (1949-2005)”, “The Yearbook of Chinese Football (1992-1998)”, “China Football Encyclopedia”, “The Compilation of the CBA Documents (1997-2005); ii) reminiscences, such as “HE Zhengliang and Olympics”, “Think and Practice: The History of The Olympic Strategy”, “The Chinese Football Under My Understanding: the Reminiscences of Wang Junsheng”; iii) official websites, such as GAOS, COC, BOCOG, CFA, CBA; iv) databases, such as SPORTINFO.NET.CN and China National Knowledge Infrastructure (CNKI); and v) newspapers, such as China Sport News, Sina Sport News, Titan Sport News, Tom Sport News, Sohu Sport News and Xinhuanet News.

By supplementing and triangulating accounts provided by high ranking officials with the official regulations (“The Compilation of Chinese Sport Regulation (1949-2004)”), official statistics (“Statistical Yearbook of Sport by GAOS (NSC)” and internal statistics in CFA and CBA), it was possible to reduce the disadvantage of not tape-recording the interviews with sport officials. Indeed, we quoted these high ranking sport leaders’ accounts more than those of our interviewees’ (middle ranking sport officials) because we found that their values and attitudes towards global sport were very similar due to the hierarchical political structure in the Chinese sport system. Although most interviewees’ accounts were very similar to those of the high ranking sport leaders, there were some differences, particularly in the interests of GAOS and National Sport Management Centres (such as CBMC, CFMC, CVMC).

Indeed, by carrying out different approaches towards sport academics and sport officials, the researcher reached three conclusions: i) some of my sport academic interviewees in Beijing were very cautious about answering my questions; ii) some sport officials were more willing to talk with me than were the sport academics; and iii) when I was introduced personally to some, I was able to obtain a more open account. These conclusion are similar to Manion’s experience (2003: 62) that the Chinese officials (including sport academics in China) were cautious about interpreting official policy, particularly in front of a digital recorder, due to the
political monitoring of their comments.

Thirdly, being a Taiwanese citizen conducting Chinese research in Loughborough University, raises two issues worthy of comment namely my status as both an—‘outsider’ and an ‘insider’. Due to the researcher’s Taiwanese background and having never been to the PRC before, the researcher attempted to detach himself as an outsider to observe his research subjects. Interestingly, being a Taiwanese citizen and conducting Chinese research in a Western context meant that these interviewees regarded the researcher as an outsider. By taking advantage of the reputation of the Institute of Sport & Leisure Policy at Loughborough University and the famous English football Premier League, most interviewees regarded the researcher as an expert in sport policy but a beginner in Chinese sport study. Indeed, most of my interviewees had a very good image of university education and sport development in the UK. To some extent, it made them more willing to express their opinions when comparing the Chinese situation with the sport cases in the UK, particularly the English football Premier League. In addition, all the interviewees understood my Taiwanese background. Therefore, most of them explained to me in more detail why sport policy in the PRC was so different from Taiwan’s and Western cases. That gave me a unique opportunity to ask “naïve” but “sensitive” key questions with less offence. Nevertheless, some of the interviewees were reluctant or even directly refused to answer my sensitive questions.

Although I had an advantage over Western scholars in sharing the same language and Chinese culture when carrying out my research objectives and trying to make sense of the information, this insider position may have affected my research from data collection to data interpretation due to the tension between China and Taiwan. Indeed, one of my interviewees in the GAOS personnel Department asked me to send my CV and interview questions to her because she told me that due to my Taiwanese background she had to help me ask for the approval of the Office of Taiwan, Hong Kong and Macao in GAOS External Affairs Department. Fortunately, after their official monitoring process, she told me that she welcomed me to conduct the interview in GAOS and Beijing Sport University as a friend without any further formal application. Indeed, as a Taiwanese to conduct research in China is more difficult than for Chinese scholars but, as mentioned previously, casting myself in the
image of the "Western scholar" and taking advantage of information exchange could enable them to feel that my research would, to some extent, contribute to linking China to the global world.

In addition, as Taiwan has a unique relationship with China, this could lead me to be more sceptical about accounts from Chinese Communist Party officials and government officers. I acknowledge that it is impossible for me to change the reality that I am a Taiwanese educated under the structure of the Kuomintang (KMT) government – a long time rival of the Chinese Communist Party. Although I am not in sympathy with Chinese government policy, particularly in its attempts to prevent Taiwan from being involved in international organisations, such as the World Health Organisation (WHO) and United Nations (UN), I am an academic researcher, and understand that it is a historical contingency between China and Taiwan both of which continue to pursue their own national interests. Therefore, there is nothing I can do about that historical contingency in which I was involved, but from time to time I have to remind myself to remain detached for the purpose of analyzing the data collected when I am in the UK. Indeed, I have been staying in the UK for almost four years and have not returned to Taiwan since early 2004. Although this is not the best way to detach myself from being affected by the Taiwanese situation, at least I do whatever I can to take a reflective approach and to avoid ethnic bias which could affect the validity and reliability of my research.

Fourthly, as for the author’s position as a critical realist, we found it is useful to adopt the implications of critical realism for the question of structure and agency in our research. Critical realists, such as Bhaskar and Archer, insist that structure and agency reside in different temporal domains, such that the pre-existence of structure is a condition of individual action. They state that ‘structures (as emergent entities) are not only irreducible to people, they pre-exist them, and people are not puppets of structures because they have their own emergent properties which mean they either reproduce or transform social structure, rather than creating it’ (Archer et al, 1998: 71). In that sense, the claim is that policy outcomes are contingent, and that in the global context during specific periods they could be appropriately explained by accounts of structures within which states’ actions occur, the development and reproduction of such structures as a consequence of the agents involved, and the power struggles
which take place between various forces (groups and individuals) within those structures. In addition, Giddens remarks that "every act which contributes to the reproduction of a structure is also an act of production, and as such may initiate change by altering the structure at the same time as it reproduces it" (1979: 69).

Marsh et al share a similar view, arguing that "Agents are, in a sense, 'bearers' of structural positions, but they interpret those structures. At the same time, structures are not unchanging; they change in part because of the strategic decisions of the actors operating within the structure" (1999: 15).

Indeed, as critical realists, it is better for us to understand the relationship between structure and agency as follows: i) 'pre-existing social structure makes a difference to the course of events in the social world by influencing the actions that people choose to undertake' (Lewis 2000: 258); ii) as well as facilitating agency, social structures also constrains it; iii), social structure and agency are held to be recursively related (Marsh et al. 1999: 15). These critical realist concepts help us to make sense of the actions of the state within the global context. According to Therborn (1999), globalising structures, including markets, finance, culture, human rights, and what he terms the interactive 'world stage of actors' very often operate within nations through cross-cultural interchanges or experience of global governance.

We found that the heuristic and simplified figure of Linda Weiss (2003: 6) (see Figure 8.3), to some extent, helped us to understand the action of the PRC (sport policy) within the globalising structures in our three case studies. According to Weiss (2003: 2-15), the structures constraining and enabling or facilitating state agencies in the global context could be regarded as having two dimensions: 'economic logic of exit' and 'political logic of insecurity and competition'. For 'economic logic of exit', globalisation is seen to be intrinsically constraining because openness involves the fall of national barriers to trade, investment, and financial flows, exposure to increasing capital mobility (via the multinationalisation of production and growth of global financial markets), and also conformity to intergovernmental agreements requiring, for example, that governments open their markets to foreign trade and financial institutions as well as eliminating certain subsidies to industry. Unlike the constraining dimension of the economic logic of exit, the enabling dimension of globalisation reveals a "political logic of competition and insecurity", which generates
incentives for governments to take initiatives that will strengthen the national system of innovation and social protection. By adopting Weiss's concept in which globalisation (structures) 'constrain' and 'enable' (facilitate) the action of state agencies to shape certain outcomes, we attempt to explain part of the interaction between globalisation (structure) and the Chinese state (agency) in our three case studies.
Figure 8.3: The logics of globalisation, domestic institutions and state responses

Source: Adapted from Weiss (2003: 6)
Regarding the case of the Olympic Movement, the commercialisation (commercial sponsorship) following the spread of the Olympic Movement in the Chinese elite sport system (particularly commercial sponsorship of Team China and individual star athletes). As previously mentioned in the case of the Olympic Movement, two main tensions (athletes versus the Communist Government and the GAOS versus the National Sport Associations) are strongly linked to the commercialisation of sport (or economic logic of exit). In order to avoid commercialisation endangering the performance of national teams and prevent national property (elite athletes) from leaking into the outside world (the political logic of insecurity and competition), the Chinese government not only established Market Promotion Divisions in the COC and NSMCs (organizational arrangement) to monitor the commercial contracts of national teams and individual elite athletes, but also issued regulations (normative orientations) such as “The Temporary Regulation for Dispatching Athletes to go abroad by NSC ” and “The Notice for Attempting to Manage Commercial Activities of National Squad Members by Contract in 2006”, to prevent Chinese athletes from going abroad and to limit the star athletes’ involvement in too many commercial activities. By influencing ‘organizational arrangements’ and ‘normative orientations’ affected by globalisation structures (‘economic logic of exit’ and ‘political logic of insecurity and competition’), the Chinese state could shape the outcomes of the redefinition of policy instruments and the renewal of policy capacity so as to concentrate on winning more Olympic medals in the 2008 Beijing Games.

As for the case of elite football, following the open-door policy the Chinese government established CFMC (CFA) (organizational arrangement) and began introducing the Western club system to vitalize its out-of-date Soviet system (pressures for innovation) in the early 1990s. After setting up this more competitive and material-oriented club system, four main tensions arose. In particular, the tension between clubs’ commercial interest and the country’s priority of the Olympics and the World Cup when clubs wanted to organize a new premier league to reduce Chinese government control (reduced policy autonomy and capacity). In order to manage the challenge of commercialisation (demands for social protection) which arose after introducing the Western commercial club system, the Chinese government not only adopted the “One Protocol & Two Licences” policy and issued the official document, “The Regulation of Commercial Management for Jia A League and the
CFA Cup” in 2002 (normative orientations), but also set up The China Football Association Super League Company (CSLC) to dominate the decision-making of the CSL (organizational arrangement). Indeed, under intense pressure to prepare for the 2008 Olympic Games (political logic of insecurity and competition), the attempts of these commercial clubs were suppressed by the Chinese government. In addition, senior officials in the GAOS and the CFA, such as Cui Dalin, the Vice Sport Minister, and Ma Chengquan, the director of the CFA Competition Department, both claimed that “the premier mission of the 2007 CSL season is to fully support the 2008 Beijing Games and stabilising the development of the CSL is secondary” (redefinition of policy instruments and renewal of policy capacity).

Regarding the case of elite basketball, according to the former director of the Chinese Basketball Management Centre (1997-2002), Xin Lancheng (1998: 4), following in the footsteps of Chinese football, the Chinese government introduced the commercial club system (economic logic of exit) in the mid-1990s and set up the CBMC (CBA) in 1997 (organizational arrangement) in order to deal with an increasingly commercialized and professionalized basketball in a global context (pressures for innovation). After adopting this more commercial club system, four main tensions arose as mentioned previously. One of the tensions was between the Chinese government and multi-national companies (such as IMG and Infront Sports Company). Although in 1995 IMG offered a six-year commercial contract worth $3 million per year to help the PRC build up and maintain the CBA League, the Chinese state paid by selling the commercial rights of the CBA League and clubs to IMG (reduced policy autonomy and capacity). Learning a lesson from co-operation with the IMG, the CBMC (CBA) established its own company- the “China Basketball Industry Development Corp” (CBIDC) - in 1998 (organizational arrangement) and attempted to use CBIDC as a lever to manage the relationship with its biggest commercial sponsor – Infront Sport – by setting this up as a joint venture company, CBA & Infront Sports Company (CBAISC), owned by Infront (49 percent) and the CBIDC (51 percent) (normative orientations). As discussed in section 7.3.2 the reason for establishing the CBAISC was to avoid Infront controlling the market of the CBA League and clubs. More importantly, the Chinese government attempted to set a new agenda to protect its national interest by the redefinition of policy instruments and the renewal of policy capacity. According to a senior official in CBIDC, “The
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Chinese domestic basketball leagues are not as privatized as NBA and these leagues have to shoulder the responsibility of national interests (national teams), so we still have to guide the direction of the CBAISC and its decision-making". (Interview, 10th January 2006)

8.6 How useful are the globalisation theories for analysis of the development of sport policy in China?

In this section, we focus on the discussion about the usefulness of the two frameworks adopted for analysis of the development of sport policy in China in terms of globalisation. These two frameworks are: the framework of the patterns of globalisation (see Figure 8.1) developed by Houlihan (1994, 2003) and the framework of the theorization of globalisation (see Table 2.1) developed by Held et al (1999).

As for Houlihan’s patterns of globalisation, they are particularly useful in organizing and analyzing evidence in terms of three types of “response” (passive, participative and conflictual) and three levels of “reach” (economic, political and cultural/ideological). Using this framework, we were able to summarize China’s response to global sports (Olympic Movement, global football and global basketball) in Table 8.4 and to encapsulate the strategic implications of the way in which the Chinese government sought to deal with the challenges of global sports from the economic, political and cultural/ideological point of view in Table 8.3.

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Table 8.4: Summary of China’s response to the Olympic Movement, global football and global basketball

<table>
<thead>
<tr>
<th>Passive</th>
<th>Participative</th>
<th>Conflictual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Meaning</strong></td>
<td>An inability to challenge the global culture</td>
<td>Sufficient control over resources to provide recipient cultures with leverage</td>
</tr>
<tr>
<td>Olympic Movement</td>
<td>None</td>
<td>1. Setting a quota of 50 people to obtain leadership positions in the IFs and having clear strategies for taking an IOC seat 2. Strengthening athlete selection, training and competition systems leading towards the Olympic games 3. Transforming administrative structure and generating multiple sources of income for Olympic Sport System 4. Introducing a system of financial rewards</td>
</tr>
<tr>
<td>Global football</td>
<td>None</td>
<td>1. Taking more seriously the aim to obtain a leadership position in the AFC and desiring to have more influence in FIFA 2. Strengthening athlete selection, training and competition system for the Olympics and World Cup 3. Transforming administrative structure and generating multiple incomes for the Elite Football System 4. Introducing the system of financial rewards</td>
</tr>
<tr>
<td>Global basketball</td>
<td>None</td>
<td>1. Serious attempts to obtain leadership position in the ABC and desire to have more influence in FIBA 2. Strengthening athlete selection, training and competition system towards World Cup and Olympics 3. Transforming administrative structure and generating multiple incomes into Elite Basketball System 4. Introducing the system of financial rewards</td>
</tr>
</tbody>
</table>

Houlihan’s framework is a useful analytical tool to act as a starting point in the process of analysing the relationship between the Chinese government and global
sports but it was not adequate for capturing the trajectory, momentum and complexity of globalisation. Although these three case studies show that the experiences are roughly the same in terms of the three main research questions, we can see that Houlihan's framework fails to locate the global reach and local response in these case studies in just one category of reach and one precise response. Indeed, as discussed, the trend of sport globalisation in the Chinese context is so complicated that it is difficult to reach a clear-cut conclusion at the political, economic and cultural/ideological levels, and to indicate one pure response in the passive, participative and conflictual aspects. In addition, the fact that Houlihan's framework appeared to be unsuccessful in capturing the trajectory and momentum of the relationship between China and global sport, also encourages the researcher to locate relationships as either participative or conflictual when the reality is more complex and subtle.

Furthermore, Houlihan's 'reach' and 'response' model is static and resembles a snapshot of China in mid-2007, but it does not really explain how China got there and, more importantly, what is the trajectory of China's relationship with globalisation? We understood that Houlihan's framework is a heuristic device which was useful as a starting point for our research, but it did not capture the ambiguity, the exception and trajectory of China's relationship with globalisation. In order to overcome these problems, we suggest two ways to refine Houlihan's framework. The two ways are to remove the lines among three types of response and among three levels of reach, and to locate the different responses in economic, political and cultural/ideological levels, which allow us to capture the momentum and trajectory of the relationships between the Chinese government and global sports. (see Figure 8.4).
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Figure 8.4: The Suggested Movement in Patterns of Responses to Globalisation

<table>
<thead>
<tr>
<th>Response</th>
<th>1992 – – – – – – – – 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic</td>
<td></td>
</tr>
<tr>
<td>Reach</td>
<td></td>
</tr>
<tr>
<td>Political</td>
<td></td>
</tr>
<tr>
<td>Cultural / Ideological</td>
<td></td>
</tr>
</tbody>
</table>

Note: 1. The broken-line arrows indicates the extent of change from the date indicated. The line in the political level is longer than the one in the cultural/ideological level suggesting the movement has been greater from conflictual to participation.
2. The dot (●) indicates the location of the relationship between the PRC and global sport in 2007.

After refining Houlihan's framework and plotting the result of China's response to global sport, it is possible to overcome the limitation of Houlihan's framework in terms of capturing the ambiguity, the exception and trajectory of China's relationship with globalisation. As discussed earlier, the ways the Chinese government responded to global sport are roughly the same. Thus, we use the football case to illustrate the momentum and trajectory of the relationships between the PRC and global football at the economic, political and cultural/ideological level. From Figure 8.4, the relationships within these three levels in 2007 can be located using arrows to show the direction of change and where they are coming from so as to attempt to capture change and dynamism.

Firstly, at the economic level, the purpose of the Chinese government in introducing the Western club system was 'to catch up with advanced football countries in a short period of time' and 'to generate commercial income to support its elite football system'. As discussed in Chapter 6, as a result of the calculations of a group of
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Chinese leaders, the club approach, in particular the European one, with the support of private and state-owned enterprise and wider society, was adopted in 1992 in order to develop a strong national football team. But the ambition of the Chinese government, which attempted to maintain the socialist ideal and take advantage of capitalist elements at the same time when reforming its elite football system, turned out to be problematic. The point of conflict occurred because both sides (government and club owners) had very different priorities when running the Chinese professional football league. From the government’s point of view, it regarded the professional clubs not only as a ‘talent pool’ to support national teams unconditionally, but also as a ‘money tree’ to cover about 95 percent annual budget of the CFA. As for the perspective of the club owners, the main purpose for them to run a commercial club is to make a profit without intervention from the government.

Indeed, most Chinese professional football clubs in the early 1990s were transformed from provincial football teams under the guidance of the Chinese government. Until that time, most CSL clubs were owned by large companies. With their different priorities the relationship between government and club owners became increasingly conflictual as football in China became more and more of a business. According to a top manager of one of the CSL clubs (Interview, 6th January 2006), although the plan for organizing a new super league finally died out due to Chinese government suppression, it could be forcefully revived after the 2008 Beijing Games. Taking the football case at the economic level, we suggest that the dynamism of that relationship between the Chinese state and global football began in a participative way in 1992 but moved towards the conflictual dimension in 2007 (see Figure 8.4 at the economic level).

Secondly, at the political level, it could be divided into three phases to explain the trajectory of the relationships between the Chinese government and global football. During the first phase, China rejected global football and sought to participate in the GANEFO games after it failed to resolve the “two Chinas issue” with the IOC. During the second phase, the Chinese government re-engaged with global football but appeared to be less interested in football and more interested in the leverage that FIFA and the Asia Football Confederation (AFC) could give it in relation to its dispute with Taiwan. In the final phase, China participated in global football and focused on
winning medals in the Olympic Games and FIFA World Cup, hosting the Women’s World Cup twice (1991, 2007), possibly bidding to host the 2018 World Cup, being a “good” FIFA member, adopting the European club system, introducing a system of financial rewards, and generating most of its income from the market by means of football sponsorship, to support its elite football system. An analysis of these three phases suggests that the dynamism of the political relationship between the PRC and global football began from a conflictual stance in the late 1950s but moved towards the participative dimension in 2007 (see Figure 8.4 at the political level).

Thirdly, with regard to the cultural/ideological level, we attempted to focus on the trajectory of the values and attitudes of the Chinese government towards its athletes and others involved in sport whose way of life appeared to change after the open-door policy in the late 1970s in general and the introduction of commercial football club system in the early 1990s in particular. It is possible to divide the process into three phases to capture the trajectory of the cultural/ideological relationships between the Chinese government and global football. During the first phase China rejected global football socially during the Cultural Revolution. Not only did the Vice Premier, He Long, accused of ‘taking the bourgeois road’ (Zhou ziben zhuy daolu), die in jail in 1969, but also numerous elite players, coaches and administrators were purified, persecuted and tortured, football facilities were widely destroyed and international sports contacts virtually ended. During the second phase, China reintroduced the modern football system after the end of the Cultural Revolution. All footballers in national squads (World Cup team, Olympic squad, U16, U19) were selected from 22 “significant cities and areas for football in China” (SCAFAF) in which footballers were prohibited from being transferred and from being involved in commercial activity. During the third phase, from the establishment of the commercial club system, the free movement of Chinese elite footballers between domestic and foreign clubs has become possible, although the Chinese government was still uneasy about their material-orientated attitude and behaviour (shown by its views on “peculiar men”), and attempted to manage them by imposing ideological education, army training, limited salary, limited transfer fee and limited movement of players. According to these three phases, we suggest that the dynamism of the cultural/ideological relationship between the PRC and global football began from a conflictual point during the Cultural Revolution but moved towards somewhere between a participative
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and conflictual dimension in 2007 (see Figure 8.4 at the cultural/ideological level).

As for the framework of theorization of globalisation (see Table 2.1) developed by Held et al (1999), Jarvie’s ‘four useful values of theory to analyze sport phenomena’ is a valuable starting point for the examination of the usefulness of the framework of Held et al (1999). Jarvie’s four useful values of theory are: i) asking theoretical questions to explain or generalize about sport, culture and society; ii) allowing theoretical testing; iii) illuminating circumstances or equally destroying certain cherished myths; and iv) stimulating new ideas (Jarvie, 2006: 19).

Firstly, regarding asking theoretical questions, the three main schools of globalisation theorists highlighted in Held et al’s framework (1999) focus on the debate over the state’s role in the global process, which is very firmly focused on what the government is doing and the policy of government towards its relationship with globalisation. The emphasis on state-centred analysis in this framework allows us to raise three main theoretical questions: i) to what extent did/does the Chinese government have a choice in its relationship with sport globalisation? ii) to what extent can the Chinese government manage its interaction with sport globalisation? iii) in what ways does the Chinese government seek to manage its relationship with sport globalisation? In addition, the indicators we generated to measure the relationship between the Chinese state and global sport were inspired by, and derived from, the work of these three main schools of globalisation theorists as discussed in the previous section. Indeed, these three main schools of thought on globalisation identify concepts which make us sensitive to certain questions. For example, the sceptics, such as Vogel (1996) and Weiss (2003) were constantly reminding us of the ability of the state to adapt and retain its power through its capacity for re-regulation and transformation of administration. The argument of hyperglobalists forces us to address questions which are sometimes taken for granted. Of course, globalisation is transforming the world and the argument that the state is being undermined by the power of finance and capital is plausible but there was little evidence in our case studies to support the hyperglobalists’ perspective, particularly in the case of the NBA which depends on Chinese state acquiescence and support (such as CBA and GAOS) if it wanted to organize a China-NBA League after the 2008 Beijing Games. In addition to the arguments of the hyperglobalists and sceptics, the perspective of the
transformationalists also forces us to address different questions about globalisation and helps us come to the same view as the sceptics or sceptics-transformationalists which enables us to have a much more sophisticated view of, and produce more sophisticated answers to, all our three questions.

Secondly, as for allowing theoretical testing, both Houlihan’s and Held et al’s frameworks (1999) provided us a unique opportunity to evaluate their utility. As mentioned previously, with the empirical evidence generated from indicators which were inspired by, and derived from, the works of these three main schools of globalisation theory, we could evaluate Houlihan’s framework and even refine it. Regarding Held et al’s framework (1999), the empirical evidence displayed in our three case studies suggest that the argument of hyperglobalists, such as Ohmae (1990, 1995), Strange (1994, 1996) and Albrow, M. (1996) who not only see the end of the nation-state and its role being replaced by MNCs and IFs, but also argue that in a borderless world traditional national interest has no meaningful place, is problematic and not very persuasive. Instead, the position appears to be closer to the arguments of the sceptics, such as Hirst and Thompson (1998), Gilpin (2001) and Vogel (1996), who stress that, far from the nation state being undermined by the processes of internationalisation, these processes strengthen the importance of the nation state in many ways. Indeed, the Chinese state continues to use its power to implement policies (such as the “One Protocol & Two Licences” policy in football and the “Two Protocols & One Licence” policy in basketball) to channel economic forces in ways favourable to their own national interests (the Olympic, World Cup and FIBA World Championship glory) and to secure a favourable share of the gains from international economic activities (particularly by setting up new governmental commercial agencies such as Market Promotion Divisions in the COC and NSMCs, CFIDC and CSLC in the CFA, and CBIDC and CBAEC in the CBA).

Thirdly, with regard to illuminating circumstances or destroying certain cherished myths, Held et al’s framework (1999) provides a chance to illuminate the circumstances of globalisation. From our three main theoretical research questions and the empirical evidence gathered, we illustrated that the Chinese government not only made its own choice in becoming involved in global sport and demonstrated its capacity to manage the four main tensions which arose from commercialisation, but...
also had specific strategies (administrative transformation and re-regulation) to manage its relationships with global sport at the economic, political and cultural/ideological levels. All the evidence indicates that the taken-for-granted argument of hyperglobalists who proclaim 'the end of the state' can be regarded as a myth or illusion. Indeed, regarding the role of the Chinese state in these three case studies, building state capacity rather than discarding it would appear to be the lesson of dynamic integration. It appears to suggest that the world we are living in is far from globalised, rather, the term globalising or internationalisation are more appropriate in connection with the three cases in the Chinese context.

Finally, as for stimulating new ideas, it may be time for Held et al (1999) to refine this framework because there is something of an overlap between sceptics' and transformationists' point of views. For example, these two schools of theorists agree that the government would take the approach of administrative transformation and re-regulation in order to manage its relationship with globalisation (or internationalisation). Although both schools argue that the state plays a key role in the process of globalisation (internationalisation), the main difference is that the sceptics argue it did so voluntarily having calculated its national interests. The transformationists, however, contend that the state was forced to become involved under pressure from globalisation. Indeed, it appears that considerable empirical evidence supports the sceptics' point of view whereby the Chinese government demonstrated its capability to make choices over its relationship with sport globalisation and made up its own mind to reach out and bring in global influences, rather than global influences forcing their way in. However, a slightly different interpretation could argue that some of the evidence, such as allowing transfer, and allowing high payment for sport stars could possibly be regarded as evidence of a transformationalist trend because it is difficult to identify the difference between the state simply “adjusting” and the state “giving in”. Although the framework of Held et al (1999) is a useful tool to help us understand and analyse the relationship between the Chinese state and global sport, it still has the potential to be developed further with greater sophistication, given the evidence of sport globalisation generated in this study. It could well be that Houlihan, a theorist of sport globalisation, is right in claiming that we should underline the importance of treating globalisation as an open-ended set of processes which do not necessarily lead to a fixed destination (2008: 387)
570). Essentially, Houlihan who was inspired by these three main schools of
globalisation theorists, particularly Hirst and Thompson (1999), attempted to develop
a similar model (Houlihan, 2008: 561-2) by identifying ‘sport and the outcomes of
globalisation’ in three stages: internationalised sporting world, multinationalised
sporting world and globalised sporting world. Although Houlihan modestly
acknowledges the problematic nature of his model, he reminds us that there is a
pressing need to refine the concept of sport globalisation and give it a greater degree
of precision, thus allowing for the identification of the process and the criteria that
have to be present before the identification of globalised sport is possible (2005: 69).

Indeed, in this concluding Chapter we had attempted to utilize different frameworks
(such as Held et al (1999), Houlihan (1994, 2003)) to help us understand the role of
the state in shaping domestic engagement with international sport. Substantially
consistent evidence suggests that the Chinese government played a dominant role as a
mediator in the commercialisation and globalisation of sport in the cases of the
Olympic Movement, elite football and elite basketball, by adopting normative
orientations and organizational arrangements in the context of the Chinese state. This
conclusion endorses the suggestion that increased regulation is the most likely
consequence of intensive globalisation. In the words of Vogel (1996: 2-3), “the
rhetoric of globalisation ... serves only to obscure what is really going on”,
“liberalism requires reregulation” and ‘I find stronger markets but not weaker
governments”. Vogel also concludes that globalisation has brought with it “regulation
not deregulation”. In terms of our three case studies in the context of the PRC, we
conclude and echo Houlihan’s argument – “it is more accurate to talk of
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## Appendix 1: Time Table for the Interviews of the Research

<table>
<thead>
<tr>
<th>Date</th>
<th>Interviewees</th>
<th>Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 / Jun / 05</td>
<td>Senior Staff in Sport Information Centre in GAOS</td>
<td>IOA</td>
</tr>
<tr>
<td>23 / Nov / 05</td>
<td>Executive Member in BOCOG</td>
<td>Loughborough</td>
</tr>
<tr>
<td>07 / Dec / 05</td>
<td>Chinese Sport Visiting Professor in Loughborough University, UK</td>
<td>Loughborough</td>
</tr>
<tr>
<td>01 / Dec / 05</td>
<td>Chinese Sport Visiting Professor in De Montfort University, UK</td>
<td>Bedford</td>
</tr>
<tr>
<td>01 / Dec / 05</td>
<td>Chinese Sport Visiting Professor in De Montfort University, UK</td>
<td>Bedford</td>
</tr>
<tr>
<td>23 / Feb / 06</td>
<td>Professor in Olympic Study Centre in Beijing Sport University</td>
<td>Beijing</td>
</tr>
<tr>
<td>19 / Dec / 05</td>
<td></td>
<td>Telephone</td>
</tr>
<tr>
<td>28 / Dec / 05</td>
<td>Senior Staff in the Department of Sport Management in Beijing Sport University</td>
<td>Beijing</td>
</tr>
<tr>
<td>23 / Dec / 05</td>
<td>Senior Staff in the Chinese Sport Museum under GAOS</td>
<td>Beijing</td>
</tr>
<tr>
<td>23 / Dec / 05</td>
<td>Senior Staff in the Anti-Doping Commission of COC</td>
<td>Beijing</td>
</tr>
<tr>
<td>23 / Dec / 05</td>
<td>Senior Staff in Personnel Department in GAOS</td>
<td>Beijing</td>
</tr>
<tr>
<td>23 / Dec / 05</td>
<td>Senior Staff in the Training Centre for Sport Officials and Coaches in GAOS</td>
<td>Beijing</td>
</tr>
<tr>
<td>24 / Dec / 05</td>
<td>Professor in the Olympic Study Centre in Beijing Sport University,</td>
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<td>27 / Dec / 05</td>
<td>Senior Staff in the Chinese Volleyball Association</td>
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<td>28 / Dec / 05</td>
<td>Professor in the Football Department in Beijing Sport University (Former</td>
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<tr>
<td></td>
<td>Football Club Player)</td>
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<td>28 / Dec / 05</td>
<td>Professor in Football Department in Beijing Sport University</td>
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<td>29 / Dec / 05</td>
<td>Senior Staff in The Journal of Sport History and Cultural under GAOS</td>
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<td>05 / Jan / 06</td>
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<tr>
<td>02 / Jun / 06</td>
<td>Junior Staff in the Sport Department of BOCOG (Swimming Discipline)</td>
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<td>Senior Staff in the Department of Competition in Chinese Athletics</td>
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### Appendix

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<td>Senior Staff in the Chinese Basketball Industry Development Company</td>
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<td>Professor in the Basketball Department in Capital Institute of Physical Education, Beijing</td>
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<tr>
<td>11/ Jan/ 06</td>
<td>Former Head Coach of PLA Football Team &amp; Club</td>
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<tr>
<td>03/ Mar/ 06</td>
<td>Former Staff in Sport Apparatus Centre in GAOS</td>
<td>Shanghai</td>
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Appendix

Appendix 2: Indicators of Engagement with Globalisation (Harder/More Robust/Quantifiable)

1h. Formal engagement with international sport as a participant country (including membership, joining competitions, ranking, bidding for or hosting global sports events)

2h. The number and position of Chinese sports representatives in world sports governing bodies

3h. The number and purpose of sport facilities in China

4h. The distribution of national sports budget to elite football, elite basketball and other elite sports

5h. The number and purpose of special elite universities or training centres

6h. The resource of coach development programmes for elite football, elite basketball and other elite sports

7h. The ownership of special elite training facilities for elite football and elite basketball in China

8h. The number of people or local clubs that participate in elite football and elite basketball

9h. The tensions between professional clubs and government or the tensions between the national teams' sponsors and government

Appendix 3: Indicators of Engagement with Globalisation (Softer/Less Robust/Qualitative)

1s. The extent to which (reach in which) the Chinese government accepting the values and attitudes of the IOC, commercial football and commercial basketball

2s. The attitudes and values of the Chinese government and clubs in relation to the rights of elite athletes (for example, the transfer and players)

3s. The attitudes and values of athletes toward material rewards

4s. The structure of sport governing bodies in the PRC

5s. The values and attitudes of the government toward the commercial soccer, commercial basketball and sport commercial sponsorship of national squads
Appendix

Appendix 4

Case Study 1: Olympic movement

Indicators of Engagement with Globalisation (Harder/More Robust/Quantifiable)

1h. Formal engagement with international sport as a participant country (including membership, joining competitions, ranking, bidding for or hosting Olympic Games)

2h. The number and position of Chinese sports representatives in world sports governing bodies

3h. The number and purpose of sport facilities in China

4h. The distribution of national sports budget to elite sport

5h. The number and purpose of special elite universities or training centres

6h. The resource of coach development programmes for elite sport

7h. The ownership of special elite training facilities for Olympic sport in China

8h. The number of athletes in the elite sport system

9h. The tensions between the national teams' sponsors and government

Indicators of Engagement with Globalisation (Softer/Less Robust/Qualitative)

1s. The extent to which the Chinese government accepting the values and attitudes of the IOC

2s. The attitudes and values of the Chinese government and clubs in relation to rights of elite athletes (for example, the transfer & players)

3s. The attitudes and values of athletes toward material rewards

5s. The structure of sport governing bodies in the PRC

7s. The values and attitudes of the government toward the sport commercial sponsorship
Appendix 5

Case Study 2: Football

Indicators of Engagement with Globalisation (Harder/More Robust/Quantifiable)

1h. Formal engagement with international sport as a participant country (including membership, joining competitions, ranking, bidding for or hosting FIFA World Cup)

2h. The number and position of Chinese sports representatives in FIFA

3h. The number and purpose of football facilities in China

4h. The distribution of the national sports budget to elite football;

5h. The number and purpose of special elite universities or training centres for elite football

6h. The resource of coach development programmes for elite football

7h. The ownership of special elite training facilities for football in China

8h. The number of people or local club they participate in elite football

9h. The tensions between the professional football clubs and government

Indicators of Engagement with Globalisation (Softer/Less Robust/Qualitative)

1s. The extent to which the Chinese government accepting the values and attitudes of commercial football

2s. The attitudes and values of the Chinese government and Chinese professional football clubs in relation to the rights of elite athletes (for example, the transfer and players);

3s. The attitudes and values of football players toward material rewards

4s. The structure of the Chinese Football Association

5s. The values and attitudes of the government toward commercial football
Appendix 6

Case Study 3: Basketball

Indicators of Engagement with Globalisation (Harder/More Robust/Quantifiable)

1h. Formal engagement with international sport as a participant country (including membership, joining competitions, ranking, biding for or hosting FIBA World Championship)

2h. The number and position of Chinese sports representatives in FIBA

3h. The number and purpose of basketball facilities in China

4h. The distribution of the national sports budget to elite basketball

5h. The number and purpose of special elite universities or training centres for elite basketball

6h. The resource of coach development programmes for elite basketball

7h. The ownership of special elite training facilities for basketball in China

8h. The number of people or local clubs that participate in elite basketball

9h. The tensions between the Chinese professional basketball clubs and government

Indicators of Engagement with Globalisation (Softer/Less Robust/Qulitative)

1s. The extent to which the Chinese government accepting the values and attitudes of commercial basketball

2s. The attitudes and values of the Chinese government and Chinese professional basketball clubs in relation to the rights of elite athletes (for example, the transfer and players)

3s. The attitudes and values of basketball players towards material rewards

4s. The structure of the Chinese Basketball Association

5s. The values and attitudes of the government towards commercial basketball