Job security is under unprecedented threat in many developed nations as a consequence of the mechanization of work.\textsuperscript{1} In addition, rising production costs are seeing the relocation of production to low-cost locations. This is a well-known story. Emerging economies are achieving substantial growth by providing cheap labor and preferential investment policies. For China, already an economic powerhouse, a foreign country’s insecurity is their security: the “made in China” phenomenon manifests in products that are designed elsewhere and fabricated in China. Much of this outsourced production involves components. Economists call this “trade-in-tasks,” “unbundling,”\textsuperscript{2} or OEM (original equipment manufacturing).

In this chapter, I attempt to unbundle precarious creativity, a concept that is somewhat ambiguous and misconstrued.\textsuperscript{3} I look at the relationship between creativity and knowledge capital. Knowledge capital is a currency that is much sought after in the PRC and in some respects overseas players are temporary custodians: the relationship of knowledge capital to “precarious creativity” is therefore worth exploring.
I begin by contextualizing precarity in China’s workforce. Following this, I explore the idea of knowledge. I discuss the distinction between “knowing-that” (propositional knowledge) and “knowing-how” (the acquisition of abilities and skills). I then turn to the question of how knowledge capital and precarious creativity apply to China’s media and cultural industries, specifically animation and television. In the final section, I explain variants of precarious creativity by drawing on a heuristic called the “cultural innovation timeline,” which shows how many policy makers and commentators see the gap between China and its competitors closing. I argue that it is closing because employment is mobile and because knowledge (know-how) is being transferred. But it is also closing because the world is coming to China, not because China is going to the world. In the conclusion, I examine censorship, the “elephant in the room.” The precariousness of expression in China affects all cultural and media workers, Chinese and foreign. Finally, I argue that the value of know-how is augmented by “knowing-to,” a disposition that emanates from cultural and political contexts and constitutes a crucial modality of knowledge capital for persons looking to operate successfully in the Chinese market.

CONTEXTUALIZING PRECARIOUS CREATIVITY

The notion of precarity and the neologism precariat have emerged in academia over the past decade to account for the way the labor market is reorganizing in many developed economies in response to flexible forms of capitalism; for instance, an increasing number of jobs are listed as casual without fixed incomes or benefits. Skills learned in schools and universities, such as reading and theorizing, are losing value in occupations that rely on on-the-job learning. When this argument is extended to art, design, and media sectors, we are informed of the condition of “precarious creativity.” On the surface, this coinage conjures up a dark side to creativity. In contrast to a wide-ranging consensus among educators, psychologists, and business leaders that creativity is positive and aspirational, there are now negative externalities to consider, among which is the apparently transient nature of employment in many creative sectors. Many scholars opt to use precarity as a corrective to euphoric claims associated with the creative economy, particularly that it is expanding globally and generating more meaningful jobs.

When used to refer to cultural and creative labor, precarity normally picks up on the employment insecurity of workers in industry sectors affected by technological convergence—for instance, music, film and TV production, online games, and design—rather than those providing lower-level service jobs in the same industries. Of course, creative work itself is difficult to define, and it is beyond the scope of this essay to investigate gradations of creative labor intensity. What can be argued, however, is that creative products and services sold to consumer markets are generally produced by people with specifically acquired skill sets.
My own research into media parks and creative clusters in China identified that 95 percent of creative workers had tertiary degrees, mostly undergraduate (54 percent).\textsuperscript{7} Moreover, such technical and managerial skills can be easily learned or transferred when businesses move offshore, particularly when R&D sharing is part of the market entry equation.\textsuperscript{8} For instance, AnnaLee Saxenian has characterized the migration of the Taiwanese integrated circuit (IC) supply chain to Shanghai in the early 1990s as “perhaps the greatest transfer of managerial and technical skills in human history.”\textsuperscript{9}

In China, where the nation’s capital stock has accumulated largely by virtue of “sweat industries,” the discourse of creativity juxtaposes productivity gains and labor market transformation. It promises a way to lift masses of people out of polluting, repetition-based industries and move them into value-adding service sectors while at the same time revitalizing domestic cultural and content industries by making them internationally successful; it offers what might be termed “cultural soft power” dividends.\textsuperscript{10} Indeed, gains in expertise and innovation in new media sectors, which are less burdened by regulation, are assisting the Chinese government in its mission to extend the nation’s soft power internationally. The key factor is knowledge—or more specifically, know-how. The concept of know-how is by now fairly well entrenched in management literature. In speaking of China, moreover, it is worthwhile noting the epistemological distinction between knowledge-that and knowledge-how, as elaborated by Gilbert Ryle in the 1940s.\textsuperscript{11} Knowledge-that constitutes propositional knowledge, things that we know about the world. Ryle believed that knowing-how is a “higher-grade disposition,” associated with “abilities and propensities” as well as “capacities, habits, liabilities and bents.”\textsuperscript{12}

Many view the challenge in terms of “catching up” with and learning from advanced soft-power nations in terms of acquiring more know-how. While the Chinese government is reluctant to openly identify such “know-how-rich” nations, there is no doubt that most practitioners in the creative industries target Western developed economies as well as Japan and South Korea. These have become China’s “soft power competitors.”\textsuperscript{13} The acquisition of foreign know-how, in addition to codified intellectual knowledge (knowledge-that), readily obtainable from reports and scholarship, offers a key that can unlock secrets of innovation.

For a Chinese person, the chance to work in a foreign company may be the means of acquiring both crucial know-how and know-that. But how long the worker stays with a company depends on salary, job satisfaction, and career expectations. The inclination to change occupations can be explained in terms of “compensating differentials,” that is, the coexistence of monetary and nonmonetary elements of employment.\textsuperscript{14} People undertake jobs for a variety of reasons: in many creative industries, some work for less or work long hours because they enjoy the work they are doing and the people they associate with. Moreover, in a market like China, where there are plenty of job openings in new media sectors, workers
can experience significant mobility. Taking knowledge gained, including IP, elsewhere is therefore another variant of precarious creativity. In short, the Chinese government hopes that the transfer of international knowledge together with an understanding of markets and consumer preferences might contribute to the rise of Chinese media influence. Whether this rise signals the receding influence of international media in China is a moot point.

A CHINESE POLITICAL ECONOMY FRAMEWORK

There are several ways of understanding precarious creativity in China. The first is to recognize that China, like many other countries, faces new opportunities from information abundance. Technology is having an impact on traditional patterns of life, as distant friends and potential customers are connected instantaneously through apps like WeChat and Taobao. Second, rapid urbanization has significantly altered the demographic pattern of Chinese society. One study estimates that China will have more than two hundred cities of over one million inhabitants by 2025. Urbanization changes the mobility of the workforce as more people are drawn to opportunities in big cities. Third, the One Child Policy, instituted in 1978 to curb population growth, has skewed population demographics, giving rise to a generation without siblings. Fourth, recent liberalizations in the household registration system (hukou) have increased people’s ability to change employment. In tandem with unprecedented mobility and technological change, skill shortages are appearing in the workforce, a problem that is bound to continue over time as a result of the One Child Policy, with fewer young people transiting into the labor market.

Industries need labor. In China the term *industry* has an ever-present relationship with economic modernization. Policy documents emanating from Beijing, particularly the five-year economic and social plans that underpin the allocation of key government resources, emphasize the industrialization of welfare, manufacturing, education, and even culture. Whereas the English word *industry* comes from the Latin *industria* and refers to “diligence, activity and zeal,” the dominant term in China until recently was *gongye*, literally the “activity of physical labor.” The use of the body, more than the mind, reminds us of the agrarian base of Chinese society until the mid-twentieth century. The sustainability of the Chinese economy from a so-called feudal agrarian system prior to the Chinese Revolution in 1949 to the socialist commune system of the late 1950s was founded on manual labor. The ensuing rise of export-led manufacturing in the 1980s and 1990s entailed further separation of mind and body, resulting in an intensification of production lines throughout the country.

By the turn of the century, this “new factory system” was well entrenched, drawing migrant laborers into working conditions that were often unsafe and exploitative. Migration to cities led to increasing social fragmentation and exacerbated
informal employment. Laborers, predominantly male, toiled in urban construction projects from high-rise buildings to ostentatiously named “cultural and creative clusters,” while female workers offered housekeeping (baomu) duties for urban residents or serviced the bodies of the middle class in thousands of massage parlors. Sweatshops proliferated on the fringes of cities, taking in work from overseas clients. As Loretta Napoleoni comments, “In the second half of the first decade of the twenty-first century China becomes the center of the global assembly line, the pieces produced at lower costs in neighboring countries and put together in Chinese factories.”

However, it is difficult to equate precarity in such labor-intensive sectors with media and cultural industries. In the latter, we see widespread transfers of knowledge capital that can translate into social mobility. Indeed, the zones of attraction and influence for China’s creative classes are distinct from the labor-intensive Special Economic Zones (SOEs), which have led to a proliferation of sweatshops and global assembly lines. Beijing and Shanghai in particular draw creative migrants into their cosmopolitan orbits.

While the precariousness of creative work is the subject of a number of important studies, precarity in China’s cultural and creative industries requires us to be cognizant of social and political context. I will return to this point in the conclusion. In most usages, precarious creativity refers to unstable employment in occupations that generate symbolic goods and services—for example, design, VFX and film, and software. Most international depictions relate to market economies where the hand of government is at a distance. In a country where freedom of expression is constrained by politics, the term precarious creativity implies something quite different. The hand of government is very visible. Even when it is less evident, for instance in design, fashion, and music, there is usually a need to appease a government official somewhere. This situation reflects the organization of cultural production under socialism, still the prescribed ideology in Chinese schools today.

**KNOWLEDGE CAPITAL**

The importance of knowledge to creative industries is on the surface uncontroversial. Most people accept the proposition that the creative industries are knowledge based. Knowledge is a cognitive capacity, conventionally understood as expertise. In conventional media and cultural sector value chains, expertise is valued as an input into content generation, delivery, and sales (that is, marketing). Knowledge capital, sometimes referred to as intellectual capital, includes the workforce (human capital), demands and preferences of audiences and consumers (customer capital), and systems, products, processes, and capabilities (structural capital).

While this is invariably knowing-that, it embodies know-how.
Knowledge capital can be sticky: it is often difficult to transmit or export. The term *absorptive capacity* describes the capacity to absorb knowledge that presents as “spillovers,” the latter term implying unintended consequences of actions. Both spillovers and absorptive capacities exist because an organization or an individual cannot capture all the benefits resulting from inventive activity. A good example is business precincts where there are convivial spaces in which people meet and share ideas informally. Localized spillovers and cultures of interaction frequently occur when participants are close to the knowledge source. Such clustering allows the exchange of tacit knowledge: that is, people may become smarter by interacting with each other. Creativity, learning, knowledge networks, and innovation occur because of skilled labor markets and movement of people. Media capitals like Hollywood and Mumbai, and technology hubs such as Silicon Valley, provide evidence of how knowledge capital is shared.27

In the past few years, a rise in collaborative production opportunities in China together with the construction of cultural parks and media bases has led to significant transfers of knowledge capital: this includes human capital, customers, and structural capital as well as technological know-how.

**MEDIA: THE GAME CHANGES**

One senses a strong belief among China’s creative workforce in the rising power of Chinese media and cultural production. At the moment workers are in demand in China; pay, conditions, and job satisfaction exceed many other service occupations. While data from the National Bureau of Statistics is not fine grained in term of occupational categories, it does indicate that salaries in “culture, sports, and entertainment” occupations are higher than other service industries, not a surprising finding considering the amount of investment, both domestic and foreign, that has taken place over the past several years. In addition, the largest increase in salaries is in the category “information transmission, computer service, and software.” In 2009, the average wage for workers in this area was RMB 58,154 (approx. US$9,500); in 2013 had become RMB 90,926 (US$14,800).28 Discussions of bonuses paid by domestic technology and games companies like Tencent can be found online.29 Successful projects can deliver dividends to creators that often exceed monthly salaries.

Job opportunities are increasing, allowing workers to move from place to place, from job to job. The animation and gaming industry, despite its reliance on outsourcing contracts, is a case in point. Cities such as Beijing, Shanghai, Suzhou, Hangzhou, Wuxi, Guangzhou, Shenzhen, and Dalian are competing to be the “animation capital” of China, and there is a relative shortage of “talent.” Video gaming is indicative of demand. Data shows that salaries in the games industry are highest in Beijing, where the category “technology R&D” (jishu yuanfa) dominates; in
Shanghai and the Guangzhou-Shenzhen region, salaries are less than Beijing and more focused on “product design” (chanpin cehua).\textsuperscript{30} As I discuss below, while talent is frequently nurtured in foreign companies, workers are hard to retain because there is somewhere else to go and companies willing to pay more.\textsuperscript{31} Shaun Rein, author of \textit{The End of Copycat China}, says:

A lot of Chinese feel like they can’t make it to the top of their organizations in multinationals. They’re moving to the Chinese private sector where companies have a lot of money for research and development. And there’s no bamboo ceiling. So why be the country head of R&D for 3M when you can be the global head of R&D for a private Chinese company? It’s happening that a lot of multinational companies now have to realize that their biggest competitors are often people that they trained directly over the past decade.\textsuperscript{32}

This scenario now plays out in creative sectors. Many international companies have established offshoring operations, mostly in animation, software, design, and film production. In these environments, workers acquire knowledge capital through learning, sometimes in a “master-apprentice” system. Skills are molded by watching, listening and imitating, “learning-by-doing,” illustrating Polanyi’s tacit knowledge, essentially the acquisition of know-how. The foreign business introduces new ways of thinking about design while the locals provide cheaper labor. But cheap labor is not without transaction costs. Skills (and knowledge) are transferable, and many workers see no need to be loyal to the foreign master. When workers walk out the door, actual codified knowledge in the form of patterns (IP) might be lost. In the games industry, we observe a similar phenomenon.

In addition to a strong demand for graduates from China’s communication universities in the new media sectors, there is another side of development that allows us to further unbundle the nuances of the term \textit{precarious creativity} in China: this is the commercialization of broadcasting industries. As mentioned above, prior to the 1990s, media production was regarded as a public service. The term generally used in this regard is \textit{public institution} (shiye). The largest shiye is China Central Television (CCTV), a cultural mothership that for most observers of China symbolizes the hegemony of the state. Ying Zhu has eloquently described CCTV’s turn toward the market in \textit{Two Billion Eyes}. The introduction of contract labor with higher pay, as opposed to ongoing employment, signaled a move toward the kinds of outsourcing practices common in most international media industries. When the broadcaster launched its flagship current affairs program, \textit{Oriental Horizon} (Dongfang shikong), in the early 1990s, production work was contracted out, with less than 10 percent of workers remaining on CCTV’s payroll.\textsuperscript{33} The contracted workers became central to CCTV’s talent identification. As Ying Zhu notes, CCTV poached talent from independent production companies, thereby refreshing its workforce. On the other hand, as her study points out, many of the best people at CCTV have left and moved into independent and digital media sectors.
Similarly, at Beijing Television (BTV) competition is coming thick and fast from digital media. In a focus group interview I conducted with several senior personnel, one person commented, “Jobs were relatively high paid a decade ago, but staff members have received no pay increases for eight years.” The same person said that his department recently recruited about a dozen workers. The quality was high, many being overseas returnees with postgraduate qualifications and media experience. He noted, “The expansion of digital sectors is providing ‘talents’ with better working conditions and pay, and as a result there is a lot of mobile human capital. Mobility is accelerated and as a result the turnover rate is very high. This [competition] might force us to raise salaries in the future.”

At the time CCTV was renovating its operations in the 1990s, a number of leading production units emerged in television and film. Some of these, including Enlight Media, were formerly within the system; in time they would become leading players in the provision of entertainment content, particularly television formats and live events. A new “variant” of precarity soon came into being. Regulations allowing licensing of private companies came into force in 2004. With the exception of “foreigners,” any person or enterprise can form a media production company in China as long the State Administration of Press Publicity Radio, Film and TV (SAPPRFT) ratifies the license. The performance of non-state-owned production units, although precarious under conditions of censorship, has helped fulfill quotas of domestic content required to fill schedules, thus thwarting the incursion of foreign media content from the United States, Europe, Hong Kong, and Taiwan, which had spiked in the early 1990s. By the time China joined the World Trade Organization in 2001, the number of companies registered as private (mingying) had climbed to over three hundred, most of them plying their trade in TV serial drama production. By 2009, the number of independent production units in the broadcasting sector had exceeded four thousand, with 90 percent of drama production commissioned from such enterprises.

While private companies have changed the game, it is necessary to add a caveat to the meaning of the term independent: that is, their existence is dependent on the dominance of the state in determining what content is suitable for audiences. Compared with the independent sector internationally, state-owned television stations maintain dominance in contract alliances; for instance, private production units might produce a show that is successful, but the rights are generally owned by the broadcaster. There are other uncertainties built in that make production precarious. Censorship is something that private entities need to be mindful of because production licenses are renewable. Moreover, when a program is successful, it might be replaced if the TV station decides to make its own version. This demonstrates the fragility of the concept of copyright in Chinese media industries. To maximize revenue and remain solvent, many production companies seek out and produce advertising content.
THE CULTURAL INNOVATION TIMELINE RECONSIDERED

The question of how knowledge capital is circulated and deployed in generating successful cultural and media products leads me to reconsider the utility of the term *precarious creativity*. Rather than simply being a negative indicator, precarious creativity is adding to the knowledge capital of China’s creative industries. In other words, many workers are moving from low-cost production to higher-end production and from low wages to higher salaries. People are moving from traditional broadcasting to new media, where the salaries are better. In the process some are identifying ways to innovate and internationalize rather than relying on the domestic market. To see how this plays out, I explore the cultural innovation timeline, a concept I have used elsewhere to explain the uneven development of China’s creative industries. Essentially the cultural innovation timeline depicts how production moves from low to higher value offerings. In describing these processes, it underscores the centrality of knowledge capital and the role of cultural intermediaries.

The base level of the cultural innovation timeline is standardized production; for instance, deterritorialized production and outsourcing of call centers gives low-cost locations an opportunity to be included in global trade networks. Factories are established because land is made available for cultural and creative industry projects, often with the help of local governments. Human capital in most of these instances is unskilled. Workers are paid low wages, and they work long hours. While there may be some status working in a design sweatshop or an animation outsourcing company, there is no desire to innovate; this is just a job. That is not to say, however, that there will be no learning on the job.

The second level of the timeline is imitation. Without the capacity to experiment or expend resources in content development, many producers of content follow the path of copycatting. China has a global reputation as a copy-nation, but again this needs to be put into the context of precarity. In the main, copying is a safe way of proceeding; if something has made money, it is reasonable to try it again, or tweak it a little bit. Shaun Rein says copying exists because you don’t have to pay high upfront costs. While an offender might get fined by the government, this is usually cheaper than paying for the rights. In addition to the economic dividends, there are cultural reasons for copy culture that would require a lengthy exposition.

In fashion we see clear evidence of this process. The fashion industry is populated by copyists; in responding to the question “How do you keep reinventing?” Ralph Lauren once said, “You copy. Forty-five years of copying. That’s why I’m here.” In China today, fashion and textile manufacture coexist in a symbiotic relationship. Workers toil to produce textiles while the country’s leaders exhort
people to build an “innovative nation.” The worker on the Chinese-owned production line in Shaoxing, the capital of the textile industry in Zhejiang Province, is unlikely to be concerned with the idea of an innovative nation; work is a means to put food on the table, hopefully providing a stable income. This is the ultimate sweat industry: long hours, cramped conditions, and low wages. Workers produce capital through duplication; in this context creativity is redundant.

In many foreign-owned design workshops, creative capital is configured differently. According to Tim Lindgren, an independent designer who took his production to Shanghai several years ago because costs in Australia had escalated to the point where he could not employ staff, “It’s hard to keep high quality staff: they learn on the job and then leave to start their own business or find higher pay.”

The mobility of workers in this situation is understandable. For the foreign design enterprise, it entails a search for staff replacements, not always so easy in a cross-cultural work environment. According to Lindgren, the other side of this dilemma is that patterns and designs (copyright) are lost, often appearing as high-priced garments in local markets.

Collaboration follows imitation, as content producers seek out alternative ways to capture value. Two examples of collaboration are pertinent to knowledge capital: film coproduction and TV formats. Coproductions in film are an interesting vehicle of knowledge capital transfer. They are categorized in three ways: the first is joint production (lianhe shezhi, or hepai), in which domestic and foreign parties make a joint investment of capital, services, or materials, and jointly share the benefits and risks of such “codevelopment.” The second is known as assisted production (xiezuo shezhi, or xiepai). This is where a foreign party makes an investment to produce in China: equipment, apparatus, sites, services, and so on are provided by the Chinese party, which receives a fee for services. The third model is entrusted production or commissioned production (weituo shezhi, or daipai). Here the Chinese party is “entrusted” by the foreign party to produce content in China.

Joint productions are considered domestic productions. In discussion with producers in Australia, I have observed a preference for codevelopment over assisted production—that is, producers are endeavoring to make stories that will sell in the Chinese market, taking advice on how to proceed from locals. There is a sense of optimism, some believing that Chinese audiences will learn to appreciate stories that have new ingredients. Codevelopment suggests that the Chinese side is interested in cocreating with foreign entities rather than just supplying low-cost production services. To date this road is littered with failure. It is precarious from a market sense as well as reputation. If producers edit their stories to appease the Chinese government, the danger is that critical acclaim in international filmmaking communities will diminish. Yet the road most traveled is likely to be documentaries about the wonders of China, not the treatment of its dissidents.
In effect, different risks exist depending on whether a project is a joint production or a commissioned one. East Asian businesses in many cases have a better appreciation of the precariousness of working with Chinese scripts; for instance, Chinese screenwriters and producers invariably have a well-developed sense of how to self-censor. Chinese content is imbued with allegory, parody, and oblique references, one of the reasons it encounters audience resistance when exported.

While coproductions have helped Chinese television improve its markets and have injected new ideas, China’s TV industry has struggled to export its brand. In television China’s comparative advantage in overseas sales comes from adaptations of the four classics of Chinese popular literature (*sida mingzhu*),43 as well as historical serials about emperors, eunuchs, and court intrigues. This advantage has conspired to produce a glut of second-rate productions; even home audiences have turned away in large numbers, precipitating edicts from the SAPPRFT to rebalance production slates toward contemporary stories. In short, economic success in the home market does not equate to success abroad, and critical success abroad (as in the case of art house cinema) does not necessarily translate into economic success at home.

In the case of TV formats, a transaction is made between the domestic licensee and the format holder or distributor. According to the managing director of a leading international TV format distributor, Chinese television stations generally want more knowledge than other international partners. The TV format distributor in question not only sells the copyright of the TV format to the local TV station or production company but also provides direction on program localization, consulting on production, and even direct participation during the production and postproduction periods. This represents a difference from the format licensing business elsewhere; in China the foreign party is regarded like a consulting firm.44 The Chinese want the know-how.

Following collaboration, the fourth level in the cultural innovation timeline is cultural trade. By the first decade of the millennium, the impetus to move programs out of China into international regional markets had increased. Coincident with the cultural trade impetus was the consolidation of production and management, first in media conglomerates and later in media bases or clusters (the late 1990s, early 2000s).

This consolidation constitutes level five of the timeline. I have earlier mentioned the virtues of clustering and the spillover effects that can accrue. Of course, this is the ideal. Clustering has a checkered history in China’s reform period. In many instances, clusters function to attract business investment (zhao shang) more than attracting creative talent (zhao chuang).45 Moreover, the fact that China has hundreds of clusters in which outsourcing is the bread and butter indicates that there is still a market for semiskilled labor.46 The massive injection of government funding in clusters is driving competition for talent and investment. Places are competing
for creative talent and investment on a scale unprecedented in China, with local
governments providing preferential policies, tax breaks, and free rent. In effect,
precarity has a broader context in China. While employment is volatile and profits
are uneven across the broad spectrum of commercial creative industries, the high
level of government subsidy in constructing zones and parks has created a bubble.

In previous work on cultural and creative industries, I have described level
six as constituting “peer communities” and “creative communities.” In previous work on cultural and creative industries, I have described level
six as constituting “peer communities” and “creative communities.” This is the
online world, with more than 650 million participants. The activities of online
producers are indeed precarious, so much so that much content is predominantly
parody. It is posted, reposted, and then taken down, often by persons employed by
the government to monitor unhealthy commentary. It is this meaning of precari-
ous creativity, I feel, that characterizes China more than debates about job losses in
the “creative industries,” which are invariably construed as symptomatic of neo-lib-
eralism, a move that arguably succumbs to its own kind of reductionism.

CONCLUDING REMARKS: THE (PRECARIOUS)
ELEPHANT IN THE ROOM

A great deal of government investment has targeted the cultural sector in China
over the past decade. As a result of market openings, many foreign players are lin-
ing up to take advantage of the “world’s biggest audience.” The technological gap
between China and the developed economies is closing fast because of the transfer
of knowledge and the movement of human capital.

I have argued that the concept of precarious creativity requires rethinking if
it is to apply to China. Of course, the conventional usage of precarity as depicted
in much of the literature does apply, especially in manufacturing sectors, where
sweatshops operate with impunity. Much work in the creative industries in China
is project based, and we observe a marketplace for talent. In this latter sense, the
key point is the mobility of workers in and across media sectors, and from foreign
companies back to Chinese digital companies. While many foreign companies
are struggling to retain talented workers, the new media challenge is significant,
extending to state-owned media enterprises. As suggested by CCTV’s poaching
of talent from the independent production sector, even though the work may not
be long-lasting, skills are in demand. Conversely, the example of BTV shows that
digital media, from games to mobile media, is bent on securing the best “talent”
and paying more money.

Despite the massive market for culture in China, government regulation under-
mines attempts to be taken seriously internationally as a soft power competitor.
When competing for the hearts and minds of international audiences, two main
challenges confront creators of film, television, and animation content. There are
other elements of precarity that stymie China’s outward-bound ambitions. The first
is the challenge of credibility. An emphasis on historical revisionism and a propensity toward melodrama, while acceptable in the PRC market, fail to transfer into commercial success abroad. This in turn points to a second problem. There is a lack of understanding within China of how to make content that might be successful overseas and actually assist in reinvigorating “brand China.” Hence the demand for foreign know-how.

Another ubiquitous aspect of precarious creativity is really the “elephant in the room.” What is the point of talking meaningfully about creativity in China if its existence is made perilous by censorship? In this context I want to add another dimension to our understanding of knowledge capital, namely “knowing-to.” Whereas knowing-that and knowing-how provide ways to ascend the cultural innovation timeline, knowing-to comes into play at important times; for instance, a person might wish to push the boundaries of creative work, or a foreign producer might seek to promote a film coproduction in China. Knowing-to becomes an important modality of knowledge capital. Knowing-to manifests in four circumstances: first, anticipating outcomes (understanding the effects of an action or a policy); second, timeliness (making one’s move at the right time); third, context (working in a way that takes account of others’ political obligations and guanxi), and fourth, “understanding weightiness” (knowing the relative weight of policies and regulations). Knowing-to combined with knowing-that makes for good business in China. However, this does not guarantee good content, just survival.

Finally, it is worth considering how knowing-to applies to the Chinese leadership’s attempt to rebrand China as a “strong cultural power” (wenhua qiangguo), the latest rhetoric emanating from cultural industry think tanks. In China, precariousness extends beyond employment; if someone expresses a view in writing that directly challenges the government or infers that a member of the Chinese political elite is corrupt, this person’s employment may be terminated—and this may have consequences for personal liberty and the welfare of the person’s family. The European Enlightenment view that creativity is about asking difficult questions, challenging authority, and destabilizing norms does not sit well with the government. The discourse of creativity is based on a harmonious vision of progress, captured in the soporific idea of a Chinese Dream, one in which all Chinese citizens are presumed to participate. That means 1.3 billion Chinese dreams. The problem in this rhetoric is that dreaming by definition is difficult to control.

NOTES

I acknowledge the support of the Australian Research Council in enabling this research to be undertaken. The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article. The author disclosed receipt of the following financial support for the research, authorship, and/or publication of this article: Research for this paper was funded through
the Australian Research Council Discovery-Projects DP140101643 Willing Collaborators: Negotiating Change in East Asian Media Production.

1. I use the term *developed nation or economy* rather than *West* or *Western*. A developed economy in this sense is where tertiary and quaternary sectors dominate the economy.

2. Robert Baldwin, “Globalisation: The Great Unbundling(s),” Economic Council of Finland, 2006, available at www.tinyurl.com/2ol2n8.

3. For instance, see G. Hearn, R. Bridgstock, B. Goldsmith, and J. Rodgers, eds., *Creative Work beyond the Creative Industries* (Cheltenham: Edward Elgar, 2014).

4. See Nestor Gabriel Canclini, “Precarious Creativity: Youth in a Post-Industrial Culture,” *Journal of Latin American Cultural Studies: Travesia* 22.4 (2013): 341–352.

5. Boosterist claims of the creative economy proliferate in most countries. Much of this relates to errors in accounting, namely the propensity to count as creative things that are evidently not creative. The first book to advance the cause was John Howkins’s *The Creative Economy: How People Make Money from Ideas*.

6. For instance, facilities maintenance, hospitality, domestic work. See Terry Flew, *The Creative Industries: Culture and Policy* (London: Sage 2012), 107.

7. From 251 valid surveys (from a total of 400) in Beijing (Fangjia 46, Shijingshan Cyber Recreation Park), Suzhou Industrial Park and Creative 100 (Qingdao), conducted May 2009 to July 2010. Michael Keane, *China’s New Creative Clusters: Governance, Human Capital and Investment* (London: Routledge 2011).

8. See Seamus Grimes, “Foreign R&D in China: An Evolving Innovation Landscape,” in *Innovation and Intellectual Property in China: Strategies, Contexts and Challenges*, ed. K. Shao and X. Fend (Cheltenham: Edward Elgar, 2014), 186–205.

9. AnnaLee Saxenian, *The New Argonauts: Regional Advantage in a Global Economy* (Cambridge, MA: Harvard University Press, 2006), 201.

10. The term *cultural soft power* in China is used to refer to China’s attempts to move its cultural and media products into international markets. See Michael Keane, *Creative Industries in China: Art, Design, Media* (London: Polity 2013); and Michael Keane, *China’s Television Industry* (London: BFI Palgrave, 2015).

11. Gilbert Ryle, *The Concept of Mind* (Chicago: University of Chicago Press, 1949).

12. Ibid., 45.

13. For a discussion of soft power competition regionally, see Beng-Huat Chua, *Structure, Audience and Soft Power in East Asian Culture* (Hong Kong: Hong Kong University Press, 2012).

14. For a discussion, see Jason Potts and Tareq Shehadeh, “Compensating Differentials in the Creative Industries: Some Evidence from HILDA,” in *Creative Work beyond the Creative Industries*, ed. G. Hearn, R. Bridgstock, B. Goldsmith, and J. Rodgers (Cheltenham: Edward Elgar, 2014).

15. McKinsey Global Institute, “Preparing for China’s Urban Billion” (McKinsey and Company, 2009).

16. The One Child Policy refers to the policy adopted in 1978 that mandated that each family is allowed one child with the exception of minorities. The policy has undergone revision in the past few years, allowing people who were single children to marry and have two children.

17. The *hukou* refers to the household registration scheme initiated in the 1950s to maintain population control. It is essentially a work permit.

18. For a discussion, see Keane, *Creative Industries in China*.

19. The word *industrialization* is translated as *gongyehua*.

20. Martin King Whyte, “The Paradox of Rural-Urban Inequality in Contemporary China,” in *One Country, Two Societies: Rural-Urban Inequality in Contemporary China*, ed. M. K. Whyte (Cambridge, MA: Harvard University Press, 2010), 1–28.

21. Michael Keane, *China’s New Creative Clusters: Governance, Human Capital and Investment* (London: Routledge, 2011).
22. Loretta Napoleoni, *Maonomics: Why Chinese Communists Make Better Capitalists Than We Do*, trans. Stephen Twilley (New York: Seven Stories Press, 2011), 41.

23. See Juncheng Dai, Shengyi Zhou, Michael Keane, and Qian Huang, “Mobility of the Creative Class: A Case Study of Chinese Animation Workers,” *Eurasian Geography and Economics* 53.5 (2012): 649–670.

24. Mark Banks and David Hesmondhalgh, “Looking for Work in Creative Industries Policy,” *International Journal of Cultural Policy* 15.4 (2009): 315–430; David Hesmondhalgh, David, *The Cultural Industries*, 2nd ed. (London: Sage, 2007); Andrew Ross, *Fast Boat to China: Corporate Flight and the Consequences of Free Trade: Lessons from Shanghai* (New York: Pantheon Books, 2006); Kate Oakley, “In Its Own Image: New Labour and the Cultural Workforce,” *Cultural Trends* 20.3–4 (2012): 281–289.

25. For instance, see the other essays in this volume.

26. Alan Burton-Jones, *Knowledge Capitalism: Business, Work, and Learning in the New Economy* (Oxford: Oxford University Press, 1999).

27. For a discussion of media capital, see Michael Curtin, *Playing to the World’s Biggest Audience: The Globalization of Chinese Film and TV* (Berkeley: University of California Press, 2007). For Silicon Valley, see Martin Kenney, ed., *Understanding Silicon Valley: The Anatomy of an Entrepreneurial Region* (Stanford, CA: Stanford University Press, 2000).

28. From National Bureau of Statistics and China Statistical Yearbook, Beijing.

29. See www.zhihu.com/question/19588383.

30. See www.zhuayoukong.com/122808.html

31. Dai Juncheng, Zhou Shangyi, Michael Keane, and Qian Huang, “Mobility of the Creative Class and City Attractiveness: A Case Study of Chinese Animation Workers,” *Eurasian Geography and Economics* 53.4 (2012): 649–670.

32. Interview with Shaun Rein, September 15, 2014, available at http://www.creativetransformations.asia/2014/09/innovation-creativity-and-the-chinese-dream/.

33. Ying Zhu, *Two Billion Eyes: The Story of China Central Television* (New York: Free Press, 2012).

34. Focus group discussion with representatives of Beijing Media Group, including production managers, marketing, and programmers, QUT, Brisbane, September 25, 2014.

35. Enlight media was formed in 1998 by Wang Changtian, a former producer at Beijing Television. For a discussion, see Yuezhi Zhao, *Communication in China: Political Economy, Power and Conflict* (Lanham, MD: Rowman & Littlefield, 2008).

36. Michael Keane and Bonnie Rui Liu, “China’s New Creative Strategy: Cultural Soft Power and New Markets,” in *Asian Popular Culture: The Global Cultural (Dis)connection*, ed. Anthony Fung (London: Routledge, 2013), 233–249.

37. Keane, *China’s Television Industry*.

38. X. Yingdan, “90% from the Private Production in China’s TV Drama Market,” *Xinhua Daily*, May 28, 2007, www.ccmedu.com.bbs33_45123.html.

39. See Keane, *China’s New Creative Clusters*.

40. Interview with Shaun Rein, September 16, 2014.

41. Eric Wilson, “O and RL: Monograms Meet,” *New York Times*, October 25, 2011, www.nytimes.com/2011/10/27/fashion/oprah-winfrey-interviews-ralph-lauren.html?_r=1&.

42. Interview with Tim Lindgren, September 12, 2014.

43. The Dream of the Red Chamber (hong lou meng), The Journey to the West (xiyouji), Outlaws of the Marsh (shuihu zhuan), and Romance of the Three Kingdoms (sanguo yanyi).

44. Interview, Beijing, August 25, 2014.

45. Keane, *China’s New Creative Clusters*.

46. See ibid.

47. Keane, *Creative Industries in China*.

48. I have elsewhere argued that the concept of neoliberalism is problematic and is not applicable to China. See, for example, Keane, *The Chinese Television Industry*. 
49. Curtin, *Playing to the World’s Biggest Audience*.

50. See the discussion by Yingchi Chu regarding horizons of expectation. Yingchi Chu, “The Politics of Reception: ‘Made in China’ and Western Critique,” *International Journal of Cultural Studies* 17.2 (2014): 159–173.

51. *Guanxi* is usually translated as “personal relationships”; these may have political implications.

52. For a discussion of knowing-to in traditional Chinese philosophy, see Stephen Hetherington and Karyn L. Lai, “Knowing-How and Knowing-To,” in *The Philosophical Challenge from China*, ed. Bryan Bruya (Cambridge, MA: MIT Press, 2015), 279–301.