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Chinese Olympic Sport Policy: Managing the impact of globalisation

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China and the Olympic movement: Managing the impact of globalisation

ABSTRACT The article examines the extent to which, and the manner in which, the Chinese government managed its relationship with the Olympic movement following its re-engagement with international elite sport competition in the mid 1970s. Locating the analysis in the literature on globalisation the article notes the limited research which explores the role of the state in managing the relationship between domestic and global sport. Based on extensive document analysis and interviews the article provides an analysis of the governmental strategy to increase Chinese influence in the Olympic movement, produce a strong national Olympic squad of athletes and ensure success at the 2008 Beijing Olympic Games. It is argued that the Chinese state was not only effective in organising and concentrating resources to support its policy objectives, but was also able to incorporate aspects of market capitalism into its elite development system and, so far at least, generally manage effectively the tensions that arose from an increasingly wealthy, mobile and individualistic cohort of elite athletes and coaches.

KEY WORDS: China, Olympic movement, elite sport policy, globalisation
In analyses of the spread of particular sports or the increasing global significance of particular sports events detailed examination of the role of the state has been comparatively rare. There are though a small and slowly growing number of studies which do place the state at the heart of analyses of the phenomenon of sport globalisation and which specifically seek to explore the way in which global sport is perceived by states (for example, as a useful diplomatic resource or a cultural threat) and how states attempt to manage their relationship with global sport organisations and values. Black’s (2009) study of the interest shown by the Canadian government and the city of Halifax in ‘second order’ sport mega-events (i.e. less extensive than the Olympic Games and the football World Cup) explored the interplay of civic boosterism, intergovernmental relations and identity politics within the bidding process for the Commonwealth Games. A second example of the increasing interest in the relationship between states and global sport is provided by Horne (2004) who explores correspondence of interest between domestic construction industry interests in Japan and global sport mega-events such as the FIFA World Cup (see also McCormack, 2002). The aim of this paper is to add to this emerging literature through an evaluation of the capacity of the government of the PRC to manage its relationship with the Olympic Movement.

FRAMEWORK FOR ANALYSIS

At the risk of over-simplifying an extensive and, at times, labyrinthine literature it is possible, following Held and McGrew (2002) to identify two ideal typical positions on the significance of the state in the process of globalisation. The sceptics, according to Held and McGrew, emphasise the ‘continued primacy of territory, borders, place and national governments to the distribution and location of power, production and wealth in contemporary world order’ (2002: 4). For some such as Callinicos et al (1994) and Hirst (1997) the ideology of globalisation functions to rationalise the neo-liberal global project and discipline national labour forces while, at the same time, enabling the constant construction and reconstruction of non-domestic markets. The sceptics
suggest either that economic internationalisation is dependent upon the preferences of the hegemonic state power implying that globalisation is little more than Americanisation (Gilpin, 1987) or that much of what is referred to as globalisation, especially in sport, is better described internationalisation or multinationalisation where an interpenetration between the global and national is taking place but generally on terms determined substantially by states (Scholte, 2000; Houlihan, 2008). Rosenberg (2005) argues forcefully that the early years of the present century have witnessed the vigorous re-assertion of great power national interests which firmly undermines the exaggerated analysis of those political scientists, such as Fukayama (1992) and Ohmae (1995) who forecast the global triumph of liberal democracy, multilateralism and the ‘end of history’.

In challenging the sceptical critique the globalists argue that the scale of economic, cultural and political activity that now takes place beyond the boundaries of the state and without direct state involvement is indicative of the need to reconsider the established assumption of a close correspondence between the state, the economy and society. Generally rejecting the simple determinism of Marxism and the broadly monocausal explanations which rely on the imperatives of the spread of technology or Western modernity globalists offer an explanation which is more contingent and which recognises the tensions between the global and local (Axford, 1995; Hurrell and Woods, 1995; Giddens, 1990). The tensions inherent in contemporary globalisation are manifest with especial clarity in the role of states where there are many examples of their weakening control over domestic social and economic development prompting determined attempts to protect sovereignty. For the globalists the state has become fragmented and increasingly permeated by transnational policy networks with the result that as Held and McGrew suggest, ‘the expansion of transnational forces reduces the control individual governments can exercise over the activities of their citizens and other people’ (2002: 13).

In order to evaluate the competing claims of the sceptics and globalists it is valuable to conceptualise the process of globalisation in terms of ‘reach’ and ‘response’. According to Houlihan (2008) the ‘reach’ of global influence can be limited to epiphenomena at the level of cultural commodities (for
example, trends in sportswear) or, more significantly, affect state policy (for example, the prioritisation of funding for Olympic, at the expense of traditional, sports) or permeate and refashion deep structural values (for example, regarding the participation of women in sport) while the ‘response’ might be passive, participative or conflictual. Rather than identify three discrete responses it might be more valuable to conceptualise ‘response’ as constituting a continuum ranging from passivity (whether due to a perception of the external phenomena as welcome or due to inability to respond) to activism (whether prompted by a desire to facilitate global engagement or prompted by resistance). A central indicator of a country’s response will be the attitude and actions of the state. As a result of the centrality of the state in shaping the pattern of engagement with non-domestic influences and policy actors Held (2000: 422) argues that rather than witnessing a decline in state power we should rather acknowledge the ‘transformation of state power in the context of globalisation’. It is the state’s response to the globalisation of the Olympics and the values associated with elite sport development that is the central focus of this paper.

METHODS

The study draws on empirical material from interviews with 40 officials from China’s sport administrative system including General Administration of Sport (GAS), Chinese Olympic Committee (COC), Beijing Organising Committee for the Olympic Games (BOCOG) and five national sport associations and 16 Chinese sports academics from inside and outside China. The main criteria for the selection of interviewees were that they should be senior officers in their respective organisations and thus more closely involved in the decision process, have been in post for a sufficient period to enable them to provide a longitudinal view of policy change and be from a range of organisations in order to allow a degree of triangulation. The interviews were complemented by analyses of Chinese government policy documents which were selected primarily through a systematic search of government databases using key
words, but also through the identification of relevant documents by interviewees.

**ELITE SPORT IN THE CHINESE CONTEXT**

In order to understand the nature and significance of China’s engagement with the Olympic movement it is important to locate that engagement in the country’s culture and its recent political history. However, generalising about a country of 1.3 billion and fifty-six official ethnic groups and a turbulent recent history runs the risk of caricature. Indeed many of the recent analysts have opted to discuss the country in terms of paradoxes rather than unambiguous themes: paradoxes include those between market socialism and Confucianism (Bell, 2008), atomistic consumerism and political collectivism (Dillon, 2009), and optimism and pessimism (Callahan, 2009). However, one theme that appears consistently in analyses of contemporary China is the country’s need for international respect and affirmation as a world power and the desire to distance itself from the ‘century of humiliation’ that dated from the middle of the nineteenth century and to lose the label of the “sick man of East Asia” (see Bell 2008; Brownell, 1995, 2008; and Lovell, 2009).

Sporting success has been both a means and a barometer of domestic modernisation and changing international status. As Xu (2006: 92 and 90) notes ‘Sport has been [since the mid 1950s] implicitly or explicitly defined as another frontier, apart from military and diplomacy, of New China’s struggle for international legitimacy and prestige’ and illustrates how ‘the low politics of sport is conspicuously connected with the high politics of national identities and international relations’. However, in relation to sport, and culture generally, there is a clear and long-standing anxiety arising from the desire to embrace Westernisation and the implicit promise of modernisation and the desire to defend Sinification. The anxiety is illustrated by the contrast between Yu’s (2009: 131) observation that China has to ‘preclude foreign control while learning from the West’ with that of a Chinese scholar, quoted by Callahan (2009: 6) who claimed that ‘The [Beijing Olympic] Games proved not only the existence of the China model, but also its success’ and that the opening and closing ceremonies ‘sent one clear message that the Chinese people act
according to their own mode of conduct and will not succumb to allegedly superior Western values’. Whether hosting the most western of sports events, the Olympic Games, can be interpreted as an assertion of a ‘Chinese model’ is a moot point but it does highlight the change in sports diplomacy objectives from the concern with ‘friendship first, contest second’ of the 1970s to the contemporary concern to demonstrate China’s modernisation and rapid economic progress through heading the Olympic and Paralympic medals tables and hosting sports mega-events.

However, China’s decision to utilise sport for a range of internal (nation-building) and external (soft power) political purposes has not been without challenges and setbacks. The country’s early engagement with the Olympic movement (from 1932 to 1948) only seemed to reinforce the self-perception of weakness while more recent failures in football and basketball competitions have yet to match the country’s Olympic achievements. Bell (2008), for example, notes the deep sense of Chinese disappointment at the repeated failure of the county’s national football team to progress beyond the preliminary rounds of the football world cup. Recent Olympic and Paralympic success notwithstanding it would be fair to endorse Morris’ (2008: 25) view that ‘over the last century, sport in China has … represented a profound national anxiety’ as still being relevant. Thus while the successful hosting of the 2008 Olympic Games and the medal success in Beijing may not represent the confirmation of all-round sporting excellence that China seeks they do represent substantial political and diplomatic achievements.

ENGAGEMENT WITH THE OLYMPIC MOVEMENT

Engagement with the IOC

The relationship between the PRC and the Olympic movement may be traced through three distinct phases: withdrawal and rejection, partial re-engagement; and enthusiastic involvement. During the first phase, from 1952 to 1958,
China followed the lead of the USSR in participating in the Olympic Games to demonstrate the superiority of the socialist bloc. In the late 1950s, following its break with Moscow, China withdrew and supported the Games of the New Emerging Forces (GANEFO) partly as a consequence of its criticism of the capitalist domination of the Olympic Movement, partly as a strategy to develop an alternative diplomatic power base to that of the Soviet Union (and its central European allies) and America (and its western European allies) and partly due to the refusal of the IOC to exclude Taiwan. The second phase, of partial re-engagement, lasted from the early 1970s to the late 1970s and was dominated by the 'two Chinas' issue (Chan, 1985, 2002; Cull, 2011; Espy, 1979; Xu, 2006). During this phase the PRC was a more diplomatically powerful country, which allowed it to use the Olympic movement and other international sport organisations as a resource to isolate Taiwan. The PRC achieved the expulsion of Taiwan from the Asian Games Federation in 1973, then pressured the Canadian government to withhold visas from the Taiwanese team prior to the Montreal Olympics in 1976 and finally pressurised the IOC to require Taiwan to change its name to the 'Chinese Taipei Olympic Committee' and to adopt a new flag and emblem (Espy, 1979; Guttmann, 1992).

In the third phase, which began in mid to late 1970s and which is the focus of this article, the PRC enthusiastically embraced the Olympic movement and, through its Olympic Strategy, focused on maximizing its Olympic medal count and hosting the games in Beijing. For China, "participating in the Olympic games is an urgent and important political mission" (NSC, 1993a: 225). As with many other countries the prioritization of success at the Olympics and hosting the Games was prompted by a range of motives including the concern to demonstrate the superiority of market socialism, to reinforce the cohesion of the Chinese people both on the mainland and overseas, to project a modern image of China and to promote China’s economic development.

Following the PRC’s re-engagement with the Olympic movement in 1975 the Chinese government sought ways to strengthen its voice in the IOC through the nomination of Chinese sports officials with foreign affairs experience and good language skills for selection as IOC members and
through the nomination of star athletes for appointment to the IOC Athletes’ Commission. The first Chinese IOC member, Zhengliang He, elected in 1981 and better known for his proficiency in French and his knowledge of foreign affairs than for his sport administration experience, proved a successful choice as he served on the IOC Executive Board three times and was vice President from 1989 to 1993 (Liang, 2005).

Although the PRC was keen to increase its IOC membership, there was a significant gap before it got its second member, Shengrong Lu, president of the International Badminton Federation, in 1996 (Liang, 2005; see also Li, 2004). In order to secure more IOC seats, China encouraged junior sports officials to acquire language skills and to become involved in IFs and asked selected officials who did not have any sport background to develop proficiency in at least one Olympic sport (interview, 30 December 2005, senior officer in the GAS external affairs department). The example of Shengrong Lu reflected the priority given to language and diplomatic skills as “it was quite unusual for China to send such a middle ranking official … to be an IOC member” (interview, 24 December 2005, senior Chinese academic). Zaiqing Yu, then vice sports minister, who spoke English and Japanese was elected in 2000 as the third PRC member and, in 2004, joined the IOC Executive Board (Li, 2004).

In addition to seeking direct appointments to the Committee and membership via international federations China also sought to strengthen its representation through nominations to the IOC Athletes’ Commission as these nominees could become IOC members (IOC, 2006). The initial attempt to operationalise this strategy involved China’s first Winter Olympics gold medalist, Yang Yang, who was nominated unsuccessfully twice, in 2002 and 2006. Finally, Miss Yang was elected as an IOC member in 2010 becoming mainland China’s fourth IOC member (Xinhua News, 2010a). Recognising that the main impediment to election was poor language skills the General Administration of Sport (GAS) stipulated that English should be one of the core subjects in elite athletes’ academic curriculum and the Chinese government also offered several athletes the opportunity to study abroad (interview 16 Jan 2006, senior officer in the scientific and education department, GAS).
Engagement with international Olympic federations

Despite the aim expressed in 1999 “to progressively increase China’s influence in the International Federations” limited action was taken to fulfil this aim prior to 2001 mainly due to the lack of linguistically qualified candidates and budget constraints (Wu, 1999: 575-576). However, after 2001, the drive to improve English language skills became a priority. The introduction of centrally funded language programmes was paralleled by a steady increase in Chinese representation on IFs (Jiang et al, 2005). Between 2003 and 2005 representation increased by over 50% from 12 to 19¹.

Apart from achieving greater status and leverage within the IOC GAS was also concerned to protect, through influence within IFs, the interests of Chinese athletes in individual sports. For example, there was also a perception that the absence of a Chinese gymnastics judge was partly responsible for the poor scores awarded to Chinese athletes in Athens. According to Shuan Yang, COC vice-president,

we need to … increase the number of Chinese officials … to have the power to make decisions in the IFs. … More importantly, we can create a beneficial arena for our athletes, by taking advantage of the opportunities to amend match rules and the constitution … (Yang, 2005: 278-9).

This reinforced the view of vice sports minister, Shijie Duan who suggested that “For those sports whose results were strongly influenced by referees … we have to deliberately seek to get more of our officials involved in these international federations.” (Duan, 2003: 5). Hosting the Olympic Games in 2008 provided an important opportunity to advance this strategy. According to a leading GAS official involved in international affairs, “we strengthened connections with the leaders of IFs when they were staying in Beijing during the preparation for 2008 Olympic Games”. He highlighted that this diplomatic networking “Definitely would pave the way for our officials to be selected onto executive committees in the near future.” (Interview, 6th August 2010)
ELITE DEVELOPMENT

The original post-revolution Chinese structure for elite sport development was adapted from the Soviet model indicating that China was not averse to borrowing ideas from the global community as early as the 1950s. However, during the Cultural Revolution the Chinese sports system was substantially dismantled due to the condemnation of competitive games by Mao. After the end of the Cultural Revolution and particularly following Deng's introduction of the ‘open door’ policy in 1979, the Chinese government restored its original model, but soon began to modify it first by reform of the athlete selection, training and competition systems, second by the transformation of the administrative structure, and third through the development of multiple income streams.

Reform of the athlete selection, training and competition systems

The selection system

In 1978 the NSC declared that “the drive to catch up and even overtake other sporting superpowers … is an honourable political mission for our sports community” (NSC, 1993b: 223) and required each provincial government to develop a talent selection system. Among the reforms to the selection system, the government not only encouraged sport universities to establish the “Elite Sport Colleges” but also required provincial governments to establish “Physical Culture and Sport Colleges” to train PE teachers for primary and secondary schools and also to produce talented athletes for provincial squads (Zhan, 1990). To broaden the selection system at the top level, the Chinese government also asked provincial governments, sport universities, the People’s Liberation Army (PLA) and Trade Unions to take responsibility for at least 4-5 Olympic sports … “ (NSC, 1993a: 226). In addition, the government introduced grassroots clubs (often located within schools), upgraded the level of sport colleges in the selection system and established two national-level squads - the Olympic and national teams (see Figure 1).
The changes to the elite development structure were complemented by reform of the selection system with the original three classes now divided into five levels: Olympic and national teams; provincial squads; Elite Sport Colleges, Physical Culture and Sport Colleges and sport colleges with a single Olympic sport; children’s and young people’s sport schools; and schools with sport tradition and grassroots clubs (Cui, 2004).

**Figure 1 about here**

Established from 2001, the grassroots clubs not only strengthened the talent identification system but also, according to Zhang, brought more resources into the sports system through membership fees (Zhang, 2002: 41; see also Yuan, 2001, p.8). While this limited degree of marketisation increased the number of school-based grassroots clubs it also generated some problems regarding charging policy and quality control which led to the introduction of a series of regulations by GAS to what was increasingly seen as a disordered market (GAS, 2000a: 287; Zhang, 2002: 40). More significantly, there was growing concern that while the reform had increased the number of school level clubs the quality of young athletes had not increased. Vice minister of sport, Dalin Cui, emphasised that “the main point of training young athletes in this selection system was not to increase the quantity of athletes … but to refine the quality” (Cui, 2004). As a result, the Chinese government from 1996 became more selective and encouraged sports colleges to compete with each other by giving higher subsidies to those sports colleges which demonstrated good practice and a satisfactory return on state investment. Financial support for sports colleges increased from 32.5m yuan in 1995 to 81.7m yuan in 2001. However, even this sharply increased level of public funding needed to be augmented. As minister Cui noted, “Each unit must also [raise] funds from society and generate commercial income from involvement in the sport industry” (Cui, 2004).

Reform also continued at the senior level. In 2003 the State Council decided to expand the national teams by 706 athletes in team 1 and 1200 athletes in team 2 (Dong, 2004). A third team was also established for the
most promising potential elite athletes at the provincial level. Building on the experience within table tennis a system of promotion and relegation between the three teams was introduced on the assumption that, “by doing so, their motivation for winning would intensify” (GAS, 2002: 10). To further reinforce motivation athletes within the same team would not necessarily receive the same salary and benefits as these would be linked directly to the assessment of the athlete’s chances of winning an Olympic medal (GAS, 2006a: 277-8). According to the director of the Chinese Athletics Management Centre,

we always focused on the key teams and key athletes who had the potential to win Olympic medals. This strategy was completely successful as shown by the results of the 2004 Olympics in which we not only won 2 gold medals in two disciplines, but also qualified for the final in the other 5 disciplines (Luo, 2005).

Indeed, the same strategy was adopted by the Chinese Swimming Management Centre (CSMC). According to the director of CSMC, Hua Li (2011), “It was Chinese sport minister, Peng Liu who instructed CSMC to invest most of our resources in the key teams and key swimmers who had the potential to win medals in international competition”. Director Hua Li underlined the impact of the strategy by noting that “we did not only have historical breakthrough in 2008 Beijing Games, but also have substantial progress in 2010 Asian Games”.

The competition system

To motivate provinces to support the Olympic strategy, the government reformed the domestic competition system. Part of the reform involved the introduction of market mechanisms which included an athlete transfer system between provinces and financial rewards to provincial sport bureaus whose athletes won the most medals. China not only mirrored the rules and regulations of the Olympics for National Games, National City Games and most provincial games, but also regarded all the games in this system as arenas for selecting and training athletes, especially for the Olympics. After
the major achievements at the 2008 Olympics, vice sports minister Shijie Duan (2011) reemphasised that “preparing for the 2012 London Games is another vital and urgent opportunity for us to raise Chinese elite sport profile fully by refining and developing the successful experience from Beijing Games”.

China also used financial incentives to motivate athletes and coaches. In 1996 the NSC announced that one Olympic gold medallist could be awarded between 50,000 and 80,000 yuan. In subsequent years the financial rewards were steadily increased.

The amount of money used to motivate Chinese Olympic gold medallists increased from 80-120,000 yuan in 2000 to 120-200,000 yuan in 2004 … and it will certainly not be less than 200,000 in 2008 (Interview, GAS official, 12th January 2006).

In summary, in the words of vice director of the department of policy and regulation in GAS, Xiaolong Liang (GAS, 2006a: 134), “the material rewards have become an important element in motivating Chinese athletes to achieve excellent performance”.

Training system

As part of the drive to develop a world class training system the Chinese government prioritised their best stadiums and equipment, much of which came from the United States, for elite use. Prior to the 2008 Games the government’s ambition was “to establish 4 – 8 world class comprehensive training camps and to set up 10 – 15 specialized training camps for Olympic sports” (GAS, 2006b). After the Beijing Games, the Chinese government modified this ambition and announced that it would establish 8-10 world class comprehensive and 8-10 specialized training camps which would integrate training, science and technology, medical science and education (GAS, 2011).

China also needed more world-class coaches for although the number coaches had increased from 18,534 in 1980 to over 100,000 by 2001 few
were considered to be world-class (Xiao et al, 2006: 186). To increase the number of world-class coaches GAS initiated a training project for young talented coaches in 1999 and sent national coaches abroad to gather knowledge from the west, especially the United States. In 2004, the government announced a target to produce 100 elite coaches to prepare for the 2008 Olympics and highlighted “the need to send more coaches to be trained in other countries to raise the quality of sport training” (GAS, 2005a: 73). However, the government also imported elite foreign coaches. As one GAS official noted “about one third of those who were taking the position of head coach in national squads were foreign” (Interview, 13 January 2006).

Although the government fully supported the introduction of foreign coaches, they were also aware of the importance of Chinese coaches learning from their foreign counterparts. Indeed, after the 2008 Beijing Games GAS in its 2011-2020 strategy underlined that “it is important to introduce the foreign coaches speedily and widely and to raise the efficiency of these coaches by effective management and regulation (GAS, 2011).

China also “had to continuously raise the quality of scientific training for elite sport” (GAS, 2003a: 5). Chinese sport minister, Peng Liu (2006), emphasised that “sport technology had to match the requirements for preparing for the Olympics”. To speed up the development of China’s sport technology the government set a target in, 2002, of expanding the number of sports scientists of which 20 would be world-class (GAS, 2005b). According to a senior staff member in the national training centre for Chinese sport officials, “we were organising different kinds of scientific teams, composed of sport scientists, doctors of national teams and technicians, to go abroad to learn new knowledge to prepare for the Olympics”. (Interview, 7 August 2011).

The importance of sport science was emphasised by vice sport minister, Dalin Cui (2005), who argued that “it was the technology that helped us to win the gold medals”, arguing that, “The reason [hurdler] Xiang Liu won an Olympic gold medal was not only to due to his head coach, Haiping Sun, but also due to the support from a team composed of more than 20 scientists.”
Administrative and financial reform

Administrative reform

A 1996 NSC document emphasized that “elite development faced deep structural problems one of which was … the low level of efficiency and effectiveness in sport management” (NSC, 1996a: 146). A key reform document issued in 1998 highlighted that GAS should delegate authority in relation to national elite sport selection, training and competition to specialist national sport management centres (NSMCs) and focus on macro-level policy-making (GAS, 1999). Sixteen NSMCs were established which incorporated responsibility for 25 quasi-autonomous Olympic national sport associations (NSAs) (Interview, GAS education department officer, 16 January 2006).

NSMCs and NSAs were two sides of the same coin and shared many personnel. NSAs had a structure similar to that of western domestic sport federations and, due to their apparent non-governmental status, were the international face of NSMCs which governed domestic sport and were directly under the leadership of GAS. This arrangement allowed the government to exert its influence more easily nationally and internationally (interview, GAS education department officer, 16 January 2006). The main mission for NSMCs was … “to promote the sport comprehensively and to raise the level of skills” (NSC, 1997). These centres “had to be under the leadership of the NSC (in effect GAS) and had to carry out comprehensively the policy and direction of the NSC” (NSC, 1997). Due to the crucial position of the NSMC directors, “all the directors in these centres were controlled by the Party groups (dangzu), the most influential group within the NSC [GAS]” (NSC, 1997).

Income generation

According to Hao Zhang (1997: 35), GAS director of finance, “The shortage of national funding available for sport development was becoming increasingly serious by 1992”. To solve this problem, vice secretary of the State Council,
Zhijian Xu encouraged the “identification of new ways of generating more income”, but emphasised that “the main point was to remain consistent with the requirements of a socialist market economy”. Following this encouragement, the government sought to augment public finance with commercial income (Zhang, 1997).

Despite the diversification of funding sources the government was, as Hao Zhang (1997: 44) argued, “still the main resource for subsidising the sport system, especially … those Olympic sports which have limited commercial potential.” The capacity for elite sport to consume resources is indicated in Table 1 which shows that since the mid-1970s the total sport budget (national and provincial) has risen dramatically. However, a substantial proportion of this expenditure has been directed at elite sport. Although the Chinese government gradually increased its investment in ‘sport for all’ from early 2000s, the proportion of the national and provincial sport budget invested in ‘sport for all’ remained below that for elite sport. According to Statistical Yearbook of Sport 2009 (one year when sport funding was disaggregated between elite and sport for all), the investment in ‘sport for all’ from national and provincial level in 2008 was 6910.53 million yuan, which only accounted for around 20.8 per cent of total annual sport expenditure of 33270.206 million yuan (GAS, 2009: 422). According to the Director of Sport and Culture Research Centre of Beijing Academy of Social Sciences, Jin Shan (Sina News, 2012), “Unfortunately, after the end of the Beijing Olympic Games, although activities associated with the promotion of national fitness had increased, the pursuit of ‘gold’, was further strengthened”. Indeed, the speech of Chinese President, Hu (2008) delivered after 2008 Beijing Games not only noted that “we insist on facilitating the implementation of ‘Juguo Tizhi’³ (‘whole-country support for the elite sport system’) but also highlighted the new policy goal of transforming China ‘from a major sports country to a world sports power’. After Hu’s speech, both the speech of sport minister, Peng Liu (2010) and GAS’s new policy document, “The Outline Strategy for Winning Olympic Medals 2011–2020” (GAS, 2011) underscored the policy mission to reinforce the elite sports system especially the disciplines of track and field, swimming, soccer, basketball and volleyball in order to help China advance to world sports power status.
Table 1 about here

To generate additional income the government began to exploit the commercial potential of its athletes. According to Hao Zhang (1997: 49), “the good image of Chinese elite sport was a very valuable intangible asset for the government and sport community”. To exploit these intangible assets market promotion divisions were established at almost every level in the sport system. For example within GAS the government established a marketing division, the Sport Apparatus Centre which, according to one senior GAS official, reflected the government’s efforts to “shape the brand of COC and promote the market value of ‘Team China’ after the 2000 Olympics” (interview, 4 January 2006). Consequently, all commercial rights related to athletes in Team China were centralised under the control of the Sport Apparatus Centre (SAC) and NSMCs had to get permission from SAC to enter into commercial deals involving their athletes (interview, senior academic, 3 January 2006). According to a senior finance official in GAS, in order to legitimise the role of SAC in representing athletes in Team China, “GAS asked every athlete to sign a commercial contract with the Sport Apparatus Centre if he or she wanted to remain in Team China for international mega events”. He indicated that “this kind of idea was copied from the IOC who asked all the participants to sign a contract … to give the IOC special commercial rights during the Olympic Games”.

The impact of the income diversification policy was considerable with total commercial and sponsorship income increasing substantially from 1998 in absolute, if not relative, terms (see Table 2).

Table 2 about here

Controlling the international movement of coaches and athletes
One of the consequences of introducing a domestic incentive system for athletes was that in many sports the incentives were far greater outside China. The strategies for deterring athletes and coaches from going abroad were aimed not only at ‘retired’ Chinese athletes who subsequently represented other countries, but also at current athletes in sports such as badminton and table tennis who sought to leave China (NSC, 1996b). A senior member of GAS reported that “during the late 1980s and early 1990s, Chinese table tennis received a serious setback due to many elite players going abroad. Some of them claimed to retire after winning the title of world champion, but then immediately went abroad to play for another country … seriously endanger[ing] our chances of defending the Olympic title” (interview, 12 January 2006).

To reduce the threat to China’s Olympic ambitions the government adopted four policies, the first of which was to set an age limit such that “national athletes would not be permitted to go abroad until male athletes were over the age of 28 and female athletes over 26 “(NSC, 1996c). This policy was strengthened in 1994, to warn that “players and coaches violating this regulation will lose their membership of the Chinese Table Tennis Association. … The penalty for the associations and clubs [associated with the violators] will be the imposition of a fine, a reduction in the quota for participating in competitions and suspension from inter-club competitions” (NSC, 1996d, p.596). After Beijing’s bid to host the 2008 Olympics was successful, a further set of regulations was issued for badminton (GAS, 2001) which stated that “all coaches and athletes who compete in the Olympics, Asian games and world championship are prohibited from going abroad … unless they have permission from the Chinese Badminton Association”.

The second policy sought revision of international federation competition regulations, especially for table tennis and badminton. One senior GAS official noted that “by revising the competition regulations … we can deter ‘retired’ Chinese athletes from representing other countries and competing against China” (interview 12 January 2006). During the mid 1990s the IBF and ITTF, both with Chinese leadership, revised their regulations so that “athletes must not have represented any other Member Association for the three years immediately preceding the date of the fixture” (IBF, 2006) and “a player is
eligible to represent an Association only if he is a national of the country in which that Association has jurisdiction; and a player shall not represent different Associations within a period of 3 years” (ITTF, 2006).

Third, as regards income, China not only accepted sponsorship, but also introduced a club system to increase athletes’ and coaches’ earnings. Although national squads, such as those for table tennis, badminton and volleyball, had accepted sponsorship since the 1980s, compared to their counterparts in the West, income levels of Chinese athletes and coaches were still low. In response, the Chinese government introduced a club system to subsidise athletes’ and coaches’ income. This club system was called “double-track mechanism” by which national squad members could play for clubs which would not only pay special training fees to national squads, but also pay substantial wages. From the government’s perspective, this was intended to discourage athletes from going abroad and make them “eager to be involved in training and competition” (NSC, 1996b: 567-8). Since introducing the club system in table tennis and volleyball, the income of stars in these sports has increased substantially, especially in the case of table tennis players, such as Lin Ma, Liqin Wang, whose income was over 1 million yuan in 2005. According to vice sport minister, Zhenhua Cai, who promoted the club system in table tennis, “national table tennis players … should earn more … as long as the market itself can pay” (quoted in Zhu, 2006). After 2008 Beijing Games, badminton followed the lead given by table tennis and began introducing a club system in 2010. The income of coaches and players in national squads also increased substantially due to the generation of profits from commercial sponsorship and the Chinese Badminton Club Super League. The Chinese Badminton Association vice president, Yongbo Li, used to make a public joke “Let our elite players make more money at first. We won’t let them (foreign players) come to join the league until our players have made enough money” (Xinhua News, 2010b). Only 10 months later, Yongbo Li was able to argue that “The league should open its door to foreigners and let all best players come to play in China so that we can build the league into the best in the world” (People’s Daily, 2011)

The final policy initiative was to attempt to reinforce the values of patriotism and nationalism among athletes. According to the vice president of
COC, Shouzhang Wu, “our job was to help athletes … to be fervent patriots whose responsibility was to ensure that the national flag was raised and the national anthem played in international sport arenas” (Wu, 2001: 72). However, although China made great efforts to educate its athletes to put “national pride first and personal interest second”, as argued by sport minister, Peng Liu (2006), the results seemed to have been limited with many interviewees, both academics and public officials, noting that Chinese athletes remained more inclined towards competing for financial rewards.

**Commercialisation**

Although the Chinese government introduced many reforms to its elite system, commitment to the principle - “Olympic success first” - never wavered. As Shouzhang Wu, vice president of COC, noted (2001: 175) “the professionalisation and commercialization of elite development was like a double-edged sword. On the one hand, it encouraged athletes and coaches to raise their performance through high salaries and soaring rewards; on the other hand, it cast a shadow over elite development”. This concern was echoed by GAS which declared that “under the structure of a socialist market economy, there are new problems and challenges for us in managing national squad members who are involved in commercial activities” (2006c). To reduce the negative impact of commercialization on elite development, four strategies were adopted by the PRC.

First, to control the access of athletes to commercial activities, the NSC stated that “all intangible assets of in-service Chinese athletes belong to the state …” and “all the commercial activities have to be mediated by the national sport associations” (GAS, 2000b: 87). Second, to prevent athletes from moving toward “individualism” and “the pursuit of wealth”, the government insisted that a proportion of athletes’ income from competition and commercial activities be redistributed within sport (GAS, 2003b: 60-61) according to the formula: athlete (50%), coaches and people who have performed 'meritorious service' (15%), the national sport association (15%), and the local teams which contributed to developing the athlete (20%). While
the government wanted to control athletes’ commercial activities it did not want to limit them too severely as there was an acknowledgement that their commercial activities were “a useful tool for exploiting intangible sport assets and for generating more income for the elite system” (GAS, 2003b: 60).

Third, to control athletes’ commercial involvement, the government threatened to remove the title of national squad member from athletes who were considered to be too heavily involved in commercial activities. This was the penalty imposed on Liang Tian, an Olympic gold medallist in diving. Finally, to reduce excessive commercialism in NSMCs, GAS not only publicly criticized the behaviour of some directors of NSMCs, but also gave instructions that all significant competition and commercial contracts had to be approved by GAS. The seriousness of the government’s commitment to “Olympic success first” was reflected in the words of a senior officer in the Chinese Swimming Management Centre,

“our main sponsor is Nike. We have an agreement with them until 2008 but the contract will be renewed each year. We want to make sure that commercial activities won’t adversely affect to our training programmes and our national squad’s performance …” (interview, 10 January 2006).

In order to prevent star athletes from having a negative impact by putting a high value on global capitalist sport individualism and commercialism, the sport minister, Peng Liu (2011) emphasised that “In order to achieve glory at 2012 London Games, we must pay attention to the ideological education of all members in our Olympic sport system and deeply implant the value of ‘national pride first and personal interest second’”. Liu proceeded to note that “we have to indoctrinate and reinforce athletes in the ideal to win the glory for our country,… and to let them never forget their debt of gratitude to their motherland that supported their sport career from the very beginning” (Liu, 2011).

CONCLUSION
The decision by the Chinese communist elite to embark on a cultural revolution in 1966, which effectively isolated the country for ten years, is ample evidence of the capacity of the Chinese state to manage its relationship with an increasingly globalised world. However, the equally dramatic decision by Deng Xiaoping in 1979 to establish a socialist market economy and to engage with global capitalism was perhaps a sterner test of the capacity of the Chinese state (and of the persuasiveness of the sceptical position on globalisation) as it sought to engage only selectively and to manage the extent of that engagement. With regard to Olympic sport it was inevitable that the introduction of a socialist market economy would affect domestic sport policy and the development of of elite level sport. What was less clear was whether engagement with the Olympic movement required a qualitatively different interpretation of the socialist market model. It can be argued that achieving success in Olympic competition and hosting of the Olympic Games should be distinguished from other major sports and sports events due to the impact of a strong performance by the national squad in a domestically hosted Olympic Games on national branding and the potential soft power benefits. However, as was noted previously and is argued below the evidence suggests that the approach of the Chinese government to managing engagement with the Olympic movement was broadly in line with its approach to other major international sports, such as football and basketball, whose interests and primary competition opportunities lie outside the Olympic movement and the Olympic Games (Tan, 2008; Houlihan, Tan, and Green, 2010; Tan and Bairner, 2010; Tan and Bairner, 2011).

Using as a starting point Houlihan’s concepts of ‘reach’ and ‘response’ it is clear that with regard to re-engagement with international elite sport the ‘reach’ of global influences has been extensive, penetrating beyond the surface phenomena of fashion to affect state policy as the succession of policy statements and regulations produced by GAS and NSC amply illustrate. More significant though is the nature of the ‘response’ which was unambiguously an active response insofar as the government made clear decisions to re-engage with international sport, to seek positions of influence within the major international sport organisations, to bid to host the Olympic Games and to invest heavily in the preparation of a successful elite squad of
athletes. More problematic is assessing whether that activism of the government represented the simple facilitation of the entry into Chinese society of a largely undiluted model of increasingly commercialised elite sport that the Olympic Games represents or whether the activism is better understood as the effective management of that engagement and the selective embrace of the increasingly commercialised Olympic movement and the commodified sport on which it is based.

Within this framework, the relationship between China and the Olympic movement is located somewhere in between facilitation and selective or managed engagement or in Houlihan’s terms a mix of the participative and the conflictual and gives greater support to the sceptical rather than the globalist analysis of globalisation. Referring to the indicators of global engagement identified earlier there are many examples of participative responses. China has: gradually increased its representation on the IOC and at senior levels within the international federations; produced a large and successful elite sport squad; created a refined structure for producing world class athletes; set up a system of financial rewards to motivate those involved in producing Olympic medallists; and channelled substantial investment, including over 97% of the national sport budget, into the Olympic sport system.

However, many of these indicators can be interpreted as evidence of a return to a distinctive and well established socialist strategy of engagement with global sport exemplified by the history of the Soviet Union’s involvement in the Olympic movement and the major Olympic international sport federations (Peppard and Riordan, 1993; Riordan, 1981; Riordan, 1974; Morton, 1982; Cantelon and Gruneau, 1993). Consequently, if one were to focus exclusively on the state-centred (as opposed to market-centred) aspects of the PRC’s re-engagement following the end of the cultural revolution one could conclude that the phenomenon of re-engagement is simply a revival of an established communist pattern of managed involvement in international sport and the Olympic movement – driven by a combination of nationalism and socialist ideology. What is more complex to explain is the development of the Soviet model of elite sport development through acceptance and utilisation of elements of market commercialism such as the
soliciting of sponsorship income, the promotion of an internal money-based transfer system and the marketing of intangible commercial rights.

Not surprisingly the clearest examples of a more conflictual or paradoxical, relationship with elite sport globalisation include the Chinese government’s attempt to reinforce and prioritise the values of nationalism and socialist collectivism over those of commercialism and individualism. However, even in relation to the threat that commercialism and individualism was considered to pose to the goal of Olympic medal success, China adopted a response of active management rather than attempts at simple rejection. The PRC allowed Chinese athletes and clubs to become involved in commercial activities although on the government’s terms and often only under the direct supervision of the state as was the case in relation to the marketing of athlete’s commercial rights and interests. The compulsory redistribution of a proportion of an athlete’s commercial earnings and prize money and the tight control over the athlete transfer system also provide evidence of the capacity of the government to be selective in its engagement with global sports values. This strategy was similar to that adopted by the government in relation to elite level football (Tan, 2008; Tan and Bairner, 2010) and basketball (Tan, 2008; Houlihan, Tan, and Green, 2010; Tan and Bairner, 2011). In both these sports the interests of commercial clubs and the commercial interests of individual athletes were subordinated to those of the national team through controls over player movement and financial rewards.

In summary, the evidence presented in this paper would suggest that, as regards the “reach” of global culture in the Chinese context, it has been a case of China reaching out to bring in global influences rather than global influences pushing their way in. This is seen especially in the slogan - “Sending human capital out and bringing foreign resources in” by which athletes, coaches, managers and scientists were dispatched to learn new knowledge and skill from the outside world, and foreign experts, sponsors and companies were welcomed into China to bring new resources to promote the Chinese elite system. To a large extent, China has been enthusiastic about absorbing those international influences and, rather than seeing them as a threat, they have seen them as a resource. According to GAS (2003a: 5) “after winning the bid to host the 2008 Beijing Olympics in 2001, we will
promote China’s economic and social development in the new era, open China’s doors more widely and deeply, and raise China’s status on the international scene. All of these will have a huge impact on China’s future.” This assessment echoed Deng’s ‘open door’ policy which implied not only an economic involvement with the capitalist world – through trade, investment and technology transfer – but also an opening up to carefully selected ideas and cultural forms originating in the west (Knight, 2003: 318; Ness and Raichur, 1983: 85). The foregoing discussion indicates that the government of the PRC has been effective, so far at least, in controlling the extent and impact of greater commercialisation at the Olympic elite level. The analysis consequently provides support for the sceptical position in relation to globalisation. But it is a highly qualified endorsement as it is easier to argue that the Chinese government has, with reasonable success, been able to control the pace of engagement with global sport, but has been less successful in determining the direction of policy. However, China’s involvement in global commercialised Olympic sport has been relatively brief and it remains to be seen whether the government will be able to maintain its control over the extent of engagement over the longer term.

NOTES
1 Data from Duan, Shijie, (2003: 5) and from an analysis of the websites of 28 summer Olympic sports Federation in 2006.

2 There is a slight difference in the figures reported in the text of the GAS Statistical Yearbook of 2009 and those reported in the relevant table from the Yearbook.

3 ‘Juguo Tizhi’ means ‘whole-country support for the elite sport system’ which is the traditional form of and a product of the planned economy (Fan, Fan and Lu, 2010: 2399)
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Figure 1: China’s elite sport selection system in 2012
Table 1: Sport Budget in China, selected years 1971-2011 (excluding basic sport construction) (10,000 yuan)*

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<th>GAS and Provinces</th>
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* Figures before 1995 are annual averages
** Data are unavailable.

Table 2: Sources of finance in the Chinese sport system 1993-2008 (1000 yuan)

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