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Piracy, Circulation, and Cultural Control in Contemporary China[*]

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Named by the IIPA (International Intellectual Property Alliance) as one of the "countries which pose particularly significant challenges to the U.S. government and our industries," China has been depicted as the world's greatest heaven for copyright offenders.[1] In 2009, the IIPA reported an estimated $3.5 billion annual loss in the U.S. copyright industry due to piracy in China.[2] As the notorious "world capital of piracy," China, on the other hand, is also the world's largest potential market for cultural industries, with its billions of consumers and fastest-growing economy. And this market, according to the IIPA, is suffering greatly due to piracy. Depicted as a significant threat to U.S. companies' global interest, piracy in China is therefore always considered a *global issue* or a *global problem*, especially after China's entry into the WTO in 2001. And the tension is often described as a "conflict between the global and the national."[3] In the public discourses popularized by the U.S. press, government, and agents such as the IIPA and MPA (Motion Picture Association), piracy is constantly depicted as a collective crime committed by China against the global interests of the U.S.—the moral and ethical disrespect for intellectual property on the part of the Chinese people and the lack of legal enforcement on the part of the Chinese government. On the other hand, scholarly studies on piracy rather tend to discuss and examine piracy as a particular symptom of globalization—a viral existence that manifests the irresolvable tension between the local and the global, and a bottom-up tactic that disrupts the existing global power structure of the uneven wealth distribution between the developing and the developed.[4]

Recognizing the significance of globalization in the discourse on piracy, however, this paper will argue that piracy, at least in China's case, is as much a domestic issue as it is a global one. Although piracy often positions itself as the battleground between the global and the national, the boundary between the two is never a clear one. Neither the national nor the global is a unified whole, but each party is marked by its internal conflicts and disjunctions. The tension manifested in piracy, therefore, is not simply "a conflict between the global and national," but is also a conflict within the nation itself. In China, this is particularly the case. China is not only a developing

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[*] Parts of the essay were previously published in "From D-Buffs to the D-Generation: Piracy, Cinema, and an Alternative Public Shpere in Urban China," *International Journal of Communication* 6 (2012), 542-563.

[1] "IIPA's Eric Smith Testifies before the House Subcommittee on October 18th 2007," [http://www.iipa.com/pdf/IIPAEricSmithtestimonyOctober182007Testimony10172007.pdf].

[2] IIPA, *Special 301 Report*, 2009, [http://www.iipa.com/2009_SPEC301_TOC.htm].

[3] Laikwan Pang, "Piracy/Privacy: The Despair of Cinema and Collectivity in China," *Boundary 2* 31, no. 3 (9, 2004): 102.

[4] See Pang, "Piracy/Privacy"; Shujen Wang, *Framing Piracy: Globalization and Film Distribution in Greater China* (Lanham, Md.: Rowman & Littlefield, 2003); Ravi Sundaram, "Revisiting the Pirate Kingdom," *Third Text* 23, no. 3 (2009): 335.

country caught in between uneven global development, but it is also a post-Socialist country marked by its still-continuing non-democratic, authoritarian political system combined with economic reform toward neoliberal capitalism. Postcolonial piracy has flourished in developing countries, as is characterized by Sundaram and Larkin, and can be seen as local people's pragmatic strategy to form an alternative space — a "viral infrastructure"— of vernacular modernity vis-à-vis the influx of cultural goods brought by global media industries.[5] In China's case, however, the pressure and the tension of such a "viral infrastructure of vernacular modernity" not only come from the outside (the speed and force of globalization), but also arise from the inside. In post-Socialist China where speech and information never come "for free" (in a political sense) but are always under constant monitoring, scrutiny, and censorship, piracy not simply offers cheap access to global cultural goods for the local poor, but more importantly, piracy's very existence as a "viral infrastructure" also provides a powerful underground channel to circulate cultural meanings against the state's tight information control, and thus potentially disrupts the authoritarian power structure that has been governing cultural production and consumption in China for decades.

It is its latter function that I would like to highlight in this study on piracy. The infrastructural difference between the pirate and the legitimate — piracy as a viral circulation with its strength in speed and flexibility that threatens to disrupt the legitimate cultural industries' dominant control of space and time — often fashions piracy as a more viable and even liberated channel for distributing cultural meanings. In China's cultural system that highly controls its information production and circulation, piracy not just provides easier and cheaper access to cultural goods, but in most cases, piracy offers *the only channel* for distributing a great amount of cultural works that are otherwise not allowed to be circulated and consumed. The Chinese movie audience is denied by China's tight control cultural access not just to Hollywood entertainment limited by the tight quota system but also to a large number of independent domestic films that have been banned by censorship due to their often challenging political messages and alternative cultural contents. Piracy often functions as the only channel through which these censored films can be circulated and consumed. As a viral distribution circuit that can easily evade censorship, piracy, therefore, decentralizes the hegemony of state cultural control and potentially empowers those who are denied the right to access, as well as those who are deprived of the freedom to create. And this is piracy's biggest threat, or promise, in the contemporary cultural landscape of China.

This subversive potential of piracy — as a powerful circulation channel evading censorship and destabilizing cultural control — is precisely what I examine in this paper. This study seeks to shed new light on the current debates on piracy, which largely focus on the issues of copyright and IP law.[6] I would argue that piracy's potential power of resistance against cultural and political hegemony goes beyond copyright infringement per se. The "totality of the cultural industry," as

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[5] See Sundaram, "Revisiting the Pirate Kingdom"; B. Larkin, "Degraded Images, Distorted Sounds: Nigerian Video and the Infrastructure of Piracy," *Public Culture* 16, no. 2 (4, 2004): 289-314.

[6] Prime examples include Wang, *Framing Piracy*; Laikwan Pang, *Cultural Control and Globalization in Asia: Copyright, Piracy, and Cinema* (Routledge, 2006).

famously characterized by Adorno, is not simply defined by the monopolistic concentration of copyright ownership, but fundamentally relies on the unified control of cultural production and circulation (as in the case of Hollywood's struggling to control time and space in its distribution strategies) that results in a massive standardization of cultural life.[7] Prioritizing access over property rights, piracy's potential threat to the "totality of the cultural industry" relies not only in its disruption of the monopolistic concentration of copyright ownership, but in its viral proliferation and expansion of cultural circulation, which poses as an unruly challenge to total control. In China, where the totality of cultural life is achieved primarily through state control of knowledge circulation, piracy's uncontrollable channels of "open" access are way more threatening than its illegitimate infringement of copyright. Therefore, by examining the cultural/political functions of this "pirate channel" of cultural circulation in China, I hope to renew our current understanding of piracy, not from the legal or economic perspective of IP ownership, but from the socio-cultural standpoint of information circulation and consumption. To what extent does piracy function as a viral circulation channel outside state control? In which ways has this underground distribution circuit established an alternative film culture in China? By answering these questions, I also want to examine how economy, politics, and culture interact and conflict in a society of transition and contradiction, and how an illegitimate practice born out of these unusual conflicts could potentially serve the public by helping them negotiate these tensions in a self-contradictory social system.

The Rise of Piracy with "Chinese Characteristics"—A Brief History

The seriousness of China's piracy situation has been well monitored and documented, not least thanks to the extensive annual reports by the IIPA.[8] But few studies have been conducted on the past development of this piracy capital in the context of Chinese history. Although most discourses have attributed the piracy phenomenon mainly to the process of globalization and uneven economic development,[9] the fact is that the emergence and the development of piracy in China has as much (if not more) to do with its own national context of dramatic economic reform as with its participation in globalization. In China, the tensions and the conflicts that piracy manifests and negotiates are both external (global) and internal (national).

The first major wave of piracy in post-Socialist China emerged in books and periodicals, which directly resulted from the structural reform of the book publishing and distribution industry in the early 1980s. The book industry, which, like many other cultural industries in China, had been completely state-owned and state-operated since 1949, now started to allow the participation of private businesses. But private business was limited only to the printing, distribution, and

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[7] T. W. Adorno and M. Horkheimer, *Dialectic of Enlightenment* (Verso Books, 1997); T. W. Adorno and J. M. Bernstein, *The Culture Industry: Selected Essays on Mass Culture* (Brunner-Routledge, 2001).
[8] International Intellectual Property Alliance, "Country Reports," [http://www.iipa.com/countryreports.html#C] .
[9] Examples include Wang, *Framing Piracy*; Pang, "Piracy/Privacy"; Sundaram, "Revisiting the Pirate Kingdom"; Larkin, "Degraded Images, Distorted Sounds."

retailing sectors, while the publishing sector, consisting of hundreds of publishing houses, still largely remained in the hands of the state.[10] Private enterprises, though now being able to print, distribute, and sell books and periodicals, still did not have the right to independently publish anything without obtaining a publishing permit from a state-owned publisher. Such a semi-privatized industrial structure remains till today, and the publishing and distribution of music and videos follow the same rules as those for books. Audio/video distributors have to apply for a publishing permit through a state-owned publishing house before they can release any music or film. Such a partial, incomplete privatization of the publishing industry manifests the fundamental conflict between the Chinese government's desire to commercialize the cultural industries and its continuing manipulation of cultural means for political purposes. While privatizing the distribution and sales of cultural products would help in commercializing the industry and activating the market, the power of content control, however, has to be held tight by the state. This conflict between economic marketization and state cultural control also discloses a fundamental contradiction in China's economic reform, which is moving toward free-market, neo-liberal capitalism while still maintaining a strong authoritarian political system. And this contradiction is especially severe in Chinese cinema, which, more than any other medium, is still considered the most important propaganda machine, and thus remains rigorously censored and tightly controlled in China, despite the increasing commercialization of the Chinese film industry. The contradiction between economic commercialization and political control created a huge imbalance in the cultural domain. While activating the market through commercialization and privatization greatly increased cultural demand, the tight content control by the state rather severely restricted cultural creation. This imbalance has grown even larger in the recent decade, when the nation's skyrocketing economic development resulted in a rapid increase in people's income and consumption power. The increasing gap between growing market demand and limited content supply left a huge cultural void for piracy to fill — first in books and periodicals in the 1990s, and then in optical recordings of music and films in the new millennium.

Since the late 1990s, optical discs of audio/video materials have become the fastest-growing sector in the Chinese piracy market. According to official data, the number of audio/video discs in the Chinese government's detained pirated products grew over eightyfold in the past decade, from 689 thousand in 1998 to 57 million in 2008.[11] The fastest-growing period was the turn of the new millennium, when the number of confiscated pirated discs jumped over fivefold from 7.7 million in 2000 to 37.7 million in 2001. The percentage of pirated audio/video entertainment among the total pirated products also increased dramatically. Throughout the entire 1990s, the majority of pirated products in China were books and periodicals. But since 2001, audio/video entertainment has overtaken that position and become the largest part of the whole pirate industry in China. In

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[10] For the historical relations between piracy and the structural reform in the publishing industry, see Zhiqiang Zhang, "Zhidu Bianqian yu Daoban Fanlan—Zhuanxingqi Daoban Wenti Yanjiu Zhiyi" [Structural Reform and the Rise of Piracy—Studying Piracy in the Transition Period], *Gonggong Guanli Gaoceng Luntan* [Advanced Forum on Public Management], no. 1 (2005): 201-215.

[11] Data source: National Copyright Administration of the PRC, 2008; State Intellectual Property Office of the PRC, *Chongguo Zhishi Zhanquan Nianjian* [China Intellectual Property Yearbook], 2000-2008.

2002, about 40 percent of the total pirated products seized by the government in that year were audio/video discs, and in 2008, the number rose to 75 percent. The ultra-fast growth in pirated optical discs—including CDs (compact discs), VCDs (video compact discs), and DVDs (digital video discs) — was partially thanks to the government's whole-hearted support for the manufacturing industry of digital devices. The fast boom in hardware sales of VCD/DVD players created a deeper gap between consumer demand and content supply, which had to be filled by piracy. And this is particularly the case in the stunning rise of the pirated VCD market in China.

It has been said many times that the surprisingly successful story of the VCD, a seemingly "doomed" technology that had been dropped from the world's major consumer markets in Japan and the U.S. (due to the more advanced technology of the DVD), only found itself an unexpected success in China.[12] Even till today, when the VCD has long been replaced by the DVD, it still processes a certain nostalgic aura in China, for many Chinese people believe the widely publicized, yet somewhat misleading, legend that the VCD is a "Chinese invention." According to the Chinese press, the world's first consumer VCD player was manufactured in China in 1993.[13] But in fact, the core patent of VCD technology is owned by Sony and Philips and the core chip was designed and manufactured by a California-based company called C-Cube. However, the eye-catching VCD boom (if not the VCD machine itself) was, indeed, a Chinese creation. When Sony and Phillip first introduced VCD technology in 1993, they did not expect a fully blooming market, because the far more advanced technology of the DVD was already on the way. It was Chinese engineers and small entrepreneurs who eventually gave this doomed technology a full-blown rebirth.[14] In 1992, when Chinese-American engineer Edmond Sun, co-founder of the U.S.-based chip manufacture C-Cube, was shopping around for an application for the company's MPEG-compressing chip, he met Chinese engineer-turned-entrepreneur Jiang Wanmeng. And the two quickly launched a joint venture, Wanyan Corp., which manufactured the reference model, the so-called world's first VCD player. Wanyan Corp. stared the first wave of mass production of VCD players in 2004 and introduced 20 thousand units to the Chinese market. This initial effort was fully approved and encouraged by the Chinese government, who believed that this new technology, though developed by a small, private enterprise with only thirty employees, would develop into a big industry under the support of the state. Soon after, millions in governmental funding was poured into the industry for the technological development and market exploration of this new machine.[15]

But at the initial stage when VCD players were first introduced, there was a very limited supply of VCD discs for consumers. In 1995, 600 thousand VCD player units were assembled and put onto the Chinese market, while only 1.2 million VCD copies were released in China through

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[12] See Wang, *Framing Piracy*, 49-58; Junko Yoshida, "Video CD: China One, West Zero," *EE Times*, December 1999, [http://www.eetimes.com/special/special_issues/millennium/milestones/baichuan.html].

[13] Yong Liu, "Zhongguo VCD Shinian: Yige Chanye de Xingshuan" [Ten Years of VCD in China: The Boom and Bust of an Industry], *ChinaCCM.com*, June 2002, [http://www.chinaccm.com/09/0904/090401/news/20020601/135914.asp].

[14] Yoshida, "Video CD: China One, West Zero."

[15] "'Shijie Diyi'—Zhongguo VCD Junqing" ['The World's First'—The Warfare of VCD in China], *Techcn.com.cn*, http://www.techcn.com.cn/index.php?doc-view-136028#3.

legitimate publishers ― averaging only two discs per unit of player in the market.[16] In the words of Jiang Wanmeng, the co-founder of the first China-based VCD manufacturer, "We provided guns to consumers, but there were no bullets."[17] This enormous gap between hardware sales and software shortage was quickly filled by the huge influx of pirated VCDs in the mid 1990s, which provided the timely supply of entertainment content for the early adopters of this new technology, and thus further solidified the market for VCD players in China. The subsequent years witnessed a full blossoming of VCD manufacturing in China―production jumped over twentyfold from 600 thousand units in 1995 to over 15 million units in 1997. This skyrocketing boom gave rise to hundreds of small domestic OEMs (original equipment manufacturers) in China, including those who later became big brands such as Sinco, BBK, Xiaxin, and Idall-Tech. By 1998, there were so many Chinese OEMs (over 500) in the VCD player-manufacturing industry that the intense competition drove the price to less than 800 RMB (about 100 USD) per unit, and the market further expanded and eventually became saturated. The overproduced China-made VCD players started to invade neighboring markets such as Hong Kong, India, and Malaysia. In 2001, approximately 16 million VCD units were exported from China to other Asian countries.[18]

This stunning market boom of the VCD could not have been ignited without piracy. When the VCD player market enjoyed a twentyfold growth, the gap between the demand for VCD discs and the very lack of them grew deeper. In 1998, 18.5 million players were put onto the Chinese market, while only 57.7 million VCD copies were released, averaging only three discs per VCD unit.[19] And the imbalance was even worse in the VCD-printing sector. To help expand the VCD-manufacturing industry, the Chinese government encouraged the private business of VCD producing and printing, so that VCD players would have VCDs to play. In 2003, there were over 760 state-licensed VCD replication lines in China (not including underground printing plants that would boost the number even higher) whose printing capacity reached over 8 billion a year, far beyond the size of the legitimate optical disc market, which only occupied 6 percent of the total production capacity.[20] These gaps of both overproduced VCD players and overcapacity of VCD printing had to be filled by pirated contents. From 1998 to 2001, when VCD players began to saturate Chinese households, the pirate market also witnessed a dramatic boom. The vast supply of pirated products further expanded the VCD player market as well as the growth of the VCD industry in China. Thus, it is no wonder that the U.S. press sometimes suspected that the Chinese government's reluctance to crack down on piracy was to support the nation's fast-growing VCD

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[16] Data source: on VCD unit production, from Zhang, "Zhidu Biange yu Daoban Fanlan" [Structural Reform and the Rise of Piracy]; on VCD release data, from the General Administration of Press and Publication of the PRC, *Zhongguo Chuban Nianjian* [China Publication Yearbook], 1996-2008.

[17] "Jiang Wanmeng―Diannao Jie Renwu" [Jiang Wanmeng ― People in IT Industry], *Techcn.com.cn*, [http://www.techcn.com.cn/index.php?doc-view-136028#3].

[18] See Zhang, "Zhidu Bianqian yu Daoban Fanlan ― Zhuanxingqi Daoban Wenti Yanjiu Zhiyi" [Structural Reform and the Rise of Piracy―Studying Piracy in the Transition Period]; "'Shijie Diyi' ― Zhongguo VCD Junqing" ['The World's First' ― The Warfare of VCD in China].

[19] Data source on VCD unit production from 1997 to 2001, see Pang, *Framing Piracy*, 52.

[20] Zhiqiang Zhang, "Zhuanxingqi Zhongguo Daoban Wenti Yanjiu" [Studying Chinese Piracy Problems in the Transitional Period] (Ph.D. Dissertation, Nanjing University, 2006), 46-47.

manufacturers.[21]

The eye-catching VCD wave also gave full-blown growth to China's legitimate home entertainment industry, which, though being overshadowed by the pirate industry, also enjoyed its boom years together with the rise of piracy and VCD technology. From 1997 to 2003, Chin's annually released optical discs grew sixfold from 66.9 million to 396.8 million, largely thanks to the roaring VCD release that reached its peak in 2003 with 303.8 million copies, about 77 percent of the total optical discs in that year.[22] The close correlation between the legitimate home video business and the pirate business make many speculate that the two are in fact one industry. Not only was China's home entertainment market largely established by pirated products, but the legitimate industry as we know it today is also mainly composed of disc producers and distributors who established themselves through piracy business before being legitimized.[23] Therefore, it may be safe to say that the home entertainment industry in China was largely built upon piracy. Chinese film producer Ben Ji (who used to work for Warner Brothers) described the situation in a very accurate way: "China's home entertainment market was born a pirate one. It would never return to an 'innocent' state, even if piracy were to disappear one day."[24]

An Alternative Public Sphere—The Cultural Impact of Pirated Cinema

Laikwan Pang once correctly pointed out that the cultural function of piracy should primarily be found in its usage.[25] But for Pang, the consumption of pirated film products also transformed cinema from a public practice to a private one, and thus shatters cinema's cultural function toward a collective articulation. It might be true that contemporary Chinese cinema, or even cinema in general, has largely failed to put forward a unified, collective identity in this post-cinematic age. But even when cinema as a cultural practice has increasingly been channeled through various new media (such as DVDs and the Internet) other than movie theaters, it does not mean that cinema has to lose its socio-cultural function as a collective experience. On the contrary, these new media, though appearing more private than public in their usage, may constitute some alternative public sphere for cinema, despite the fact that these new types of collective experience may be more fragmented and ambiguous than the old forms of theatrical gatherings. Piracy, with its infrastructure as a consumer-centered, viral circulation channel, would be more effective in building such an alternative public sphere from the bottom up. In China, when almost 90 percent of film consumption is through pirated products, piracy itself has become a collective experience for film viewers. Thus, in the following passages, I will try to examine how the collective experience of piracy consumption has built an alternative public sphere from the bottom up —

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[21] Craig Smith, "A Tale of Piracy: How the Chinese Stole the Grinch," *The New York Times*, December 12, 2000.
[22] Data source: General Administration of Press and Publication of the PRC, *Zhongguo Chuban Nianjian* [China Publication Yearbook], 1996-2008.
[23] Based on personal interviews with many media industry insiders, who need to remain anonymous due to the sensibilities of this issue.
[24] Personal interview.
[25] Pang, "Piracy/Privacy."

through the viral circulation of cinema outside state-controlled infrastructures.

During the heyday of China's disc piracy, there emerged a distinctive subcultural community of piracy consumers, who self-identified themselves as "disc buffs" (*Die-you*) or simply "D-buffs" (D-*you*) ― here, "D" refers to both "disc" (*die*) and "piracy" (*daoban*). Unlike movie buffs, D-buffs are not only passionate about watching movies or talking about them, they are also devoted to collecting a huge amount of pirated DVDs. In most cases, their knowledge of and passion for cinema are largely developed through their enthusiastic collections of pirated movies. They learn about the culture and history of cinema primarily through pirate consumption. Like those old-day hi-fi enthusiasts, D-buffs are very picky about the quality, format, and features of the DVDs they collect. They will never collect those DVDs made from camcorder-recorded videos taken in movies theaters (called *qiangban*). Neither would they tolerate D-5 (single-layered) DVDs―only D-9s (double-layered DVDs) are collectable. They are not only knowledgeable about film history, director names, film release details (distributor, cast, year, language, director's cut or theatrical version, etc.), they are also very sensitive to different release regions―North America (region 1), Europe (region 3), or Asia (region 6) ― and the different prints or bonus features on them. The process through which a D-buff would search for the best collectable versions of a certain film and get rid of the bad ones is called "disc laundering" (*xi die*).With the recent rise in Internet piracy, however, hardcore D-buffs still refuse to give up their old hobby of DVD collecting. As a D-buff, Xiao Ma, remarked that

collecting pirated DVDs is like a hobby, a game. When I see some DVDs of a certain film that I haven't collected, I will buy one, even if I probably won't watch it immediately. But online downloading is different. Because the Internet is fast, I can access movies there too easily. I would watch a newly released film online if the film isn't available on the pirate DVD market yet, but I wouldn't enjoy collecting movies on the Internet. It is no fun.[26]

Echoing Xiao Ma's experience, many D-buffs enjoy searching for the most collectable pirated DVDs as a hobby, and hardcore enthusiasts are quite devoted to it. There is a famous online article posted by an experienced D-buff, which vividly details the different stages a D-buff would go through to become a true hardcore devotee: Level 1: "silly kid," when you would buy whatever you can find on the pirate market; level 2: "enthusiast," when you are addicted to it and go out buying DVDs almost everyday, and start to have a little knowledge to differentiate the good from the bad; level 3: "mature," when you've got quite a huge collection―most of which has been laundered to better versions―and a great amount of knowledge to guarantee a good buy in most cases, you can't be fooled by DVD retailers anymore, and you know what to listen to and what to reject; level 4: "the black hand in the market," when you've got a collection of many thousands of pirated DVDs, and even bought hundreds of legitimate DVDs from overseas, and now you stop going to DVD stores because the retailers will call you to deliver the most recent releases, and you have enough experience and information to give recommendations and suggestions to others; level 5: "God," when you only collect legitimate DVDs from overseas, and most of your collection has

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[26] Interview with Xiao Ma, a journalist in Beijing.

been laundered over three times, all the bad ones are thrown away, and your knowledge is so extensive that you'd gain stardom in the community and newcomers would be thrilled to hear your insightful suggestions. [27] Indeed, this process of searching for and collecting the best possible version of DVDs of a certain film you like, as well as learning your way through all the stages to understand the necessary knowledge about how to find the best, is the main attraction of being a D-buff. And the practice of exchanging experience and knowledge among these different levels of D-buffs soon gathered them together into a subcultural community.

The D-buff culture and community grew widely and rapidly in urban China, not just because of the raving predominance of piracy that made DVDs so cheap and affordable (about 5-8 RMB a movie, less than 1 USD) that almost any urban consumer can afford a huge DVD collection and the "costly" process of disc laundering. But instead, most D-buffs believe that it is the wider variety and higher quality that make pirated DVDs more desirable and collectable than their legitimate counterparts. The reason that pirated products can offer better quality and wider variety largely relies on their lack of copyright licensing cost or region code limitation. The lower cost and higher profit margin makes the piracy industry so competitive that some pirate makers are willing to spend more money and energy to perfect their products to win the market. Thus, strangely enough, even in this underground market, some pirate makers have established their own "brand names" for their superb product quality, such as better images, more bonus features, better subtitle translations, and more beautiful packaging. The experienced D-buff would recognize these "brand names," which are often marked by a small logo or packaging detail, and use them as reference points for disc collection. The lack of copyright licensing and region codes has also blessed the pirate industry with access to a variety of different foreign regional releases — American, Japanese, or European releases — from which they can choose any one or more versions to use as their master discs for piracy, thus providing a wide variety of pirated products of a single film title. For the pirate makers, the difference is just a matter of choice for their master discs without any legal or economic obligations. But for piracy consumers, especially D-buffs, the difference can be quite remarkable: different prints, lengths, subtitles, or bonus features. Thus, the lack of copyright or region code limitations in piracy provides consumers with a huge variety of possibilities, thus giving rise to the addictive experience of keeping searching for "the best"— the enchanting process of "disc laundering." Pirate makers are also more than willing to satisfy D-buffs' picky tastes by providing the best possible quality. They will research among different regional releases by various   home video distributors, and try to find the DVD release with the best image quality and most bonus features as their master disc.   To better serve D-buffs, pirate DVD makers even came up with their own unique "release" of those most collectable. They would select the best features from each different regional released DVD and put them together into an unbeatable combination—the image track from the U.S. release, the subtitles taken from a Hong Kong version, and the bonus features from a Japanese DVD. Such an ultimate combination, which can even beat

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[27]"DVD Fashao Dieyou de Wuge Jibie" [Five levels of Enthusiastic DVD Buffs], [http://ent.163.com/edit/ 020730/ 020730_128220.html].

premium products from The Criterion Collection, can only be produced in the pirate system, for the lack of copyright restriction and region code limitation provides endless possibilities for both piracy producers and D-buff consumers.

The emergence of high-quality, brand-name products in China's pirate market, in fact, goes quite opposite to the widely accepted general assumption that a pirated product is some cheap, bad, and poor-quality replica. Disney used to release a very famous video attached to their legitimate DVDs released in China, in which a grainy image from a pirated DVD is put side by side with the crisp, sharp image from a legitimate one, propagating the clichéd idea that a pirated item is always a dreadful, cheap counterfeit. But the fact is, pirated DVDs in China are not trashy, awful replicas at all. On the very contrary, the pirated products, despite their low prices, have somewhat become premium collectables bearing their own brand names. In fact, to the D-buff community, it is the domestically released legitimate DVDs that often bear the label of being cheaply made and of poor quality. Because the lack of profit in the legitimate market tends to force legitimate disc makers to cut costs at the sacrifice of quality, domestically released legitimate DVDs often have very bad packing, non-digital preprints, and very few bonus features.

Furthermore, piracy has also nurtured D-buff culture because it provides a huge selection of film titles, most of which were never legitimately released in China due to tight quota, censorship, or market reasons. The pirate industry, on the other hand, can so easily evade state quota and censorship, and its profit margin is so high that it can afford to release many less-known and peculiar art-house titles to a niche audience, and thus offers consumers much wider choices than the legitimate market. If D-buffs' passionate practice of disc searching is like treasure hunting, then it is the vast selection of films in the pirate market that provides them with such attractive treasures. With the rise of the D-buff community, movie selections in the pirate market also became richer and wider. There emerged various kinds of DVD guides in the press and on the Internet, which serve both pirate releasers and consumers, leading them through the production and consumption of this vast selection of movies from the entire world. Mr. Zhou Liming, a famous film critic and journalist, is the author of one of the most famous movie guidebooks in China that are very influential among both the D-buff community and the pirate industry. His book series *Die Zhong Die* (Discs & Discs) is a very thorough movie guide introducing over 55 thousand films, each with a rating and a comprehensive review. Word goes that pirate makers were using his books as a DVD release guide. Zhou told me a story that always amuses him. He once was invited to give a talk at Shenzhen University, and an audience member came to the podium and said to him, "I want to represent Shenzhen residents to thank you, Mr. Zhou, because your book *Die Zhong Die* has contributed greatly to the local pirate industry in Shenzhen, a city that hosts one of the largest pirate wholesale centers in China."[28] Mr. Zhou later found out that his book was indeed widely used as something of a "bible" in the pirate circuit. Zhou felt deeply honored. When his book was first published in the late 1990s, most of the films discussed in the

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[28] Personal interview with Zhou Liming, a famous film critic highly respected in China's cineaste circle. And he is also a journalist at *China Daily*.

book were unavailable in China. But now, almost all of these movies can be found in the pirate market. The wide selection of movies offered through piracy has enriched the Chinese film culture to a large degree.

Besides the D-buff community, there also emerged a new generation of filmmakers from the piracy culture in China, who we may call the "D-generation"—D as in "digital." Learning their skills more from the pirate market than film school, D-generation filmmakers are hardly institutionalized or unified. Their passion for cinema and their filmmaking craft are mostly nurtured by China's abundant source of pirated DVDs, and their film sensibilities and styles are thus much broader and more versatile than their predecessors. They are as diverse as the pirate market that feeds them. Piracy's viral infrastructure of movie circulation also provides an alternative, yet extremely powerful, distribution channel for this young generation of filmmakers, whose independent and provocative works are largely produced and circulated outside the state-controlled film institutions and are mostly banned by state censorship. Facilitated by the viral circulation system of piracy, there has been built a tight yet far-reaching underground film circuit in China, through which alternative voices can be produced and distributed against tight cultural control. It is an unruly, self-proliferating, and underground cultural circulation from the bottom up; and most importantly, it exists as a static struggle against political suppression by the Chinese government. As long as authoritarian control continues in China, the underground circuit of piracy will exist with its political meanings.

Many believed that the start of the pirate circulation of underground films was ignited by Lv Jianmin, the "Godfather of China's independent film," who established his fame by his revolutionary and successful release of Zhang Ming's *Wushan Yunyu* (Rain and Cloud Over Wushan) (1997) in the home video market. Despite the fact that Lv is not a pirate maker, the surprising success of *Wushan* was indeed the starting point that encouraged and initiated the subsequent wave of pirate release of independent and underground cinema in China. In 2002, when Lv just started his video release and distribution business, China's DVD market was still largely occupied by Hollywood blockbusters and European classics. As a newcomer to the business, Lv tried to find a niche that had not yet been explored, and independent domestic cinema came as a good choice. Lv soon discovered an intriguing blind spot in China's tight cultural control system. Although many independent films were banned from theatrical release by the state censorship of SARFT (State Administration of Radio, Film, and Television), there was no clear indication that they could not be released on DVD, because video release was instead regulated by another bureau—General Administration of Press and Publication—which apparently had a different censoring system from SARFT. Thus, Lv thought he had found an edge to trick the system. He decided to release and distribute a series of independent films on DVD, many of which are banned, underground works, and *Wushan* was the very first one in his lineup. As a tentative tryout, Lv's video release of *Wushan* was both risky and tactical. At that time, no one believed that an independent art film with no big names would be a good seller. Local retailers would not even place orders. Lv had to try a very "brave" idea. He repackaged the film from an art film to a soft porn film, despite the fact that the film has no sex scenes at all but only a slightly sexual undertone

in its title. Although such notorious packing damaged the artistic reputation of the film to a certain degree (although its fans still love the film for what it is), it did stimulate sales quite successfully. Within months, Lv sold over half a million DVDs through the legitimate market, and the pirate sales even tripled that number. In total, *Wushan* sold millions of copies of DVDs (both legitimate and pirated), which triumphed over many commercial blockbusters at that time. This unexpected success of an obscure, independent, art film with no stars or publicity sent out a strong signal to the market. Now, DVD makers, especially pirate ones who are apparently more sensitive and attuned to market trends, began to realize that these kinds of films also had their audience, and its size might not be small at all. Therefore, a wave of pirate distribution of various independent films was soon launched, and those underground films banned by censorship were the market's particular favorites, because the very label of "banned" seemed to be able to generate more public curiosity and thus became a marketing tool.[29]

Independent or underground films could flourish in China's pirate market for several reasons. First, art films have always had a strong audience base among the D-buff community, the most devoted consumer group of pirated products. Thus, the pirate market quickly found resonance with its consumers with these artistic-driven, non-commercial films. Second, the density, ubiquity, and flexibility of piracy's viral distribution infrastructure merits it as an ideal retailing system for niche products, because it is much easier for pirate DVDs to reach deeply into consumers and provide them with unique products such as those unknown, obscure films that never appear in the theater. Third, without the cost of copyright licensing, it is less risky for the pirate industry to venture into a niche market. In comparison, legitimate producers would have to sell a certain amount in order to earn back their initial investment in licensing fees. But piracy certainly does not have this need, and pirate makers can thus risk producing a small number of copies and selling them to a small niche market. With all these advantages, piracy has indeed become the best possible circulation channel for Chinese independent cinema, much of which could otherwise never be seen by the wider public due to political or commercial reasons. Independent and underground filmmakers also feel themselves to have benefitted greatly from China's pirate market, which offers them great possibilities with its extremely wide, dense, and flexible circulation channels. Li Yang, an independent filmmaker, told me that he was happy that his film *Mang Jing* (Blind Shaft) (2003), a Berlin Film Festival winner that was banned in China, sold millions of copies on the pirate market.[30] For Li Yang, as well as many Chinese filmmakers and intellectuals, piracy in China has a great social/cultural impact—it provides and circulates precious information that would otherwise be censored or tightly controlled by the non-democratic government. In Li Yang's words, "piracy is a crucial channel for Chinese people to learn about social/political realities in both China and the World."[31]

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[29] The stories told above are largely based on my personal interview with Lv Jianmian, who now owns an independent film production and distribution company specialized in small-budget genre films. Lv quit his video business in 2004 when China's DVD market began to decline.
[30] Personal interview with filmmaker Li Yang.
[31] Ibid.

From the D-buff community to underground cinema, the viral infrastructure of piracy in China has built an alternative public sphere of movie culture that encompasses both film production and consumption. This public sphere that emerged through the pirate infrastructure in China testifies against the general assumption that video discs changed movie culture from public to private. Instead, the pirate infrastructure encouraged a multi-faceted, multi-media mode of film consumption involving much more diverse activities than just private viewing at home. There are wide communities out there, and you are connecting with others while consuming and distributing pirated discs. It is another public cinematic sphere, and it is much more dynamic and interactive than the old form of theatrical exhibition. And this notion of piracy as an alternative public sphere is even more evident nowadays when piracy has moved from the optical disc to the Internet—the very idea of online "file sharing" largely foregrounds the sense of community and network. Around various online portals of file sharing or video downloading, there are always numerous web communities built upon them. Communication and networking among the Internet communities have become an integral part of online piracy. This is an alternative public sphere that is based on digital technology and new media, and more importantly, built upon the viral energy of piracy—its power to reproduce, proliferate, infiltrate, and mutate at relatively no cost.

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