

From *Kundun* to *Mulan*: A Political Economic Case Study of Disney and China

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Abstract: This case study examines the Walt Disney Company's foray into the Chinese market from a political economic perspective. It focuses on two film-related events: 1) the *Kundun* incident in 1996 that displays the ideological confrontation between Disney and China in the post-Cold War era, and 2) the production of *Mulan* in 1998 as both a political compromise and a strategic marketing decision for Disney to regain the Chinese market. The conflicts and negotiations between Disney and China provide a telling example of the dynamic shift from political to economic concerns on both sides. Despite the fact that ideological confrontation still occurs when global capitalism comes to China, the author argues that mutual economic interests have become a crucial incentive for both to resolve, or at least downplay, political differences.

Keywords *Kundun*; *Mulan*; Disney; China; Globalization; Political Economy

As one of the best-known brands in the world, and perhaps the most successful one in terms of its synergistic global expansion, including films, TV programs, publishing, merchandising, and theme parks, the Walt Disney Company not only has a profound effect on the American media industry and popular culture, but has also achieved phenomenal influence across the world. According to the Company's 2013 annual report, its revenue was a record \$45 billion, of which around one quarter came from the international market.¹ Academic studies on the Walt Disney Company and its production are staggering and cover a wide range of disciplines, including art, mass media, and economics; and they are conducted from a variety of perspectives, such as feminism, psychoanalysis, cultural studies, and reception analysis, to name just a few. In *Dazzled by Disney?: The Global Disney Audiences Project*, a group of researchers examines the global expansion and reception of Disney products in twelve countries (Wasko et al. 2001). This project, however, does not include China, one of Disney's most lucrative overseas markets since the mid-1990s. This case study, focusing on the production and distribution of two Disney films, *Kundun* (1997) and *Mulan* (1998), examines Disney's foray into the Chinese market from a political economic perspective. Disney's adventure in a postsocialist China goes far beyond a mere business practice of "think globally, act locally" when the local operation of global capitalism is interrupted by ideological confrontation and local protectionism. From *Kundun* to *Mulan*, the interaction between the Walt Disney Company and the Chinese government provides a telling example of Disney's dynamic shift from political concerns to economic opportunities in China. If we can agree that political concerns overrode all others, such as trade policy, in the Cold War international relations, then what has been brought in by globalization is the overlap between politics and economics. More importantly in terms of how global corporations negotiate with nation states, in the Disney-China case, mutual economic interests have become a crucial incentive for both sides to resolve, or at least downplay, political differences.

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Disney entered the Chinese market with other major Hollywood studios soon after it was founded in California. Both *Snow White and the Seven Dwarfs* (1937) and *Pinocchio* (1940) were released in Shanghai and Hong Kong during WWII, leaving vivid impressions on many Chinese filmgoers. The first Chinese animated feature film, *Princess Iron Fan* (1941), adapted from a sequence in the popular Chinese novel *Journey to the West*, was directly inspired by *Snow White* (Quiquemelle 1991, 175-86). After the founding of the People's Republic of China in 1949 and the following Korean War, all Hollywood studios, including Disney, withdrew from the Chinese market, marking the onset of the Cold War era. Snow White and other Disney cartoon characters dimmed gradually in Chinese people's memories.

Surprisingly, the Walt Disney Company has been a pioneer in exploring the Chinese market since the 1980s, despite its strong anti-Communist political stance. In 1984, newly appointed Disney CEO Michael D. Eisner visited China and signed a contract with China Central Television (CCTV), the national TV station, which marked Disney's return to China. Mickey Mouse and Donald Duck appeared on CCTV screens in October 1986, and over 100 episodes were broadcast in the next two years, becoming must-see TV programming for many Chinese families (*Los Angeles Times*, 1998). China announced in late 1994 that ten "excellent" foreign films, mostly from Hollywood, would be released in the domestic market every year on a revenue-sharing basis. Among the first ten imported films was *The Lion King*, one of Disney's highest-grossing films, which further assured Disney the potential of the Chinese market. Disney began discussing a wide range of new business deals with the Chinese government, such as coproductions and the possibility of opening a Disney theme park in Hong Kong. Michael Ovitz, a powerful agent in Hollywood, then the president of Disney, spearheaded Disney's foray into China and visited the country many times. With his high-level contacts among the Chinese leadership, he even managed to secure a meeting with President Jiang Zemin in April 1996. It seems that postsocialist China was ready to work with Disney, the entertainment giant, to pursue mutual interests in the market. However, Disney soon discovered that it had to deal with an unprecedented Chinese situation, which involved conflicts of ideology, culture, and economy all at once. These conflicts offer us opportunities to observe the intriguing process of negotiations between Disney and China, paying attention especially to how the Chinese government uses its lucrative market as a leverage to tame the global corporation.

THE KUNDUN INCIDENT: KILLING THE MOUSE TO SCARE THE MONKEY

In 1997, Touchstone Pictures, a Disney-controlled film studio, produced *Kundun*, a politically controversial film about Tibet and the 14th Dalai Lama. *Kundun* follows the reincarnation of the two-year-old Dalai Lama into his adulthood. As seen in the film, after the Chinese Communist Party (CCP) takes power in Tibet, the Dalai Lama travels to Beijing to attend a meeting with Chairman Mao. He expresses that he has been greatly impressed by the CCP's accomplishment, and Mao replies:

Your attitude is good, you know. I understand you well. But you need to learn this: religion is poison. . . It retards the minds of the people and society. It is the opium of the people. Tibet has been poisoned by religion, and your people are poisoned and inferior.

The film then portrays the CCP's military crush of the religious and political traditions in Tibet. It ends with the Dalai Lama's exile to India in 1959. The title of the film, *Kundun*, is a Tibetan word that family members use to refer to the Dalai Lama, which means "the

presence of a great incarnation.” Charged by the CCP government as a “splittist” who seeks to remove Tibet from China’s control, the Dalai Lama enjoys great popularity in Western countries. Hollywood celebrities, including Richard Gere, Harrison Ford, and Steven Seagal have all been his ardent supporters. Many nongovernmental organizations have been established to advocate for the independence of Tibet. Consequently, Tibet and the Dalai Lama have become highly provocative issues in China’s foreign affairs. Given Beijing’s stance towards Tibet, a film like *Kundun* that glorifies the Dalai Lama’s leadership has no chance of being released in China. As a matter of fact, the Chinese government issued a stern statement when the film was still in production, warning Disney that this film would jeopardize its business in China. This being the case, one cannot help but ask why Disney, with its strong business interests in China, still proceeded to produce a film that seriously offends the Chinese government?

In order to answer this question, we have to explore the discursive construction of Tibet in the Western imagination over years. The mysterious land of the Tibetan Plateau, the “roof of the world,” has offered all kinds of escapist tales for Western imagination in novels, travelogues, and memoirs. Cinema has played a crucial role in spreading the exotic image of Tibet in the West. Not only has the explosive development of the mass media industry in the 1980s constructed Tibet into a part of the Western popular culture, but it has also strengthened the Orientalist discourse of Tibet on a global scale. As Orville Schell states in *Virtual Tibet*, a study of Western representations of Tibet, Tibetan fantasies root themselves in almost every form of Western popular entertainment, and Tibet has developed a divided persona in the public mind of the West: “On the one hand, it retained all its associations of being a paradisiacal Shangri-La; on the other hand, after China’s occupation in the 1950s, it also came to be viewed as a victimized land and culture laid waste by an invading colonializing power” (Schell 2000, 8). The general public interest in Tibet, politically as well as culturally, indicates a potential box office success. This is the main reason that leads Hollywood studios and other organizations to invest in films about or featuring Tibet.

Written by Melissa Mathison, then Harrison Ford’s wife, *Kundun* is a telling example of this divided persona of Tibet in Western imagination. Produced in the same year, *Seven Years in Tibet*, starring Brad Pitt as an Austrian climber who befriended the young Dalai Lama during the political chaos of the late 1930s and ’40s, shares the same anti-Communist message and Orientalist discourse. Although both claimed to portray the “real Tibet,” neither was shot in Tibet because of the CCP government’s sensitivity toward the subject. Jean-Jacques Annaud, director of *Seven Years in Tibet*, built his version of Lhasa in Argentina, and Martin Scorsese chose the Atlas Mountains in Morocco to shoot *Kundun*. Before *Seven Years in Tibet* and *Kundun*, other western feature films on Tibet include *The Golden Child* (1986) and *Little Buddha* (1993). China also produced several films set in Tibet, promoting the CCP leadership and the idea of national unity between the Tibetan people and the Han Chinese. The most popular was *A Tale of the Sacred Mountain* (红河谷, 1997), a Chinese response to *Kundun* and *Seven Years in Tibet*.² In the discussion of the tension between Western imperialism and the communists on the Tibet issue, Jiayan Mi and Jason Tonicic (2011, 48) point out that Tibet has become a “contact zone,” in which contending powers and interests play against each other. This is exactly what drives the various cinematic representations of the area. Together, China and Hollywood made Tibet a visual feast on the silver screen.

Seven Years in Tibet encountered an unexpected box office failure in the domestic market, only retrieving half of its \$70 million budget. While many reviews complain about its unsuccessful adaptation of the same-titled novel by Heinrich Harrer, one important reason

for its domestic box office failure, in my point of view, lies in its clichéd Cold War narrative, which has long been at odds with the culture of globalization. The post-Cold War global market has been expecting new, apolitical discourses with universal values such as love, family, and friendship. Fortunately, Brat Pitt's star power also fit the new demands and brought in a huge \$93.5 million from the international market. *Kundun*, however, did not enjoy such international success because Disney was involved in a much more complicated political situation. Due to the obvious anti-Communist messages in this film, the Chinese government threatened to rein in Disney's business dealings in China. Universal Pictures and other studios all turned down the chance to distribute *Kundun* for fear of upsetting the Chinese, reported *Time* magazine (Ressner 1996). In December 1996, despite the risk of an economic blockade from the Chinese government, Disney announced that its Buena Vista Inc. would distribute *Kundun* in North America. This decision, as observed by many, was based on two considerations: First, Disney could not bury the film with its \$28 million production cost, especially when it might bring in a big box office revenue; second, when many Hollywood studios were looking forward to seeing Disney being struck down by China, the company had to take a stand that would earn its leadership plaudits in Hollywood for "standing up for freedom of expression" (Stewart 2005, 271).

It turned out that Disney underestimated the resolve of the CCP in protesting against what they viewed as a Hollywood-inspired, anti-Communist conspiracy, especially as a market of 1.3 billion Chinese people is the CCP's best card in playing with transnational corporations. Compared with other Hollywood studios, Disney was much more vulnerable to Chinese pressure because of its economic pursuit of the Chinese market, including feature films, TV programs, merchandise, and a Disney theme park project. The CCP government responded with an anti-Disney campaign, suspending all of Disney's business in China, including the cancellation of a high-level Chinese delegation to Disney's California headquarters. What the CCP adopted in the *Kundun* incident is a strategy that has been commonly known in China as "killing the chicken to scare the monkey." The real intention was to show the West that China would not allow any form of "interference in China's internal affairs." Disney was chosen to be the poor chicken. Although *Seven Years in Tibet* was also banned from being shown in China, the CCP government has maintained a good relationship with Sony Pictures. From the Chinese perspective, the Japan-based Sony Pictures, parent company of the TriStar Studios that produced *Seven Years in Tibet*, is still a non-Western corporation despite its global influence. In contrast, Disney, the American-based entertainment giant, is a symbol of the West. Therefore, the Chinese government's decision to punish Disney, often referred to as "the Mouse House" by the entertainment industry, is actually a gesture of "killing the mouse" to scare all Western powers.

It is obvious that Disney could not give up its economic interests in China, the country with the world's fastest-growing economy. It had to work out a solution to repair its relationship with China. Eisner was furious with the *Kundun* incident, which exacerbated the tension and conflicts between him and Ovitz over the previous years. In fact, *Kundun* presented an opportunity for Eisner to fire Ovitz. After Ovitz's dismissal Disney quietly and discreetly hired Henry A. Kissinger, former Secretary of State, to negotiate with China. *The New York Times* reported in October 1997. As the newspaper observed, it was not coincidental that Kissinger was brought aboard—by then-Chairman Eisner directly—as the company was preparing the release of *Kundun*. John Dreyer, the company spokesman, said the plan was "for Mr. Kissinger to advise us on various initiatives we've been discussing over there" (Weinraub 1997). In 1971, Kissinger's secret trip to China had paved the way for the final normalization of the Sino-American relationship, ending a 23-year-long

mutual hostility. As a man that had brought the capitalist and communist worlds together, Kissinger's mission this time was no less important: the Magic Kingdom, as Disney is commonly referred to, needed to be reconnected with the Middle Kingdom, the literal translation of China. What is interesting about the two seemingly parallel situations, however, is the dynamic shift from political concerns to economic opportunities. The fact that Disney was the initiator of the action speaks directly to the importance of the Chinese market in a global era.

When director Martin Scorsese was asked in a BBC interview how the studio promoted *Kundun*, he answered: "I personally think that, unfortunately, they didn't push the picture.... The market China represents is enormous, not just for Disney but many other corporations around the world" (*Radio Times* 1998). His poignant answer addresses the tough situation that many global corporations have to deal with in China: how to strike a balance between economic interests and ideological differences? Disney's assumption that the Chinese government would not make a big fuss over *Kundun* turned out to be a costly hypothesis. In other words, when the Chinese market is Disney's primary concern, it also becomes an Achilles heel China can exploit. In order to stop loss, Eisner assured the Chinese government that Disney wouldn't promote *Kundun* in North America, and that it would "die a quiet death" (Stewart 2005, 272). As a result, with a \$28 million budget, *Kundun* grossed less than \$6 million under limited distribution.

THE MULAN PROJECT: HOW TO KILL TWO BIRDS WITH ONE STONE

It seemed that Kissinger had successfully assuaged Chinese anger over the *Kundun* incident because Disney's 1998 animation *Mulan* was permitted to be released in China in 1999. This animation is based upon an ancient Chinese folktale in which a girl named Mulan disguises herself as a man and joins the army in place of her old father to fight off invading northern tribes. Mulan has long been held up by the Chinese as the personification of duty to family and country, and her story has been adapted into several films and operas in China. It was a serendipitous coincidence that a Disney production of a well-known Chinese folktale became Disney's "apology" to China: *Mulan* was already in production during the *Kundun* incident, poised to reap monetary profit. It then stood in as a convenient compromise offered by Disney to the Chinese government. Compared with the politically loaded *Kundun*, the production of *Mulan* can be read as an indicator of Disney's ongoing strategic adjustment towards a globalized market. While *Kundun* still carries much of the Cold War legacy, *Mulan* appeals to a more universal family value.

Mulan was not a strange name in the United States even before the Disney movie *Mulan* became popular. Before the Disney adaptation, a literary debate regarding Mulan was ushered in by Maxine Hong Kingston's bestseller *The Woman Warrior* (1976). The question of whether Kingston's portrayal of Chinese tradition is authentic made Mulan known amongst many American readers.³ In *Mulan's Legend and Legacy in China and the United States*, Lan Dong (2011) examines the popularity of the story in North America through a number of children's picture books. These literary references paved the path for Disney's *Mulan* to access its target audience.

The disastrous *Kundun* incident, ironically, assigns *Mulan* a new mission: to assuage Chinese anger by projecting Disney as an advocate of Chinese culture, thus resuming the company's business opportunities in China. The advent of globalization makes cultural identity an acute issue in postsocialist China, and the CCP government has made great efforts to promote Chinese culture among its people and across the world. There is no doubt that filmmaking is one of the most effective means to introduce China to the world, but the

international recognition of Chinese cinema is inextricably woven with Orientalist discourses. In order to show respect to Chinese cultural heritage and recreate the cultural environment of the Mulan legend, Disney sent a preproduction team to China for three weeks of research, and later hired many Asian and Asian American artists to ensure the cultural authenticity of the animation, but these efforts still led to the production of an Americanized *Mulan* (Dong 2011, 167-9). Disney, with its extraordinary global influence, seemed willing to do China a favor. Here, however, lies a problematic issue that China has to face: is it really possible for China to work with a global corporation to promote its national culture? In other words, to what extent will the national culture be appropriated and rewritten by the homogenizing global capitalism to maximize the latter's interests, economic as well as ideological?

Unsurprisingly, as has also happened in the case of other Disney adaptations of folklore, *Mulan* has been widely criticized for its distortion of the original spirit of the legend. The original *Mulan Ode* ends with Mulan putting on her girl dress again:

I open the door to my east chamber,
I sit on my couch in the west room,
I take off my wartime gown
And put on my old-time clothes.
Facing the window she fixes her cloudlike hair,
Hanging up a mirror she dabs on yellow flower powder.
She goes out the door and sees her comrades.
Her comrades are all amazed and perplexed.
Traveling together for twelve years
They didn't know Mulan was a girl.
'The he-hare's feet go hop and skip,
The she-hare's eyes are muddled and fuddled.
Two hares running side by side close to the ground,
How can they tell if I am he or she?' (Trans. by Frankel 1976)

Filial piety aside, gender equality is a crucial feminist message delivered at the end of the poem. In the Disney animation, Mulan may be an independent, strong-willed young girl that is fundamentally different from Snow White or Sleeping Beauty, but the ultimate payoff for her bravery still comes in the form of catching a handsome man. After Mulan safely returns home, Grandma is slightly unsatisfied, complaining to Mulan's mother: "She brings home a sword. If you ask me, she should have brought home a man." Then the general's son comes to look for Mulan, and the two women dumbly point to the garden. Grandma becomes excited now: "Whoop! Sign me up for the next war!" The poetic ending of the *Mulan Ode* is replaced with a hearty welcome of the general's son, which indicates a happy marriage in the near future. The theme of loyalty to one's family and country is reinterpreted as an opportunity to find Mr. Right. Needless to say, the squirrel-like red dragon Mushu, typical of other supporting characters in Disney animations, cannot be found in any mythic fable in China. While detailed comparisons between Disney's *Mulan* and the Chinese legend have been done in other scholarly research, how Disney used the *Mulan* project as a stone to kill two birds, namely, to maximize box office revenue and regain the Chinese market, is the focus of this study.

As a global corporation, Disney productions are not targeted at domestic markets alone, and the company has made continuous efforts to attract more international audiences. For example, *Aladdin* (1992) earned over \$217 million in North America, and over \$504 million

worldwide. The increasing percentage that international box office revenues occupy in Hollywood's worldwide box office revenue has triggered new themes in the films themselves. Since the 1990s, more and more Asian images have appeared in Hollywood films in order to achieve better box office results from the Asian market. Both Jackie Chan and Jet Li have become Hollywood's shining stars. The production of *Mulan* adopted the same "glocalization" strategy that combines the global market with local situations. On the one hand, the theme of *Mulan* caters to the Orientalist fantasy of an ancient China for Western audiences; on the other hand, as a well-known Chinese legend, it would undoubtedly attract Asian audiences as well. As expected, the \$90 million-budgeted *Mulan* achieved a satisfactory box office—\$120.6 million domestically and \$183.7 million internationally. Eisner (1995, 415) later remarked: "Our best hope is not to worry about the competition and to focus instead on retaining our own commitment to excellence and innovation. *Mulan*, our summer movie for 1998, achieved that goal, drawing not just enthusiastic notices but the largest audience of any animated film since *The Lion King*." The success of *Mulan* led to the production of the sequel *Mulan II* in 2004, featuring Mulan and her fiancé, General Li, on a special mission that has nothing to do with the original Mulan legend.

When Disney used *Mulan* to make a friendly knock on China's door, the Chinese government responded with dubiousness, partly due to the cultural uneasiness discussed above. As a matter of fact, more than an apology and a cultural appropriation, Disney's *Mulan* also posed an economic threat to China, as it implicated the controversial issue of protectionism in the Sino-American trade relationship. When the Chinese market reopened to Hollywood in late 1994, the government only allowed ten foreign films (mostly from Hollywood) every year into the Chinese market, which is a typical strategy adopted by many countries to protect the national film industry. This quota system, however, could not stop Hollywood blockbusters from becoming immediate box office winners in the Chinese market, accounting for more than half of China's box office takings (Wang, 2007). Enthusiastic Chinese audiences swarmed into once-desolate theaters to experience the spectacular images created by Hollywood. Having realized that Chinese films could not compete with Hollywood even under the quota system, the government took further measures to protect the national film industry, mandating that at least two-thirds of the total exhibiting time in theaters must be reserved for domestic films. Meanwhile, it also marked some blackout dates for foreign film exhibitions during key holiday periods. Even Disney's *Mulan*, which claimed to promote a Chinese legendary heroine globally, was not exempt from a Chinese protectionism that hindered foreign access to the Chinese market. After more than half a year's delay, the Chinese government finally allowed *Mulan* a limited release in late February 1999, after the Chinese New Year, saving the more lucrative holiday market for local productions.⁴ By the time of Disney's *Mulan*'s official release in China, viewers who were most enthusiastic about this film had already seen it on pirated disks, so they did not turn up at the theaters in droves. Therefore, the state-monitored cool reception of *Mulan* in her homeland can also be interpreted as local resistance against the powerful global homogenization, culturally as well as economically.

Compared with local protectionism and an unsatisfying box office performance in China, the second bird in the *Mulan* project's sight was more important. After being chosen as China's unlucky chicken to protest Western interference regarding the Tibet question, Disney, to some extent, was ready to accept any deal that China would offer, since the size of its market affords the Chinese government immense political leverage. China, meanwhile, after successfully intimidating Hollywood with the threat to deny Disney's access to a lucrative market, was waiting for Disney's surrender. The timely production of *Mulan*, more than

a handy tool of damage control, provided both China and Disney a perfect compromise to continue their business cooperation. For the Chinese government, despite its cultural uneasiness about accepting a Disney-made *Mulan*, what could be a better Western tribute to Chinese culture? *Mulan*, the legendary Chinese heroine, was reinvented by Disney as a cross-cultural ambassador to assist Henry Kissinger in repairing the Disney-China relationship. The film would soon become a springboard for Disney's gigantic jump into China.

After the release of *Mulan* in China, the Hong Kong Disneyland project was announced in late 1999. It was the first time that a Disney theme park received direct government funding. Hong Kong invested \$2.8 billion in return for a 52 percent stake. In the company's 1999 annual report, Eisner remarked: "Hong Kong Disneyland could help redefine our entire company for consumers in the most populous region on the planet." The opening of Hong Kong Disneyland in 2005 is a milestone of Disney's foray in the Asian market. It is interesting to compare Eisner's market-oriented remark in 1999 with his grand opening dedication for Hong Kong Disneyland in 2005: "...It will be a source of joy and inspiration, and an enduring symbol of the cooperation, friendship and understanding between the people of Hong Kong and the United States of America." Rather than "a source of joy and inspiration," which is just a grandiloquent rhetoric, the real dynamic that pushes the wheel of Disneyland to Hong Kong is to make money from "consumers in the most populous region on the planet." The beneficiaries of the Disney-China cooperation are Disney shareholders, now including the Hong Kong government.

Before the opening of the Hong Kong Disneyland, Disney's headquarters for the Asia-Pacific region had moved to Shanghai and started its first Chinese-language film project, *Secrets of the Magic Gourd* (宝葫芦的秘密, 2005), which marked a new step of Disney's "glocalization" strategy in China. Stanley Cheung, who assumed his new post as Disney's China managing director in 2005, told Reuters in a 2006 interview: "We look at this as an important tool to build our brand in China." He claimed that the company had not made any deal to build a park in Shanghai, but rumors spread that a Shanghai Disneyland would open in the near future. On November 4, 2009, the Shanghai Municipal Government Press Office announced that the Shanghai Disneyland project application report had been approved by the relevant state departments. With Shanghai Shendi Group, a state-owned joint venture company holding 57% of the shares the resort is scheduled to open in late 2015.

CONCLUSION

With the end of the Cold War and the advent of globalization, some predict the end of the nation state and argue that regional economies will play a more decisive role (Ohmae 1995). Such a state of affairs, however, could not apply to China, where state capitalism has replaced the previous planned economy. Meanwhile, the predicted "clash of civilizations," compared with the more tangible ideological and economic conflicts, still seems far away, at least in the cases of the *Kundun* incident and the *Mulan* project. What has been brought in by globalization is a "time-space compression" in which state politics, especially those related to the market, intrinsically carry a global dimension. In other words, when the whole world becomes a global market, global politics are just effective means to maintain one's market control. In his book *The End of the Free Market*, Ian Bremmer (2010) describes China as a challenge to the free market economies of the developed world despite his liberalist belief that market capitalism has compelling advantages over state capitalism. In 2012, China bypassed Japan and became the world's second-largest box office market after North America, which means China will be driving an even harder bargain with the Hollywood-

pioneered U.S. economy going forward. For both sides, political and economic factors have never been disentangled and will not be any time in the foreseeable future.

Disney and China, a global entertainment giant and a postsocialist nation state, have formed one of the most interesting and problematic partnerships in the era of globalization. The negotiation between Disney and the Chinese government can only be fully comprehended when properly situated in the larger picture of the global political economy. The Chinese boycott of *Kundun*, an interlude of political confrontation, should also be read as a Chinese manifesto of market forces in the global era. While the *Kundun* incident shows how “the state acts as the dominant economic player and uses markets primarily for political gain,” in Bremmer’s words, the *Mulan* project displays another side of the coin, that is, how Disney and China defer politics strategically for the sake of profit-making business. From *Kundun* to *Mulan*, what we can clearly observe is the dynamic shift from ideological conflicts to mutual economic interests, which is one of the most salient features of the entertainment industry in the global era. Neither Disney nor China can ignore the decisive power of the market, and what deserves special attention in this partnership is how the Chinese government uses the market as a political tool to tame Disney. From the “quiet death” of *Kundun* to the rejuvenating ambiance created by *Mulan*, it is undeniable that the Cold War legacy has been left behind by the triumphal wheel of the market. More importantly, the final reconciliation between Disney and China is nothing but a profit-driven conspiracy between state capitalism and global capitalism at the expense of cultural heterogeneity, which is beyond the scope of this paper. As China becomes a major arena where all transnational corporations attempt to secure a share, how to play the role of host in the competition is an open question, leaving people to ponder how long and to what extent China’s state capitalism can get along with global capitalism.

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NOTES

1. The Walt Disney Company, "Fiscal Year 2013 Annual Financial Report and Shareholder Letter," <http://thewaltdisneycompany.com/sites/default/files/reports/10k-wrap-2013.pdf> (accessed November 18, 2014).
2. Among the Chinese films on Tibet, *The Horse Thief* (盗马贼, 1986), directed by the fifth generation filmmaker Tian Zhuangzhuang, is an experimental work that does not fall into this categorization. In addition, *Mountain Patrol* (可可西里, 2004), a coproduction between the United States and China, is also a special feature film, focusing on the illegal hunting of the Tibetan antelope, one of the most crucial environmental issues in Tibet.
3. For the debate between Maxine Hong Kingston and Frank Chin, see David Leiwei Li, *Imagining the Nation: Asian American Literature and Cultural Consent* (Stanford: Stanford University Press, 1998).
4. The release dates of *Mulan* in Taiwan, Hong Kong, Singapore, and other Asian countries were synchronized with its U.S. release to ensure successful box office revenues.