



REVIEW ARTICLE

A BRIEF ANALYSIS OF THE HISTORICAL DEVELOPMENT OF THE FILM INDUSTRY IN CHINA (1979-2019)

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ABSTRACT

This paper summarizes the history of the Chinese film industry. Analyzed from 1979 to 2022. For more than 40 years, the process of China's film industry has shown obvious stage characteristics. Today, China is also transforming from a big film country to a film powerhouse. The Chinese film industry has achieved world-renowned development since 1979. Especially after entering the 21st century, the cultural industry was affirmed by the official document of the Central Committee of the Communist Party of China in 2000. After China entered the WTO in 2001, it gradually connected with the international market, and the Chinese film industry entered the fast track of development. In 2003, when China began to implement the film industrialization reform, the total box office of the national film was only 1 billion yuan. In 2019, the total box office of Chinese films was 64.266 billion yuan, a year-on-year increase of 5.4%; the total box office of domestic films was 41.175 billion yuan, a year-on-year increase of 8.65%, accounting for 64.07% of the market; the number of moviegoers in urban theaters was 1.727 billion. In 2019, 9,708 new screens were added, and the total number of screens nationwide reached 69,787. This writing was during the Covid-19 period. The purpose of the researcher is to better help Chinese films to make breakthroughs and develop in the face of the adversity of the epidemic through analysis and summary.

KEYWORDS

Chinese film, Film Industry, Culture Industry, Industry Management

1. INTRODUCTION

China's film industry has made great progress in the past 40 years, but compared with the United States, there is still a big gap between Chinese film companies in terms of market value and assets. In 2019, the box office of the six major American film companies accounted for 25% of the global box office and 85% of the North American box office. A market value of hundreds of billions of dollars, assets of tens of billions of dollars, and profits of billions of dollars are standard configurations for major American film companies.

Before Covid-19, for example, in 2019, the highest-grossing movie in the world was No. 1 "Avengers 4: Endgame" with a box office of 2.79 billion US dollars. In contrast, the Chinese film industry is still insufficient. The number one Chinese film "Nezha: The Devil Boy Comes into the World" has a box office of about 700 million US dollars. Therefore, researchers sort out the history of the Chinese film industry, reveal its characteristics and laws, analyze the problems faced in the process of the industry, and better help promote the win-win situation of the industry and capital,

especially in the post-epidemic era.

2. LITERATURE REVIEW

2.1 Reform Age (1979-1999)

In October 1984, the reform of China's urban economic system was launched in an all-round way, and the "planned economy as the mainstay, supplemented by market regulation" pursued in the early stage of reform and opening up was adjusted to a "planned commodity economy". In the central link of the system reform, the film industry was transformed from a public institution to an enterprise, and the film unit was defined as an enterprise. In October 1992, the 14th National Congress of the Communist Party of China determined that the goal of reform was to establish a socialist market economic system. Under the guidance of this guiding ideology, the marketization stage of the capitalization process of China's film industry kicked off in 1993. The specific direction was to break the monopoly of the industry, rejuvenate the production, distribution, and screening industries, and revitalize the

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film system. Fully integrated with the market economy (Zhao, 2003).

In 1993, the film "Once Upon a Time in China III" by the famous Hong Kong director Tsui Hark was released in the mainland of China, initially reflecting the achievements of the reform. It adopts the method of sharing the issuance income in proportion, and implements two rounds of sharing and settlement. "Once Upon a Time in China III" made the film distribution companies in mainland China shine. For the first time, they really saw that the market can radiate such great energy. Previously, the distribution model of domestic feature films in China was that the Chinese film companies at that time would purchase them in a unified manner, develop copies in a unified way, and then sell them in a unified way to local film companies for screening. After the reform, film studios all over the country have the right to independently show the films they produce, and the transition to marketization is very obvious.

At the end of 1994, ten overseas blockbuster films were imported every year, which was equivalent to 50% of the national market at that time. This was of positive significance for the Chinese film industry to take the road of industrialization and connect with the world film market. The subsequent reform and new policies introduced successively in 1994 and 1995 laid a solid foundation for the further deepening and development of marketization. The main achievements of the marketization stage are that the film industry has finally realized the transformation from the original planned economy to the market economy and embarked on the road of marketization through institutional improvements and subsequent system reforms. In terms of internal reform, the original film institutions have broken the monopoly and operated independently, and used market means to stimulate and promote the enthusiasm for film production, distribution, and screening;

In terms of opening to the outside world, alliances within the industry are allowed, especially allowing the entry of external capital, especially foreign capital. Film studios in mainland China can cooperate with Hong Kong capital to make films, and the capital structure has changed from single to diversified; At the same time, private film companies emerged and began to enter the business of film production and distribution. During this period, the main problem was that the reform and opening up of China's film industry started relatively late compared with other industries due to particularities such as ideology and national security. The scale was relatively small and the industrial structure was still relatively simple (Zhao, 2013).

2.2 Transformation Age (2000-2012)

In October 2000, the Central Committee of the Communist Party of China formally confirmed the legal status of the "cultural industry"; since then, China's State Administration of Radio, Film and Television and other relevant authorities have issued a series of policies to promote group and theater chain system, and the film industry has begun to move towards industrialization. direction. From the perspective of the industry itself, after market-oriented reforms, the Chinese film industry has achieved great results in breaking monopoly and stimulating the enthusiasm of the production, distribution, and screening industries, which has laid a foundation for industrialization. From the perspective of the external environment, after China joined the WTO in 2001, faced with the impact of imported films from the United States represented by Hollywood and the promise of the "WTO" to open up the film market, the Chinese film industry must accelerate the process of industrialization in order to be better and stronger to meet challenges (Xu, 2009).

The period from 2000 to 2012 is an important stage in the process of China's film industrialization. During this period, two small stages have been experienced. The first stage is from 2000 to 2004, which is mainly characterized by opening up to domestic capital. The second stage is from 2005 to 2012, which is mainly characterized by opening up to foreign capital. Through further opening up, the film industry has developed into an industrialized scale, and at the same time, it has been further revitalized in the process of industrialized development. At the same time, marked by the establishment of the China Film Group Corporation, the Chinese film industry has taken a step forward in collectivization; In fact, the implementation of the theatrical chain system has given birth to and promoted the development of the film industry, and its important

signs are the emergence of China's domestic "blockbusters" and the rapid growth of the movie box office (Liu and Zhang, 2012).

Looking at the investment and financing status of Chinese films in the entire industry chain of production, distribution, and screening during this period, researchers see that the domestic film market has great development potential. It turned out that the state-owned film companies began to transform into enterprises and marched toward industrialization, and the sudden emergence of private enterprises brought vitality to the film industry; Digital cinema has changed the operating pattern of cinemas; The profit model of the film industry has also undergone profound changes, and it has become a trend and trend to attract funds from all parties to join forces to invest in building the Chinese film industry. Capital socialization, diversification, and maximization of benefits have become the characteristics of the development of China's film industry.

In October 2000, the document of the Fifth Plenary Session of the 15th Central Committee of the Communist Party of China formally used the concept of "cultural industry", which was a strategic decision for realizing the transformation from a film power to a film power. After 2000, China's film industry gradually began to have the concept of film investors. With the implementation of a series of open policies, private capital has also begun to unshackle, and has become a representative of non-public capital investors. Private film companies have enjoyed policy dividends and have emerged in large numbers, becoming the main force in the film industry. At that time, the main problem was that the state-owned film companies did not play their due active role due to policy and historical reasons (Wu, 2010).

2.3 Legal Age (2012-Present)

From 2013 to 2019, the Chinese film industry entered the stage of legalization. In July 2013, the General Office of the State Council issued the "Notice", which further clarified the four functions and tasks of the Film Bureau. An important part of the transformation of functions is to cancel the review of movie scripts with general themes and implement the publicity of outlines. The issuance of this official document further increases the authority, and more clearly releases a positive policy signal, that is, to encourage more investors from all walks of life and various types to actively participate in the production of the film industry, distribution and screening. Especially in the link of production and shooting, it is conducive to the diversification and openness of the types of themes, and more and better films can be shot. With regard to film censorship, there are lenient and strict ones. The lenient is to relax the procedures for review and general content; the strict is to strictly control the content, especially some special and sensitive subjects, which belong to the "red line" and must not be touched (Tao, 2018).

In March 2017, the "Film Industry Promotion Law" was officially implemented. This is the first regulation of China's film industry, the first regulation of China's cultural industry, and the first law in the field of propaganda, ideology and culture in China to promote industrial development, marking that the film industry is officially included in the national economic and social development plan. This is the first time that foreign capital is allowed to conditionally enter China's film and television industry in the name of laws and regulations. At the same time, the serious investigation and punishment of false box office reports has also risen to the height of national law.

As early as 2003, the "Film Industry Promotion Law" had already begun to brew. The key issue discussed at that time was the positioning of the law. After the Fourth Plenary Session of the Eighteenth Central Committee held in October 2014 made the "Decision of the Central Committee of the Communist Party of China on Several Major Issues Concerning Comprehensively Promoting the Rule of Law", the 2015 "Film Industry Promotion Law" accelerated the legislative process. This law effectively guarantees the lawful and orderly development of the film industry.

The main problem at this stage is that, in terms of industry development, there are not enough excellent movies, and some speculators speculate

on movie box office as stocks. In the field of distribution, the essence of the fight is not excellent distribution services, but pure financial strength; As far as the securities field is concerned, the number of film companies listed in the A-share market is too small, the scale is too small, and the influence is too small. But generally speaking, the Chinese film industry has entered a glorious period and a legal period.

3. CONCLUSION

From 1979 to 2019, the Chinese film industry has formed the integration of industry and capital. And because of the unique ideology of the film industry, film products differ from other products in that they have "cultural significance". This leads to the problem of preventing and controlling the profit-seeking of capital in the process of capitalization. After the influx of capital from 2015 to 2019 and the strict supervision of the market, film practitioners and investors have experienced a collision between the industry and capital. After experiencing both positive and negative experiences and lessons, the film industry is actually not a very good investment industry for non-industry capital parties; As for the capitalists in the industry, if they always remain in awe of the characteristics and laws of the film industry, and insist on creating and producing good works, they will win a win-win situation for the industry and capital. With the gradual maturity of the Chinese film industry and the gradual improvement of supervision, researchers believe that as a huge Chinese film industry, it will grow into a more standardized, transparent, standardized, and mature national economic

pillar industry.

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