In early 2004, a seven-episode TV documentary was aired as a special program on China Central Television’s Economic Channel (CCTV-2) during the Spring Festival season. The series opens with a little known anecdote from local history: the home visit in the early 1920s of a newly-wed Shanghai couple, H. H. Kung—later to become finance minister in Chiang Kai-shek’s government—and Soong Ai-ling, the Wellesley-educated eldest daughter of a rich Shanghai Christian family. At the start of the trip, we are told, Mme. Soong had expected a hard, primitive lifestyle and a difficult stay, but instead she “experienced a great shock” as soon as she entered the family compound in Taigu county of Shanxi and discovered a standard of living more luxurious than she had ever experienced before: “Even for herself alone, there were over 70 maids and servants assigned to attend to all her needs”. To her great surprise, she also found “there were quite a few families living an extravagant life like this in Taigu County, China’s Wall Street of the time”. The audience, like Soong Ai-ling completely ignorant of this hidden history of Shanxi, had the same eye-opening experience over the next few days, as other episodes of the series together disclosed a glorious past of wealth and trade and resurrected a long-suppressed tradition of late imperial and early republican business acumen and entrepreneurship from “China’s hinterland”.

As its producer, the Propaganda Department of Shanxi’s Communist Party, had hoped, this series, entitled Shanxi Merchants (Jin Shang 晋商), stirred great interest and enthusiasm from a wide range of viewers all over China. CCTV gave the series special treatment, and it was rerun during the “golden time” of the week-long May Labor Day holiday. Subsequently, a special seminar entitled “Promoting the advanced culture of Shanxi merchants; collaborating to build honesty and integrity in society” was held in Beijing during the Second Session of the Tenth National People’s Congress and Political Consultative Committee Conference, with some 50 congress members,
propaganda officials, businesspeople and academic representatives attending.¹ This high-level political endorsement led in turn to extensive media coverage on topics related to Shanxi merchants, ranging from their entrepreneurial spirit to their business management style, banking innovations, family compound culture and so on.

Over the following years, Shanxi merchants became an apparently inexhaustible source of inspiration for academic research, performing arts, TV and film products, local tourism and even business and management models. While Shanxi merchants had been an important cultural symbol within the local government’s development discourse since the early 1990s, these new cultural products and consumption activities gave them new meanings and social significance. Especially after 2000, Shanxi merchants gained national political relevance when the new ideology of “three representatives” encouraged alliances between the Party and Chinese entrepreneurs and promoted positive images of businesspeople.

How should we understand this narrative rupture in representing provincial businesspeople as an “advanced productive force”? What is the role of popular media in making sense of the new economic and social relations in China? In what way may local history be utilized to reshape the national identity?

In this article, I examine the social and political uses of the Chinese popular media in promoting the market economy and reforming national subjectivity, through two crucial media events: the production and promotion of the TV documentary Shanxi Merchants, and the TV drama Qiao Family Compound (Qiaojia dayuan, 2006). By looking at the production context, televisual discourses and social impact of these media products, and locating their production and consumption within the context of the social construction of Shanxi merchants since the early 1990s—especially in relation to the local economic and cultural development of Shanxi Province and the national honesty and integrity (chengxin) campaign, I identify a correlation between the discursive formation of the Shanxi merchant and the reconfiguring of social, political and economic relations in China’s economic reform. I argue that a new and distinctive identity of Shanxi merchants as innovative and ethical entrepreneurs was consciously constructed through various cultural activities and products. This construction process began as a local phenomenon, as part of the province’s development discourse emphasizing indigenous commercialism, with the instrumental purpose of developing the local cultural industry. However, this discursive construction of the Shanxi merchant was subsequently picked up by various social agents, ranging from local governments and influential TV directors to the central Party-state’s propaganda organs. These social agents consciously exploited the social and political ramifications of the Shanxi merchant identity and molded it into a powerful cultural symbol for re-imagining national identity. The indigenous construction of the ethical

¹ Wang Zhaoyu, “Renda daibiao zhenxie weiyuan guanzhu jinshang, changtan chengxin: hongyang jinshang youxiu wenhua, gongtong zhuzao shehui chengxin zuotanhui zongsu” (People’s Congress and NPPCC Members Pay Attention to Shanxi Merchants and Discuss Honesty and Integrity: A Summary of the Forum “Promoting the Advanced Culture of Shanxi Merchants; Collaborating to Build Honesty and Integrity in Society”), Qianjin (Advance) (2004), p. 5.
Shanxi merchant was used to legitimate the new social class of business entrepreneurs and the Communist Party’s business-friendly policies in an increasingly free-market economic system.

Of course, Shanxi merchants were not the only local group to be held up for public praise and emulation during this period. Other scholars have discussed similar use of the Hui merchants (Huishang, 徽商) of Anhui Province. Tim Oakes, for example, notes that a 1994 film entitled *Stories of Hui Merchants* represented traditional merchants from Huizhou as endowed with moral integrity, Confucian manners and commercial instincts, quite similar to the depiction of Shanxi merchants in the television series studied here. Oakes focuses mainly on how provinces such as Shanxi, Anhui and Guizhou constructed distinctive traditional versions of their local cultures in order to attract outside investment and expand their tourist industries. However, he overlooks the ways in which these provincial cultures, especially those related to traditional business cultures, were subsequently taken up by the central government and promoted nationally by the CCP’s propaganda and media apparatus, as models for contemporary business entrepreneurs. Since the early 2000s, these cultural propaganda institutions have been following a longstanding practice within Chinese policy-making circles of “proceeding from point to surface” or, in Sebastian Heilmann’s words, engaging in:

… a policy process that is initiated from individual “experimental points” … and driven by local initiative with the formal or informal backing of higher-level policy-makers. If judged to be conducive to current priorities by Party and government leaders, “model experiences” … extracted from the initial experiments are disseminated through extensive media coverage, high-profile conferences, inter-visitation programs and appeals for emulation to more and more regions.

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3 Tim Oakes, “China’s Provincial Identities”, p. 678.


The final result of these gradually expanding promotional efforts is a national change of policy or, in the case of the construction of provincial merchant culture, an attempt to remold the national popular consciousness of traditional Chinese approaches to business.

While certainly not unique, the case of the Shanxi merchants is particularly arresting because of previous popular conceptions of this region: as either a poverty-stricken rural backwater or, in its urban centers, as a rusty and polluted bastion of outmoded and bankrupt Communist industrial policy. Because of this contrast with previous stereotypes, the new version of Shanxi’s glorious entrepreneurial past has had a major impact on the national consciousness, especially as it received such strong support from the central government’s propaganda apparatus.

Local Construction of Merchants and Economic Development

Shanxi’s public image in the Maoist era was best captured by the writer Yu Qiuyu in an influential prose piece entitled “Feeling Guilty about Shanxi”:

For a long time, I had unconsciously viewed Shanxi as one of the poorest provinces in China, and had never doubted this perception. This might be related to the moving traditional ballad “Through the Western Pass” (zou xikou 走西口), popular in both Shanxi and Shaanxi, which describes the forced migration of peasants leaving home to find their fortunes. If they could have survived at home, surely they would not have had to weep so bitterly about leaving? … Of course, the most significant influence comes from Dazhai, the village in east Shanxi, which was once regarded as a microcosm of the Chinese countryside. Maybe it is too much to say that Dazhai symbolizes the whole of China, but for certain, in most Chinese peoples’ minds, it is a microcosm of Shanxi: the wrinkled faces of the peasants, the heavy pickaxes and the terraced fields that they built on the impoverished hills, and the thin crops they cultivated, heading to work before dawn and only returning after dusk … Their hard work was rewarded with meager consumption, but the good-natured Dazhai villagers had no complaints … What else could one expect from the dry and barren yellow earth?6

Yet in Deng Xiaoping’s era of economic and market reforms, neither Shanxi’s revolutionary legacy nor its resource-based heavy industry could make the province nationally competitive. Indeed, unlike coastal provinces such as Zhejiang, Guangdong or Fujian, whose location and long traditions of entrepreneurship and migration have allowed them to attract external investment and generate wealth and capital, not only was Shanxi “slower to embrace the agenda of reform and openness adopted

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nationally”, but its reputation for focusing on a nature-reliant economic base also tended to hinder capital investment. Direct foreign investment at the end of the 1990s accounted for less than 5 per cent of provincial GDP, in stark contrast with the national average of 20 per cent.

However, since the early 1990s, like many other provincial governments the Party-state leadership of Shanxi has been engaged in transforming the structure and practices of the provincial economy and developing alternative resources. “With the national imperative of rapid economic growth, yet with considerably less external funding, the only realistic option for the provincial leadership was to attempt to mobilize whatever resources were available locally, financial and otherwise.” In this process, Shanxi’s ancient cultural heritage has played a crucial role, both as a resource for reinventing a new provincial identity and as a tool for developing the region’s cultural industry.

David S. G. Goodman points out that “the role of culture, specifically the creation and development of beliefs and values that encourage the emergence of a strong local entrepreneurialism” has been essential in “the deliberate construction of a provincial identity by the leadership of Shanxi’s Party-State”, beginning as early as 1992. He notes that, throughout the 1990s, the provincial propaganda system engaged in a range of activities to “develop a whole network of institutes, study groups and associations dedicated to popularizing the idea of Shanxi” and produced a whole series of publications to create and develop beliefs and values that encouraged the emergence of a strong discourse of localism. In particular, a post-revolutionary tradition of commercialism was resurrected during the 1990s, and this identification with the locality by entrepreneurs and managers became a new motivator for economic behavior.

One of the earliest constructions of a new Shanxi merchant identity was made in a two-part article in the November 1991 issue of Shanxi Daily, entitled “Shanxi Merchants and Their Historical Inspiration”. The then Provincial Party Secretary, Zhang Maolin, ordered all officials above the rank of “director” (chu ji) to read it. Zhang was desperate to find an alternative tradition from that of revolutionary peasants.

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9 Ibid.

10 Ibid.

11 Ibid., p. 849

12 David S. G. Goodman, “Performing the Local”, and “Structuring Local Identity”.

in order to regenerate the flagging provincial economy and to change the public perception of Shanxi as “socially conservative and isolationist”.

Since that time, research and popular writing on Shanxi merchants developed rapidly, with funding and sponsorship from the provincial Party-state apparatus. Academics, historians and writers were mobilized, and a new cultural infrastructure associated with universities and research institutes was set up. In popular media, television stations and local writers were encouraged to dig up their historical legacy and make it known through popular texts such as reportage on local entrepreneurs or special television programs.

The construction of Shanxi merchants during the 1990s was marked not only by a proliferation of academic works and popular writings but also by close integration with contemporary local economic development activities, especially the creation of a culture-based development model where “cultural” commodities were intimately tied up with the material and symbolic uses of the ideal of the Shanxi merchant. Like many other provinces during the 1990s and 2000s, Shanxi’s cultural strategy first and foremost featured the exploitation of local traditions and cultural resources to develop a tourist-related cultural industry. In 2001, the provincial government first introduced the slogan of “building Shanxi into a cultural powerhouse” (wenhua qiangsheng 文化强省), and two years later this became central to Shanxi’s strategic development plan, which was vividly described as: “mining culture in the same way that we mine coal” (xiang wa mei yiyang wa wenhua 像挖煤一样挖文化). The range of “cultural” ventures included turning local specialty products, such as traditional brand vinegars, noodles and alcoholic beverages, into cultural artifacts, and re-branding dusty and forgotten historical sites or even whole villages as folk culture museums and tourist theme parks.

This instrumental use of local culture was especially effective in the Central Shanxi region (Jinzhong diqu 晋中地区), where traditional architecture and local
customs have been well preserved. Here the local cultural heritage included the home bases of pre-revolutionary Shanxi merchants and the indigenous Chinese banking tradition, and these had major potential both as political and economic capital. As early as 1986, the Qi County Folklore Museum, which is located within the original Qiao merchant family compound, started to associate itself with traditional Chinese culture and the family tradition, partly through being used as a backdrop for various films and television productions. The ancient and extremely well-preserved city of Pingyao, where many traditional draft banks had their headquarters during the Ming and Qing periods, was also strongly promoted at this time.

The cultural strategy of central Shanxi’s development reflects a national trend of “culturalization of the economy” or, in Jing Wang’s words, the “State’s rediscovery of culture as a site where new ruling technologies can be deployed and converted simultaneously into economic capital”. As Michael Keane observes, with reforming China’s march into the new millennium, “the announcement of cultural industries as a foundational element of the Chinese government’s economic and social reform plans produced a plethora of cultural industry development strategies, most associated with exploitation of traditional cultural resources”.

In this process of local branding and self-promotion, popular media, literature and performing arts have played crucial roles in creating and spreading local cultural images and symbols. The Shanxi government, and especially its propaganda system, quickly realized the importance of this point. From 2002 to 2004, Shanxi’s propaganda department invested three years and over one million yuan to research and produce the TV documentary series *Shanxi Merchant*, around the same time, fictional TV dramas, *Dragon Bank Draft* (*Longpiao* 龙票, 2004), *Silver Valley* (*Baiyin gu* 白银谷, 2005) and *Qiao Family Compound* (2006), were broadcast on different channels on CCTV and made Shanxi merchants into national household names.

As well as these TV dramas, the Shanxi government brought out the dance drama *A Handful of Wild Jujubes* (*Yiba suanzao* 一把酸枣), the Beijing opera *Through the Western Pass*, the Jin opera *Our Bank Covers the World* (*Huitong tianxia* 汇通天下) and a play called *Early Fall* (*Liqiu* 立秋). Most of these stage shows went on national tours with hundreds of performances, and in some cases, such as *Early Fall* and

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21 The most famous of these was Zhang Yimou’s *Raise the Red Lantern* (1991). According to one source, the annual visitors to the Qiao Family compound jumped from 80,000 people in 1989 to 150,000 in 1991, with ticket income exceeding RMB 200,000 yuan. See Jia Dongting, “Qiaojia dayuan fenzheng beihou de wenwu baohu he luyou kaifa” (Heritage Protection and Tourist Industry Development in the Qiao Family Compound Controversy), *Sanlian shenghuo zhoukan* (Sanlian Life Weekly), 28 January 2008.


24 Wang Zhaoyu, “People’s Congress and NPPCC members”.
A Handful of Wild Jujubes, they even toured overseas. Various national exhibitions of Shanxi culture and cave paintings were also organized during the 2004–05 period. All of these performances and exhibitions, in line with the provincial leadership’s goal of developing cultural industry in the province, have helped to create Shanxi’s new cultural image and generated huge symbolic capital.

**Shanxi Merchants and an Emergent Nativist Discourse of Modernization**

The television documentary *Shanxi Merchants* belongs to the popular Chinese TV genre of “Special Topic Series” (*dianshi zhuanti pian* 电视专题片), which includes other influential documentary series such as *River Elegy* (*He shang* 河殇, 1989) and *The Rise of the Great Nations* (*Daguo jueqi* 大国崛起, 2006). Often focusing on a specific topic of current relevance, the genre tends to draw on historical resources to make a controversial, frequently one-sided but always contemporary and relevant argument. Because of this polemical style, many scholars have questioned whether it is really a documentary genre at all.

During the past decades of rapid social change in China, this pre-scripted illustrated form has been favored by the cultural élite, from intellectuals to state propaganda officials, as an effective way to influence public opinion, disseminate political messages and make sense of the changes going on around for the viewers. One noticeable feature of these series, however, is that

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25 *Early Fall* was created by the Shanxi Stage Play Troupe. Beginning in January 2007, it started a one-year national tour that visited 38 provinces and cities, and by early 2008 it had been performed over 400 times. Hu Jintao watched the play at the Great Hall of the People in April 2007, and in December of the same year it was shown at the Chiang Ching-Kuo memorial in Taipei at the invitation of the Taiwanese businessman Guo Taiming, who originally came from Shanxi. During the Olympic season, it took the stage at the National Opera House in Beijing. See Jia Maosheng, “Huaju liqiu quanguo xunyan ganshou” (Some Thoughts on the Success of the National Tour of *Early Fall*), Shanxi Daily online, http://www.sxdygbjy.com/html/10/81/81-11912.html, accessed 4 February 2009.

26 See Xu Huaxi et al., “The Shanxi Phenomenon”. Shanxi’s cultural strategy of local development has been very effective. According to Goodman, although “direct foreign investment was extremely low compared with other provinces”, local economic growth “was fuelled by the steadily increasing private sector economy”, and “by the end of the 1990s, Shanxi’s private sector as a proportion of industrial output was second only to Zhejiang province”. David S. G. Goodman, “Structuring Local Identity”, p. 841.

27 Chris Berry argues that “the illustrated lecture format [of *zhuanti pian*] implies that … it belies both the Maoist rhetoric and the newer participatory rhetoric of democracy, suggesting that the ordinary people … are waiting to be educated about the decision made above and about them through documentaries such as *River Elegy* and other pedagogical materials. Therefore, *River Elegy* cannot be considered the beginning of new documentary”. See Berry, “Getting Real: Chinese Documentaries, Chinese Postsocialism”, in Zhang Zhen (ed.), *The Urban Generation: Chinese Cinema and Society at the Turn of the Twenty-first Century* (Durham: Duke University Press, 2007), p. 117.
the use of historical resources tends to be highly selective, resulting in a reinterpretation of prevailing views about the past and a call to action in the present.\[^{28}\]

*Shanxi Merchants* carefully constructs a specific historical narrative of Shanxi merchants by utilizing previously unavailable documents and research, including some written by Western and Japanese scholars, and by quoting historical figures criticized in previous Communist historical narratives, including H. H. Kung, Liang Qichao, Yuan Shikai and even imperial ministers and emperors. Shanxi merchants, we are told in the title of the opening episode, were once “the wealthiest in China” (*hainei zui fu* 海内最富), and their entrepreneurial activities and nationwide trade routes had developed and thrived for over 500 years since the mid-Ming dynasty. Focusing on their heyday during the 19\(^{th}\) and early 20\(^{th}\) centuries, *Shanxi Merchants* attempts “to give full coverage of the history and commercial culture of Shanxi businessmen”, especially their contribution to inventing the Chinese-style financial institutions known as draft banks. The series narrates the difficult but persistent efforts of Shanxi merchants in developing their trading businesses, especially their success in establishing a “tea route” from Fujian to Russia. It also delineates the rise and decline of the first Chinese-style financial institution, known in Chinese as *Rishengchang* (日升昌), and explains the Confucian ethics of ritual, order and integrity that influenced not only their business operations but also their family management, as manifested in the architecture of several family compounds built by the richest Shanxi merchants, including the Qiao Family compound in Qi County.

The style of the series is professional and authoritative, with archival materials, faded black and white photos, and grainy film footage used to add authenticity, as well as interviews with scholars and historians, and visits to historical sites and local museums. Against this rediscovered visual and aural backdrop, the fluent, sonorous commentator’s voice delivers the clear new message that a business culture or entrepreneurial spirit combining the age-old virtues of diligence and integrity with modern ideas of capital accumulation and business management brought success to Shanxi merchants in the past and can do the same for Chinese people today.

The emerging discourse of Shanxi merchants\[^{29}\] has three main characteristics. First, it explicitly resurrects a pre-revolutionary tradition and identity from


\[^{29}\] The earliest evidence of this emerging discourse of Shanxi merchant is the aforementioned “Feeling Guilty about Shanxi” by Yu Qiuyu, professor, writer and media celebrity, whose “cultural prose” has won iconic status in contemporary writing for popularizing historical knowledge and promoting Chinese culture. In this popular piece from the early 1990s, Yu constructed an alternative narrative of Shanxi represented by its business culture, and formulated a revisionist rhetoric that directly influenced *Shanxi Merchants*. 
Shanxi’s early modern history. In turn, the revolutionary and Communist interpretations of Shanxi’s place in history are downplayed. Mao’s revolution and revolutionary ideology incessantly exploited Shanxi’s poverty, peasant radicalism and heavy industry as essential resources—both literal and symbolic. In reform-era China, this outmoded ideology has become a ghost that must be exorcized by creating a revisionist history. *Shanxi Merchants* represents such a history which not only negates the ideas of the peasant revolution but also offers an alternative path of modernization through commercialism and entrepreneurship.

To construct a legitimate and substantive discourse of capitalist modernization, the producers of the series sought out different historical documents and sources and brought into the spotlight alternative arguments repressed for decades. Existing cultural legacies or folk traditions are also reinterpreted in different light. In the local practice of “going through the Western Pass”, Shanxi people migrated to other regions, especially Mongolia, to make a living. This practice existed for centuries, and has even been immortalized in a folk song with the same name. In the Maoist period, it was interpreted as a solemn indictment of the social conditions of the time, which forced poor peasants to leave their land and homes simply to survive, as Yu Qiuyu noted. This interpretation emphasized the sadness and quiet anguish of young couples forced to separate by poverty and exploitation. In the second episode of the *Shanxi Merchants* TV series, however, the practice is reinterpreted as a collective and voluntary migration to the West: China’s frontier story of pioneering spirit and entrepreneurship. Far from being a hopeless account of unrelieved poverty, the new version of the Westward journey asserts that it was a path to the liberation of productive forces, allowing Shanxi businessmen to change their fates by leaving home, expanding their trade and eventually bringing home enormous wealth and glory. As the episode concludes: “Their spectacular family compounds were built upon the solemn notes of this song”.

Second, the Shanxi merchant discourse emphasizes that this alternative history is a distinctively Chinese, native tradition, a natural development of the Chinese economy and society, not one that was forced on China by the Western powers. One of the recurring Maoist criticisms of capitalist ideology was that there was a close and inseparable association between modern industry and commerce and Western imperialism in China. The exploitative nature of capitalism, where the rich oppressed

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30 Interestingly, following this new interpretation of the folk tradition, an operatic version of “Through the Western Pass” was developed with sponsorship from State grants and the Shanxi government, and another 51-episode TV drama with the same title became the most recent favourite program on CCTV-1 in 2009. Shanxi tourist agents immediately developed over 40 “Through the Western Pass” tourist routes over the Chinese spring festival season in 2009 to accommodate the popular response to these cultural products. See Cultural Bureau of the Shanxi Provincial Government, “Jingju zou xikou ruxuan 2007-08 guojia wutai yishu jingpin gongcheng jiandu zizhu jumu” (Beijing Opera Through the Western Pass Selected for National Stage Arts Project Grant 2007/2008); and Yin Qian’s critique, “Dianshiju Zouxikou zouxiang shibai de zhenxiang” (The Truth about the Road to Defeat of the TV Drama Through the Western Pass), online at http://www.ccmedu.com/bbs12_80071.html, accessed 27 January 2009.
the poor, was reinforced by the colonial exploitation of China. In *Shanxi Merchants*, however, capitalism and modern business practices are seen not as an alien import forced on China by foreign invaders but as a native plant growing out of Chinese peasants’ desire to survive and bring prosperity to themselves and to their native land.

The series traces the origins of Shanxi trade and business to pre-Qin times when the salt in Xie County became the earliest commodity in China, and Shanxi people the first recorded merchants in Chinese history. Much later, during the Ming and Qing dynasties, Shanxi merchants developed the practice of making alliances with the imperial government, which enabled them to monopolize certain trade routes or gave them exclusive access to frontier businesses such as providing military supplies to the government’s border armies. In the narration, this collaboration between officials and entrepreneurs is said to exemplify an indigenous model which set the Chinese business tradition apart from the Western one of free markets.

The focus on the indigenous Chinese commercial tradition is especially evident in the glorification of Shanxi’s draft banks. These were financial institutions that provided security to merchants needing to move large amounts of cash around China. Instead of having to transport money, and risk losing it, merchants could make a deposit in any one of numerous draft bank branches opened around China, receive a bank draft and use that to withdraw money at any other branch of the bank in China. This system, an indigenous Chinese invention, worked at least as well as the imported Western-style banks, whose branches were limited in number until well into the 20th century. The documentary claims that these native practices thus contributed to a form of national capitalism that had a positive effect on peoples’ livelihood.

Third, *Shanxi Merchants* proposes that the business entrepreneurs of Shanxi created a positive and distinctive Confucian business culture (*Rushang wenhua* 儒商文化). This culture consisted of several elements: an entrepreneurial spirit that sought to accumulate wealth through determination, hard work and ambition; a professional sense of business management, which allowed their businesses to expand and manage complex institutional structures; and, most importantly, a highly developed set of business ethics based on traditional Chinese values and beliefs, especially the Confucian practices of benevolence, collectivism, ritual, trust and integrity. In *Shanxi Merchants*, the “business character” of Confucian pragmatism is given the lofty title of “Shanxi merchant spirit” (*Jinshang jingshen* 晋商精神), whose core values include “honesty and integrity” and “righteousness over profit” (*li yi yi zhi* 利义并举). Many of Shanxi’s centuries-old brand

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32 Still, the series adopts a somewhat ambivalent attitude towards the close connection between Shanxi businessmen and the imperial government. On the one hand, it acknowledges this connection as a reason for the success of Shanxi merchants; on the other hand, it frequently points out, especially in Episode 4, that this alliance might have caused the decline of Shanxi merchants, due to complacency arising from a lack of competitive pressure to further expand their businesses.

33 See Linsun Cheng, *Banking in Modern China* (Cambridge: Cambridge University Press, 2003), pp. 11-14. These draft banks also took deposits and carried out tax collection for the Qing government.
names (*lao zi hao* 老字号), the series argues, established their reputations by following the simple teachings and beliefs of honesty and integrity, and this is a Chinese Confucian business legacy.\textsuperscript{34}

The concept of “Shanxi merchant culture” with traditional Confucian values struck a chord with the central government, and provided the necessary trigger to make a local phenomenon nationally relevant. While inspecting Shanxi in the summer of 2004, Li Changchun, a member of the Politburo and the CCP’s highest official in charge of ideological and propaganda work, gave the “Shanxi merchant spirit” its contemporary formulation: “Economical and diligent; rational and full of integrity; talented in management; and displaying entrepreneurship”.\textsuperscript{35} In 2006, while meeting with the Shanxi delegation during the Tenth People’s Congress, Li again declared that the “Shanxi merchant spirit” is a provincial treasure which redefines the revolutionary Taihang Spirit for a new age of building a society of relative wealth and prosperity. “In the past, Shanxi’s potential has been constrained … but now we are living in a great period. To develop the socialist economy, to accelerate economic marketization and globalizations, Shanxi people should embrace the Shanxi merchant spirit and turn it into a great force.”\textsuperscript{36} Li quoted *Qiao Family Compound* as a positive example and re-emphasized that integrity and honesty are the core components of the “Shanxi merchant spirit”.\textsuperscript{37}

With Li’s endorsement of the “Shanxi merchant spirit”, the propaganda organs and official media quickly hammered Shanxi merchants into the form of a national moral exemplar combining Confucian ethics with “socialist spiritual civilization”, and soon Shanxi merchants became a central plank of the government’s public campaign to re-establish a “culture of honesty and integrity” (*chengxin wenhua* 诚信文化) in China.

**The Shanxi Merchant as National Hero**

The national “honesty and integrity” campaign was initiated in the early 2000s. The loss of faith in radical socialist solutions and the transition to a money-oriented

\textsuperscript{34} TV documentary series, *Shanxi Merchants*, episode seven “*Lao zi hao*”. Several studies have looked at so-called Confucian business culture, for example Timothy Brook, “Profit and Righteousness”; and Harriet T. Zurndorfer, “Confusing Confucianism with Capitalism: Culture as Impediment and/or Stimulus to Chinese Economic Development”, paper presented at the Third Global Economic History Network Meeting, Konstanz, Germany (3–5 June 2004).


\textsuperscript{36} “Li Changchun”.

capitalist system had caused a serious crisis of trust. Fake goods, corruption, cheating and lying had become endemic throughout society, and the business world was seen as particularly unregulated and chaotic. The Chinese government had been attempting to find ways to regulate businesses and markets and reintroduce ideals of trust and integrity, seeing such ideals as the only way to guarantee the long-term development of the market economy and to avoid social chaos. Along with legal and regulatory reforms, the Party initiated a “social morality” campaign that sought to use various media and institutional tools to cultivate a new moral awareness among the Chinese populace. The decision of the Sixth Plenum of the Sixteenth Party Congress stated: “Revolving around the core values of integrity and honesty, we will strengthen education on social morality, professional ethics and family values”.

One major concern was that the public increasingly saw business entrepreneurs as a major contributor to the decay of Chinese society. Contemporary businessmen have been constant fodder for tabloid stories and television dramas, and they usually play the role of villains and economic criminals. Greedy cost-cutting Shanxi coalmine owners, oblivious to the suffering and dangers of their workers, and throwing their easy money at luxury cars, villas and women, were typical characters in this corrupt group of social players. Businessmen are generally portrayed as “bad” characters, emblematic of the malaise undermining the foundations of Chinese society.

The negative image of businessmen involves the convergence of several different beliefs and social realities, deeply embedding it in popular imagination. First, there is Communist ideological influence. During the CCP’s socialist revolution and reform period, businessmen, like landlords and other groups possessing property and wealth, were viewed as an exploiting class, and frequently targeted as economic criminals. This Communist ideology is reinforced by the traditionally negative Chinese view of businessmen. Confucian culture, which developed within a primarily agrarian society, placed the businessman or merchant at the bottom of the social hierarchy.

38 Wang Wei, “Gaige kaifang san shi nian de daode jianshe” (Moral Cultivation During Three Decades of Reform and Opening Up), Guangming Daily (7 October 2008).
39 Ibid.
40 See, for example: “Shanxi meilaoban Beijing chezhan shang yizhiqianjin kao kai haohua che jianya” (At the Beijing Car Show, A Shanxi Mine Boss Drops Thousands in Cash on a Luxury Vehicle to Help Him Overcome Stress), CRI online, http://gb.cri.cn/8606/2006/11/20/106@1310470.htm; “Shanxi meilaoban mai che xianghu panbi xuanyaoxing xiaofei langfei ziyuan” (Shanxi mine bosses compete with each other to waste the most resources on spectacular consumption of cars), Sina.com, http://news.sina.com.cn/c/2005-10-30/10597308177s.shtml, both accessed 10 February 2009.
after scholar/officials, farmer/peasants and artisans. Profit, gain and advantage, the core aims of business and trade, were opposed to true morality or sincere ethical behavior: “The gentleman understands right conduct, but the small man only understands profit”. In this way, the dubious morality of businessmen is challenged by both traditional and Communist ideologies, and this perception has been reflected and strengthened for almost a century in the literary and cinematic representations of businessmen, from Mao Dun’s *Midnight* (Ziye 子夜, 1933) and Tang Xiaodan’s *Sleepless City* (Buye cheng 不夜城, 1957) to Zhou Erfu’s *Shanghai Dawn* (Shanghai de zaochen 上海的早晨, 1979).

Third, these commonly accepted ideas and images are reinforced by the problematic behavior of newly rich business entrepreneurs. Many of these entrepreneurs started their careers as black-market traders exploiting the dual price system. They accumulated capital through various shady means, including bribery, smuggling, and appropriating state assets through personal connections and power. Their behavior went largely unpunished due to loopholes in the regulatory system, corruption in the courts, collaboration with government officials, and unclear laws relating to economic crimes. As a result, the reprehensible behavior of contemporary Chinese businessmen has strengthened conventional popular perceptions.

Yet the CCP itself has become increasingly dependent on private entrepreneurs to deliver consistent economic growth and ensure the CCP’s hold on power. As Bruce J. Dickson and others have observed, despite a theoretical ban on the recruitment of business entrepreneurs into the Party after 1989, the CCP increasingly integrated itself into the private sector, both by co-opting entrepreneurs into the Party, especially at the local level, and by encouraging Party members to go into business. During its Sixteenth Party Congress in 2002, the CCP finally revised its constitution to legitimize private entrepreneurship, which officially represents an “advanced productive force” along with workers and peasants. As businesspeople and capitalists are now among the Party’s most important bases of support and sources of revenue, a crucial part of the propaganda effort is to alter the overwhelmingly negative image of businessmen in the popular imagination.

While the TV documentary series *Shanxi Merchants* succeeded in constructing a positive culture of commercialism, the acclaimed TV drama *Qiao Family Compound*

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43 Popular crime and police TV dramas such as *Black Hole* (Heidong, 2002) typically depict private entrepreneurs as villains who control murky underworld business networks and have built extensive networks of corruption with local officials. *Black Hole* received extremely high ratings (31.5 per cent of viewers in Beijing; 27.9 per cent in Shanghai for some episodes), and started a whole trend for “Black” series based on novelist and scriptwriter Zhang Chenggong’s works. Statistics are from Shanghai Television Festival and CVSC-SOFRES Media, *Zhongguo dianshiju shichang baogao* (Chinese TV Drama market report 2003–04) (Beijing: Huaxia Publishing House, 2004), pp. 65, 70.

attempted an even more ambitious task: the moral resurrection of individual business entrepreneurs. First broadcast on CCTV in early 2006, this 45-episode TV drama creates a “narrative” of the Chinese businessman as responsible and incorruptible national hero.\(^{45}\)

_Qiao Family Compound_ purports to be based on real historical events and figures. The protagonist is Qiao Zhiyong (1818–1907), a successful late-Qing local businessman whose success is demonstrated by the impressive architectural structure of the family compound that he built, now a national heritage-listed building. Like most pre-revolutionary Chinese businessmen and early capitalists, Qiao had been neglected in modern Chinese historical accounts. Inspired by the resurgence of family saga narratives popular at the time in both literature and TV drama,\(^{46}\) the project was initiated by a descendent of the Qiao family, Qiao Yanhe, a retired folk opera singer who wanted to tell the story of her ancestors. She found a scriptwriter called Zhu Xiuhai to write the first draft of the TV drama, which focused mainly on the family relationships and rivalries of this local business family. According to Zhu, the initial investor wanted the story to be as entertaining as possible, following the generic conventions of the family melodrama and telling a story of frustrated romantic love against the backdrop of the rise and fall of a family business kingdom.\(^{47}\) The initial investor in the drama, Guo Tao, is a private entrepreneur who made his money running a highly successful IT business, and who now, like many successful entrepreneurs, hopes to venture into the TV and film industry. Another initiator was the director of the Qi County Folklore Museum, Wang Zhengqian, who was keen to see the compound promoted in the media to attract more visitors. It was Wang who eventually convinced the famous director Hu Mei to take on the project.\(^{48}\)

Hu Mei was well known for her immensely popular TV dramas on Chinese historical figures, such as the Yongzheng Emperor of the Qing Dynasty (Yongzheng wangchao 雍正王朝, 1999) and Emperor Wu of the Han Dynasty (Hanwu dadi 汉武大帝, 2005). Hu took these emperors, previously viewed by Communist histories as autocratic and feudal despots, and altered their image to reforming heroes—strong and open-minded central leaders—who used their leadership talents to help make China rich.

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\(^{45}\) For the importance of narratives in reshaping popular attitudes and institutions in China, see Carolyn L. Hsu, _Creating Market Socialism: How Ordinary People Are Shaping Class and Status in China_ (Durham; London: Duke University Press, 2007), pp. 9-16.

\(^{46}\) For more on family saga dramas, see Janice Hua Xu, “Family Saga Serial Dramas and Reinterpretation of Cultural Traditions”, in Zhu Ying, Michael Keane and Ruoyun Bai (eds) _TV Drama in China_ (Hong Kong: Hong Kong University Press, 2008), pp. 33-46.


and prosperous. The style of her “orthodox historical dramas” (lishi zhengju 历史正剧), which “combine grand narratives, noble themes and a realistic approach”, appeals to both cultural officials and the popular audience, and therefore passed the double test of both passing censorship and gaining market approval.49

A similar revisionist effort is evident in Hu’s representation of the hero of Qiao Family Compound. After visiting Shanxi and the Qiao family compound, Hu made it clear that this drama should be an “orthodox historical drama” that promoted the culture of Shanxi merchants, not merely a “spicy” and trivial family melodrama. Zhu Xiuhai and Hu then completed a substantial revision of the script, so that the business career of Qiao Zhiyong became the central theme, with the love triangle between Qiao, his wife and his lover only a secondary concern introduced to highlight Qiao’s self-sacrifice and his sense of social responsibilities.50

By the time the script was approved by the State Administration of Radio, Film and Television, CCTV had also become involved as one of the producers, issuing a preliminary contract to broadcast the drama in prime time, and carrying out some of the editing. The executive producer was Wang Guohui, director of CCTV’s Film and TV Drama section. Shanxi TV Station also invested in the project, with Shanxi cultural officials and the Qi County folklore museum actively cooperating in the making of the drama. Shen Weichen, the director-general of the Propaganda Department of Shanxi’s Party Committee, was even billed as the chief project advisor (cehuaren 策划人).51

Hu Mei’s TV drama starts with a completely new vision of the Qiao Family compound. Rather than portraying the compound as a prison for women and youth suffering under the Confucian patriarchal family system, as did Zhang Yimou in Raise the Red Lantern,52 Hu portrays it as the center of a thriving Confucian business culture. The compound embodies the dreams and struggles of its ambitious and successful businessman owner, Qiao Zhiyong. Throughout the dramatic narrative of his business adventures, Qiao is depicted as an upright man with a strong sense of social responsibility, who works tirelessly to save Chinese people and enrich the country through the family business. He is also portrayed as completely committed to his family and his wife, the most loyal husband and decent lover, despite the fact that he sacrificed his own feelings and married the only daughter of a rich merchant for the sake of the family business.


50 CCTV, “Hu Mei: My Qiao Family Compound”.


52 This architectural monument originally gained prominence through Zhang Yimou’s 1991 movie. Zhang depicted the enclosed courtyards of the Qiao Family compound as a stifling prison, especially for its female inhabitants.
Yet it is clear from the few reliable surviving historical records on Qiao Zhiyong that, contrary to the chaste and faithful account presented in the TV drama, Qiao actually had seven wives, though not concurrently. This discrepancy opens an interesting space to interrogate the nature of Hu Mei’s claimed “historical narrative”. The social and media construction of Shanxi merchants is much more than simply a “rediscovery”; it is also a mythmaking process where history is revised and values are added. Three overlapping characteristics of the heroic representation of Qiao Zhiyong mark him off from previous negative representations of Chinese businessmen.

First, Qiao is a convincing advocate for business, who understands and justifies trade and business as the nation’s lifeblood. The story portrays the young Qiao as a Confucian scholar who was planning to take the civil service examination, the respectable route to fame and fortune in imperial times. However, Qiao is forced to take over his family’s collapsing business following the death of his older brother. With his keen intelligence, he develops a much deeper understanding of business and its significance than would a less educated person. In one scene, the young Qiao confronts Ha Fen, a Qing minister, who criticizes Shanxi’s local tradition of “placing businessmen above officials” (shang zhong guan qing 商重官轻) in front of the building where the civil service examination is held. Qiao rebuts the provincial governor’s criticism: “Confucius says, there are four cornerstones of a society: scholars, farmers, craftsmen, and merchants. Without farmers, the society won’t be stable; without merchants, the society won’t be wealthy … The income of the government comes from taxes, so if the people are not rich there won’t be any taxes paid … increased trade taxes will strengthen the state’s revenues … so the real solution to Shanxi’s problems is to reopen the trade routes and to promote business, not suppress business.” To prove that there has always been a respectable business tradition in Chinese history, Qiao later cites the “Biographies of Traders” in Sima Qian’s Records of the Historian, and the example of Duanmu Ci, a disciple of Confucius who chose to do business after he failed as a scholar-official, thus presenting a new interpretation of the Confucian tradition. Throughout the TV drama, Qiao is presented as a fierce defender of the value of business and trade, a remarkably modern business visionary whose commercial kingdom extended from Inner Mongolia all the way to Southern China.

Second, Qiao is represented as a Confucian gentleman who scrupulously applies Confucian ethics and principles to his business operations. He is a moral hero who overcomes the traditional division between profit and morality, self and nation, and even knowledge and practice. His motivation for expanding the family business, we are shown, is not profit but a sense of responsibility, first towards his family, then to his employees and business partners, and ultimately to the wider society and the state. For this grand ambition, he is willing to sacrifice his small self, including his former ideal of becoming a scholar and his romantic attachment to his first love. The story makes it clear that it is precisely because of these moral virtues (righteousness, the common touch, self-sacrifice and integrity) and his rational application of them that he is able to defeat his business rivals, to consolidate and expand the family firm, to gain an outstanding reputation, and to develop useful alliances with both government ministers and rebel bandits.
Qiao’s Confucian business ethics is skilfully tinged with “socialist”-style morality. In Episode 19, after consolidating the family’s business in Baotou, the young and ambitious Qiao Zhiyong decides to expand his business into the tea trade. For many years the national tea route has been cut off because of the Taiping Rebellion and the rise of local bandits who terrorize the traders. Determined to allow tea to circulate, Qiao and his business crew risk their lives and overcome various obstacles, finally getting through to the famous tea-growing region of the Wuyi Mountains in the far South. Qiao and his crew are greeted by overjoyed tea farmers converging from all directions and shouting: “The tea trader has finally come, the tea trader has finally come: we are saved!” The camera dwells on these happy and grateful faces extensively from several angles, moving from the local tea merchants, to the women who pick the tea leaves, to the happy faces of older couples and the excited expressions of children jumping up and down. There is even a shot of a shaggy haired lunatic who had gone mad, we are told, because his tea couldn’t be sold and he could no longer support his family. This kind of scene creates an aesthetic and didactic experience that would be very familiar to Chinese audiences from revolutionary films, in which the Red Army and the Communist land reformers were likewise welcomed by the exploited and suffering peasants.

Finally, Qiao’s achievements are also measured in nationalist terms. Two important aspects of the Qiao family business are its native roots and its close ties with the Qing government. As a family business, it has no foreign connections or influence but grows from local trade, and then expands its business kingdom to Russia and other Inner Asian regions. While the series as a whole depicts Qiao’s relationship with the Qing government as ambivalent—arguing with government officials over what he sees as exorbitant taxation demands, yet building personal relationships with many government officials—when China is threatened by outside forces Qiao’s response is always to put the nation’s interests above his own business interests. He is shown contributing significant sums of money to build up the Chinese army and navy and to provide generous financial assistance to the empress Dowager and escaping emperor Guangxu, even though the empress had put him in prison several times. In his later years, Qiao spends much of his own money to buy back mining interests from German owners. Even the cost of building the family compound is justified as a way to prevent the silver that the family has accumulated from falling into foreign hands!

It is this interesting, if incongruous, combination of capitalist aspirations, traditional Chinese values, socialist ideals and commercial nationalism in Qiao Family Compound that defines the new national hero: a man who chooses business not for personal advancement but in the interests of the nation. Closer to myth than history, Hu Mei’s

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53 In the past decade, a strong nationalistic business discourse has emerged in Chinese media. Some of the most representative examples are family saga TV dramas featuring traditional Chinese family businesses. Such dramas include: Oriental Businessmen (Dong Fang Shangren, 1994); Grand Mansion (Da zhaimen, 2001); Grand Dyehouse (Da ranfang, 2003); The Best Family Restaurant in the World (Tianxia di yi lou, 2004); and Official Businessman Hu Xueyan (Hongding shangren Hu Xueyan, 2006).
Qiao Family Compound is an epic-scale family saga TV drama that creates a traditional lineage and collective identity for China’s new social group, the “Red Capitalists”.

With its positive message, it is no surprise that Qiao Family Compound was given special treatment and dominated prime-time TV in China in 2006 and beyond. Originally broadcast on CCTV-1 during prime time, it was soon rerun in the late night slot on CCTV-8’s Classic Theatre. With such broadcasting privileges, it received top ratings for TV dramas in 2006. It was then showered with all the major official awards, including the Five Ones Project Award from the Central Propaganda Department, the 6th Golden Eagle Award and the 26th Feitian Award for Television Arts. What made Qi County Folklore Museum director Wang Zhengqian and the Shanxi local government even happier was a jump in museum income from 12 million to 31 million yuan in the year after the TV drama was aired. In 2006, the local tourist industry brought in 180 million yuan, and the region attracted 13 investors to sign new building projects with a total projected investment of 209.9 million yuan.\footnote{Statistics from Jia Dongting, “Qiaojia dayuan fenzheng” (Controversy Surrounds Qiao Family Compound), Sanlian shenghuo zhoukan (Sanlian Life Weekly) (28 January 2008).}

In a further twist, the media construction of Shanxi merchants has in turn created a new set of cultural symbols which can themselves be given form as part of the legacy of Shanxi merchants and exploited in their own right. For example, the TV drama version of the Qiao Family Compound has been turned into a monument of local history, as the Qi County Folklore Museum now displays a TV screen playing Qiao Family Compound on a loop. The fictional account has thus become a formal part of the museum display, as if it were a historical record. For many tourists, the architecture and other historical items are merely illuminations and affirmations of the cultural imagination of the TV drama.

Conclusion: Media Ritual and Economic Propaganda in the Age of Reform

The media construction of Shanxi merchants is a “mediatized ritual” for the legitimization of the Chinese business class. It implements a kind of “economic thought reform” aimed at getting Chinese people to come to terms with the new economic order. The televisual discourse endorses these traditional merchants as advanced productive forces and as representatives of the interests of ordinary people and the nation. It also attempts to transform and educate private entrepreneurs—to improve their “quality” (suzhi 素质)—by holding up a new, more positive behavioral model for Chinese capitalists and promoting a sense of collective identity for this newly emergent economic and social force.\footnote{For the application of quality (suzhi) narratives to Chinese entrepreneurs, see Carolyn L. Hsu, Creating Market Socialism, Chapter 5.} It presents an alternative ethical path that challenges the negative behaviors and questionable business practices of many businesspeople, and incorporates socialist moral ideals and the traditional Chinese principles of honesty and trust. Indeed, many Chinese corporations and state institutions have used Shanxi
Merchants and Qiao Zhiyong’s family business as teaching materials for their business management and organizational culture workshops.  

In her study of the Chinese Party-state’s propaganda, Anne-Marie Brady argues that “reflecting, responding to and guiding the changes in Chinese society, propaganda work has undergone a transformation in which both the content and the method has changed dramatically”. While the propaganda focus has shifted from thought reform to economic reform, a mass communication methodology imported from the West is used to “manufacture consent” and “regiment the public mind”. Popular media have been one of the fastest-growing industries in China during the past decade, and have gained great significance in maintaining the state’s multifaceted regime of control, both mobilizing support for economic reform and development and helping to construct a new, officially-endorsed national identity. While the media industry has been commercialized and increasingly oriented towards entertainment, it has also developed into the most effective arm of the state’s ideological apparatus. The media embeds and enacts the “society in action”, in Durkheimian terms, and functions as a site for ritual, “one that anticipates the capacity to build particularized solidarities or ‘publics’ through

56 See, for example: Lu Shuchun, Jinshang: zhongguo di yi shangbang de jingying zhi dao (Shanxi Merchant: The Management Method of China’s Number One Business Group), (Zhongguo Huqiao Chubanshe, 2006); Guo Zhilin, Qiao Zhiyong de jingjixue (The Economics of Qiao Zhiyong) (Hainan Chubanshe, 2006); Wang Weiming, Qiaojia dayuan de shi ba ban guanli bingqi: xiang jinshang xuexi jingying guanli (Eighteen Management Tools from Qiao Family Compound: Learning Business Management from Shanxi Merchants), (Haitian Chubanshe, 2007). Many academics also use Shanxi merchants as case studies in their seminars. For example, on 16 May 2006, “The Century Lecture Hall”, a branded lecture program from Hong Kong’s Phoenix TV, co-hosted with Peking University a special public lecture titled “Jimi jinshang wenhua” (Decoding Shanxi Merchant Culture) given by the Shanxi scholar and writer Wang Jin (report online at http://blog.ifeng.com/article/352905.html); likewise, the economist Liang Xiaomin gave a special seminar on Shanxi merchants for the EMBA class at Xiamen University on 15 June 2007 (online at http://www.embatimes.com/DetailArticle.aspx?channel_id=23&id=1373); and most recently, a CEO Class titled “The Wisdom of the National School and Great Leadership” to be offered by Peking University in Spring 2009 will use “The Management Culture of Shanxi Merchants” as part of its core curriculum. See the CEO class website: http://www.86xue.com/guoxue/. All these websites accessed 5 March 2009.


the creation of sacred symbols and mobilization of collective sentiments”.  

The construction of traditional merchants is thus one “of those exceptional, symbol laden, performative, subjunctively oriented and media enacted ‘mediatized rituals’” that legitimizes new social and economic relations. That these traditional merchants enable the reimagining of an indigenous tradition for China’s modernization and the reinvention of a national self or subjectivity makes them even more popular.

The social and media construction of traditional Chinese merchants embodies a coalition of forces: provincial branding for economic development, popular enthusiasm for positive models of entrepreneurship, and the state’s desire to promote its new ideology incorporating the private sector. The cultural production and consumption of traditional merchants has created new meanings and social significance for this potent symbol, especially following the legitimization of private entrepreneurship by the Sixteenth Party Congress in 2002. It further demonstrates that the formation of a new national subjectivity emerges from the interface between the material and the symbolic, between history and the present, and between reality and imagination.


60 Based on the seminal ideas of Emile Durkheim, Simon Cottle proposes an encompassing concept of mediatized rituals in modern society: “Mediatised rituals are those exceptional and performative media phenomena that serve to sustain and/or mobilize collective sentiments and solidarities on the basis of symbolization and a subjunctive orientation to what should or ought to be.” *Ibid.*, p. 416.