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(Read Part I, "Beijing's Book Landscape," [here](#))

By Eric Setzekorn

Dozens of bookstores continue to dot Beijing but recent developments are changing the landscape for readers and publishers by forcing many smaller stores out of the market. Part of this trend is due to advances in public transportation, particularly the enlarged subway system, that make it possible to travel across town for a larger selection and lower prices, leading to a decline in neighborhood bookstores. A less positive part of the bookstore consolidation is the increasing leverage state sector bookstores such as Xinhua can exert on private booksellers using market and political forces. A mixed element in the dynamic Beijing book market is internet-related growth, which has seen the rapid expansion of online booksellers, but the flip side of the internet has been increasing illegal file sharing of e-books which some writers claim results in lost sales. Finally, consumption patterns are changing because although Amazon's Kindle and other specialized book readers have not become big sellers in China, small LCD tablet screens that can be read on the subway or bus are increasingly popular, promoting new reading habits and tastes.

Although in contemporary China both public and private bookstores use market mechanisms — and must do so to be economically viable in the long run — systematic advantages in money and influence are seen by some to be stifling Beijing's book market. In many ways, the commercialization of China's publishing and distribution sectors has seen the entrenchment of government influence rather than its withering away. Xinhua Bookstores are the largest and only country-wide chain of bookstores; in 2006, the chain had over 14,000 stores, giving Xinhua tremendous economy of scale advantages to buy and sell books in bulk and make or break authors. Another key advantage for state sector bookstores, and Xinhua in particular, is their unique legal mandate to sell official school textbooks developed by the Ministry of Education, which is the most lucrative part of the Chinese book market. As if this weren't enough, Xinhua is a holding of China Publishing Group, a state-owned corporation in the process of obtaining a 1.8 billion RMB initial listing on the Shanghai stock exchange, which will massively increase Xinhua's access to capital for future expansion. Xinhua Bookstores' ubiquity is matched by their bland book selection, which often includes large displays of pro-government works and never carries controversial material such as the magazine *Yanhuang Chunqiu*.

Xinhua's ability to utilize its government influence was exhibited this spring with the launch of the "Book's Fair Trade Rule," which theoretically limits the discount online retailers can offer to 15%. Online vendors such as Dangdang and Joyo Amazon had gained tremendous market share over the past few years by offering sharp discounts and cheap shipping that appealed to many urbanites comfortable with online shopping. Part of the motivation for the rule is the argument that brick-and-mortar bookstores are becoming "show rooms" for books, where readers can browse but then return home to buy their selections at lower prices online. It is unclear, however, whether the "Fair Trade Rule" will actually take effect because it's a joint edict from the China Publishers Association, Xinhua Bookstore Association, and the China Book Distribution Industry Association, not an official regulation of a government agency. Due to the complex organizational mandate of these three associations to license and inspect publishers, distributors, and bookstores, there is a degree of leverage they can exert but the exact boundaries of their formal power remains vaguely defined.

An opportunity for Beijing's middle-brow book culture is the rise of e-reader devices and new forms of book consumption by white-collar readers. With many white-collar workers now commuting over an hour each way on buses and subways, small e-reader devices are becoming increasingly common. Most of these devices measure 3 by 4 inches, slightly bigger than a cell phone screen, and lack the ability to use 'electronic ink' displays like the Amazon Kindle or the Sony e-Reader. Available for less than 700 RMB, these devices lack wireless features and are loaded with material, normally less than 2 GB, through a USB connection. After the initial investment, the e-readers cost their owners little, as new content is widely available through illegal online downloads and file sharing. The small screen size and cramped environment where these devices are used means that readers use them leaning forward in the way a person reads the newspaper, rather than leaning back like reading a traditional book.

This reading posture and the environment these readers are used in may be the reason e-reader selections of a small sample of Beijing readers I spoke to on the subway skewed towards lighter, more sensational works of the Han Han or Guo Jingming variety.



The Lady Book Salon, a shop specializing in books for women

One of the brighter spots for Beijing readers is the growing numbers of book-themed coffee shops and cafes, many of which have a small “library” within them or sales area attached. Particularly in Haidian, it is possible to find cafes aimed at a particular demographic niches — students or women, for example — that have small selections of books and magazines to appeal to their target audience. Another bright spot is the popularity of Japanese manga or Chinese derivatives among many younger readers. Although currently online downloads seem to be the most popular way to get the latest manga in China, throughout Taiwan and Japan many internet cafés offer magazines and manga in addition to food, creating a hybrid bookstore/internet café/restaurant where many young people spend their free time, which might soon be commercially viable in China.

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