



**NAVAL
POSTGRADUATE
SCHOOL**

MONTEREY, CALIFORNIA

THESIS

**CHINA'S EMERGING SOFT/SHARP POWER
STRATEGY IN HOLLYWOOD**

by

Douglas F. Larson

September 2019

Co-Advisors:

Anshu N. Chatterjee
Lauren Wollman (contractor)

Approved for public release. Distribution is unlimited.

THIS PAGE INTENTIONALLY LEFT BLANK

REPORT DOCUMENTATION PAGE			<i>Form Approved OMB No. 0704-0188</i>	
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188) Washington, DC 20503.				
1. AGENCY USE ONLY (Leave blank)		2. REPORT DATE September 2019		3. REPORT TYPE AND DATES COVERED Master's thesis
4. TITLE AND SUBTITLE CHINA'S EMERGING SOFT/SHARP POWER STRATEGY IN HOLLYWOOD			5. FUNDING NUMBERS	
6. AUTHOR(S) Douglas F. Larson				
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Naval Postgraduate School Monterey, CA 93943-5000			8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING / MONITORING AGENCY NAME(S) AND ADDRESS(ES) N/A			10. SPONSORING / MONITORING AGENCY REPORT NUMBER	
11. SUPPLEMENTARY NOTES The views expressed in this thesis are those of the author and do not reflect the official policy or position of the Department of Defense or the U.S. Government.				
12a. DISTRIBUTION / AVAILABILITY STATEMENT Approved for public release. Distribution is unlimited.			12b. DISTRIBUTION CODE A	
13. ABSTRACT (maximum 200 words) China is currently the second-largest film audience market in the world and is set to surpass the U.S. market by 2020. China's lucrative market is controlled by Beijing's state, which permits only the release of films that place China in a positive light. Meanwhile, China has nefariously sought U.S. technology through spying, specifically targeting the space industry where China has emerged as the strongest competitor to the United States. This thesis examines China's intentions of controlling narratives and stealing or co-opting media tradecraft and capabilities through the use of its markets and investment. Six Hollywood films are examined to understand the nature of China's expanding sharp power into United States through Hollywood. This thesis concludes that by controlling Hollywood, China may be positioned to shape perceptions of the U.S. society, which is susceptible to propaganda particularly coming from American sources. This research concludes with three recommendations to help control or mitigate the Chinese threat.				
14. SUBJECT TERMS soft power, sharp power, emerging threat, China, Hollywood, film			15. NUMBER OF PAGES 97	
			16. PRICE CODE	
17. SECURITY CLASSIFICATION OF REPORT Unclassified	18. SECURITY CLASSIFICATION OF THIS PAGE Unclassified	19. SECURITY CLASSIFICATION OF ABSTRACT Unclassified	20. LIMITATION OF ABSTRACT UU	

THIS PAGE INTENTIONALLY LEFT BLANK

Approved for public release. Distribution is unlimited.

CHINA'S EMERGING SOFT/SHARP POWER STRATEGY IN HOLLYWOOD

Douglas F. Larson
Assistant Section Chief, Federal Bureau of Investigation
BS, National University, 2000

Submitted in partial fulfillment of the
requirements for the degree of

**MASTER OF ARTS IN SECURITY STUDIES
(HOMELAND SECURITY AND DEFENSE)**

from the

**NAVAL POSTGRADUATE SCHOOL
September 2019**

Approved by: Anshu N. Chatterjee
Co-Advisor

Lauren Wollman
Co-Advisor

Erik J. Dahl
Associate Chair for Instruction
Department of National Security Affairs

THIS PAGE INTENTIONALLY LEFT BLANK

ABSTRACT

China is currently the second-largest film audience market in the world and is set to surpass the U.S. market by 2020. China's lucrative market is controlled by Beijing's state, which permits only the release of films that place China in a positive light. Meanwhile, China has nefariously sought U.S. technology through spying, specifically targeting the space industry where China has emerged as the strongest competitor to the United States. This thesis examines China's intentions of controlling narratives and stealing or co-opting media tradecraft and capabilities through the use of its markets and investment. Six Hollywood films are examined to understand the nature of China's expanding sharp power into United States through Hollywood. This thesis concludes that by controlling Hollywood, China may be positioned to shape perceptions of the U.S. society, which is susceptible to propaganda particularly coming from American sources. This research concludes with three recommendations to help control or mitigate the Chinese threat.

THIS PAGE INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

I.	CHINA’S PROPAGANDA STRATEGY	1
A.	PROBLEM STATEMENT	1
B.	RESEARCH QUESTION	3
C.	LITERATURE REVIEW	3
1.	China’s Aspirations of Becoming a Global Leader	3
2.	Soft Power and Sharp Power	4
3.	The Importance of Media in a Democracy	7
D.	RESEARCH DESIGN	11
II.	CHINA’S NATIONAL SECURITY THREAT TO THE UNITED STATES	13
A.	U.S.–CHINESE SECURITY COMPETITION SINCE THE COLD WAR	13
B.	CHINA’S INDUSTRIAL GLOBAL STRATEGY	20
1.	China and State-Sponsored Trade Secret Acquisitions	21
2.	Shifting Power Balance through Soft Power	26
3.	Tradecraft Replication: Building Its Own Media Capability through Acquisition	28
4.	Homeland Security, Hollywood, and U.S. Military Propaganda.....	33
5.	Hollywood and the Importance of China’s Market.....	37
III.	HOLLYWOOD’S RESPONSIVENESS TO CHINA.....	41
A.	KEY FINDINGS FROM THE RESEARCH	42
1.	<i>Gravity</i> (2013).....	44
2.	<i>Rogue One: A Star Wars Story</i> (2016)	45
3.	<i>Interstellar</i> (2014)	47
4.	<i>Hidden Figures</i> (2016).....	48
5.	<i>The Martian</i> (2015).....	50
6.	<i>Arrival</i> (2016)	52
B.	SUMMARY	54
IV.	RECOMMENDATIONS AND CONCLUSIONS.....	57
A.	RECOMMENDATIONS.....	57
1.	Remove the 34 Film Cap	59
2.	Outreach to the Public.....	59
3.	Government Action.....	61

B. CONCLUSION	63
LIST OF REFERENCES.....	67
INITIAL DISTRIBUTION LIST	79

LIST OF TABLES

Table 1.	U.S. Trade in Goods with China, 1989.....	18
Table 2.	U.S. Trade in Goods with China, 2017.....	19
Table 3.	Critic Score Matrix	54

THIS PAGE INTENTIONALLY LEFT BLANK

LIST OF ACRONYMS AND ABBREVIATIONS

CFIUS	Counterintelligence Foreign Investment Unit
CPD	Central Propaganda Department
CPI	Committee on Public Information
FARA	Foreign Agent Registration Act
MPAA	Motion Picture Association of America
NCSC	National Counterintelligence Security Center
NTIPA	National Threat Identification and Prioritization Assessment
SAPPRFT	State Administration of Press, Publication, Radio, Film, and Television
USIC	U.S. Intelligence Community

THIS PAGE INTENTIONALLY LEFT BLANK

EXECUTIVE SUMMARY

This thesis is a resource for homeland security leadership regarding the threat of expanding Chinese soft power into the United States through Hollywood, which is an important communication mechanism and public sphere to influence and inform the American public. The thesis answers the following question: How does China’s interaction with Hollywood pose a threat to national security?

China is a threat to the United States through its military (hard power), economic ventures (soft power), and propaganda (sharp power). China uses each of these three forms of power to achieve dominance in the global political arena. Bill Evanina, an FBI agent and Director of the National Counterintelligence and Security Center, understands the threat of China and in July 2015 said, “economic security is national security.”¹ As China seeks to increase its power, it benefits from its illegal activities such as theft of trade secrets from the U.S. military and other industries. Specifically, China has used spies to steal secrets from U.S. companies such as Dupont, Valspar, and Lockheed Martin, and as a result, has been able to expand technologically in the global markets.² At the same time, China has adopted protectionist policies at a domestic level that benefit its own industries, causing U.S. industries—including Hollywood—to vie for access to the Chinese market. One of such rules is allowing only 34 U.S. films per year into China.

While the Chinese model of theft and economically invasive conduct are well documented and understood among the U.S. intelligence community, the private sector has yet to recognize the full nature of China’s security threat to the United States; this is problematic because it leaves open vulnerabilities in the American economy and democracy. Hollywood is such a case. A central hypothesis presented in this research is that China’s increasing economic ownership and its role as an important market for Hollywood serves its goals of domination through propaganda and constitutes a threat to U.S. national security.

¹ Wesley Bruer, “FBI Sees Sharp Rise in Economic Espionage Cases,” CNN, July 24, 2015, <https://www.cnn.com/2015/07/24/politics/fbi-economic-espionage/index.html>.

² Bruer.

A content analysis of six space-related films produced between 2013 and 2016 is intended to illustrate China's impact on American media and its audience. The purpose is to understand China's further ingress into U.S. innovation and democracy by cultivating a non-threatening image. Space-themed films were chosen because China is well recognized for targeting U.S. space program technology. China's use of space-related films that portray the United States and China as collaborators rather than competitors seeks to acclimatize the U.S. public to the threat of Chinese space activities. The focus of space films also stems from U.S.–Chinese competition as global leaders in space. The space program represents great technological achievements and pride among both the United States and China, and a focus on films in this area helped illustrate the expansion of China's influence.

The findings of these case studies are that recent portrayals of China in Hollywood as a benevolent partner in space programs, thanks to the strength of China's investments and market, contribute to China's exercise of soft power and afford access to U.S. technology and restricted information. Understanding this emerging threat suggests a need for future research, which may result in a more aggressive strategy to counter China's influence. Ultimately, this thesis produces three recommendations for members of the intelligence and national security community to mitigate the potential threat, including rejecting the 34-film cap, building information-sharing and collaborative relationships with Hollywood to help it protect itself, and changing the perception of American viewers toward China.

The United States needs to recognize Beijing's use of soft power in shaping U.S. public opinion through influencing the U.S. entertainment industry and correspondingly curb China's exploitation of Hollywood. This exploitation has geopolitical and geo-economic implications that degrade elements of U.S. power. China's growing influence in Hollywood necessitates new approaches and industry partnerships to protect the United States from Beijing's expanding influence. China's infiltration of content and distribution can influence public opinion, which provides the context and drivers for U.S. government policymaking. Thus, the threat is that the U.S. government—because of a misled and manipulated population—will act against its interests.

ACKNOWLEDGMENTS

My thesis and completion of studies at the Center for Homeland Defense and Security at the Naval Postgraduate School (NPS) would not have been possible without the support of those who continually inspired me to be better. If you are reading this and know me, you are most likely one of the people whom I've admired at different points in my life. Through your wisdom, demeanor, and example, I have continually sought to make a difference in this world by helping others. Whether it be protecting the United States from foreign adversaries or simply volunteering in the church and the community, I seek these things.

While I have many accomplishments in my life, both personally and professionally, I also understand, as David O'McKay said, "No other success can compensate for failure in the home." I owe a tremendous amount of gratitude to my wife, Kastell, and our four children, Jagger, Liberty, Gunner, and Sawyer, who have made this opportunity possible through their unwavering support and complete understanding of the moments I just couldn't be there. Now, I'll be able to help with their homework instead of them helping me with mine.

My time at NPS has been a difficult, time-consuming endeavor that has yielded unique partnerships and lifelong friendships—not to mention a more in-depth understanding of my classmates from Cohort 1701/1702 and the agencies they represent that relentlessly fight to protect our homeland. Their love of and their devotion and commitment to the United States are what keep us safe in our communities.

I would like to thank my parents, Eldon and Shelly Larson, and my in-laws, Art and Pati Kent, who have set a tremendous example of balancing life's commitments with family responsibilities. Together, they have accumulated over 100 years of marriage, setting a strong example, and they are still going strong.

I sincerely thank the Federal Bureau of Investigation for the opportunity to serve for the last 22 years. It has truly been the cure for the common career, and I have been privileged to be a part of that family. It has not always been easy, but it has always been worth it.

THIS PAGE INTENTIONALLY LEFT BLANK

I. CHINA'S PROPAGANDA STRATEGY

China is a strategic competitor using predatory economics to intimidate its neighbors.

—U.S. Department of Defense¹

A. PROBLEM STATEMENT

The U.S. intelligence community (USIC) increasingly perceives China as a significant threat to U.S. national security interests.² China is pursuing its strategy to become a dominant global power applying various nuanced strategies; China's strategy relies on acquisition rather than destruction as well as the deployment of soft and sharp power.³ For example, China is a well-documented violator of intellectual property rights and has committed egregious acts of state-sponsored economic espionage.⁴ China also employs propaganda to influence Americans and others around the world.

While the Chinese propaganda machine, theft, and economically aggressive conduct are well documented and understood in theUSIC, the private sector has yet to acknowledge or respond to China's security threat to the United States. One important sector that appears to be affected by the growing Chinese soft power is Hollywood. A central hypothesis presented in this research is that China's increasing economic ownership of Hollywood and expanding markets constitute a threat to U.S. national security through

¹ Department of Defense, *Summary of the 2018 National Defense Strategy* (Washington, DC: Department of Defense, 2018), 14.

² Department of Defense, *Summary of the 2018 National Defense Strategy*.

³ David Shambaugh, "China's Soft-Power Push," *Foreign Affairs*, June 16, 2015, <https://www.foreignaffairs.com/articles/china/2015-06-16/china-s-soft-power-push>.

⁴ Department of Justice, "Chinese National Pleads Guilty to Economic Espionage and Theft of a Trade Secret From U.S. Company" (Press release, Department of Justice, May 19, 2017), <https://www.justice.gov/opa/pr/chinese-national-pleads-guilty-economic-espionage-and-theft-trade-secret-us-company-0>.

an industry that has traditionally served as a source of American propaganda and strategic communication.⁵

This potential use of media to influence public opinion is an example of what Christopher Walker and Jessica Ludwig of the National Endowment for Democracy characterize as China’s “sharp power.”⁶ Although this term is still being defined and many still see it as synonymous with soft power, sharp power is described by Walker and Ludwig as the middle space where manipulation and pressure occur between two countries.⁷ Some specialists in Chinese politics and global expansion point to Beijing’s use of sharp power to “guide, buy or coerce political influence.”⁸

This thesis expands an understanding of how China uses both soft and sharp power in Hollywood, a media sector essential to the interests of the United States. It sheds light on China’s involvement in studios or with individual directors because of its investment power and lucrative film market. It also shows how China can parlay that involvement to influence the development of film content that shapes how Americans and others think. By focusing on this strategy, which appears to be expanding, the USIC, Hollywood stakeholders, and the American public will be able to recognize China’s influence and respond accordingly. This thesis also makes recommendations for potential U.S. responses—once Chinese influence is recognized—that range from changing U.S. private-sector business practices to expanding the United States’ understanding of national security and adoption of appropriate policy solutions, such as reexamining the role of the Committee on Foreign Investment in the United States.

⁵ Stephen Van Evera, “Assessing U.S. Strategy in the War on Terror,” *Annals of the American Academy of Political and Social Science* 607 (September 2006): 10–11.

⁶ Christopher Walker and Jessica Ludwig, “From ‘Soft Power’ to ‘Sharp Power’: Rising Authoritarian Influence in the Democratic World,” in *Sharp Power: Rising Authoritarian Influence*, ed. Juan Pablo Cardenal et al. (Washington, DC: National Endowment for Democracy and International Forum for Democratic Studies, 2017), 1, <https://www.ned.org/sharp-power-rising-authoritarian-influence-forum-report/>.

⁷ Walker and Ludwig, 1.

⁸ Anne-Marie Brady, “Magic Weapons: China’s Political Influence Activities under Xi Jinping,” Wilson Center, September 16, 2017, 2, https://www.wilsoncenter.org/sites/default/files/for_website_magicweaponsanne-mariesbradyseptember2017.pdf.

B. RESEARCH QUESTION

How does China's interaction with Hollywood pose a threat to national security?

C. LITERATURE REVIEW

This literature review addresses four issues related to the advancement of Chinese soft power in the U.S. public sphere. The first covers China's emerging threat as a global leader; the second, soft power and its importance; the third, the importance of media in a democracy; and the fourth, propaganda and its use in media. All four of these issues are central to the question of how China is using soft power through the Hollywood film industry to propagandize and shape U.S. democracy.

1. China's Aspirations of Becoming a Global Leader

In 2017, Daniel R. Coats, Director of National Intelligence, stated in his *Worldwide Threat Assessment* that China's primary objective is to continue to penetrate the decision-making process in the United States.⁹ With President Xi Jinping having been reelected with no term limit, Kerry Brown, professor of Chinese studies at King's College in London, believes Xi will be afforded the time to implement changes that "once seemed highly contentious."¹⁰

Michael Keane, an economist, said in 2011 that China still struggles with cultural exports.¹¹ To overcome this deficit and balance China's efforts, former President Hu Jintao first predicted potential political tensions due to China's increased world power and suggested the use of culture to overcome these tensions. Hu suggested the general strength

⁹ Statement for the Record: Worldwide Threat Assessment of the U.S. Intelligence Community for the Senate Select Committee on Intelligence, vol. 115th Cong. 1, 2017, 9, <https://www.dni.gov/files/documents/Newsroom/Testimonies/SSCI%20Unclassified%20SFR%20-%20Final.pdf>.

¹⁰ Associated Press, "Chinese President Xi Jinping Re-Appointed with No Term Limits," CBC, March 16, 2018, <https://www.cbc.ca/news/world/chinese-president-xi-jinping-reappointed-no-term-limits-1.4580962>.

¹¹ Michael A. Keane, "Created in China: The New Catch up Strategy," *Proceedings International Communication Association, Development and Intercultural Communication Panel, Dresden*, June 20, 2006, 14, https://eprints.qut.edu.au/6200/1/6200_1.pdf.

of China's culture and worldwide impact did not match its global status.¹² Hu pointed out that the "West was strong in culture and China was 'weak.'"¹³ Joseph Nye recognizes that the purpose of this strategy is to increase soft power and overcome China's strength in strong power. He explains, "If a country can also increase its soft power of attraction, its neighbors feel less need to balance its power."¹⁴ China's increase in power is important for the United States to recognize. Understanding the goals and objectives of Chinese leaders will help U.S. leaders counteract or at least be aware of their investments.

2. Soft Power and Sharp Power

A conceptual and political understanding of soft power originates in 19th-century research by Hans J. Morgenthau, who described the elements of national power.¹⁵ Political scientists started to use the term in 1990, when Nye defined "soft power" as a nation's ability to influence through means of political values, foreign policy, and culture.¹⁶ Not only did Nye pick up where Morgenthau and Knorr left off; he also coined the term. For this reason, Nye is known as the father of soft power and remains the leading authority on it.¹⁷

While it seems natural to associate hard power with the military, soft power has been more difficult to define. Nye defines soft power as "the ability to get what you want

¹² Peter Simpson, "Chinese President Hu Jintao Warns of Cultural Warfare from West," *Telegraph*, January 2, 2012, sec. World, <https://www.telegraph.co.uk/news/worldnews/asia/china/8988195/Chinese-President-Hu-Jintao-warns-of-cultural-warfare-from-West.html>.

¹³ Simpson.

¹⁴ Joseph S. Nye, "China's Soft Power Deficit," *Wall Street Journal*, May 8, 2012, sec. Opinion, <https://www.wsj.com/articles/SB10001424052702304451104577389923098678842>.

¹⁵ Hans Joachim Morgenthau and Kenneth Winfred Thompson, *Politics among Nations: The Struggle for Power and Peace*, 6th ed. (New York: Random House, 1985), 5.

¹⁶ Nye, Joseph S, *Bound to Lead: The Changing Nature of American Power* (New York: Basic Books, 2016), 31.

¹⁷ "Father of 'Soft Power' Tours the Region," *South China Morning Post*, December 9, 2013. Proquest.

through attraction rather than coercion or payments.”¹⁸ Nye further defines the resources of soft power as “the attractiveness of a country’s culture, political ideals, and policies.”¹⁹

The notion of using culture to influence is not new. Niccolò Machiavelli in *The Prince* illustrates the complexity of a nation’s struggle to combine soft power approaches, which are harder to define than hard power approaches. Machiavelli asks, “Is it better to be loved more than feared, or feared more than loved?” He answers, “One ought to be both feared and loved, but as it is difficult for the two to go together, it is much safer to be feared than loved.”²⁰ Along the same lines, Nye believes a combination of soft power and hard power is the difference between successful nations and ones that fall behind.²¹ In contrast, Joshua Kurlantzick, a Southeast Asia scholar, believes that the combination of economic power and soft power makes for successful nations.²² Kurlantzick argues China has a broader idea of soft power, using investment, aid, and formal diplomacy.²³ China’s recent investments in Hollywood seem to support Kurlantzick’s claim.

Nye argues countries with more hard power have an advantage because they can utilize their hard power status to influence “culture, politics and policies” within the realm of soft power to influence other countries to follow them.²⁴ By co-opting people, rather than coercing them, soft power gently pushes other countries toward what the others want.²⁵ Soft power is the opposite of hard power, whereby a preferred outcome is

¹⁸ Joseph S. Nye, “Soft Power: The Means to Success in World Politics,” *Foreign Affairs*, 2004, 72, <https://www.foreignaffairs.com/reviews/capsule-review/2004-05-01/soft-power-means-success-world-politics>.

¹⁹ Nye, 73.

²⁰ Niccolò Machiavelli, *The Prince*, 2nd ed. (Chicago, IL: University of Chicago Press, 1998), 61.

²¹ Joseph S. Nye, “Limits of American Power,” *Political Science Quarterly* 131, no. 2 (June 1, 2016): 267–268, <https://doi.org/10.1002/polq.12478>.

²² Joshua Kurlantzick, “China’s Charm: Implications of Chinese Soft Power” (Policy paper, Carnegie Endowment for International Peace, 2006), 1, http://carnegieendowment.org/files/PB_47_FINAL.pdf.

²³ Kurlantzick, 1.

²⁴ Nye, “Limits of American Power,” 275.

²⁵ Nye, 276.

accomplished through force or military action and can come with negative consequences.²⁶ With the conventional belief and understanding that state power has focused on the hard power of the military, economic incentives, and coercion, Nye argues world leaders should not focus on hard power alone. He states that policymakers and observers need also to understand the second characteristic of U.S. power—soft power.²⁷ By projecting soft power, a country can influence the decision-making of a foreign government and gain supporters around the world to follow its policies.²⁸ Contrary to Nye, Elizabeth Economy, director of Asia studies at the U.S.-based Council on Foreign Relations, believes soft power is about “culture, education, and diplomacy,” not investments or growth of the economy.²⁹ Todd H. Hall agrees with Nye’s concept, which can be used in policy debates, but believes it may not be an efficient analytical tool.³⁰ Hall suggests that separating soft power into parts helps clarify Nye’s mechanism for determining the intended effects of soft power. Hall states, “institutional power, reputational power and representational power” bring a thorough understanding of soft power.³¹

Recently, the University of Southern California’s Center on Public Diplomacy ranked China 25 out of 30 in the global rankings of soft power. Jonathon McClory, the author of *The Soft Power 30*, believes China’s 525 government-funded and -staffed Confucius Institutes, on six different continents and 110 alone in the United States, are

²⁶ Nye, 276.

²⁷ Inderjeet Parmar and Michael Cox, eds., *Soft Power and U.S. Foreign Policy: Theoretical, Historical and Contemporary Perspectives* (London: Routledge, 2010), 13.

²⁸ Nye, “Soft Power,” 275.

²⁹ Jia Chen and Qingfen Ding, “China’s Soft Power Initiative,” Council on Foreign Relations, accessed April 19, 2018, <https://www.cfr.org/backgrounder/chinassoft-power-initiative>.

³⁰ Todd Hall, “An Unclear Attraction: A Critical Examination of Soft Power as an Analytical Category,” *The Chinese Journal of International Politics* 3, no. 2 (July 1, 2010): 189–211, <https://doi.org/10.1093/cjip/poq005>.

³¹ Hall.

paying dividends.³² Confucius Institutes provide students all around the world opportunities to study Chinese language, history, and arts at local college campuses, primarily in wealthy countries.³³

Keane finds that China's leaders understand the importance of soft power, as they have recognized a cultural deficit caused by more goods being imported than exported.³⁴ "Soft power competition," a term coined by Chua Beng Huat, a Singaporean scholar, refers to East Asia's struggle for pop culture influence of exports to sway opinions of other countries. Chua's addition to Nye's definition of soft power has turned "into a regional index of pop culture."³⁵

Sharp power is a fairly new concept by scholars who seek to differentiate between widespread cultural power and the specific targeted use of culture for foreign policy. Walker and Ludwig describe sharp power as "power that pierces, penetrates or perforates the political and informational environments in the targeted countries."³⁶ Walker and Ludwig argue that the billions of dollars China has spent on shaping public opinion through soft power is actually sharp power because the "authoritarian influence is not principally about attraction or even persuasion; instead, it centers on distraction and manipulation."³⁷

3. The Importance of Media in a Democracy

Early in U.S. history, French diplomat and historian Alexis de Tocqueville, best known for his work *Democracy in America*, studied the relationship between media and

³² Jonathan McClory, *The Soft Power 30: A Global Ranking of Soft Power* (Washington, DC: Portland Communications), 41–43, accessed January 25, 2018, <https://softpower30.com/wp-content/uploads/2017/07/The-Soft-Power-30-Report-2017-Web-1.pdf>; "About Confucius Institute," Hanban, accessed August 3, 2018, http://english.hanban.org/node_10971.htm.

³³ McClory, *The Soft Power 30*, 41–43.

³⁴ Keane, "Created in China," 13.

³⁵ Beng Huat Chua, *Structure, Audience and Soft Power in East Asian Pop Culture* (Hong Kong: Hong Kong University Press, 2012).

³⁶ Christopher Walker and Jessica Ludwig, "The Meaning of Sharp Power," *Foreign Affairs*, November 16, 2017, <https://www.foreignaffairs.com/articles/china/2017-11-16/meaning-sharp-power>.

³⁷ Walker and Ludwig, "From 'Soft Power' to 'Sharp Power.'"

democracy and pointed to the media's important role as a tool for shaping public opinion.³⁸ Similarly, and in a more contemporary context, Shanto Iyengar provides a framework for studying the relationship between what the media and what society deems important.³⁹ Iyengar argues the public's view is shaped by the media's portrayal of events.⁴⁰ For example, if a media source focuses on a particular topic over another, the public believes the one that receives more airtime is more significant. Iyengar's agenda-setting framework focuses on the media's ability to frame the news and also examines how the media can assign blame to some groups while offering its coverage as objective news.⁴¹ Combining media abilities gives media the power and responsibility in influencing democracies. James Curran in *Media and Democracy* refers to "soft news," which is entertainment-based.⁴² The influence of the media has led Curran to argue Americans are largely unaware of major issues within their society. Curran understands U.S. views are shaped by commercialized entertainment as opposed to fact-based news.⁴³ This is an important aspect for this thesis as commercial Hollywood seeks new markets constantly and China presents such a market.

Scholars such as Fenton also point to the importance of media in a democracy. In *Protecting the News: Civil Society and the Media*, Fenton notes that the independent news media aid the democratic process by assessing the sociopolitical environment while holding those in public service accountable.⁴⁴ They are a voice for the people, providing information for the public to learn and become involved in society by expressing views through their platform. Fenton finds that regulatory control poses a problem whereby the

³⁸ Doris Graber, "The Media and Democracy: Beyond Myths and Stereotypes," *Annual Review of Political Science* 6 (June 2003): 140, <https://doi.org/10.1146/annurev.polisci.6.121901.085707>.

³⁹ Shanto Iyengar and Donald R. Kinder, *News That Matters: Television and American Opinion, Updated Edition* (Chicago, IL: University of Chicago Press, 2010), 33.

⁴⁰ Iyengar and Kinder, 33.

⁴¹ Iyengar and Kinder, 33.

⁴² James Curran, *Media and Democracy* (New York: Routledge, 2011), 5.

⁴³ Curran, 5.

⁴⁴ Tamara Witschge, Natalie Fenton, and Des Freedman, *Protecting the News: Civil Society and the Media* Natalie Fenton (London: University of London, 2010), 32.

media are under a strict mechanism that sensationalizes stories, promotes “first to press” attitudes, and focuses on sales rather than the integrity of a story. Fenton believes the media have lost their purpose of serving the citizens and contributing to a working democracy, which has fueled the political disenchantment seen today.⁴⁵ Hamilton agrees with Fenton regarding the media’s role in democracy and adds that U.S. journalists also realize they have a job to create income for their organizations.⁴⁶

Journalists are also motivated by expressing themselves in ways that may change the world, or at least have the opportunity to create an impact on society through their stories. The reality is that the media comprise a big market-driven business, which leads to the neglect of some important issues.⁴⁷ China’s possible influence on the entertainment segment of the economy requires some research especially, as Anne-Marie Brady points out, on the important role propaganda has played in the Chinese political strategy.⁴⁸

The use of media for propaganda by China is not new. Lasswell, Martin, and Bernays note that Nazi Germany and other global powers such as the former U.S.S.R. deployed propaganda through radio and film to spread confusion. The United States has also used this technique with Radio Free Asia and Voices for America. These tools or techniques, combined with the spread of affordable television in the 1950s, provided new opportunities to influence the minds of viewers through modern-day media.⁴⁹ Welch identifies a change in the definition of propaganda after World War II, when it became “deception or manipulation of human emotions through words and messages using half-truths.”⁵⁰ This change is the definition known today and used for this thesis.

⁴⁵ Witschge, Fenton, and Freedman, 33.

⁴⁶ James T. Hamilton, “News That Sells: Media Competition and News Content,” *Japanese Journal of Political Science* 8, no. 1 (April 2007): 8–11, <https://doi.org/10.1017/S1468109907002460>.

⁴⁷ Hamilton, 7.

⁴⁸ Hamilton, 7.

⁴⁹ Harold D. Lasswell, *Propaganda Technique in the World War* (New York: Knopf, 1938), 106, <http://hdl.handle.net/2027/mdp.39015000379902>.

⁵⁰ David Welch, *The Third Reich: Politics and Propaganda*, 2nd ed. (London: Routledge, 1993), 5.

Harold Lasswell comparably describes propaganda as “the control of opinion by significant symbols, or to speak more accurately by stories, rumors, reports, pictures, and other forms of social communication.”⁵¹ According to Brady, who has examined China’s propaganda strategy in the past, the Chinese Communist Party (CCP) holds the Central Propaganda Department (CPD) in high regard. Ding Guan’gen, director of the CPD from 1992 to 2002, described the complexity of his work when he said, “Propaganda and thought work consists of many different threads, and it is a complicated task coordinating them all.”⁵²

Propaganda pioneer Edward Bernays defines propaganda as a “consistent, enduring effort to create or shape events to influence the relations of the public to an enterprise, idea or group.”⁵³ Bernays’s work shows that propaganda through media has also been an important part of the American strategy after World War I; it was used by the Committee on Public Information (CPI), which acted as a propaganda arm of the U.S. government. The CPI’s purpose was to ensure the American people supported the war and saw that U.S. involvement in the war was good for democracy.⁵⁴ The CPI model of propaganda was the first to use all forms of media, including newspapers, telegraphs, movies, posters, and radio. CPI also had 75,000 men known as “four-minute men.”⁵⁵ These volunteers attended social events in their communities and promoted the war by providing four-minute speeches, which happens to be the average attention span of most people.⁵⁶ Common themes of the four-minute men were war bonds, rationing, and the draft.⁵⁷

⁵¹ Harold D. Lasswell, “The Theory of Political Propaganda,” *The American Political Science Review* 21, no. 3 (August 1, 1927): 627.

⁵² Anne-Marie Brady, *Marketing Dictatorship: Propaganda and Thought Work in Contemporary China* (Lanham, MD: Rowman & Littlefield Publishers, 2007), 9, <http://ebookcentral.proquest.com/lib/ebook-nps/detail.action?docID=4455814>.

⁵³ Edward Bernays, *Propaganda* (New York: IG Publishing, 2005), 52.

⁵⁴ Bernays, 52.

⁵⁵ Thomas Flemming, *The Illusion of Victory: America in World War I* (New York: Basic Books, 2003), 117.

⁵⁶ Flemming, 117.

⁵⁷ Flemming, 118.

Lasswell suggests one of the lessons learned from World War I was that the war needed to be fought militarily, economically, and through the use of propaganda.⁵⁸ The purpose of propaganda was to confuse the enemy.⁵⁹ In contrast to Lasswell, Brady's work has shown China's propaganda is being used to influence the thoughts of the Chinese people toward the Communist agenda.⁶⁰ At the same time, it counters the ideological beliefs of China's enemies.⁶¹

Scholars have found that news networks are increasingly moving toward infotainment, rather than objective reporting, in response to market incentives. The blending of news and entertainment blurs the line between the two types of content and as a result, audiences may attribute more weight—consciously or otherwise—to entertainment than they would if there were a clear break between fact and fiction in the media.

Several scholars agree China's posture suggests a desire for global standing. While the scholars do not agree on what constitutes soft power, they do agree that China uses soft power to insinuate itself into a position of influence within the United States and other countries. This literature review shows that media are an important communicative tool for any society. Their established role provides a preexisting conduit for propaganda. The literature also shows how propaganda may be used for influence and direction, including shaping a democracy. This review provides the framework for the research and analysis. The plethora of literature on China, soft power, media, and propaganda has not been fully explored here but was used in conducting this research.

D. RESEARCH DESIGN

This thesis uses all open-source materials to explore the emerging threat of China's attempts to shape public opinion through propaganda in Hollywood films. To that end, a

⁵⁸ Lasswell, *Propaganda Technique in the World War*, 214.

⁵⁹ Lasswell, 214.

⁶⁰ Brady, *Marketing Dictatorship*, 139.

⁶¹ Brady, 139.

literature review provides context for China's historical national security threat to the United States by depicting the competition between China and the United States since the Cold War era, by clarifying China's global strategy, and by showing cases of state-sponsored trade secret acquisitions adjudicated by the U.S. Department of Justice.

Next, Chapter II examines China's national security threat to the United States by looking at China's use of soft and sharp power and economic influence in attempting to impact the content of Hollywood movies. This includes reviewing China's recent investments and purchases in Hollywood as well as the effects of its strict limitations on U.S. films entering its own lucrative market. This thesis also considers the collateral influence China will have with other U.S. industries, such as the space sector, through Hollywood partnerships to produce big-budget films that require expertise and the use of equipment or other technology.

Last, Chapter III considers Hollywood's responsiveness to China by exploring the historical context of Hollywood and homeland security by offering examples of the U.S.–China partnership in film and provides a review of coproduced and non-coproduced Hollywood movies—*Gravity*, *Rogue One*, *Interstellar*, *Hidden Figures*, *The Martian*, and *Arrival*. Space-themed films were chosen as China is highly interested in the space industry and in influencing opinion in this arena. The analysis of Chinese influence considered indicators such as main characters who represent China, locations filmed in China, visual imagery, and Asian martial arts and plot lines.

The thesis concludes with three potential actions that can be undertaken to mitigate this threat, which are explicated in the recommendations. They include China's removing the 34-film cap; conducting awareness outreach with U.S. audiences and decision-makers; and other government actions, such applying Foreign Agents Registrations Act (FARA) laws, which are currently being expanded to include acquisitions of U.S. media companies.

II. CHINA’S NATIONAL SECURITY THREAT TO THE UNITED STATES

China is a strategic competitor using predatory economics to intimidate its neighbors.

—2018 National Defense Strategy Summary⁶²

A. U.S.–CHINESE SECURITY COMPETITION SINCE THE COLD WAR

According to the Department of Defense, China’s current pace of economic and defense growth is a threat to United States’ position as a global leader.⁶³ This chapter examines the competition that has emerged between the United States and China in the context of developments since the 1700s. It focuses on China’s global strategy toward gaining global power by acquiring trade secrets and how this has aided in shifting the balance of power. Finally, it discusses China’s tradecraft replication and the building of its own film industry due to China’s realization of the media’s important communicative role in the public sphere and as a tool of soft power.

Graham T. Allison, a Greek historian, coined the phrase “Thucydides trap” to describe when an established power’s fear of a rising power escalates toward war.⁶⁴ Allison wrote: “What made war inevitable was the growth of Athenian power and the fear which this caused in Sparta.”⁶⁵ The “rising” power’s intent need not be nefarious, merely that the presence of a rising power inherently creates fear in the dominant power.⁶⁶ The Thucydides trap is evident in current concerns about competition—and even fear of war—between the

⁶² Department of Defense, *Summary of the 2018 National Defense Strategy*, 14.

⁶³ Department of Defense, 14.

⁶⁴ Christopher Muscato, “Thucydides Trap: Definition, Theory & Historical Examples,” Study.com, accessed July 16, 2018, <http://study.com/academy/lesson/thucydides-trap-definition-theory-historical-examples.html>.

⁶⁵ Muscato.

⁶⁶ Muscato.

United States and China. Despite a history of—at times admittedly uneasy—collaboration between the United States and China, a struggle for power is apparent and well documented. Power comes in many forms, and while the Thucydides trap is often invoked in discussions about hard-power conflict, it applies to competition involving non-military elements of national power, including economics (trade) and information (soft power).⁶⁷

The U.S. and Chinese tensions and interests did not begin with Hollywood. Bilateral relations became tense at the end of World War II in 1949, after Mao Zedong's communists forced Chiang Kai-shek's nationalists to flee to Taiwan. Due to the rise of Soviet power, the United States was also wary of rising Communist China. U.S.–Chinese tensions grew in 1950 when the Korean War erupted, marking the beginning of the Cold War. After North Korea invaded South Korea, the United States and China engaged in a war, eventually ending with the United Nations armistice in 1953. Sino–U.S. tensions rose to a new level after China detonated its first nuclear weapon in 1964.⁶⁸

In 1972, President Nixon began to make efforts to rebuild the relationship, which continued through the Ford and Carter administrations. Sino–U.S. relations reached an apex in 1979 when Washington officially shifted its recognition of China from Taipei to Beijing.⁶⁹ One of the benefits of this recognition was access to the Chinese markets and China opening up its economy, which assisted in its economic rise.

Ten years later, the United States witnessed another side to China when, in 1989, liberal-leaning Chinese students from the middle class demonstrated in Tiananmen Square for democratic reform. The Tiananmen Square demonstrations were protests for political change throughout multiple cities over a three-week period that culminated with more than a million citizens descending on Tiananmen Square.⁷⁰ Students called on the government

⁶⁷ Muscato.

⁶⁸ Dean Cheng, “The Complicated History of U.S. Relations with China,” The Heritage Foundation, October 11, 2012, /asia/report/the-complicated-history-us-relations-china.

⁶⁹ Cheng.

⁷⁰ Stephen M. Young, “Post-Tiananmen Chinese Politics and the Prospects for Democracy,” *Asian Survey* 35, no. 7 (1995): 652, <https://doi.org/10.2307/2645421>.

to hasten “political and economic reform, guarantee constitutional freedoms, fight corruption, adopt a press law, and allow the establishment of privately-run newspapers.”⁷¹

Faced with increasing public pressure and miscommunication between government officials and protestors, Beijing was forced to handle the situation while the United States and the rest of the world watched.⁷² Zhao Ziyang was the General Secretary of the CCP during this time and was purged for refusing to agree with the use of force on students.⁷³ Deng Xiaoping, chairman of the Central Military Commission at the time, sought to stop those assembled in the square through force.⁷⁴ Deng’s leadership determined that the demonstrations were a counter-revolutionary riot, a characterization that falsely implied the demonstrators had taken up arms and had shed blood.⁷⁵ The violent reaction of Deng’s troops to disperse the crowds led to the arrests or deaths of hundreds of protestors. China’s response against its own citizens shocked the United States and its allies and was, and has continued to be, the subject of largescale condemnation.⁷⁶ The government’s violent reaction to the democratic political movement in Tiananmen Square illustrated Beijing’s need for total control over its people. Several decades later, with a subtler approach, Beijing now exercises complete censorship control.

Despite the protest and response in Tiananmen Square, the United States could not ignore the economic opportunities presented by China, so the United States opened the door by actively incorporating Beijing into Western institutions, believing that it could

⁷¹ Andrew J. Nathan, “The Tiananmen Papers,” *Foreign Affairs*, 2001, 3, <https://www.foreignaffairs.com/articles/asia/2001-01-01/tiananmen-papers>.

⁷² Nathan, 3.

⁷³ David Barboza, “The Impact of Deng Xiaoping, Beyond Tiananmen Square,” *New York Times*, October 21, 2011, <https://www.nytimes.com/2011/10/22/books/the-impact-of-deng-xiaoping-beyond-tiananmen-square.html>.

⁷⁴ Barboza.

⁷⁵ Nathan, “The Tiananmen Papers,” 8.

⁷⁶ Young, “Post-Tiananmen Chinese Politics,” 658.

shape China in the process and also bring in their investments. Such Western integration culminated in China's accession to the World Trade Organization.⁷⁷

In the decades following the protests, U.S.–Chinese trade has expanded significantly. For instance, 1992 brought \$33 billion in bilateral trade between the United States and China.⁷⁸ By 2017, the bilateral trade grew to more than \$772 billion.⁷⁹ China's economic rise has shown rapid growth in a short period as proven with the measurement of the Gini coefficient.⁸⁰ The Gini measurement calculated China's income inequality in 1987 at 0.3 and the last reading in 2012 at 42.2.⁸¹ The metric illustrates that income distribution among the Chinese has grown as a result of an economic rise and trade with the United States and other countries. China's growth equates to more buying power that may offset the relationship with the United States, especially as China uses that buying power to continue to strengthen its military.

However, the established pattern of trade is primed for disruption by the United States' imposition of economic penalties on China. The bilateral relationship is likely to become more fraught due to the two countries' diverging foreign policy objectives on topics including nuclear power by Iran, Syria, and North Korea, which China supports.⁸² Moreover, the United States and China do not agree on human rights issues and maintain differing positions about the legitimacy of China's single-party governance.⁸³ Sanctions

⁷⁷ Young, 658.

⁷⁸ "U.S. Relations with China," Department of State, August 22, 2018, <https://www.state.gov/u-s-relations-with-china/>.

⁷⁹ Department of State.

⁸⁰ Will Kenton, "Gini Index," Investopedia, February 6, 2019, <https://www.investopedia.com/terms/g/gini-index.asp>.

⁸¹ "GINI Index," World Bank, accessed August 22, 2018, <https://data.worldbank.org/indicator/SI.POV.GINI?locations=CN>.

⁸² Tom O'Connor, "Are North Korea and Syria Working Together against U.S. Foreign Policy?," Newsweek, February 27, 2018, <https://www.newsweek.com/are-north-korea-syria-working-together-against-us-822564>.

⁸³ "Did the Tiananmen Square Protests Lead to More Democracy in China?," Martens Centre, accessed July 30, 2018, <https://www.martenscentre.eu/blog/did-tiananmen-square-protests-lead-more-democracy-china>.

were not the first sign of trouble—under the Obama administration there was a high-profile indictment of PLA figures for cyber espionage.⁸⁴

In the last two decades, Beijing has greatly decreased its military gap with the United States by increasing its defense budgets, stealing technology, and acquiring a Russia-built aircraft carrier.⁸⁵ This increase in hard power makes China a global threat to the U.S.-led world. Precisely because of its hard-power advancement in the past decade, China may now also engage in a soft-power strategy directed at decreasing international concern about its activities and intentions. To balance power, China may increase trade with the United States to show a willingness to cooperate and expand its economy. In the two charts below, titled U.S. Trade in Goods with China, 1989, and U.S. Trade in Goods with China, 2017, Tables 1 and 2 show a substantial increase in U.S. and Chinese imports and exports from 1989 to 2017. At the end of 1989—the year of Tiananmen Square—Chinese trade with the United States was \$5.7 million for exports and \$11.9 million in imports (Table 1).⁸⁶ By the end of 2017, Chinese trade was \$129.8 million for exports and \$505.4 million in imports (Table 2).⁸⁷

⁸⁴ “U.S. Charges Five Chinese Military Hackers for Cyber Espionage against U.S. Corporations and a Labor Organization for Commercial Advantage,” United States Department of Justice, May 19, 2014, <https://www.justice.gov/opa/pr/us-charges-five-chinese-military-hackers-cyber-espionage-against-us-corporations-and-labor>.

⁸⁵ Mark Schiefelbein, “China Raises 2018 Military Budget by 8.1 Percent,” CNBC, March 4, 2018, <https://www.cnbc.com/2018/03/04/china-raises-2018-military-budget-by-8-point-1-percent.html>; James Holmes, “The Long, Strange Trip of China’s First Aircraft Carrier,” *Foreign Policy*, February 3, 2015, <https://foreignpolicy.com/2015/02/03/the-long-strange-trip-of-chinas-first-aircraft-carrier-liaoning/>.

⁸⁶ “Trade in Goods with China: 2017,” U.S. Census Bureau, accessed September 15, 2018, <https://www.census.gov/foreign-trade/balance/c5700.html#2017>.

⁸⁷ U.S. Census Bureau.

Table 1. U.S. Trade in Goods with China, 1989⁸⁸

Month	Exports	Imports	Balance
January 1989	439.0	788.9	-349.9
February 1989	464.7	798.1	-333.4
March 1989	565.4	667.3	-101.9
April 1989	415.3	728.5	-313.2
May 1989	482.4	937.9	-455.5
June 1989	362.7	1,021.7	-659.0
July 1989	637.7	1,162.7	-525.0
August 1989	688.5	1,279.6	-591.1
September 1989	427.9	1,179.3	-751.4
October 1989	542.4	1,340.4	-798.0
November 1989	305.0	1,133.8	-828.8
December 1989	424.4	951.5	-527.1
TOTAL 1989	5,755.4	11,989.7	-6,234.3

NOTE: All figures are in millions of U.S. dollars on a nominal basis, not seasonally adjusted unless otherwise specified. Details may not equal totals due to rounding. The table reflects only those months for which there was trade.

⁸⁸ Adapted from "Trade in Goods with China: 1989," U.S. Census Bureau, accessed September 15, 2018, <https://www.census.gov/foreign-trade/balance/c5700.html#1989>.

Table 2. U.S. Trade in Goods with China, 2017⁸⁹

Month	Exports	Imports	Balance
January 2017	9,961.1	41,343.1	-31,382.0
February 2017	9,735.8	32,804.3	-23,068.5
March 2017	9,719.2	34,186.9	-24,467.8
April 2017	9,805.7	37,465.6	-27,660.0
May 2017	9,862.2	41,783.1	-31,920.9
June 2017	9,717.4	42,289.2	-32,571.7
July 2017	9,979.1	43,589.2	-33,610.1
August 2017	10,828.3	45,817.8	-34,989.4
September 2017	10,911.7	45,429.7	-34,518.0
October 2017	12,963.4	48,167.7	-35,204.2
November 2017	12,765.0	48,127.8	-35,362.8
December 2017	13,644.8	44,465.7	-30,820.9
TOTAL 2017	129,893.6	505,470.0	-375,576.4

NOTE: All figures are in millions of U.S. dollars on a nominal basis, not seasonally adjusted unless otherwise specified. Details may not equal totals due to rounding. The table reflects only those months for which there was trade.

China could potentially lose a significant amount of money if there are increased tensions with the United States and possibly engages in counterbalancing with soft power in order to maximize its strategic advantage. Its activities in Hollywood could be an aspect of this balancing act.

⁸⁹ Adapted from U.S. Census Bureau, "Trade in Goods with China: 2017."

B. CHINA'S INDUSTRIAL GLOBAL STRATEGY

The Chinese government is implementing a comprehensive, long-term industrial strategy to ensure its global dominance.... Beijing's ultimate goal is for domestic companies to replace foreign companies as designers and manufacturers of key technology and products first at home, then abroad.

—U.S.–China Economic and Security Review Commission⁹⁰

In China, the state is the most important actor; it aids in the competition against other countries by strengthening Chinese companies. China's global strategy was outlined during the National People's Congress in March 2016 when the state revealed its 13th five-year plan (2016–2020). The plan includes executing a long-term industrial strategy in which Chinese companies replace foreign companies throughout China and abroad.⁹¹ With the backing of their government, Chinese companies have an edge over foreign competitors who desire access to China's lucrative market. In addition, Chinese companies expand globally while being backed by their powerful state. While the United States does this as well, the U.S. free-market model necessitates that the state plays a smaller role. As a result, foreign competitors in China find it difficult to compete in a market that is directed by the state in favor of Chinese companies; they also have to compete at the global level against Chinese companies with powerful Chinese backing.

While China's industrial strategy is mainly directed at domestic developments, Beijing also leverages its access to less restrictive markets and more open creative environments in the United States and other countries. For example, China is capitalizing on access to external universities, investments in companies, and goods and services.⁹² Such moves are examples of its expanding soft power strategy, which extends to Hollywood, and is discussed in Chapter III.

⁹⁰ U.S.–China Economic and Security Review Commission: 2017 Report to Congress, 115th Cong. 1, 2017, 24, https://www.uscc.gov/sites/default/files/annual_reports/2017_Annual_Report_to_Congress.pdf.

⁹¹ Jost Wübbeke et al., "Made in China 2025," *MERICCS*, no. 2 (December 2016): 17; Oliver Melton, "China's Five-Year Planning System: Implications for the Reform Agenda," U.S.–China Economic and Security Review Commission, April 22, 2015, <https://www.uscc.gov/sites/default/files/Melton%20-%20Written%20Testimony.pdf>.

⁹² U.S.–China Economic and Security Review Commission: 2017 Report to Congress.

1. China and State-Sponsored Trade Secret Acquisitions

According to scholars such as Ann-Marie Brady and David Shambaugh, China is notorious for state-sponsored trade-secret acquisitions in the form of economic espionage and theft of trade secrets, which allow Beijing to leapfrog technological advancements.⁹³ The Department of Defense's *2018 National Defense Strategy* also states that "China is a strategic competitor using predatory economics to intimidate its neighbors."⁹⁴ These predatory economics have been highlighted in the Department of Justice's case files from 2008–2011, where over 90 percent of their economic espionage cases attributed to benefit China were state-led.⁹⁵

An example of Beijing's willingness to engage in clandestine intelligence activities directed at undermining U.S. military capabilities is evident in the case of Greg Dongfan Chung (Chung). From the early 1970s through 2004, Beijing illegally operated Chung, a spy in Long Beach, California, who sent over 200,000 classified documents on NASA's space program to China.⁹⁶ With the sole intent of spying on America, Chung, a Chinese native, moved to the United States in 1972 and later became the leading engineer on the space shuttle.⁹⁷ In 2009, Chung was convicted of economic espionage for stealing U.S. trade secrets from Boeing, Lockheed Martin, and Northrop Grumman, resulting in billions of dollars of lost revenue for the U.S. economy.⁹⁸

⁹³ Brady, "Magic Weapons"; Shambaugh, "China's Soft-Power Push."

⁹⁴ Department of Defense, *Summary of the 2018 National Defense Strategy*.

⁹⁵ Department of Justice, "China's Non-Traditional Espionage against the United States: The Threat and Potential Policy Responses" (Press release, 2018), <https://www.judiciary.senate.gov/imo/media/doc/12-12-18%20Demers%20Testimony.pdf>.

⁹⁶ Department of Justice, "Former Boeing Engineer Convicted of Economic Espionage in Theft of Space Shuttle Secrets for China" (Press release, 2018), <https://www.justice.gov/opa/pr/former-boeing-engineer-convicted-economic-espionage-theft-space-shuttle-secrets-china>.

⁹⁷ Department of Justice.

⁹⁸ Federal Bureau of Investigation, "Dongfan 'Greg' Chung," podcast, audio, FBI Gotcha, accessed February 17, 2018, <https://www.fbi.gov/audio-repository/news-podcasts-gotcha-dongfan-greg-chung.mp3/view>.

It was not long ago that Chi Mak, a Chinese spy, was arrested for helping China increase its naval technology.⁹⁹ Mak admitted that he was sent to the United States in 1978 in order to obtain employment in the defense industry with the goal of stealing U.S. defense secrets, which he did for 20-plus years. He most recently passed information on quiet electric propulsion systems for the next generation of U.S. submarines, details on the Aegis radar system, and information on stealth ships being developed by the U.S. Navy.¹⁰⁰

Mak also provided China a document that discussed solid-state power switches for mission-critical power systems onboard Navy ships.¹⁰¹

The Chinese government tasked Mak to acquire information on other specific technologies. Mak recruited family members to encrypt and covertly courier information back to China. In May 2007, Chi Mak was convicted of conspiracy, attempting to violate export control laws, failing to register as an agent of a foreign government, and making false statements to investigators. He was sentenced to more than 24 years in prison and four members of his family received varying sentences of up to 10 years in prison.¹⁰²

In the commercial sector, Brett Kingstone developed an emerging technology of fiber optic lighting systems and components while he was at Stanford University in 1981.¹⁰³ After having shaped his company Super Vision into a multimillion-dollar company, Chinese counterfeiters stole his designs.¹⁰⁴ Samson Wu, a Chinese thief, convinced one of Kingstone's employees to divulge the proprietary technology in exchange

⁹⁹ United States v. Chi Mak, 683 F.3d 1126(2012), <https://caselaw.findlaw.com/us-9th-circuit/1604030.html>.

¹⁰⁰ Federal Bureau of Investigation, *The Insider Threat* (Washington, DC: Federal Bureau of Investigation, 2011), 4.

¹⁰¹ United States v. Chi Mak.

¹⁰² Federal Bureau of Investigation, *The Insider Threat*.

¹⁰³ "Super Vision CEO Writes about ``The Real War against America``: China's Intellectual Property Theft," Business Wire, March 29, 2005, <https://www.businesswire.com/news/home/20050329005125/en/Super-Vision-CEO-Writes-Real-War-America>.

¹⁰⁴ Brett Kingstone, *The Real War Against America* (Carol Stream, IL: Specialty Publishing Company, 2005), 45.

for more than \$1 million.¹⁰⁵ After years of litigation, Kingstone won a \$33 million judgment against Wu, who has yet to pay.¹⁰⁶ Peter Navarro, who currently serves as the Assistant to the President, Director of Trade and Industrial Policy and the Director of the White House National Trade Council, stated:

It's not just that China cheats and steals our intellectual property. They're also coming with large bags full of money to basically buy up the crown jewels of American technology. And the biggest picture here is China has this thing called China 2025. It's a policy manifesto which says that they want to take over all of the emerging industries of the future, artificial intelligence, robotics, quantum computing, these things.¹⁰⁷

China's recent purchases and theft of trade secrets may assist them in the power shift they desire.

In another example, two Chinese citizens pled guilty in 2013 for attempting to steal U.S. trade secrets. Ji Li Huang and Xiao Guang Qi represented Ningbo Oriental Crafts Limited, which manufactured products for export to the United States and Europe. Huang and Guang targeted Pittsburgh Corning, a leading manufacturer of cellular glass insulation used to "insulate buildings, industrial piping systems, and liquefied natural gas storage tank bases."¹⁰⁸ In brazen attempts to obtain Pittsburgh Corning's proprietary trade secrets, Huang and Guang broke into the company, took pictures of the plant, and tried to pay an employee \$100,000 for insider knowledge of plant operations and research and development.¹⁰⁹ During the trial, the court ruled the potential loss to Pittsburgh Corning,

¹⁰⁵ Kingstone, 45.

¹⁰⁶ Kingstone, 225.

¹⁰⁷ William F. Jasper, "China's Cheating, Theft, Extortion, Espionage: Tough U.S. Policy, Tariffs Are Long Overdue," *New American*, April 12, 2018, <https://www.thenewamerican.com/usnews/foreign-policy/item/28743-china-s-cheating-theft-extortion-espionage-tough-u-s-policy-tariffs-are-long-overdue>.

¹⁰⁸ "FOAMGLAS," Owens Corning, accessed September 15, 2018, <http://pghcorning.com/>.

¹⁰⁹ Federal Bureau of Investigation, "Chinese Business Owner, Employee Plead Guilty, Sentenced for Stealing Trade Secrets from Sedalia Plant" (press release, 2013), <https://www.fbi.gov/kansascity/press-releases/2013/chinese-business-owner-employee-plead-guilty-sentenced-for-stealing-trade-secrets-from-sedalia-plant>.

based on investment, research and development, time, and research, was over \$7 million.¹¹⁰

In 2015, Xiwen Huang, a Chinese businessman living in Charlotte, North Carolina, was charged with theft of trade secrets after he was caught with classified information he illegally obtained from several companies for which he had worked.¹¹¹ Huang came to the United States with the sole intent to steal.¹¹² He had obtained his doctorate in chemical engineering from Auburn University and became a naturalized U.S. citizen.¹¹³ By 2014, Huang had obtained intelligence on U.S. military vehicle fuel cells—more than 500 documents containing trade secrets related to 30 different products worth more than \$65 million and more than 100 documents containing trade secrets worth more than \$25 million.¹¹⁴ Court records revealed Huang had returned to China before he was arrested and had recorded his 16-year accomplishment in a document he entitled “Trip of Dream Realization.”¹¹⁵ In this document, Huang describes his commitment to China:

Throughout these 16 years, I always have a dream of returning to China to develop my ambition. In order to realize this dream, I have worked in U.S. national research academies [laboratories], largest chemical companies in the world. I have also worked in small companies in the US. My goal was to learn, digest, accumulate, and make preparations for realizing the dream. ... Consequently, I started scheming, planning that last for close to 2 years, and returned to China formally in this year, and initiated my own “Trip of Dream Realization.” ... As the main thrust during the country’s development, it is necessary and obligatory for our generation to fulfill our

¹¹⁰ Federal Bureau of Investigation.

¹¹¹ Federal Bureau of Investigation.

¹¹² United States Department of Justice, “Chinese Businessman Charged With Theft Of Trade Secrets” (press release, 2015), <https://www.justice.gov/usao-wdnc/pr/chinese-businessman-charged-theft-trade-secrets>.

¹¹³ United States v. Xiwen Huang, No. CR 234-RJC (W.D.N.C. filed Oct. 1, 2015).

¹¹⁴ Federal Bureau of Investigation, “Chinese Business Owner, Employee Plead Guilty.”

¹¹⁵ Federal Bureau of Investigation.

share of responsibility in contributing towards the societal progress of China.¹¹⁶

Huang was arrested upon his return to the United States and pleaded guilty to charges of corporate espionage.

Chinese companies have demonstrated their willingness to illegally steal desired technology for the benefit of China. For instance, in July 2018, the Department of Justice announced that Chinese company Sinovel was guilty of stealing source code for software that powered wind turbines. A federal judge ordered the Chinese company to pay \$59 million to the U.S. company from which it had stolen.¹¹⁷ In another example, Mo Hailong, the director of the Beijing Dabeinong Technology Group, which specializes in corn seed, was sentenced in 2016 to three years in prison for the theft of inbred corn seeds.¹¹⁸ Hailong admitted to stealing the seeds that were already planted in an Iowa cornfield and attempted to return them to China to replicate the valuable trade secrets from U.S. companies Dupont Pioneer and Monsanto.¹¹⁹ While these Chinese companies do not appear to be tasked directly by Beijing, such acts of espionage undermine U.S. economic security by capitalizing on investments in U.S. research and development and benefit China in economic growth.¹²⁰ The United States has experienced Chinese theft from military, private technology companies, and agriculture. Based on a statement in the China 2025 manifesto, the United States can expect that similar emerging technologies and capabilities of interest will become targets.¹²¹

¹¹⁶ Federal Bureau of Investigation.

¹¹⁷ Jim Zarroli, "Judge Orders Chinese Wind-Turbine Maker to Pay \$59 Million for Stealing Trade Secrets," NPR, July 6, 2018, <https://www.npr.org/2018/07/06/626683457/judge-orders-chinese-wind-turbine-maker-to-pay-59-million-for-stealing-trade-sec>.

¹¹⁸ Department of Justice, "Chinese National Sentenced to Prison for Conspiracy to Steal Trade Secrets" (Press release, 2016), <https://www.justice.gov/opa/pr/chinese-national-sentenced-prison-conspiracy-steal-trade-secrets>.

¹¹⁹ Department of Justice.

¹²⁰ "Corn Seeds," Monsanto, accessed September 16, 2018, <http://www.monsantoglobal.com/global/in/products/pages/corn-seeds.aspx>.

¹²¹ Jasper, "China's Cheating, Theft, Extortion, Espionage."

A critical problem is that Americans are likely not aware of China's continued targeting of the United States because these issues are either not discussed in the media or not extensively discussed. Public communication is an important space for shaping audience perceptions of China. This is particularly important because perception shapes policy in a democracy like America, which relies on the public to prioritize policy decisions.

Hollywood and the American media sector, therefore, present an opportunity for China to expand its soft power through its acquisitions in the film industry and requirements for entry into its markets. Targeting Hollywood is not merely about entertainment but also contains messages about issues surrounding the defense and commercial sector. China can leverage Hollywood's presence in the civilian sector to exert soft power, which has the potential to impact U.S. strategic interests, political will, and the economy.

2. Shifting Power Balance through Soft Power

China's commitment to establishing platforms for exerting soft power is increasingly becoming apparent across the world. One of the most prominent of such institutions is the Confucius Institute, which is linked to the Ministry of Education of the People's Republic of China. The Confucius Institute represents soft power for China through promoting Chinese language and culture on college campuses, some members of the U.S. Congress have mobilized against them by combining efforts. On April 5, 2018, Texas Congressmen Michael McCaul (R-TX) and Henry Cuellar (D-TX), directed a bipartisan investigation into the threat of Confucius Institutes in their state. Letters were sent to all Texas universities hosting the institutes, stating, "We strongly urge these universities to consider terminating their partnerships with Confucius Institutes and other Chinese government supported organizations."¹²² In his testimony to the Senate Intelligence Committee, FBI Director Christopher Wray stated that Confucius Institutes

¹²² Adam Sabes, "Congressmen Warn TX Schools to Avoid Funding from Chinese," *Campus Reform*, April 10, 2018, <https://www.campusreform.org/?ID=10756>.

are “exploiting the very open research and development environment we have, which we all revere, but they’re taking advantage of it.”¹²³

A bipartisan approach to stave off Confucius Institutes’ influence on U.S. campuses culminated in President Trump signing legislation to prevent expansion of Chinese language programs and their funding by the Pentagon. The National Defense Authorization Act for Fiscal Year 2019 specifically bars universities from mixing Pentagon funds with those of the Communist Party.¹²⁴ This action came after it was discovered that Arizona University was using both sources to teach Mandarin.¹²⁵ Understandably, universities want their students to learn languages—especially Mandarin—from subject-matter experts. U.S. students learning Mandarin could benefit the United States in future business, trade negotiations, and cultural understanding. However, using funds that have been set aside to protect the United States did not appear to be a judicial way to spend the money. Nevertheless, with the new act in place, combining U.S. government funds and Confucius Institutes is now illegal. The National Defense Act for Fiscal Year 2019 shows the United States is cognizant of how China’s Confucius Institutes can influence soft power to our military.

Similar to its campaign in the U.S. entertainment industry, China is making gains in countries like New Zealand through direct investments in its media. New Zealand provides an example of what the United States may face. Recently, Clive Hamilton, a lecturer of public ethics at Charles Sturt University in Australia and author of *Silent Invasion*, said, “China plans to dominate the world, and has been using Australia and New Zealand as a testing ground for its tactics to assert its ascendancy in the West.”¹²⁶

¹²³ *Open Hearing on Worldwide Threats: Hearing before the Select Committee on Intelligence, Senate*, 115th Cong., 2d sess, 2018, <https://www.intelligence.senate.gov/hearings/open-hearing-worldwide-threats-hearing-1>.

¹²⁴ H.R. 5515, 115th Cong., 2d sess. (2018), <https://www.govtrack.us/congress/bills/115/hr5515/text>.

¹²⁵ “ASU, Salmon Blasted For Confucius Institute Support,” *Arizona Daily Independent*, August 5, 2018, <https://arizonadailyindependent.com/2018/08/05/asu-salmon-blasted-for-confucius-institute-support/>.

¹²⁶ Frances Mao, “‘China Influence’ Book Divisive in Australia Debate,” BBC News, March 8, 2018, <http://www.bbc.com/news/world-australia-43193146>.

China's investment in U.S. media needs more U.S. government attention. As in the case of the Confucius Institute, China can access U.S. audiences through the media and try to influence the public sphere.

3. Tradecraft Replication: Building Its Own Media Capability through Acquisition

Like the United States, China successfully uses foreign investment and cultural exchange programs to further its interests and increase its soft power. China's recent purchases and investments in the high-tech and media sectors have alarmed some analysts because Beijing is involved in some private Chinese companies investing in the United States. Such integration allows China to influence the U.S. economy because China, being a state-led economy, benefits directly through any economic gain, unlike in a market-capitalist democracy that relies on secondary mechanisms such as taxes.¹²⁷ These investments have a place within China's broader sharp power apparatus. Chinese investment may allow it to influence decisions through pressure and the threat of divestment.¹²⁸

China's recent purchases in the entertainment industry are examples of its strategy to influence Hollywood and soften its image. In July 2018, Chinese company Dalian Wanda, one of the world's largest media empires owned by Wang Jianlin, formed a partnership with Sony Pictures Entertainment, an American entertainment company. Wang Jianlin has self-proclaimed ties to the Chinese government that provides him with Beijing's support.¹²⁹ The purchase of partnership with Sony Pictures represents a large investment in Hollywood, as Sony is one of the "big six" companies considered the voices of the film

¹²⁷ Andrew Soergel, "China Is Buying Its Way Into the U.S. Economy," *U.S. News & World Report*, May 17, 2016, <https://www.usnews.com/news/articles/2016-05-17/china-is-buying-its-way-into-the-us-economy>.

¹²⁸ David Parkins, "What to Do about China's 'Sharp Power,'" *Economist*, December 14, 2017, <http://www.economist.com/news/leaders/21732524-china-manipulating-decision-makers-western-democracies-best-defence>.

¹²⁹ Ryan Faughnder, "Chinese Billionaire Wang Jianlin Makes Aggressive Moves in Hollywood," *LA Times*, September 30, 2016, <https://www.latimes.com/entertainment/envelope/cotown/la-et-ct-wanda-hollywood-20160928-snap-story.html>.

industry.¹³⁰ With this purchase, Dalian Wanda, can now participate and influence other members of the big six group—Walt Disney Studios, Paramount Pictures, Twentieth Century Fox, Universal Pictures, and Warner Bros—through playing in the same national field.¹³¹ The company has attempted to make headway into Hollywood by controlling both production and distribution assets, a vertical and horizontal integration that allows them reach to U.S. audiences and control what they see. By purchasing Sony Pictures, Dalian Wanda set itself up for a larger share and greater control of the film market. In 2016, it purchased one of Hollywood’s largest production companies, Legendary Entertainment, for a reported \$3.5 billion, and AMC Theaters for \$2.6 billion in 2012.¹³²

Some members of Congress are concerned that such recent investments expand pro-Chinese propaganda opportunities into the United States. In a 2016 letter, 16 members of Congress requested that the Government Accountability Office (GAO) review and produce a report on the Committee on Foreign Investment in the United States (CFIUS), an interagency committee charged with assisting the president in ensuring national security in foreign economic transactions.¹³³ The letter requested that the GAO determine whether the committee has kept up with the “growing scope of foreign acquisitions in strategically important sectors in the United States.”¹³⁴ The specific concern cited media acquisitions that “may pose a strategic rather than overt national security threat.”¹³⁵

In 2012, the U.S.–China Economic and Security Review Commission released details on Chinese investments resulting in “potential economic distortions and national

¹³⁰ “Who We Are,” Motion Picture Association of America, accessed August 1, 2018, <https://www.mpa.org/who-we-are/>.

¹³¹ Motion Picture Association of America.

¹³² Ben Fritz and Laurie Burkitt, “China’s Dalian Wanda Buys Legendary Entertainment for \$3.5 Billion,” *Wall Street Journal*, January 12, 2016, sec. Business, <https://www.wsj.com/articles/chinas-dalian-wanda-buys-legendary-entertainment-for-3-5-billion-1452567251>.

¹³³ United States Congress, “Letter to Government Accountability Office Regarding CFIUS Report,” September 15, 2016, <https://pittenger.house.gov/sites/pittenger.house.gov/files/letter%20to%20gao%20re%20cfius%20report%209.15.16.pdf>.

¹³⁴ United States Congress.

¹³⁵ United States Congress.

security concerns...from China's system of state-supported and state-led economic growth."¹³⁶ The commission recommended that CFIUS block acquisitions, takeovers, or mergers involving Chinese telecom companies Huawei and ZTE, given the threat to U.S. national security interests.¹³⁷ The recent presidential-CFIUS blocking of Chinese company Huawei buying Qualcomm Inc. for \$117 billion stopped what would have been the largest acquisition in the history of technology.¹³⁸ Such actions show the importance of protecting national assets is well recognized by the U.S. government.

Protecting national interests in the film industry appears to be important to China too. Beijing established the CPD to protect what is produced or viewed in China.¹³⁹ While the CPD is accepted in China, U.S. government protection in Hollywood may be met with resistance by U.S. citizens who are not as familiar with government control.

Beijing's ability to influence the market is also higher due to lack of private monitoring institutions. The lack of a private film rating system in China allows the state to decide which films will be shown in the country. China's films get approved by Beijing's State Administration of Press, Publication, Radio, Film, and Television (SAPPRFT), which generally ensures that films are acceptable for all audiences and Beijing's government. As a result of this censorship, the Chinese film industry has traditionally relied on the strength of culture and on prominent actors to overcome weak

¹³⁶ David J. Lynch and Damian Palleta, "Trump's Fluid Approach to National and Economic Security Is Leaving His Allies Baffled," *Washington Post*, May 28, 2018, https://www.washingtonpost.com/business/economy/trumps-fluid-approach-to-national-and-economic-security-is-leaving-his-allies-baffled/2018/05/28/b08c5908-5f95-11e8-9ee3-49d6d4814c4c_story.html?noredirect=on&utm_term=.d79d884dce2c.

¹³⁷ Mike Rogers and Dutch Ruppersberger, "Investigative Report on the U.S. National Security Issues Posed by Chinese Telecommunications Companies Huawei and ZTE," Congressional Report (Washington, DC: House of Representatives, October 8, 2012), 45, [https://intelligence.house.gov/sites/intelligence.house.gov/files/documents/huawei-zte%20investigative%20report%20\(final\).pdf](https://intelligence.house.gov/sites/intelligence.house.gov/files/documents/huawei-zte%20investigative%20report%20(final).pdf).

¹³⁸ "How Fear of Huawei Killed \$117 Billion Broadcom Deal," Bloomberg, March 13, 2018, <https://www.bloomberg.com/news/articles/2018-03-13/how-china-s-huawei-killed-117-billion-broadcom-deal-quicktake>.

¹³⁹ "Agencies Responsible for Censorship in China," Congressional-Executive Commission on China, <https://www.cecc.gov/agencies-responsible-for-censorship-in-china>.

storylines and limited special effects.¹⁴⁰ Chinese filmmakers tend to use predictable formats that are profitable for their investors. With a desire to be improve, China looks at the United States to learn the formula for blockbuster films, acquire technical expertise, and ultimately become a competitor to the U.S. industry. By creating blockbuster-type movies, China can drive content both internally and externally, and to the world. China's push to enhance its capabilities are partly to maintain the interest of Chinese audiences but another goal is to use its investment to reach American audiences too.

The 2017 Chinese film *Wolf Warrior 2*, produced by Wu Jing, a martial arts expert, is an example of China's rapid learning curve in producing blockbuster films. With a focus on action scenes, stunts, and a SAPPRT-approved pro-China messaging of a rising military, the film "smashed cinema records."¹⁴¹ With the production of *Wolf Warrior 2*, China may no longer need Hollywood to produce content for its propaganda and market. While China and Hollywood may continue making films together, each collaborative effort allows China to build a film empire by creating a Hollywood with Chinese preferences.

As China continues to build its film industry, it is logical to believe they will also continue the pattern of illicit collection to duplicate Hollywood's success, much like they do with U.S. proprietary and military information. This tactic can enhance their access to U.S. and global audiences to employ soft power.

Hollywood films carry messages that shape the public sphere and influence U.S. political developments. These films are ostensibly intended as entertainment and justified not by ideology but by the studios' financial bottom line and includes the Chinese market. To make it into that market, Hollywood must abide by Chinese rather than U.S. norms. It does so by portraying China in a positive light in the same sort of self-censorship that occurs in China.

¹⁴⁰ Agence France-Presse, "Flag-Waving Chinese Blockbuster *Wolf Warriors 2* Smashes Cinema Records," *The Guardian*, August 8, 2017, sec. World news, <http://www.theguardian.com/world/2017/aug/08/flag-waving-chinese-blockbuster-wolf-warriors-2-smashes-cinema-records>.

¹⁴¹ France-Presse.

China's investment in Hollywood can be seen as a variation of information warfare. For example, there are indications that China is using its position, market, and investment in Hollywood to influence the American public. Through it, Beijing can rely on not only economic espionage but also propaganda to assert dominance. China's accrual of soft and sharp power is not a result of military power; it complements it by offsetting China's image as an aggressor. These examples highlight the dangers of Chinese involvement in media that both normalizes China's behavior and fosters complacency among the U.S. audiences unaware of the underlying dynamics.

Films are a catalyst for ideas and opinions. Both propaganda and product placement continue in films and are similar in many ways. Both can be subtle yet have a profound effect on the viewer. For instance, the U.S. commercial sector has utilized Hollywood films to showcase companies and products such as McDonald's and Apple or Nike apparel. Other product placement examples include Ray-Ban sunglasses in *Risky Business* (1983) and *Top Gun* (1986) as well as Reese's Pieces in *ET* (1982). Audiences cannot easily tune out these subliminal advertisements in movies; product placement frames the viewers' perceptions of the latest trends in fashion and other areas, which may in turn drive commercial sales.

The historical partnership between the U.S. military and Hollywood has been beneficial and, for the most part, portrayed the U.S. government in a positive light. For instance, popular films such as the *Contact* (1997), *Hurt Locker* (2008), and *Pearl Harbor* (2001) are patriotic and illustrate the importance of the industry for the state.

Hollywood's recent attempt to enter the Chinese market gives Beijing access to the American audience, historically a communicative space used by the U.S. government and civil society. Gordon Allport's parasocial contact theory provides a framework for understanding the process that could soften the American public's stance toward China. The theory suggests that spending more time with a person whose background is different from one's own identity (i.e., a member of the "out-group") in interpersonal interactions can significantly reduce the level of prejudice toward other members of the out-group. Allport describes how parasocial contact might be achieved by watching films, which

provide opportunities to identify personally with the plot or actors and, ultimately, break down barriers or prejudices.

The study of China's market and the analysis of Hollywood's responsiveness to China informs an understanding of themes propagated through Hollywood films. The next chapter examines the implications of media as a vector for propaganda and its significance to homeland security as well as answers the question of how China's influence in Hollywood threatens national security.

4. Homeland Security, Hollywood, and U.S. Military Propaganda

Hollywood's elite and the state have influenced the American public since film's Golden Age in the 1920s. Hollywood's ability to influence through film has aided in the election of U.S. presidents and steered millions of followers.¹⁴² However, this relationship is not unidirectional. The U.S. government has had a strong influence in Hollywood since 1927. For example, in war films, the producers needed the U.S. military to provide heavy equipment such as tanks and airplanes to show realism in war.¹⁴³ The partnership between Hollywood and the military kept costs down and helped bring authenticity in U.S. military-themed films such as *Patton* (1970), *A Few Good Men* (1992), *Saving Private Ryan* (1998), and the *Captain America* series (2011-2016). Such cost-saving productions require cooperation from the military and, therefore, approval. It is reasonable to believe that if films portrayed the United States in a negative light, the U.S. military would refuse to cooperate. Currently, the U.S. military can negotiate terms with Hollywood for use of their heavy equipment; however, with the advancement of digital film, it is possible filmmakers could replace the heavy equipment needed to replicate realism with computer-generated images, putting the power back into the hands of Hollywood. Although Hollywood is increasingly able to circumvent the need for military assistance, the relationship has

¹⁴² Timothy Stanley, "Seven Surprising Ways Hollywood Has Influenced Politics," *The History Reader*, April 21, 2014, <http://www.thehistoryreader.com/contemporary-history/seven-surprising-ways-hollywood-influenced-politics/>.

¹⁴³ "The Pentagon & Hollywood's Successful and Deadly Propaganda Alliance," *RT International*, March 12, 2018, <https://www.rt.com/op-ed/421064-pentagon-hollywood-propaganda-dod/>.

arguably conditioned filmmakers to account not only for audiences but also for bureaucratic gatekeepers.

The Chinese government is a gatekeeper and utilizes its power to influence the public as Hollywood expands into the Asian market. Portrayals of China as a good global citizen in the field of science and technology can contribute to Beijing's acceptance as a cooperative international partner. However, by building up China's image in films, Hollywood may be the drawbridge that welcomes the Chinese Trojan horse. Cooperation between China and Hollywood brings with it opportunities for Chinese propaganda. Such practices frame perceptions about China and its objectives, which over time may result in harm to U.S. interests. Allowing China to use Hollywood as a vehicle for propaganda to bolster its reputation as a leader in industries, such as space, is a homeland security issue because it leverages domestic U.S. assets to advance a foreign adversary's objectives. While there are many examples of Chinese influence, this thesis explores six space-themed films and analyzed them to illustrate the expansion of China's soft power.

Advances in media make it possible to reach ever-larger audiences, and many countries have capitalized on them to influence others. Parasocial contact theory can be applied to Hollywood in examining the industry's ability to overcome social, cultural, and racial barriers, as demonstrated by films on such issues. Hollywood broke down barriers by including African American actors such as Sidney Poitier, Harry Belafonte, and Dorothy Dandridge in roles central to films, which brought about societal acceptance through parasocial contact with the audience.¹⁴⁴ Since the 1960s, the roles and opportunities for African Americans have continued to grow in Hollywood and have set a precedent for other groups that may also be struggling to become part of Hollywood—and American society. Today, it is not unusual to have plot lines that deal with previously controversial or even controversial topics such as homosexuality, politics, or gun control. Hollywood has been a major driver of social movements toward acceptance of several issues by promoting parasocial contact.

¹⁴⁴ "African American Cinema," Film Reference, accessed September 16, 2018, <http://www.filmreference.com/encyclopedia/Academy-Awards-Crime-Films/African-American-Cinema-BREAKING-DOWN-BARRIERS.html>.

Hollywood's ability to generate soft power through entertainment—which can be used to promote specific social values, showcase belief systems, shape narratives, and advocate change—is quite extensive given its large audience. The United States is not the only country to leverage the power of motion pictures. Germany's Leni Riefenstahl, a Nazi sympathizer, directed several innovative German propaganda films in the 1930s and received recognition for her use of positive imagery and employment of novel techniques for music, lenses, and aerial photography.¹⁴⁵ Riefenstahl lionized Nazi pageantry and was known as Hitler's favorite filmmaker.¹⁴⁶ She created films commissioned by Hitler during anti-Semitic campaigns to demonstrate “a monolithic Nazi party.”¹⁴⁷ Although Riefenstahl was not a member of the Nazi party, her soft-power films with enhanced techniques of rhythmic montages influenced many to believe in Hitler's plan.¹⁴⁸ The Riefenstahl example highlights how film can be used to further sharp power and how parasocial contact—in this case, with the Nazi party—can influence perception.

Through film, viewers may gain a better understanding of politics and leadership as well as their own significance in the world. An example is the film *Mr. Smith Goes to Washington* (1939), in which American politics are portrayed as corrupt. The hero of the film, Jefferson Smith, played by James Stewart, is appointed to a U.S. Senate seat and seeks to provide land for a national boys' camp, despite his boss already having sanctioned the land for a fraudulent scheme.¹⁴⁹ In a filibuster, Smith is able to turn the tables on his boss through his folksy charisma and commitment to doing the right thing—the scene earned Stewart an Academy Award. This scene inspired Margaret Chase Smith to run for—and

¹⁴⁵ “Leni Riefenstahl: Biography,” Leni Riefenstahl, accessed September 16, 2018, <http://www.leni-riefenstahl.de/eng/bio.html>.

¹⁴⁶ Leni Riefenstahl.

¹⁴⁷ Leni Riefenstahl.

¹⁴⁸ Richard Falcon, “Leni Riefenstahl,” *Guardian*, September 9, 2003, sec. Film, <https://www.theguardian.com/film/2003/sep/09/world.news1>.

¹⁴⁹ “Mr. Smith Goes to Washington (1939),” IMDb, accessed July 17, 2018, https://www.imdb.com/title/tt0031679/?ref_=nv_sr_1.

win—a congressional seat representing a district in Maine.¹⁵⁰ The filibuster scene has possibly inspired generations of congressmen and (and their constituents) to believe in the power of one person to stand up to the status quo. *Mr. Smith Goes to Washington* continues to be an important reference in U.S. popular culture as it has been cited in over 175 films and television shows, and in June 2006, the American Film Institute ranked the film as fifth out of the 100 most inspiring films of all time.¹⁵¹

Senator Arlen Specter highlighted the powerful influence Hollywood has on public perceptions in his assessment that “when Hollywood speaks, the world listens; when Washington speaks, the world snoozes.”¹⁵² If films can play such an important role in U.S. culture, films that show China as a positive force could arguably benefit China due to the power of parasocial contact. China is set to dominate the global box offices by 2020, thanks to its large market and investments in the entertainment industry.¹⁵³ With control of the market, Beijing can continue to accrue and/or control soft power influence in Hollywood as production companies boost pro-China propaganda for access to the Chinese market.

In addition, China’s influence of content and distribution in Hollywood may provide opportunities for shaping public opinion, which provides the context and drivers for policymaking. China’s recent implementation of Xi’s five-year plan by making inroads to the U.S. media industry is one such example.¹⁵⁴ China’s strategy to accomplish this includes the use of both direct investments in the film industry and the promise of its markets.¹⁵⁵ By dangling a lucrative market in front of U.S. entertainment executives, China

¹⁵⁰ “‘Mr. Smith’ Comes to Washington,” U.S. Senate, October 17, 1939, https://www.cop.senate.gov/artandhistory/history/minute/Mr_Smith_Comes_To_Washington.htm.

¹⁵¹ IMDb, “Mr. Smith Goes to Washington (1939)”; “AFI’s 100 Inspiring Films of All Time,” American Film Institute, June 14, 2006, <http://www.afi.com/100years/cheers.aspx>.

¹⁵² Robert Brent Toplin and Steven J. Ross, “Hollywood Left and Right: How Movie Stars Shaped American Politics,” *American Historical Review* 119 119, no. 1 (February 2014): 203–4, <https://doi.org/10.1093/ahr/119.1.203>.

¹⁵³ “China to Be World’s Largest Film Market by 2020,” China Daily, August 30, 2017, http://www.chinadaily.com.cn/business/2017-08/30/content_31328301.htm.

¹⁵⁴ Wübbeke et al., “Made in China 2025,” 17; Melton, “China’s Five-Year Planning System.”

¹⁵⁵ Wübbeke et al., “Made in China 2025.”

has endeavored to steer Hollywood into self-censorship and content production consistent with Beijing's interests. The massive Chinese market is currently predicted to be the largest in the world by 2020.¹⁵⁶ China has projected a box office earnings target of \$8.36 billion in sales that provides China with the significant clout in the entertainment field. Academics have started to take notice of China's increasing influence in Hollywood. China's pursuit of global power through its economic policy has unique and alarming implications for Hollywood, as Beijing turns an industry that has traditionally served as a powerful source of propaganda and strategic communication toward the purpose of promoting itself and possibly countering U.S. interests.¹⁵⁷

5. Hollywood and the Importance of China's Market

The Chinese film market is one of the most closed in the world.¹⁵⁸ The government restricts the number of foreign films through censorship and prohibits external investments. Such policies put pressure on and influence Hollywood films.¹⁵⁹ For example, China currently allows 34 U.S. films a year to be shown there. To get selected, Hollywood studios must submit to SAPPRT's stringent approval process. Hollywood writers, producers, and film companies sometimes have to alter scripts and scenes if they want to enter China's film market.¹⁶⁰ When Hollywood refuses to comply with China's demands, it risks losing the opportunity to show films in China.

As an example, some analysts point to the film *Captain Phillips*, which did not make the Chinese market because it depicted a U.S. Navy SEAL team going out of its way

¹⁵⁶ China Daily, "China to Be World's Largest Film Market by 2020."

¹⁵⁷ Van Evera, "Assessing U.S. Strategy in the War on Terror," 10–11.

¹⁵⁸ Ana Swanson, "China's Influence over Hollywood Grows," *Washington Post*, September 24, 2016, <https://www.washingtonpost.com/news/wonk/wp/2016/09/24/chinas-influence-over-hollywood-grows/>.

¹⁵⁹ Swanson.

¹⁶⁰ China Daily, "China to Be World's Largest Film Market by 2020."

to save one person.¹⁶¹ This U.S. military action, to save one person, did not reflect China’s “collectivism” or “low individualism” views and, therefore, did not receive SAPPRT support.¹⁶² The film fell \$9 million short of its expected earnings.¹⁶³ Even if it had shown in China, Hollywood only receives 25 percent of the film sales from China while other countries receive up to 50 percent.¹⁶⁴ The stiff competition creates an incentive for Hollywood to compete with the rest of the world to produce content acceptable to China in order to earn one of the 34 film slots.

SAPPRT’s requirement that China be shown in a positive light may be a reason why China is seldom depicted as a threat in big-budget films. An example of the consequences for doing so is *Seven Years in Tibet* (1997). Not accepted by SAPPRT for the Chinese market, the film shows China’s invasion of Tibet, which has drawn significant negative attention to China for humanitarian issues inherent in its policy toward Tibet.¹⁶⁵ In the film, Beijing detains and prosecutes activists and human rights attorneys and introduces new laws that label activists and criticism as state security threats.¹⁶⁶

In 2008, MGM studios spent over \$1 million reworking the 1984 film *Red Dawn*, which originally portrayed a Soviet attack on the United States. The new version was written to portray China—a plausible enemy—as an aggressor.¹⁶⁷ During production,

¹⁶¹ Gus Lubin, “Why ‘Captain Phillips’ Was Banned in China,” *Business Insider*, October 28, 2016, <http://www.businessinsider.com/captain-phillips-banned-china-2016-10>.

¹⁶² Geert Hofstede, *Culture’s Consequences: International Differences in Work-Related Values*, 2nd ed. (Beverly Hills, CA: Sage, 1980).

¹⁶³ Lubin, “Why ‘Captain Phillips’ Was Banned in China.”

¹⁶⁴ “Hollywood Left Out of China Movie Boom Led by Local Hits,” *Bloomberg*, February 22, 2018, <https://www.bloomberg.com/news/articles/2018-02-22/china-s-cinema-boom-returns-as-holiday-box-office-sets-record>.

¹⁶⁵ Jean-Jacques Annaud, *Seven Years in Tibet*, Adventure, Biography, Drama, 1997, <http://www.imdb.com/title/tt0120102/>.

¹⁶⁶ “China and Tibet,” Human Rights Watch, accessed August 14, 2018, <https://www.hrw.org/asia/china-and-tibet>.

¹⁶⁷ John Milius, *Red Dawn*, Action, Drama, 1984, <http://www.imdb.com/title/tt0087985/>. See also Chris Shrader, “‘Red Dawn’ Villains Switched from China to North Korea,” *Screen Rant*, March 16, 2011, <https://screenrant.com/red-dawn-villains-china-north-korea/>.

however, the producers changed several scenes, digitally edited insignia on patches, and ultimately replaced China with another in hopes of showing the film in the Chinese market.¹⁶⁸ While the 2012 version of *Red Dawn* was ultimately not selected by SAPPRFT, if MGM had not changed the antagonist, they feared that China might have banned future MGM films, as it did with Brad Pitt's films after he starred in *Seven Years in Tibet*. This type of punishment to actors and studios may show how far China will go to protect itself from outside opinions and influence others to follow its viewpoint if they want into China's market.

SAPPRFT also tries to influence films outside of China, which may not be favorable for the country. One example of a boycott was the film *Dunkirk* (2017), which portrayed China's core values negatively. An aspect of the film that produced criticism in China was the glorification of General Sir Harold Alexander, who is said to have caused the death of thousands of Chinese soldiers. Another film that has drawn much attention in China is Marc Forester's live-action *Christopher Robin* (2018), which is an adaptation of the children's book *Winnie the Pooh*. The banning of this film in China, some believe, is due to the link between the main character, a "honey-loving plump bear" named Winnie the Pooh, to Chinese President Xi Jinping.¹⁶⁹ The comparison link was promoted in social media circles and upset Xi to the point that Beijing has cracked down on people in China who send memes of the president and Winnie the Pooh.¹⁷⁰ These recent bans illustrate the depths of Beijing's control and influence on its people abilities to watch what they want.

¹⁶⁸ Snejana Farberov, "Producers behind Red Dawn Remake Swapped Chinese Flags and Insignia for North Korean Ones for Fear of Losing out on Billion-Dollar Box Office," *Daily Mail*, November 24, 2012, <http://www.dailymail.co.uk/news/article-2237717/Red-Dawn-remake-swapped-Chinese-flags-insignia-North-Korean-ones-fear-losing-billion-dollar-box-office.html>.

¹⁶⁹ Peter White, "China Bans Disney's 'Christopher Robin' Due to Sensitivities between Winnie the Pooh & President Xi Jinping," *Deadline* (blog), August 7, 2018, <https://deadline.com/2018/08/china-bans-disneys-christopher-robin-due-to-sensitivities-between-winnie-the-pooh-president-xi-jinping-1202441489/>.

¹⁷⁰ Travis Clark, "'Christopher Robin' Banned in China, Reportedly Because of Memes," *Business Insider*, August 3, 2018, <https://www.businessinsider.com/christopher-robin-banned-in-china-reportedly-because-of-memes-2018-8>.

THIS PAGE INTENTIONALLY LEFT BLANK

III. HOLLYWOOD'S RESPONSIVENESS TO CHINA

The Chinese state also seeks to expand its influence externally through its economic prowess and by the use of its markets. Hollywood is no stranger to oversight and control as the Motion Picture Association of America (MPAA) advocates policies to protect creative content and provide a film-rating system recognized by Hollywood and around the world.¹⁷¹ Before the creation of the MPAA, studios adhered to the Production Code for decades as a rubric for determining acceptable content. Culturally, then, filmmakers—although they often advocate for freedom of expression and First Amendment rights—are primed to adhere to external standards to make their product acceptable and, at the same time, profitable. By having a lucrative market and creating rules that only benefit the state, China ensures its ability to shape the narrative and takes advantage of this predisposition, which will cause Hollywood to react in order to benefit lucratively. This chapter covers Hollywood's responsiveness to China and its markets and it presents key findings from an analysis of six space-themed films that came out in Hollywood in recent years. Identifying these particular themes can help understand propaganda in Hollywood films that may inadvertently support China's soft power strategies.

Beijing often implements government regulations and invests to further its soft-power strategies. The film market is one area Beijing is able to push soft power, which has become problematic for the United States because Hollywood, seeking new markets, appears to comply with the demands of SAPPRT in the hopes of getting approval to show films in China. This pro-market behavior affords China leverage over content in U.S. films, which are also viewed by the U.S. market and, therefore, can influence and shape U.S. democracy.

To gain a portion of China's \$180-billion market, Hollywood continues to seek SAPPRT's approval. For instance, Disney's *Iron Man 3* (2013), seeking to be one of the 34 films to be distributed in China, included more shots of Beijing and gave a starring role

¹⁷¹ "Home Page," Motion Picture Association of America, accessed July 19, 2018, <https://www.mpa.org/>.

to one of China's well-known actresses, Fan Bingbing.¹⁷² Disney, which coproduced the film along with Marvel Studios and consulting company DMG Entertainment Group, partnered with SAPPRFT to assist in compliance with China's strict censorship laws.¹⁷³ With an end goal of showing the film in China, Disney welcomed SAPPRFT to the sets, allowed Chinese product placement and creative input on the film, which included changing Iron Man's nemesis from Chinese decent (as shown in the comic book series) to not Chinese or even really evil.¹⁷⁴ This example shows a collaborative effort in which SAPPRFT is able to influence the narrative of soft power.

Soft power, as deployed through films, may bring about a more acceptable stance toward China. As a successful authoritarian state, China presents an alternative model to the democratic one. Only in the past few years has China taken an openly sharp position vis-à-vis the United States, meaning that this posture may not be entrenched in the American public's collective consciousness. Therefore, the American public may be more likely to accept a positive media portrayal of China, rather than recognizing Beijing as a threat to U.S. democracy and its security. Space-based films present an interesting case study for this as China is engaged in a competition with the United States in the field of space research.

A. KEY FINDINGS FROM THE RESEARCH

The film analysis in this section assesses U.S. space-themed films to determine whether they could aid China in making further inroads to the U.S. space sector and into the public's good will. The concentration on space-focused films stems from China's standing in the field as a competing global leader and desirous of space technology. China has competed in this field despite not receiving official assistance from the 16-country

¹⁷² "Thin Film Material Market Worth \$10,250 Million by 2018," Markets and Markets, accessed July 17, 2018, <https://www.marketsandmarkets.com/PressReleases/thin-film-material.asp>.

¹⁷³ James Daniel, "Iron Man 3 Execs 'Changed Film for Chinese Audience' by Adding Four Minutes to the Film with Chinese Actors," Daily Mail, May 14, 2013, <http://www.dailymail.co.uk/news/article-2324077/Iron-Man-3-execs-changed-film-Chinese-audience-adding-4-minutes-Chinese-actors.html>.

¹⁷⁴ Daniel.

International Space Program, which excludes China due to its potential access to classified military secrets.¹⁷⁵ The space program represents great technological achievements and pride in the United States and China alike, and China's focus on films in this area may illustrate the expansion of China's influence in space exploration.

Because China has notoriously sought to access U.S. space program technology, the research here is narrowed down to a subset of films that focus on space. The assumption here is that due to China's interest in space technology, its market will be interested in the space-based films and Beijing will take an interest in whether to expose their markets to such films coming out of the United States.

To determine the level of Chinese influence, the following indicators were used in selecting and assessing Hollywood movies.

1. **Is there content related to China?** Content related to China includes main Asian-looking characters, locations filmed in China, visual imagery, involvement of Chinese actors, and Asian martial arts and plotlines.
2. **Was the movie approved by SAPPRFT and shown in mainland China?** If approved, what are the themes that allowed them to get through?
3. **Was this film coproduced by a Chinese company or solely a Hollywood production?** The research question will try to determine why propaganda is present in the films studied. If the films were coproduced, SAPPRFT would push for China for imagery of China and Chinese actors in positive roles. If the film was not coproduced and the same Chinese themes exist, the research assumes Hollywood placed the positive storyline to enter China's strict market.

¹⁷⁵ Mark Garcia, "International Space Station: International Cooperation," NASA, March 25, 2015, http://www.nasa.gov/mission_pages/station/cooperation/index.html.

4. **What are the box office sales to-date in the United States?** These sales show how many people have been exposed to the Chinese themes in the United States. Through the building of a “bank of goodwill,” repeated positive imagery over time may influence viewers to believe what they are seeing as factual.
5. **What are the box office sales to-date in China?** These sales will show how profits drive Hollywood content to enter the Chinese markets.
6. **How did critics rate the film?** Movies that have obtained “critically acclaimed status” are significant because they draw audiences. Scores from known critics and moviegoers on websites Rotten Tomatoes and Metacritic were reviewed. The scores of these critic boards were averaged to produce a final number out of 100 possible points. Critics generally agree any film rated over 80 is critically acclaimed.

The following six films were selected because of their popularity in the global market and space-related themes.

1. ***Gravity* (2013)**

The film *Gravity* (2013) provides two instances of the growing power of China’s soft power and its spreading propaganda. The film was not coproduced with China, yet Hollywood appears to appeal to Beijing in several scenes in order to increase its chances of the film being shown in the Chinese market. Specifically, the main character in the film, played by Sandra Bullock, seeks refuge in a Chinese space station and ultimately survives being stranded in space by utilizing a Chinese space capsule. The film shows cooperation between Chinese and Americans scientists.

What is interesting is the film’s portrayal of the Chinese space station as technologically sophisticated. In reality, China has a single-module space station called

Tiangong-1, which it launched in 2011.¹⁷⁶ The space station's lifespan was limited and hosted only two sets of Chinese astronauts (taikonauts) on classified missions. In 2016, flight controllers lost control of the \$1 billion space station, ultimately leaving it abandoned and decaying in space.¹⁷⁷ The film instead portrayed China as having an advanced space program and also as a cooperating country in scientific exploration.

Gravity was one of the last films in 2013 to gain SAPPFRFT approval. With a production budget of \$100 million, the U.S. box office sales were \$274,092,705 and China's \$70,680,000, an additional 30 percent in revenue.¹⁷⁸ Overall, the film was well received with an average rating of 90 out of 100, surpassing the 80 score to be labeled a "must-see film,"¹⁷⁹ which means the narrative will have more impact as audiences rent or purchase the film. The implicit message is the United States relies on China for technology. The fact that China has stolen U.S. space technology may not be apparent to the audience whose views shape U.S. policy and who may become future leaders themselves.

2. *Rogue One: A Star Wars Story* (2016)

Star Wars' reception in China was not as positive as it was in the United States and other Western countries, as China lacks the historical love affair with *Star Wars* and the pop culture that surrounds the trilogies.¹⁸⁰ The original series was not shown during the initial release in the 1970s and 1980s, when the Chinese movie industry was closed to Hollywood. It was not until 1999 that China was first introduced to the series with *Episode 1: The Phantom*

¹⁷⁶ Elizabeth Howell, "Tiangong-1: China's First Space Station," Space.com, March 26, 2018, <https://www.space.com/27320-tiangong-1.html>.

¹⁷⁷ Paviavio, "Cost of China's Space Station," October 5, 2011, <https://paviavio.wordpress.com/2011/10/04/cost-of-chinas-space-station>.

¹⁷⁸ "Gravity (2013)," Box Office Mojo, accessed July 19, 2018, <http://www.boxofficemojo.com/movies/?page=intl&country=CH&id=gravity.htm>.

¹⁷⁹ "Gravity," Rotten Tomatoes, accessed August 14, 2018, https://www.rottentomatoes.com/m/gravity_2013/.

¹⁸⁰ Cao Li, "Q. and A.: Chen Tao, Who Runs 'Star Wars' Site, on Film's Impact in China," *New York Times*, December 21, 2017, sec. World, <https://www.nytimes.com/2016/01/08/world/asia/china-star-wars-force-awakens.html>.

Menace.¹⁸¹ Consequently, sales in China never reached the expectations of the filmmakers. Since then, Disney has made robust attempts to market *Star Wars* films with limited success. While *The Phantom Menace* earned only \$4,100,273 in China, *Rogue One* in 2016 earned \$69,484,899, showing a definite increase in interest.¹⁸²

Interestingly, *Rogue One: A Star Wars Story* (2016), had integrated the Chinese cultural tropes of war and sacrifice. During an interview, Chen Tao, who runs China's biggest *Star Wars* fan website, explained the appeal, "For a lot of fans, the story of *Rogue One* made us think of our own country's revolutionary history, a lot of characters in it were just like the Communist Party members who sacrificed themselves for the revolution."¹⁸³ These tropes are possibly what got the film approved by SAPPRFT. While many Hollywood films present that theme, a more important factor might be the fact that Disney also incorporated Asian actors by casting martial arts champion Donnie Yen as well as actor-director-screenwriter Jiang Wen. With the casting of these two figures, Chinese martial arts appear prominently in the film, which detracts from the traditional lightsaber fighting many fans are used to seeing. In fact, *Rogue One* became the first *Star Wars* movie not to have a fight scene with lightsabers. Instead, the film relies on martial arts.

Placing subtle propaganda into films is difficult and at times, it becomes apparent and can backfire. For instance, in the blockbuster film *Iron Man 3*, an operation to save Iron Man shows an all-Asian cast of doctors and nurses operating on the hero; adding the extra scenes backfired in the market.¹⁸⁴ Many Chinese moviegoers felt the addition was inauthentic and disrupted continuity since the scene was shown only in the Chinese

¹⁸¹ Li.

¹⁸² "Star Wars: Episode I - The Phantom Menace (1999)," Box Office Mojo, accessed August 19, 2018, <https://www.boxofficemojo.com/movies/?page=intl&id=starwars.htm>.

¹⁸³ Patrick Cavanaugh, "'Rogue One' Star Details Why Chinese Audiences Don't Connect with Star Wars," Comic Book, August 2, 2018, <https://comicbook.com/starwars/2018/08/02/star-wars-rogue-one-donnie-yen-china-audiences/>.

¹⁸⁴ Brian Ashcroft, "Why Many in China Hate Iron Man 3's Chinese Version," Kotaku, May 2, 2013, <https://kotaku.com/why-many-in-china-hate-iron-man-3s-chinese-version-486840429>.

market.¹⁸⁵ Moreover, although Iron Man is a fictional character, he owns Stark Industries, which represents a U.S.-cleared defense contractor in the series. If there is any obvious propaganda, it is a foreign government having full access to top U.S. technology. In one scene an Asian doctor says, “Tony doesn’t have to do this alone—China can help.” Adding these scenes did not fare well with Chinese audiences, which illustrates that propaganda needs to be subtle as China is a sophisticated market that does not appreciate obvious propaganda. In comparison, in *Rogue One*, adding the two actors and Chinese cultural undertones appears to have worked as sales in China increased.

3. *Interstellar* (2014)

Interstellar (2014) is a space-themed Hollywood film where a team of astronauts and a former science engineer must save the earth from a global dust bowl that has rendered agriculture unsustainable. The team travels through a wormhole where answers to save the earth may lay in a far-off planet.¹⁸⁶ The film was not coproduced with China, did not use positive Chinese themes, and used no noticeable Asian actors.

The film did well at the U.S. box office, earning \$188,020,017 and a respectable \$121,990,000 in China.¹⁸⁷ Audience critics gave *Interstellar* a score of 85 points, with 172,880 viewers voting.¹⁸⁸ Separately, 310 verified critics on Rotten Tomatoes scored the film at 71 points. Metacritic was generous, with 49 known critics providing a score of 96 out of 100.¹⁸⁹ The average rating among the three scores was 85 out of 100, which brought critically acclaimed status. These scores and the film’s revenue represent the impact *Interstellar* may have for an extended period on a willing audience.

¹⁸⁵ Ashcroft.

¹⁸⁶ “Interstellar,” IMDb, accessed August 18, 2018, https://www.imdb.com/title/tt0816692/?ref_=fn_al_tt_2.

¹⁸⁷ “Interstellar (2014),” Box Office Mojo, accessed July 19, 2018, <http://www.boxofficemojo.com/movies/?id=interstellar.htm>.

¹⁸⁸ Metacritic, “Interstellar (2014),” Metacritic, accessed September 25, 2018, <https://www.metacritic.com/movie/interstellar>.

¹⁸⁹ Metacritic.

Chinese propaganda in *Interstellar* appears to be minimal. Although the filmmakers did not cast famous Asian actors to appeal to the Chinese market, Alexander Lu, an uncredited actor who plays an Asian scientist for NASA, blends into the scenes. In contrast, the original script, developed in 2008, had 54 Chinese references that never made the final cut.¹⁹⁰ For instance, the crew found China's engineering robot-based operations in space.¹⁹¹ They also discovered the remains of a Chinese mission on the ice planet with the Chinese crew dead from radiation poisoning.¹⁹² In another scene on the same planet, the crew discovered a Chinese base, built entirely by robots for China.¹⁹³ What is interesting is that China is portrayed as having beaten the United States to inhabit the planet but it is not included in the movie, potentially because not surviving and having the United States accomplish the mission behind them may be viewed as a negative for China's space industry.

Although the failure of the Chinese base in the script could be viewed in a negative light, Beijing might have viewed it as positive propaganda showing a robust artificial intelligence and space program that was able to create such an engineering masterpiece without U.S. knowledge. This is evident as U.S. explorers in the film are surprised to find the Chinese base. Had the original 54 Chinese references stayed in the film, China's sophisticated audiences might have rejected the pandering while Beijing benefited from the soft power approach among U.S. audiences.

4. *Hidden Figures* (2016)

Hidden Figures (2016) is a U.S. historical piece set during the Cold War with strong feminist and civil rights themes set against the grandeur of the U.S. space program.¹⁹⁴

¹⁹⁰ Jonathon Nolan and Christopher Nolan, *Interstellar* (screenplay, London: Faber & Faber, 2014), https://drive.google.com/file/d/0B4C9FN_1M1sxVFpHRTlaYmxSdzA/view?usp=sharing&pli=1&usp=embed_facebook.

¹⁹¹ Nolan and Nolan, 49.

¹⁹² Jonathon Nolan, "Interstellar Script," IMSDb, March 12, 2008, 132, <https://www.imsdb.com/scripts/Interstellar.html>.

¹⁹³ Nolan and Nolan, *Interstellar*, 72.

¹⁹⁴ "Hidden Figures (2016)," IMDb, accessed September 12, 2018, https://www.imdb.com/title/tt4846340/?ref_=nv_sr_1?ref_=nv_sr_1.

Hidden Figures covers the issue of racial segregation as it follows three African-American women who work for NASA and deal with the difficulties that surround women and African Americans in the workforce and everyday life. The space race against Russia provides context for the competition and importance of the space program in the 1960s. This film instills an appreciation for how the space race continues and still largely pits Communist countries, such as Russia and China, against the United States in the competition.

Hidden Figures is relevant for this study because it shows the importance of NASA's space program to the country. *Hidden Figures* earned \$169,607,287 in the United States and scored an average of 87 out of 100 by critics.¹⁹⁵ While *Hidden Figures* shows no obvious Chinese propaganda, it is a film set during an intense period of competition with Communist countries. In addition, the true portrayal of the United States discriminating against women and African Americans weakens the U.S. image. These prejudices may have presented a propaganda boost for Beijing. However, *Hidden Figures* was never shown on mainland China. One possible reason is the premise of the film, which despite showing racial and gender inequities, makes the U.S. space program appear strong and superior during the Cold War. Beijing does not like to promote the United States even though it benefits from promotions in Hollywood films.

Another explanation is that China is self-conscious about perceptions of its own societal inequalities. A film like *Hidden Figures* could raise uncomfortable questions for the Chinese government. Hollywood film portraying U.S. historical achievements both scientifically and ultimately socially sometimes gets shut out of China. If the messages of this film, overcoming scientific and social hurdles, were objectionable to China, might a producer seeking to tap the China market skew history to make it more palatable for China? For instance, *Hidden Figures* could have been made more negative for the United States if it showed that broader patterns of discrimination persisted. It also did not help that the film

¹⁹⁵ "Hidden Figures," Rotten Tomatoes, accessed September 11, 2018, https://www.rottentomatoes.com/m/hidden_figures.

was set during the Cold War, an anti-Communist era, which is one more reason the film did not show in China.

5. *The Martian* (2015)

The Martian (2015) is a space-themed Hollywood film in which actor Matt Damon plays Mark Watney, a U.S. astronaut stranded on Mars. It depicts his inability to escape and his struggle to survive on a planet with no natural food source.¹⁹⁶ The story line kept audiences in suspense as they watched Watney create ways to grow food on Mars through items left behind by his team. He also grappled to find ways to signal NASA, the message being that he needed to be rescued. His ingenuity throughout the film to overcome the odds captivated audiences. The film highlights the team of NASA scientists who overcome many trials during the film. However, after several failed attempts by the team to rescue Watney, NASA turned to China and their space program, which was ultimately able to supply what the United States lacked, resulting in Watney being brought home safely.

The storyline of two countries banding together to save Watney was inspiring to audiences and cast China as a global leader and cooperative nation in space technology, the opposite of the actual China that is continually engaged in espionage against U.S. space technology.¹⁹⁷ However, incorporating Chinese elements to appeal to Beijing meant the film was positioned for acceptance by SAPPRFT and shown in China, where it earned \$94,932,731 (and \$228,433,663 in the United States).¹⁹⁸ The film was shown in over 68 countries and was highly claimed by critics with a rating of 87 out of 100.¹⁹⁹

The story of *The Martian* was first posted a chapter at a time by Andy Weir on his website where he had a small group of readers that provided him with feedback. Writing the story was a “labor of love” for him, as he had no idea it would ever be published or

¹⁹⁶ Ridley Scott, *The Martian*, 2015, <http://www.imdb.com/title/tt3659388/>.

¹⁹⁷ Federal Bureau of Investigation, “Dongfan ‘Greg’ Chung.”

¹⁹⁸ “The Martian (2015),” Box Office Mojo, accessed July 19, 2018, <http://www.boxofficemojo.com/movies/?id=scott2016.htm>.

¹⁹⁹ “The Martian (2015),” Rotten Tomatoes, accessed September 11, 2018, https://www.rottentomatoes.com/m/the_martian.

filmed.²⁰⁰ Asked what his motivation was for having China come to the aid of Watney, Weir responded:

The reason I had China help out is because the whole theme of the novel is how people band together to help those in need. And a cool international cooperation element seemed like a good idea. To show that the whole planet Earth was trying to save Watney. And at that time, China was really hitting space hard. They'd recently had their first manned spaceflight and were working on a space station. Plus, they were talking about sending people to the Moon. Plus, I admit I have my own little opinion in there. I would like the U.S. and China to cooperate in space. I think it's stupid that we don't. It's clearly not a national security issue—we cooperate with Russia. We cooperated with the Soviet Union back in the middle of the Cold War.²⁰¹

Weir's explanation shows idealistic individuals in the entertainment industry may unwittingly assist foreign powers by helping spread their soft power—a role that the Soviets called “useful idiots.”²⁰² Weir is not by any means an idiot, but his line of thinking can be problematic when a country is engaged in soft-power competition. Weir's example shows the need for better counterintelligence outreach to those who write and produce for Hollywood. To quote a decidedly non-space related film, “The world is made for people who aren't cursed with self-awareness.”²⁰³

With over \$323 million made on this movie theme between the U.S. and China, it is conceivable that Hollywood will continue to follow films that show partnerships, even when not a reality.²⁰⁴

²⁰⁰ Andy Weir, email communication with the author, July 15, 2018.

²⁰¹ Andy Weir, email communication with the author, July 15, 2018.

²⁰² “To Propagandize the West, Lenin Recruited a Corps of “Useful Idiots,”” *Investor's Business Daily*, December 4, 2013, <https://www.investors.com/politics/commentary/lenin-used-useful-idiots-to-spread-propaganda-to-the-west/>.

²⁰³ Sunnuygaruda, *Bull Durham - The World Is Made for People Who Aren't Cursed with Self-Awareness*, YouTube video, 2013, <https://www.youtube.com/watch?v=a2mi4SR0Uzc>.

²⁰⁴ Box Office Mojo, “The Martian (2015).”

6. *Arrival* (2016)

The film *Arrival* (2016) is a space-themed film with extraterrestrial life. Its plot revolves around a linguist, played by Amy Adams, who is hired by the U.S. government to communicate with aliens that have come to Earth. The linguist spends a lot of time in the film learning to communicate with the aliens while trying to ward off government approaches. Through much trial and tribulation, the linguist discovers the aliens are here to provide a gift of their language, which Earth will need in the future.²⁰⁵ The film earned critically acclaimed status, having won critics' favor with an average score of 86.²⁰⁶ It earned \$100,546,139 in the United States and \$15,884,890 in China.²⁰⁷

The film places China in the spotlight with a central role for Chinese General Shang, who collaborates with world leaders to understand why the aliens have arrived. The film captures a patriotic moment for China as Shang deploys the Chinese navy, robust and aggressive, toward an alien ship. China's language experts deliver a message to the aliens at the Shanghai site, stating that the aliens have 24 hours to leave or face destruction. Shang urges all other nations to follow suit. General Shang's ultimatum is covered in the news broadcast. A U.S. reporter declares, "Tonight, China becomes the first world power to declare war against the aliens."

Shang's nickname in the film is "Big Domino" because, as one U.S. government official explains in the film, whatever Shang does, history has shown at least four other nations will follow. This characterization proves problematic in the film because Shang withdraws China's scientists from the international mission, stating, "China no longer trusts the aliens who want to divide us. Humanity must be protected. China calls for talks at the U.N." This strong stance to make the aliens leave results in Russia, Pakistan, and

²⁰⁵ "Arrival (2016)," IMDb, accessed August 22, 2018, https://www.imdb.com/title/tt2543164/?ref_=nv_sr_1.

²⁰⁶ "Arrival (2016)," Rotten Tomatoes, accessed September 12, 2018, https://www.rottentomatoes.com/m/arrival_2016.

²⁰⁷ "Arrival (2016)," Box Office Mojo, accessed August 25, 2018, <https://www.boxofficemojo.com/movies/?page=intl&country=R2&id=arrival2016.htm>.

Sudan following China's lead, all pulling out of the international efforts to stand together and figure out why the aliens are there.

In one dramatic scene, the U.S. government intercepts a call from a secure network in which a rogue Russian scientist tries to send new information to the United States. While on the call, the Russian scientist is executed.

Eventually, China stands down and the aliens leave. During a reunification gala for world leaders, Shang is shown in a positive light as a collaborator as he speaks to the film's protagonist, who had helped Shang understand the importance of the alien arrival.

A disturbing part of *Arrival* is the moment a Russian government leader executes one of its scientists, who is caught leaking information to the United States. The Russian incident might have been a plus for China, as public corruption is a capital offense in China. This scene may serve as a warning about the draconian measures that China could take vis-à-vis disloyal individuals. Interestingly enough, the executed scientist did not faze Russian audiences, as the film made \$4,403,096 in Russia.²⁰⁸

Out of all of the space-themed films reviewed, *Arrival* has the most references and scenes beneficial to China. One area of propaganda in the film that China may benefit from is the positive portrayal of its navy. China has stolen technology that has brought China's navy to its current strength. For those who do not know, this movie may lead them to believe that China is a world power that warrants following, as did the other four countries in the movie. In reality, China's navy followed, technologically speaking, the United States through the theft of U.S. naval technology. The underlying message of the movie has the possibility to help create a more conducive environment for private-sector joint ventures and even military-to-military exchanges that can be manipulated by China to acquire sensitive technology and proprietary information without U.S. entities being witting to China's actions.

²⁰⁸ Box Office Mojo.

B. SUMMARY

Recent portrayals of China as an important world power in the aforementioned films contribute to China’s soft power. An analysis of these films helps demonstrate how China has been able to use its influence and growing economic power in an important market to shape what Hollywood produces.

The combination of Beijing’s desire to control what Chinese audiences see and Hollywood’s desire to benefit from a vast Chinese market has led to de facto Chinese co-opting elements of the film industry. The cumulative effect of this is that Hollywood self-censors its work to clear Chinese government gatekeepers who control access to the significant Chinese market. Meanwhile, U.S. audiences are exposed to pro-China content, as shown in Table 3 of the Critic Score matrix created for this thesis.

Table 3. Critic Score Matrix

CRITIC SCORES	<i>Gravity (2013)</i>	<i>Interstellar (2014)</i>	<i>The Martian (2015)</i>	<i>Rogue One (2016)</i>	<i>Hidden Figures (2016)</i>	<i>Arrival (2016)</i>
# of Critics	328	310	335	382	262	352
Rotten Tomatoes: Critic Score	96%	71%	91%	85%	93%	94%
# of Reviews	301,996	172, 880	130,409	100,268	57,607	81,128
Rotten Tomatoes: Audience Score	80%	85%	91%	87%	93%	82%
# of Critics	49	46	46	51	47	52
Metacritic	96	74	80	65	74	81
Average Score	90	80	87	79	86	86

The cumulative impact of these space-based films might be the promotion of Chinese entities as cooperative partners in fields of science and technology, with whom the United States and other nations can work toward a common cause. By bolstering its image in film, China might entice American society to believe the narrative being promoted. China may leverage this portrayal to acquire technology and restricted information because cooperation brings with it opportunities for Chinese intelligence operatives to exploit. This eventually may lead to Chinese operatives gaining access to American intelligence. Allowing China to use Hollywood as a propaganda tool to enhance its image as a comparable world power, albeit built on stolen technology, is a homeland security issue. This practice introduces distorted, foreign-sponsored perspectives that may be harmful to the United States in the long run and has implications for U.S. policymakers.

THIS PAGE INTENTIONALLY LEFT BLANK

IV. RECOMMENDATIONS AND CONCLUSIONS

The United States needs to identify Beijing's use of soft power and curb China's influence on Hollywood, specifically the co-opting of the U.S. entertainment industry in order to shape U.S. public opinion. China's growing influence in Hollywood necessitates new approaches and partnerships to protect the United States from Beijing's expanding influence and the attendant geopolitical and geo-economic implications that degrade elements of U.S. national power. The United States must respond to China's behavior, but it cannot throw up walls and block China through tariffs and other protectionist policies. China is not like the Soviet Union, which was not engaged significantly in global economy during the Cold War and did not enjoy the level of access to the United States that China has now.²⁰⁹ In responding to China, the United States must find a diplomatic agreement that starts with a firm understanding of sharp power and how China is using it.

This chapter makes recommendations for the U.S. government on how to address the problem of China's emerging influence on Hollywood, which is part of the American public sphere. Three potential actions that can be undertaken include China's removing the 34-film cap, conducting awareness outreach with U.S. audiences and decision-makers, and other government action, such as applying FARA laws, which are currently being expanded to include media, to China's acquisition of U.S. media companies.

A. RECOMMENDATIONS

If nothing is done to stop China's expanding influence, Beijing will continue to utilize its soft power through propaganda that enhances its national power and influence across the world. After generations, the United States may forget about spies like Greg Dongfan Chung and the reality of Chinese achievements through stolen technology; it may start to treat China as a global leader and even a partner in its space program. Allowing China's CPD to influence Hollywood strengthens China, weakens the United States, and

²⁰⁹ Gerald Segal, "Does China Matter?," *Foreign Affairs* 78, no. 5 (1999): 24, <https://doi.org/10.2307/20049448>.

threatens its democracy. In this country, media is a space for communication and critical thinking in society, which is essential for democracy. It is an important democratic institution that needs to remain open to allow free movement of ideas and communication in a large country such as this. Ironically, China’s use of this free space to promote itself as a successful and friendly authoritarian state undermines the institution and its role place by spreading the notion of a friendly authoritarian state as an acceptable part of the American psyche.

The United States currently has few tools in place to assess foreign challenges such as the one from China. The tools include the National Threat Identification and Prioritization Assessment, which is produced by the National Counterintelligence Security Center (NCSC) to inform the president, policymakers, and senior officials of emerging threats.²¹⁰ Another tool is CFIUS, an inter-agency committee charged with vetting foreign acquisitions of U.S. assets the government relies upon for infrastructure.²¹¹ In addition, the FARA of 1938, as amended in 22 U.S.C. § 611 et seq., began in response to the discovery that German propaganda agents were in the United States actively disseminating misinformation. FARA became a tool to protect the United States from foreign propaganda by requiring agents of a foreign government to declare themselves as such.²¹² An agent’s registration under FARA provides transparency about their role as a representative of a foreign government to parties—including those within the U.S. government—with whom that foreign agent interacts. FARA continues to aid with identifying and prosecuting Chinese spies who enter the country undeclared and steal from the United States to benefit China.

²¹⁰ “Threat Assessments to Disrupt and Defeat the Adversary,” Director of National Intelligence, accessed August 6, 2018, <https://www.dni.gov/index.php/ncsc-what-we-do/ncsc-threat-assessments-mission?highlight=WyJudG1wYSJd>.

²¹¹ United States Congress, “Letter to Government Accountability Office Regarding CFIUS Report.”

²¹² “Foreign Agents Registration Act,” United States Department of Justice, accessed July 16, 2018, <https://www.justice.gov/nsd-fara>.

1. Remove the 34 Film Cap

To protect the United States from Chinese influences within the context and drivers for policymaking, the leadership in U.S. government needs to pursue the removal of film restrictions and limits in China's market by pressuring the World Trade Organization. Free trade agreements without film caps will provide a competitive space for Hollywood to produce the films it wants without influence from China's government. Although the market demand may remain pro-China, more access will allow more films to enter China providing opportunity for films that show a different perspective. Removing the 34-film cap will open true competition and allow films to be made through contest and not by government control through SAPPFT. Lifting restrictions on films will undercut China's attempts to influence U.S. audiences because the entertainment industry will not manipulate content just to appease Beijing and, thus, not advance its desired narratives. The United States needs to take a more serious look at agreements between China and the World Trade Organization to ensure that its interests are protected in relation to cultural industries along with other sectors.

These changes are pressing as China may not need Hollywood as they are developing their own skill to make good movies that appeal to their own culture and others like the United States. China is proving this as it is set to surpass U.S.-made films with its own in 2020.²¹³ Last year, *Wolf Warrior 2*, a Chinese film, was the biggest hit in China with \$854.2 million in sales, beating the new Disney film *Star Wars: The Last Jedi*, which made \$42.6 million in China.²¹⁴ *Wolf Warrior 2* may be the beginning of a global reach having played in U.S.-partnered countries like Australia, New Zealand, and the UK.

2. Outreach to the Public

Beijing is very aware of how film can influence their people in China and abroad, as shown in Chapter III. China has empowered its propaganda department to ensure films

²¹³ China Daily, "China to Be World's Largest Film Market by 2020."

²¹⁴ Bloomberg, "Hollywood Left Out of China."

that do not meet its criteria will not make it into their market, and films that are played internationally, that do not portray China in a good light, are discouraged.

Through this research, I pondered the idea of U.S. government control to protect the United States from Beijing's influence and what control would work. I reviewed creating an option of coverage that would mirror CFIUS in the sense that CFIUS is a gatekeeper of control by foreign countries from purchasing U.S. government infrastructure. This new control system would look at foreign influence and guard against it by reviewing soft-power approaches. My research of collaborating with colleagues led me to believe this type of control would only mirror Beijing's SAPPRT, which is a control I concluded would not work in the United States due to the desire many Americans have to keep the U.S. government out of their business.

Sharing information about the media setting and China's influence with U.S.-cleared defense contractors, think tanks, and academia is the beginning of protecting our democracy and country from China. Bringing information to the public to enhance their awareness can be accomplished through various government organizations such as the NCSC, which specializes in threat assessments. NCSC's assessments help to understand how U.S. adversaries are carrying out and achieving their missions. NCSC threat assessments may bring awareness in the public space and civil society through strategic partnerships, best practices, vulnerability assessments, and presentations to outline current and emerging foreign threats. These activities will start the process of disseminating collected intelligence to the American people to be better informed. It will also help establish a collaborative framework for creating incentives for the industry.

As expected, both Hollywood and U.S. audiences will respond to different things, and most likely studio executives will not care about creativity as much as they will the bottom line. Writers, on the other hand, may have a creative vision and will prefer not to see it ruined by political considerations. Target audiences for these briefings in Hollywood would be individuals responsible for producing content such as the directors and writers. These groups represent potential tripwires that can provide information and recognize influence activities. Raising awareness in the industry can be a force multiplier and a way

to harden the target of U.S. adversaries. This is especially true in the case of writers such as Andy Weir, who may be unaware about how China benefits from U.S. writers' work.

Getting Hollywood to change its artistic vision will be difficult. In the last 10 years, companies seeking to delete or mask scenes from R-rated films to bring the rating to a family friendly rating of PG have been the grounds for lawsuits and congressional debates. These lawsuits and debates illustrate the lengths Hollywood will go to protect content and vision.²¹⁵ Nevertheless, Hollywood has shown that it can respond to markets by deleting scenes Beijing finds offensive. For example, in the editing phase, a scene in *Men in Black 3* in which a small group of ethnic Chinese has their memories erased by a government agent was deleted.²¹⁶ Another example in *Skyfall*'s original version shows a French-hired gunman killing a Chinese security guard.²¹⁷ These changes appeared to charm Beijing and consequently improve Hollywood studios' opportunities to have their film played in the lucrative China market.

3. Government Action

The National Threat Identification and Prioritization Assessment (NTIPA) is a tool utilized by the NCSC to inform the president, policymakers, and senior officials of emerging threats. Since the issue of foreign influence is a significant public concern, the NTIPA could ensure the significance of influence is brought to the attention of U.S. leaders who can create change. In formulating an understanding of the threat, the assessment needs to factor in how foreign governments attempt to manipulate the U.S. media and Hollywood. It is possible that the president may receive this suggestion through NTIPA and act on this emerging threat.

²¹⁵ Chandra Johnson, "Hollywood Is Suing a Utah-Based Movie Filtering Service. Here's Why They Might Not Win," *Deseret News*, July 31, 2016, <https://www.deseret.com/2016/7/31/20592997/hollywood-is-suing-a-utah-based-movie-filtering-service-here-s-why-they-might-not-win>.

²¹⁶ Christopher Rosen, "Men in Black 3, Censorship," March 31, 2012, https://www.huffpost.com/entry/men-in-black-3-censorship-china_n_1560482.

²¹⁷ Todd Cunningham, "7 Movies That Hollywood Changed for China," *The Wrap*, March 31, 2013, <https://www.thewrap.com/movies-hollywood-changed-china-photos-83336/>.

a. *Expansion of the Counterintelligence Foreign Investment in the United States to Include Hollywood*

If China continues to make significant purchases in Hollywood, Beijing will gain greater control of the U.S. narratives. CFIUS needs to take a serious look at soft-power purchases that can turn into sharp power as discussed in Chapters I and II. Executive Order 11858 provides an opportunity to investigate China’s investments as it states, “CFIUS may consider any other factors that the committee finds appropriate in determining whether a transaction poses a national security risk.”²¹⁸

In the last 40 years, there have been several classified examples in which CFIUS has blocked Chinese investments or Chinese investors have withdrawn their application from the process because they knew they would not pass the stringent process. These blocks kept China from purchasing companies that provided or supported the United States government’s infrastructure. A recent unclassified example is the proposed acquisitions of U.S. telecommunications by China-owned Huawei and ZTE. Both companies were identified in an investigative report by the U.S. House of Representatives in October 2012 that suggests “China has the means, opportunity, and motive to use telecommunications companies for malicious purposes.” Enabling such acquisitions would have detrimental consequences to protecting the United States from foreign adversaries who would have full access to government communications. Chinese manipulation of Hollywood contributes to these types of acquisitions by creating portrayals of China as a cooperative and non-threatening partner. Therefore, CFIUS needs to take a closer look at American cultural industries as a potential source of influence by foreign powers.²¹⁹

b. *Foreign Agents Registrations Act*

The FARA laws are currently expanding to include media in efforts to curb foreign influences in U.S. affairs. This expansion of FARA would also apply to China, which is

²¹⁸ “Office of Investment Security; Guidance Concerning the National Security Review Conducted by the Committee on Foreign Investment in the United States,” Federal Register, December 8, 2008, <https://www.federalregister.gov/documents/2008/12/08/E8-28791/office-of-investment-security-guidance-concerning-the-national-security-review-conducted-by-the>.

²¹⁹ Rogers and Ruppertsberger, “Investigative Report on the U.S. National Security Issues.”

trying to purchase U.S. media companies for increasing propaganda and control methods. While there is no history to show this will benefit the United States, it is arguably a step in the right direction to help keep in check those who wish to do the United States harm.

B. CONCLUSION

This thesis provided an analysis of how China is using Hollywood to advance Beijing's interests. Based on the research, it becomes clear that China is using Hollywood to advance its soft power by manipulating the production of pro-Chinese themes in Hollywood films. Therefore, the U.S. government and its citizens are responsible for taking action to protect their country and its democracy.

Implementing a strategy to disrupt Chinese manipulation of the U.S. entertainment industry is easier said than done. The U.S. is a proponent of the free market system that focuses on profit as a driving factor. The U.S. private sector that controls the means of production and distribution includes Hollywood and is motivated by financial gain, rather than by national security concerns. Enlisting its assistance will require converting concerns about national security into implications for companies' profits. Without buy-in from this industry, U.S.-elected officials will be reluctant to take actions that affect such economic interests. However, a change in the public perception could pressure the industry into changing its content.

Both government and non-government entities are intended customers for the research and recommendations presented in this thesis. The NCSC, in particular, needs to be informed about the importance of this subject for future policy and action. The totality of work on foreign efforts to exploit the U.S. creative sector contributes directly to the NCSC's responsibility in preparing the NTIPA, which was designed to inform policymakers and senior officials about current and emerging foreign intelligence threats to U.S. national security. The U.S. government, through exploring new ideas to counter the threat, must optimize enterprise capabilities through partnerships with non-government entities and experts, including think tanks and Hollywood. The objective of partnering with these groups is to advance awareness about propaganda and its effect on democracy.

Multiple stakeholders can be engaged to further the mission of countering Chinese influence in Hollywood. First, the individuals responsible for producing content, directors and writers, are potential tripwires who can provide valuable information about interactions with the Chinese market as far as what China is asking for and the reasons they are asking. Engaging Hollywood will help stakeholders recognize influence activities and understand the significance of these activities by those with knowledge of China's strategies. Directors and writers are likely to be receptive, since heavy-handed influence activities are antithetical to independent vision. Second, engaging think tanks, such as RAND, which focuses on national security, can orient Hollywood toward the concerns about influence. It can also establish relationships that will produce new ideas, which can then be used to mitigate the threat. All of this information can be developed in an unclassified framework, making it useful for the broadest range of entities. Raising awareness and academic interest turns external entities into force multipliers.

The focus here on space-themed films presented some limitation. There were over 200 films in different genres that could be analyzed for propaganda to illustrate connections between China's influence objectives and the audiences that China desires to affect. The scope of space-themed films is a methodology based on a sector that the U.S. and China are competing over. Future research may include covering the 34 films that were played in the Chinese market each year, which would then become the measurement for understanding Chinese influence. The same research can also focus on films that were rejected and analyze why China did not want those particular themes played in its market, in contrast to films that were accepted.

Some people believe it is okay to have Chinese influence and vice versa in a globalizing world. In an era of globalization, when cultural ties cut across national borders and international commerce creates new perceptions about the world, there is an argument to be made that American audiences demand a more inclusive sensibility on the screen. However, even if a greater focus on China is not driven by Beijing, China stands to gain from positive depictions and may encourage existing affinities. It is difficult, if not impossible, to demonstrate a direct cause-and-effect relationship between propaganda and changes in audience perception; that requires a survey which is beyond the scope of this

research. Some scholars argue that Hollywood is reacting to market demand, rather than seeking to placate China and thereby influence viewers.

As foreign influence has become a topic of concern in the United States, there is a growing body of literature that examines how foreign entities attempt to achieve desired changes in public perception through manipulating social media. This thesis attempts to bring awareness to how a foreign entity, specifically China, can attempt to influence through more traditional avenues. More research is needed to understand the impact of these attempts and, if successful, the implications for the future.

China and the United States represent two different ideologies. The United States is a democracy, and China is an authoritarian state. Global competition for power includes a competition of ideal models of governance. As China's soft power expands, the idea of an acceptable authoritarianism spreads. This is happening in smaller countries like Pakistan, where many are frustrated at their democratic country because they see China expanding both economically and politically.²²⁰ The state and public are saying the Chinese present a better model, which may be a threat to democracy.²²¹ The softening of perceptions that China is presenting opportunities also opens doors ideologically to what China represents politically: authoritarianism. Such soft power may affect democratic thinking in United States as well.

In the course of this research, China moved SAPPRT into the powerful Communist Propaganda Department.²²² This move indicates the seriousness with which China is pursuing influence in the entertainment industry, which includes Hollywood filmmakers hoping to access the enormous Chinese box office. Through awareness, strategic outreach to Hollywood and the use of the NTIPA, presidential action can take place to help mitigate China's soft-power approach. Further negotiations with the World

²²⁰ "Pakistanis Increasingly View China as Positive over US," *Express Tribune*, July 19, 2013, <https://tribune.com.pk/story/579055/pakistanis-increasingly-view-china-as-positive-over-us/>.

²²¹ "Pakistanis Increasingly View China as Positive over US."

²²² Patrick Frater, "China Movie Industry Oversight Shifted to Communist Propaganda Department," *Variety*, March 21, 2018, <https://variety.com/2018/film/asia/china-movie-regulation-communist-propaganda-department-1202732209/>.

Trade Organization may also expand the restriction into the Chinese market, which would loosen the bands the Chinese government has on what is viewable by its people, therefore allowing for more freedom in the market.

The United States needs to identify Beijing's use of soft power, specifically the co-opting of the U.S. entertainment industry in shaping U.S. public opinion. China's growing influence in Hollywood necessitates new approaches and partnerships to protect the United States from Beijing's expanding influence that brings with it geopolitical and geoeconomics implications that degrade U.S. element of national power. China's infiltration of content and distribution can influence public opinion, which provides the context and drivers for U.S. government policymaking.

LIST OF REFERENCES

- American Film Institute. "AFI's 100 Inspiring Films of All Time." June 14, 2006.
<http://www.afi.com/100years/cheers.aspx>.
- Annaud, Jean-Jacques. *Seven Years in Tibet*. Adventure, Biography, Drama, 1997.
<http://www.imdb.com/title/tt0120102/>.
- Arizona Daily Independent*. "ASU, Salmon Blasted For Confucius Institute Support." August 5, 2018. <https://arizonadailyindependent.com/2018/08/05/asu-salmon-blasted-for-confucius-institute-support/>.
- Ashcroft, Brian. "Why Many in China Hate Iron Man 3's Chinese Version." Kotaku, May 2, 2013. <https://kotaku.com/why-many-in-china-hate-iron-man-3s-chinese-version-486840429>.
- Associated Press. "Chinese President Xi Jinping Re-Appointed with No Term Limits." CBC, March 16, 2018. <https://www.cbc.ca/news/world/chinese-president-xi-jinping-reappointed-no-term-limits-1.4580962>.
- Barboza, David. "The Impact of Deng Xiaoping, Beyond Tiananmen Square." *New York Times*, October 21, 2011. <https://www.nytimes.com/2011/10/22/books/the-impact-of-deng-xiaoping-beyond-tiananmen-square.html>.
- Bernays, Edward. *Propaganda*. New York: IG Publishing, 2005.
- Bloomberg. "Hollywood Left Out of China Movie Boom Led by Local Hits." February 22, 2018. <https://www.bloomberg.com/news/articles/2018-02-22/china-s-cinema-boom-returns-as-holiday-box-office-sets-record>.
- Bloomberg. "How Fear of Huawei Killed \$117 Billion Broadcom Deal." March 13, 2018. <https://www.bloomberg.com/news/articles/2018-03-13/how-china-s-huawei-killed-117-billion-broadcom-deal-quicktake>.
- Box Office Mojo. "Arrival (2016)." Accessed August 25, 2018.
<https://www.boxofficemojo.com/movies/?page=intl&country=R2&id=arrival2016.htm>.
- Box Office Mojo. "Gravity (2013)." Accessed July 19, 2018.
<http://www.boxofficemojo.com/movies/?page=intl&country=CH&id=gravity.htm>.
- Box Office Mojo. "Interstellar (2014)." Accessed July 19, 2018.
<http://www.boxofficemojo.com/movies/?id=interstellar.htm>.

- Box Office Mojo. "Star Wars: Episode I - The Phantom Menace (1999)." Accessed August 19, 2018. <https://www.boxofficemojo.com/movies/?page=intl&id=starwars.htm>.
- Box Office Mojo. "The Martian (2015)." Accessed July 19, 2018. <http://www.boxofficemojo.com/movies/?id=scott2016.htm>.
- Brady, Anne-Marie. "Magic Weapons: China's Political Influence Activities under Xi Jinping." Wilson Center, September 16, 2017. https://www.wilsoncenter.org/sites/default/files/for_website_magicweaponsanne-mariesbradyseptember2017.pdf.
- Brady, Anne-Marie. *Marketing Dictatorship: Propaganda and Thought Work in Contemporary China*. Lanham, MD: Rowman & Littlefield Publishers, 2007. <http://ebookcentral.proquest.com/lib/ebook-nps/detail.action?docID=4455814>.
- Bruer, Wesley. "FBI Sees Sharp Rise in Economic Espionage Cases." CNN, July 24, 2015. <https://www.cnn.com/2015/07/24/politics/fbi-economic-espionage/index.html>.
- Business Wire. "Super Vision CEO Writes about 'The Real War against America': China's Intellectual Property Theft." March 29, 2005. <https://www.businesswire.com/news/home/20050329005125/en/Super-Vision-CEO-Writes-Real-War-America>.
- Cavanaugh, Patrick. "'Rogue One' Star Details Why Chinese Audiences Don't Connect With Star Wars." Comic Book, August 2, 2018. <https://comicbook.com/starwars/2018/08/02/star-wars-rogue-one-donnie-yen-china-audiences/>.
- Chen, Jia, and Qingfen Ding. "China's Soft Power Initiative." Council on Foreign Relations. Accessed April 19, 2018. <https://www.cfr.org/backgrounder/chinas-soft-power-initiative>.
- Cheng, Dean. "The Complicated History of U.S. Relations with China." The Heritage Foundation, October 11, 2012. [/asia/report/the-complicated-history-us-relations-china](https://www.heritage.org/asia/report/the-complicated-history-us-relations-china).
- China Daily*. "China to Be World's Largest Film Market by 2020." August 30, 2017. http://www.chinadaily.com.cn/business/2017-08/30/content_31328301.htm.
- Chua, Beng Huat. *Structure, Audience and Soft Power in East Asian Pop Culture*. Hong Kong: Hong Kong University Press, 2012.
- Congressional-Executive Commission on China. "Agencies Responsible for Censorship in China." <https://www.cecc.gov/agencies-responsible-for-censorship-in-china>.

Cunningham, Todd. "7 Movies That Hollywood Changed for China." *The Wrap*, March 31, 2013. <https://www.thewrap.com/movies-hollywood-changed-china-photos-83336/>.

Curran, James. *Media and Democracy*. New York: Routledge, 2011.

Daniel, James. "Iron Man 3 Execs 'Changed Film for Chinese Audience' by Adding Four Minutes to the Film with Chinese Actors." *Daily Mail*, May 14, 2013. <http://www.dailymail.co.uk/news/article-2324077/Iron-Man-3-execs-changed-film-Chinese-audience-adding-4-minutes-Chinese-actors.html>.

Department of Defense. *Summary of the 2018 National Defense Strategy*. Washington, DC: Department of Defense, 2018.

Department of Justice. "China's Non-Traditional Espionage against the United States: The Threat and Potential Policy Responses," 2018. <https://www.judiciary.senate.gov/imo/media/doc/12-12-18%20Demers%20Testimony.pdf>.

———. "Chinese National Pleads Guilty to Economic Espionage and Theft of a Trade Secret From U.S. Company." Press release, Department of Justice, May 19, 2017. <https://www.justice.gov/opa/pr/chinese-national-pleads-guilty-economic-espionage-and-theft-trade-secret-us-company-0>.

———. "Chinese National Sentenced to Prison for Conspiracy to Steal Trade Secrets," 2016. <https://www.justice.gov/opa/pr/chinese-national-sentenced-prison-conspiracy-steal-trade-secrets>.

———. "Former Boeing Engineer Convicted of Economic Espionage in Theft of Space Shuttle Secrets for China," 2018. <https://www.justice.gov/opa/pr/former-boeing-engineer-convicted-economic-espionage-theft-space-shuttle-secrets-china>.

Department of State. "U.S. Relations with China." Department of State, August 22, 2018. <https://www.state.gov/u-s-relations-with-china/>.

Director of National Intelligence. "Threat Assessments to Disrupt and Defeat the Adversary." Accessed August 6, 2018. <https://www.dni.gov/index.php/ncsc-what-we-do/ncsc-threat-assessments-mission?highlight=WyJudG1wYSJd>.

Express Tribune, "Pakistanis Increasingly View China as Positive over US." July 19, 2013. <https://tribune.com.pk/story/579055/pakistanis-increasingly-view-china-as-positive-over-us/>.

Falcon, Richard. "Leni Riefenstahl." *Guardian*, September 9, 2003, sec. Film. <https://www.theguardian.com/film/2003/sep/09/world.news1>.

- Farberov, Snejana. "Producers behind Red Dawn Remake Swapped Chinese Flags and Insignia for North Korean Ones for Fear of Losing out on Billion-Dollar Box Office." *Daily Mail*, November 24, 2012. <http://www.dailymail.co.uk/news/article-2237717/Red-Dawn-remake-swapped-Chinese-flags-insignia-North-Korean-ones-fear-losing-billion-dollar-box-office.html>.
- Faughnder, Ryan. "Chinese Billionaire Wang Jianlin Makes Aggressive Moves in Hollywood." *LA Times*, September 30, 2016. <https://www.latimes.com/entertainment/envelope/cotown/la-et-ct-wanda-hollywood-20160928-snap-story.html>.
- Federal Bureau of Investigation. "Chinese Business Owner, Employee Plead Guilty, Sentenced for Stealing Trade Secrets from Sedalia Plant," 2013. <https://www.fbi.gov/kansascity/press-releases/2013/chinese-business-owner-employee-plead-guilty-sentenced-for-stealing-trade-secrets-from-sedalia-plant>.
- . "Dongfan 'Greg' Chung." Podcast, audio. FBI Gotcha. Accessed February 17, 2018. <https://www.fbi.gov/audio-repository/news-podcasts-gotcha-dongfan-greg-chung.mp3/view>.
- . *The Insider Threat*. Washington, DC: Federal Bureau of Investigation, 2011.
- Federal Register*. "Office of Investment Security; Guidance Concerning the National Security Review Conducted by the Committee on Foreign Investment in the United States." December 8, 2008. <https://www.federalregister.gov/documents/2008/12/08/E8-28791/office-of-investment-security-guidance-concerning-the-national-security-review-conducted-by-the>.
- Film Reference. "African American Cinema." Accessed September 16, 2018. <http://www.filmreference.com/encyclopedia/Academy-Awards-Crime-Films/African-American-Cinema-BREAKING-DOWN-BARRIERS.html>.
- Flemming, Thomas. *The Illusion of Victory: America in World War I*. New York: Basic Books, 2003.
- France-Presse, Agence. "Flag-Waving Chinese Blockbuster Wolf Warriors 2 Smashes Cinema Records." *The Guardian*, August 8, 2017, sec. World news. <http://www.theguardian.com/world/2017/aug/08/flag-waving-chinese-blockbuster-wolf-warriors-2-smashes-cinema-records>.
- Frater, Patrick. "China Movie Industry Oversight Shifted to Communist Propaganda Department." *Variety*, March 21, 2018. <https://variety.com/2018/film/asia/china-movie-regulation-communist-propaganda-department-1202732209/>.

- Fritz, Ben, and Laurie Burkitt. "China's Dalian Wanda Buys Legendary Entertainment for \$3.5 Billion." *Wall Street Journal*, January 12, 2016, sec. Business. <https://www.wsj.com/articles/chinas-dalian-wanda-buys-legendary-entertainment-for-3-5-billion-1452567251>.
- Garcia, Mark. "International Space Station: International Cooperation." NASA, March 25, 2015. http://www.nasa.gov/mission_pages/station/cooperation/index.html.
- Graber, Doris. "The Media and Democracy: Beyond Myths and Stereotypes." *Annual Review of Political Science* 6 (June 2003). <https://doi.org/10.1146/annurev.polisci.6.121901.085707>.
- Hall, Todd. "An Unclear Attraction: A Critical Examination of Soft Power as an Analytical Category." *The Chinese Journal of International Politics* 3, no. 2 (July 1, 2010): 189–211. <https://doi.org/10.1093/cjip/poq005>.
- Hanban. "About Confucius Institute." Accessed August 3, 2018. http://english.hanban.org/node_10971.htm.
- Hofstede, Geert. *Culture's Consequences: International Differences in Work-Related Values*. 2nd ed. Beverly Hills, CA: Sage, 1980.
- Holmes, James. "The Long, Strange Trip of China's First Aircraft Carrier." *Foreign Policy*, February 3, 2015. <https://foreignpolicy.com/2015/02/03/the-long-strange-trip-of-chinas-first-aircraft-carrier-liaoning/>.
- Howell, Elizabeth. "Tiangong-1: China's First Space Station." Space.com, March 26, 2018. <https://www.space.com/27320-tiangong-1.html>.
- Human Rights Watch. "China and Tibet." Accessed August 14, 2018. <https://www.hrw.org/asia/china-and-tibet>.
- IMDb. "Hidden Figures (2016)." IMDb. Accessed September 12, 2018. https://www.imdb.com/title/tt4846340/?ref_=nv_sr_1?ref_=nv_sr_1.
- . "Arrival (2016)." IMDb. Accessed August 22, 2018. https://www.imdb.com/title/tt2543164/?ref_=nv_sr_1.
- . "Interstellar." IMDb. Accessed August 18, 2018. https://www.imdb.com/title/tt0816692/?ref_=fn_al_tt_2.
- . "Mr. Smith Goes to Washington (1939)." IMDb. Accessed July 17, 2018. https://www.imdb.com/title/tt0031679/?ref_=nv_sr_1.
- Investor's Business Daily*. "To Propagandize The West, Lenin Recruited A Corps Of 'Useful Idiots'." December 4, 2013. <https://www.investors.com/politics/commentary/lenin-used-useful-idiots-to-spread-propaganda-to-the-west/>.

- Iyengar, Shanto, and Donald R. Kinder. *News That Matters: Television and American Opinion, Updated Edition*. Chicago, IL: University of Chicago Press, 2010.
- Jasper, William F. "China's Cheating, Theft, Extortion, Espionage: Tough U.S. Policy, Tariffs Are Long Overdue." *New American*, April 12, 2018. <https://www.thenewamerican.com/usnews/foreign-policy/item/28743-china-s-cheating-theft-extortion-espionage-tough-u-s-policy-tariffs-are-long-overdue>.
- Johnson, Chandra. "Hollywood Is Suing a Utah-Based Movie Filtering Service. Here's Why They Might Not Win." *Deseret News*, July 31, 2016. <https://www.deseret.com/2016/7/31/20592997/hollywood-is-suing-a-utah-based-movie-filtering-service-here-s-why-they-might-not-win>.
- Keane, Michael A. "Created in China: The New Catch up Strategy." *Proceedings International Communication Association, Development and Intercultural Communication Panel, Dresden*, June 20, 2006. https://eprints.qut.edu.au/6200/1/6200_1.pdf.
- Kenton, Will. "Gini Index." Investopedia, February 6, 2019. <https://www.investopedia.com/terms/g/gini-index.asp>.
- Kingstone, Brett. *The Real War against America*. Carol Stream, IL: Specialty Publishing Company, 2005.
- Kurlantzick, Joshua. "China's Charm: Implications of Chinese Soft Power." Policy paper, Carnegie Endowment for International Peace, 2006. http://carnegieendowment.org/files/PB_47_FINAL.pdf.
- Lasswell, Harold D. "The Theory of Political Propaganda." *The American Political Science Review* 21, no. 3 (August 1, 1927): 627.
- Lasswell, Harold D. *Propaganda Technique in the World War*. New York: Knopf, 1938. <http://hdl.handle.net/2027/mdp.39015000379902>.
- Leni Riefenstahl. "Leni Riefenstahl: Biography." Leni Riefenstahl. Accessed September 16, 2018. <http://www.leni-riefenstahl.de/eng/bio.html>.
- Li, Cao. "Q. and A.: Chen Tao, Who Runs 'Star Wars' Site, on Film's Impact in China." *New York Times*, December 21, 2017, sec. World. <https://www.nytimes.com/2016/01/08/world/asia/china-star-wars-force-awakens.html>.
- Lubin, Gus. "Why 'Captain Phillips' Was Banned in China." *Business Insider*, October 28, 2016. <http://www.businessinsider.com/captain-phillips-banned-china-2016-10>.

- Lynch, David J., and Damian Palleta. "Trump's Fluid Approach to National and Economic Security Is Leaving His Allies Baffled." *Washington Post*, May 28, 2018. https://www.washingtonpost.com/business/economy/trumps-fluid-approach-to-national-and-economic-security-is-leaving-his-allies-baffled/2018/05/28/b08c5908-5f95-11e8-9ee3-49d6d4814c4c_story.html?noredirect=on&utm_term=.d79d884dce2c.
- Machiavelli, Niccolò. *The Prince*. 2nd ed. Chicago, IL: University of Chicago Press, 1998.
- Mao, Frances. "'China Influence' Book Divisive in Australia Debate." BBC News, March 8, 2018. <http://www.bbc.com/news/world-australia-43193146>.
- Markets and Markets. "Thin Film Material Market Worth \$10,250 Million by 2018." Accessed July 17, 2018. <https://www.marketsandmarkets.com/PressReleases/thin-film-material.asp>.
- Martens Centre. "Did the Tiananmen Square Protests Lead to More Democracy in China?" Accessed July 30, 2018. <https://www.martenscentre.eu/blog/did-tiananmen-square-protests-lead-more-democracy-china>.
- McClory, Jonathan. *The Soft Power 30: A Global Ranking of Soft Power*. Washington, DC: Portland Communications. Accessed January 25, 2018. <https://softpower30.com/wp-content/uploads/2017/07/The-Soft-Power-30-Report-2017-Web-1.pdf>.
- Melton, Oliver. "China's Five-Year Planning System: Implications for the Reform Agenda." U.S.-China Economic and Security Review Commission, April 22, 2015. <https://www.uscc.gov/sites/default/files/Melton%20-%20Written%20Testimony.pdf>.
- Metacritic. "Interstellar (2014)." Metacritic. Accessed September 25, 2018. , <https://www.metacritic.com/movie/interstellar>.
- Milius, John. *Red Dawn*. Action, Drama, 1984. <http://www.imdb.com/title/tt0087985/>.
- Monsanto. "Corn Seeds." Accessed September 16, 2018. <http://www.monsantoglobal.com/global/in/products/pages/corn-seeds.aspx>.
- Morgenthau, Hans Joachim, and Kenneth Winfred Thompson. *Politics among Nations: The Struggle for Power and Peace*. 6th ed. New York: Random House, 1985.
- Motion Picture Association of America. "Home Page." Accessed July 19, 2018. <https://www.mpa.org/>.
- Motion Picture Association of America. "Who We Are." Motion Picture Association of America. Accessed August 1, 2018. <https://www.mpa.org/who-we-are/>.

- Muscato, Christopher. "Thucydides Trap: Definition, Theory & Historical Examples." Study.com. Accessed July 16, 2018. <http://study.com/academy/lesson/thucydides-trap-definition-theory-historical-examples.html>.
- Nathan, Andrew J. "The Tiananmen Papers." *Foreign Affairs*, 2001. <https://www.foreignaffairs.com/articles/asia/2001-01-01/tiananmen-papers>.
- Nolan, Jonathon, and Christopher Nolan. *Interstellar*. screenplay, London: Faber & Faber, 2014. https://drive.google.com/file/d/0B4C9FN_1M1sxVFpHRTlaYmxSdzA/view?usp=sharing&pli=1&usp=embed_facebook.
- Nolan, Jonathon. "Interstellar Script." IMsDb, March 12, 2008. <https://www.imsdb.com/scripts/Interstellar.html>.
- Nye, Joseph S. "Limits of American Power." *Political Science Quarterly* 131, no. 2 (June 1, 2016): 267–83. <https://doi.org/10.1002/polq.12478>.
- . "China's Soft Power Deficit." *Wall Street Journal*, May 8, 2012, sec. Opinion. <https://www.wsj.com/articles/SB10001424052702304451104577389923098678842>.
- . "Soft Power: The Means to Success in World Politics." *Foreign Affairs*, 2004. <https://www.foreignaffairs.com/reviews/capsule-review/2004-05-01/soft-power-means-success-world-politics>.
- . *Bound to Lead: The Changing Nature of American Power*. New York: Basic Books, 2016.
- O'Connor, Tom. "Are North Korea and Syria Working Together against U.S. Foreign Policy?" *Newsweek*, February 27, 2018. <https://www.newsweek.com/are-north-korea-syria-working-together-against-us-822564>.
- Owens Corning. "FOAMGLAS." Accessed September 15, 2018. <http://pghcorning.com/>.
- Parkins, David. "What to Do about China's 'Sharp Power.'" *Economist*, December 14, 2017. <http://www.economist.com/news/leaders/21732524-china-manipulating-decision-makers-western-democracies-best-defence>.
- Parmar, Inderjeet, and Michael Cox, eds. *Soft Power and U.S. Foreign Policy: Theoretical, Historical and Contemporary Perspectives*. London: Routledge, 2010.
- Paviavio. "Cost of China's Space Station," October 5, 2011. <https://paviavio.wordpress.com/2011/10/04/cost-of-chinas-space-station>.

- Rogers, Mike, and Dutch Ruppertsberger. "Investigative Report on the U.S. National Security Issues Posed by Chinese Telecommunications Companies Huawei and ZTE." Congressional Report. Washington, DC: House of Representatives, October 8, 2012. [https://intelligence.house.gov/sites/intelligence.house.gov/files/documents/huawei-zte%20investigative%20report%20\(final\).pdf](https://intelligence.house.gov/sites/intelligence.house.gov/files/documents/huawei-zte%20investigative%20report%20(final).pdf).
- Rosen, Christopher. "Men in Black 3, Censorship," March 31, 2012. https://www.huffpost.com/entry/men-in-black-3-censorship-china_n_1560482.
- Rotten Tomatoes. "Arrival (2016)." Accessed September 12, 2018. https://www.rottentomatoes.com/m/arrival_2016.
- . "Gravity." Rotten Tomatoes. Accessed August 14, 2018. https://www.rottentomatoes.com/m/gravity_2013/.
- . "Hidden Figures." Rotten Tomatoes. Accessed September 11, 2018. https://www.rottentomatoes.com/m/hidden_figures.
- . "The Martian (2015)." Rotten Tomatoes. Accessed September 11, 2018. https://www.rottentomatoes.com/m/the_martian.
- RT International. "The Pentagon & Hollywood's Successful and Deadly Propaganda Alliance." March 12, 2018. <https://www.rt.com/op-ed/421064-pentagon-hollywood-propaganda-dod/>.
- Sabes, Adam. "Congressmen Warn TX Schools to Avoid Funding from Chinese." *Campus Reform*, April 10, 2018. <https://www.campusreform.org/?ID=10756>.
- Schiefelbein, Mark. "China Raises 2018 Military Budget by 8.1 Percent." CNBC, March 4, 2018. <https://www.cnbc.com/2018/03/04/china-raises-2018-military-budget-by-8-point-1-percent.html>.
- Scott, Ridley. *The Martian*, 2015. <http://www.imdb.com/title/tt3659388/>.
- Segal, Gerald. "Does China Matter?" *Foreign Affairs* 78, no. 5 (1999): 24. <https://doi.org/10.2307/20049448>.
- Shambaugh, David. "China's Soft-Power Push." *Foreign Affairs*, June 16, 2015. <https://www.foreignaffairs.com/articles/china/2015-06-16/china-s-soft-power-push>.
- Shrader, Chris. "'Red Dawn' Villains Switched from China to North Korea." *Screen Rant*, March 16, 2011. <https://screenrant.com/red-dawn-villains-china-north-korea/>.

- Simpson, Peter. "Chinese President Hu Jintao Warns of Cultural Warfare from West." *Telegraph*, January 2, 2012, sec. World. <https://www.telegraph.co.uk/news/worldnews/asia/china/8988195/Chinese-President-Hu-Jintao-warns-of-cultural-warfare-from-West.html>.
- Soergel, Andrew. "China Is Buying Its Way Into the U.S. Economy." *U.S. News & World Report*, May 17, 2016. <https://www.usnews.com/news/articles/2016-05-17/china-is-buying-its-way-into-the-us-economy>.
- South China Morning Post*. "Father of 'Soft Power' Tours the Region." December 9, 2013. Proquest.
- Stanley, Timothy. "Seven Surprising Ways Hollywood Has Influenced Politics." *The History Reader*, April 21, 2014. <http://www.thehistoryreader.com/contemporary-history/seven-surprising-ways-hollywood-influenced-politics/>.
- Sunnuygaruda. *Bull Durham - The World Is Made for People Who Aren't Cursed with Self-Awareness*. YouTube video, 2013. <https://www.youtube.com/watch?v=a2mi4SR0Uzc>.
- Swanson, Ana. "China's Influence over Hollywood Grows." *Washington Post*, September 24, 2016. <https://www.washingtonpost.com/news/wonk/wp/2016/09/24/chinas-influence-over-hollywood-grows/>.
- Toplin, Robert Brent, and Steven J. Ross. "Hollywood Left and Right: How Movie Stars Shaped American Politics." *American Historical Review* 119 119, no. 1 (February 2014). <https://doi.org/10.1093/ahr/119.1.203>.
- U.S. Census Bureau. "Trade in Goods with China: 1989." U.S. Census Bureau. Accessed September 15, 2018. <https://www.census.gov/foreign-trade/balance/c5700.html#1989>.
- . "Trade in Goods with China: 2017." U.S. Census Bureau. Accessed September 15, 2018. <https://www.census.gov/foreign-trade/balance/c5700.html#2017>.
- U.S. Senate. "'Mr. Smith' Comes to Washington." October 17, 1939. https://www.cop.senate.gov/artandhistory/history/minute/Mr_Smith_Comes_To_Washington.htm.
- United States Congress. "Letter to Government Accountability Office Regarding CFIUS Report," September 15, 2016. <https://pittenger.house.gov/sites/pittenger.house.gov/files/letter%20to%20gao%20re%20cfius%20report%209.15.16.pdf>.
- United States Department of Justice. "Chinese Businessman Charged With Theft of Trade Secrets," 2015. <https://www.justice.gov/usao-wdnc/pr/chinese-businessman-charged-theft-trade-secrets>.

- . “Foreign Agents Registration Act.” Accessed July 16, 2018. <https://www.justice.gov/nsd-fara>.
- . “U.S. Charges Five Chinese Military Hackers for Cyber Espionage Against U.S. Corporations and a Labor Organization for Commercial Advantage.” United States Department of Justice, May 19, 2014. <https://www.justice.gov/opa/pr/us-charges-five-chinese-military-hackers-cyber-espionage-against-us-corporations-and-labor>.
- Van Evera, Stephen. “Assessing U.S. Strategy in the War on Terror.” *Annals of the American Academy of Political and Social Science* 607 (September 2006): 10–26.
- Walker, Christopher, and Jessica Ludwig. “The Meaning of Sharp Power.” *Foreign Affairs*, November 16, 2017. <https://www.foreignaffairs.com/articles/china/2017-11-16/meaning-sharp-power>.
- . “From ‘Soft Power’ to ‘Sharp Power’: Rising Authoritarian Influence in the Democratic World.” In *Sharp Power: Rising Authoritarian Influence*, edited by Juan Pablo Cardenal et al. Washington, DC: National Endowment for Democracy and International Forum for Democratic Studies, 2017. <https://www.ned.org/sharp-power-rising-authoritarian-influence-forum-report/>.
- Welch, David. *The Third Reich: Politics and Propaganda*. 2nd ed. London: Routledge, 1993.
- World Bank. “Gini Index.” Accessed August 22, 2018. <https://data.worldbank.org/indicator/SI.POV.GINI?locations=CN>.
- Wübbeke, Jost, Mirjam Meissner, Max J. Zenglein, Jaqueline Ives, and Björn Conrad. “Made in China 2025.” *MERICCS*, no. 2 (December 2016): 76.
- Young, Stephen M. “Post-Tiananmen Chinese Politics and the Prospects for Democracy.” *Asian Survey* 35, no. 7 (1995): 652. <https://doi.org/10.2307/2645421>.
- Zarroli, Jim. “Judge Orders Chinese Wind-Turbine Maker to Pay \$59 Million For Stealing Trade Secrets.” NPR, July 6, 2018. <https://www.npr.org/2018/07/06/626683457/judge-orders-chinese-wind-turbine-maker-to-pay-59-million-for-stealing-trade-sec>.

THIS PAGE INTENTIONALLY LEFT BLANK

INITIAL DISTRIBUTION LIST

1. Defense Technical Information Center
Ft. Belvoir, Virginia
2. Dudley Knox Library
Naval Postgraduate School
Monterey, California