

Entrepreneurial Logics and the Evolution of Falun Gong

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This article documents the shift of Falun Gong from a primarily secular healing system to a new religion centering on salvation. Emerging as a qigong organization in China in the early 1990s that provided immediate healing treatments to practitioners, Falun Gong eventually developed into a salvation-oriented religious firm. Mr. Li Hongzhi, the founder of Falun Gong, played a vital role in promoting the movement's transition. Facing the competitive qigong market, Mr. Li decided to differentiate Falun Gong from other competing qigong movements by offering a theory about salvation. He also adopted other organizational and doctrinal mechanisms that are useful in sustaining practitioners and preventing potential schisms. These strategies partly accounted for the growth of Falun Gong in the 1990s. This case study indicates that the religious economy model is helpful in understanding the evolution of Falun Gong, a new religion in contemporary China.

INTRODUCTION

Religions have been reviving in China since the 1980s. Such a revival can serve as something of a laboratory for sociologists to investigate the birth of new religions and the background against which they emerge. However, up to the present, the survival of religion in China is a somewhat neglected area of theoretical concern, especially to sociologists of religion (Lang 2004).

This article uses insights from the “religious economy” model to examine the rise of a new religion in China. Grounded in exchange theory, the religious economy model provides a theory of the birth of religions. Assuming that people seek to gain rewards that are always limited in supply, and some of which actually do not exist in the observable world, Stark and his collaborators (Stark and Bainbridge 1980a, 1980b, 1981, 1985, 1987; Stark and Finke 2000) propose that humans will tend to formulate and accept explanations for obtaining rewards in the distant future or in some other nonverifiable context. From the perspective of religious economy theorists, these “compensators,” or its current conceptual alternative “otherworldly rewards,” are the very potent resources that distinguish religious organizations from secular firms. Stark predicts that there is a tendency for organizations to “shift from naturalistic to super-naturalistic premises” when these organizations pursue “goals of immense value which cannot be obtained through direct means” (Stark 1981:170).

In addition, Stark and Bainbridge (1987) argue that religious entrepreneurs play important roles in the process of religion formation. By viewing religion as the business of selling “otherworldly rewards,” they hold that religious entrepreneurs are vital in that they manufacture and offer novel “otherworldly rewards.” Like those in other businesses, successful religious entrepreneurs need management skills to run their religious firms. After gaining necessary skills, often acquired through prior involvement with a successful new religion, religious entrepreneurs tend to establish new religions through the manufacture of new explanations, namely, the “otherworldly rewards.” They also tend to continue innovation after founding their organization, adding to their systems

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whatever appeals to their followers (Stark and Bainbridge 1979, 1987). In short, entrepreneurial logics play important roles in promoting the birth of new religions.

Is there a tendency for secular organizations to turn into religions in China? If so, what are the entrepreneurial logics beneath such transition? This article will address these questions through a case study of Falun Gong (FLG), a new religion in China.¹ The data used here mainly come from two sources: books and articles published in China, and FLG's own publications.² In cases where conflicting versions of the same events are available, I will note the discrepancies and illustrate the claims each presents.

A BRIEF HISTORY OF QIGONG IN CHINA

To explain how FLG originated from a *qigong* organization, it may be useful to start with an overview of the development of *qigong* in China. As a Chinese word, “*qi*” is widely used in describing substances that are invisible but present both in humanity and in the universe, such as air. It is believed that, through cultivating “*qi*,” one can gain not only some kind of vital energy that is useful to stay healthy, but also obtain some kind of supernormal abilities. Both such energy and the cultivation of such energy are called “*gong*” in Chinese. Thus, the term “*qigong*” refers to the cultivation of *qi* in the human body through deep breathing and meditating (Zhang 1994; Palmer 2003).

China has witnessed a long history of *qigong*, which is rooted in a culture fed by three traditions: Confucianism, Buddhism, and Taoism. In addition, *qigong* was tightly integrated with Chinese sectarian movements centering on individual salvation (Ma and Han 1992; Dean 1998; Ownby 2003). Most traditional religious groups were suppressed or disbanded by the Chinese Communist Party after it came to power in 1949. Without organizational supports, *qigong* went underground and was practiced by people secretly and sporadically. When one door was closed, however, a window was opened. An accident led to the acceptance of *qigong* by the state.

In 1947, Liu Guizhen, a cadre of the CCP, suffered such serious pulmonary tuberculosis that the Party sent him back to his hometown to wait for death. However, after practicing *qigong* with a Taoist for less than four months, Liu recovered his health and went to work again. His superiors in the Party were so surprised at his recovering that they assigned him to learn *qigong*. Liu spent two years learning *qigong* with the Taoist and then established the world's first *qigong* clinic in 1953 in Tangshan, Hebei province. Two years later, Mr. Liu became the head of the “Beidai-he Qigong Sanatorium” which served high-ranking government and party officials. From then onward, many Chinese hospitals began to establish departments of *qigong* and it became a technology for treatment (Zhang 1994; Palmer 2003).

It was Guo Lin who brought *qigong* from the hospital to the wider society. As a cancer sufferer who benefited from practicing the *qigong* learned from her grandfather, Guo had begun to teach other patients freely in 1971. Soon, “New Guo Lin Qigong” was popular after she traveled to spread it all over the country. Some important academic leaders began to regard *qigong* as a “Somatic Science” (*Renti Kexue*) that would supposedly lead to a new scientific revolution. In early 1986, the China Qigong Scientific Research Association (*Zhongguo qigong kexue yanjiuhui*, hereafter, CQSRA) was established, and it soon played an important role in propelling *qigong* to high popularity. Under the encouragement, or at least the tolerance, of the Chinese government a “*qigong* fad” (*qigong re*) soon swept across China. By 1987, hundreds of millions of people practised *qigong* all over the country. The popularity of *qigong* achieved its high point in the early 1990s when the CQSRA encouraged research into the scientific elements of *qigong*. Further, *qigong* benefited from its numerous affiliate groups, which were usually led by charismatic *qigong* masters active in giving lectures and training “assistants” (*fudao yuan*) to spread their own forms of *qigong*. They competed with each other to attract potential customers, most of whom were the old and the sick. Various products, from *qigong* books, to *qigong* videotapes and VCDs, were provided by what became highly bureaucratic and commercial *qigong* organizations (Kang

2000:151; Palmer 2003). With the support from the state, *qigong* became a profitable business as well as a religious movement in the early 1990s.³

THE TRANSITION OF FALUN GONG

The Emergence of Falun Gong

When the *qigong* fad was well under way in the late 1980s, Li Hongzhi began to engage himself in *qigong* circles. He first followed Li Weidong in the practice of “*Chanmi gong*” in 1988. He then enrolled in a class for learning “*Jiugong Bagua gong*,” which was offered by Yu Guangshen. On the basis of “*Chanmi gong*” and “*Jiugong Bagua gong*,” Li produced FLG. With his early associates, Li “came out of the mountains” (*Chushan*)⁵ to spread FLG in May 1992.⁵ FLG was not a brand new *qigong* at that time, and many aspects of FLG were quite similar to “*Jiugong Bagua gong*” (Zhang and Qiao 1999:53).

Like other *qigong* masters, when Li Hongzhi began to recruit followers in Changchun, he emphasized the efficacy of the FLG in improving practitioners’ physical conditions and healing diseases. Not only did Mr. Li offer immediate treatments to people at that time, but he was also very active in holding classes to spread his cultivation system, focusing on improving health and curing illness. To a newcomer in the *qigong* circle, providing such services is not only necessary but also vital, as Li Hongzhi said:

As I have just come into public and enjoy little popularity, people are not likely to attend the class I hold to impart my cultivation system if we cannot convince them of the efficacy of our system by treating diseases and giving advice. (Li 1998a:139)

In 1993, Li Hongzhi tried to use every opportunity to achieve fame by healing diseases. In this year, Li Hongzhi, together with several disciples, participated in the second Oriental Health Expos in Beijing and offered immediate treatment to the Expos’ visitors. According to Li’s description, the treatment provided by him was so successful that his booth was crowded with people waiting for treatment (Li 2000:145). The organizer of the Expos described Li Hongzhi as “the most popular *qigong* master.” Moreover, FLG was honored with an “Advancing Marginal Sciences Award,” (*Bianyuan Kexue jingbu jiang*), the highest award of the Expos (Zhang and Qiao 1999:67). Also in 1993, “The Foundation for Encouraging People to Fight with Criminals” (*Jian-yi-yong-wei ji-jin-hui*), which belongs to the police ministry, wrote a letter to the CQSRA, publicly asserting that Li Hongzhi and his disciples were good at healing deceases. Li Hongzhi is very proud of these honors even today. To some extent, these honors show that FLG was nothing more than an efficacious *qigong* system and Li Hongzhi was at best a “popular *qigong* master” who claimed expertise in healing illnesses until 1994.

From Falun Gong to Falun Dafa

An obvious transition in FLG emerged in 1994 when Li Hongzhi published *Zhuan Falun* (Turning the Wheel of Dharma), which later became the FLG practitioners’ Bible. At the beginning of *Zhuan Falun*, Li clearly claimed that he would give up using *qigong* to heal illness because such services were “in a low level” (Li 2000:1). The exact words were:

A few years ago there were many *qigong* masters who taught *qigong*. All of what they taught belonged to the level of healing and fitness. . . . I do not talk about healing illness here, and neither will we heal illnesses. . . . You should not come to me for curing illnesses, and neither will I do such a thing. (Li 2000:1–2)

Not only did Li himself refuse to offer immediate treatment, but also all FLG followers were prohibited from healing illnesses (Li 1994a). In addition, “no activities are to be held for healing illnesses” in FLG assistance centers (Li 1994b).

While Li refused to provide any immediate cures to people, he manufactured and propagated a set of explanations dealing with illness. In Mr. Li's view, the fundamental cause of one's being ill and suffering misfortune is "karma," a black substance. As a Buddhist concept, karma is invisible and intangible. However, Li added his own understandings to the concept and described karma as a "black substance" that can be accumulated when one (or one's ancestor) does immoral deeds. According to Mr. Li, the more karma accumulated, the more illness and bad fortune one suffers. To get rid of karma, the most important thing is to follow Li Hongzhi and practice FLG, because no one except Li Hongzhi can eliminate cultivators' karma. Most of the practitioners' karma will disappear when one accepts Falun Gong.

The remaining elimination of karma depends on the practitioners' cultivation of "spiritual nature" (*Xinxing*),⁶ which includes abolishing jealousy, doing away with stubbornness, and, most important, accumulating merit (*De*).⁷ Merit, as "a precious white substance" contrary to the black substance representing karma, is something like money, and can be transformed into other desired rewards, such as high-ranking official positions and good health.⁸ How can people get *De*? One method is to do good things: "When one does a good deed, one acquires the white substance, *De*. When one does a bad deed, one obtains the black substance, karma" (Li 2000:68). Another way is to endure sufferings rather than to get rid of them: "If you have suffered a lot, the karma in your body will be transformed. Because you have suffered, however much you have endured will all be transformed into an equal amount of *De*" (Li 2000:72).

Thus follows Li's theory of illnesses: one must pay for the karma that originates from immoral behaviors or is inherited from ancestors; this is the reason one is seized by illness. In order to transform the karma, one must do good things, endure pains, and follow Li Hongzhi to practice FLG. The concept of karma and its transformation occupy a central position in Li's theory. However, the idea that karma can be transformed into merit is nothing novel to people influenced by Buddhism (Hardacre 1988:30). Li Hongzhi just added some of his own understandings (e.g., karma and merit are tangible and visible substances) and applied it to explain illness.

The above analysis shows that Li Hongzhi changed from providing immediate treatments to offering a set of explanations about how to get rid of illness. However, Li's teachings move beyond explanations about obtaining good health; the core part is about salvation. In *Zhuan Falun*, we are told:

At present, I am the only person genuinely teaching *qigong* towards high levels at home and abroad. . . . Think about it, everyone: What matter is it to teach *qigong* toward high levels? Isn't this offering salvation to humankind? Offering salvation to humankind means that you will be truly practicing cultivation, and not just healing illness and keeping fit. (Li 2000:1)

In other words, what Li Hongzhi offers now is a set of teachings about salvation, rather than a technology for keeping healthy. In order to distinguish his cultivation system from *qigong*, Li Hongzhi purposely changed the group's name—"the Great Law of Falun" (Falun Dafa) took the place of "Falun Gong." From this point on, Li Hongzhi devoted himself to producing and propagating his teachings about salvation instead of offering immediate treatments.

Li Hongzhi also brought a supernatural premise into his teachings by introducing the idea of immortality. It is audacious to proclaim the salvation of the soul publicly in communist China, where the ideology of atheism is dominant in the media and in the education system. Li tried to avoid trouble by using scientific concepts. In *Zhuan Falun*, Li Hongzhi says that the "Human Primordial Spirit (*Yuan-shen*) is immortal." And, "when a person is dead, only the largest molecular elements in this dimension of ours have sloughed off, while the bodies in other dimensions are not degenerated" (Li 2000:13). Further, Li directly claimed that human beings can attain immortality and "belong to the category of the enlightened or supernatural beings" (Li 1998a:168).

How can one achieve immortality? In history, Chinese sects always emphasized that the only route to salvation was to receive the Heart Law (*Xinfa*), the knowledge of the *Dao* that is only imperfectly given expression by the existing religions and wholly revealed by the sects

(Yang 1961; Clart 2000; Jordan and Overmyer 1986). To establish his own theory of salvation, Li Hongzhi adopted these ideas but replaced the term “Heart Law” (*Xinfa*) with the concept “Buddha Law” (*Fofa*).

First, Li claimed that the Buddha Law is just the *Dao*, “the principle of the universe,” and “the true Law that has never been revealed.” According to Li’s claim, religions are superficial and partial expressions of the True Law, while he “for the first time in history brings the nature of the universe to human beings” (Li 2000: preface).

Second, Li held that there is no way to salvation except the Buddha Law delivered by him. When a practitioner asked Li how a Catholic should cultivate Falun Dafa, Li answered that no religions today can offer salvation. Otherwise, he would not come out to spread the Great Law (*Dafa*) (Li 1997). Only Falun Dafa “provides human beings a ladder to ascend to heaven” (Li 1995).

Third, similar to traditional sects, which self-consciously seek a synthesis of Confucianism, Buddhism, and Taoism (Berling 1980; Jordan and Overmyer 1986:8–12), Li built his synthetic theory through stressing “truthfulness, benevolence and forbearance” (*Zhen-Shan-Ren*). Since “truthfulness” (*Zhen*) is the ultimate objective of Taoism while “benevolence” (*Shan*) is the highest purpose of Buddhism (for Mr. Li), FLG thus offered a synthesis of traditional religions when it cultivates *Zhen*, *Shan*, and *Ren* simultaneously. It is interesting to note that Li Hongzhi never denies the syncretic nature of FLG; he even claimed publicly that “actually, there are still many elements borrowed from Western religions” (Li 1998b).

By incorporating elements from traditional Chinese sects, modern science, and Western religions, Li Hongzhi produced Falun Dafa, a set of untestable explanations about salvation. A salient character of Li’s theory is its untestability. For example, Li (Li 2000:61–62) asserted that practitioners could be free from harm, even if they were hit by a car, because of the protection of Li’s Law Bodies (*fashen*).⁹ This is a testable claim. However, if one tried to test this claim and stepped in front of cars, Li continued, he would not protect this person because true practitioners would just believe instead of testing his theories. Putting Li’s theories to such tests means that one would no longer be a true practitioner. Strange though this may sound to outsiders, it is useful to prevent practitioners from testing his teachings to such a degree. All of Li’s teachings are untestable in nature.

It is evident that these untestable explanations are also salable commodities that made Li Hongzhi a rich man. Before he began to spread FLG in 1992, Mr. Li was an ordinary cadre in a grain and oil supply center in Changchun, with a salary of less than 800 RMB per month. *Qigong* business made him very rich within two years. According to Li Hongzhi, everyone should pay 40 RMB to attend the class conducted by him. From 1993 to 1994, Li accumulated more than one million RMB through conducting *qigong* classes and selling related materials (Zhang and Qiao 1999:62). In December 1994, Chinese Broadcast and TV Press published *Zhuan Falun*, which quickly became so popular that more than one million books were sold and pirated versions were available in street markets (Kang 2000:152). This means that the book also brought a large amount of revenue to Li Hongzhi. In the following several years, FLG became more and more popular and its profits also reached a high point. Before it became illegal in 1999, FLG had generated revenues of more than 41 million RMB through the sale of books, pictures, videotapes, and VCDs (Zheng and Quan 2001:27). At the same time, numerous honors from countries all over the world were given to Li Hongzhi and his organization.¹⁰ As Liu states, “Li Hongzhi has found a marketable commodity that serves multitudes of the poor, disenfranchised, expendable, and spiritually unfulfilled, perhaps to his personal benefit” (Liu 1999:49).

Li Hongzhi: From a *Qigong* Master to a New God

With FLG’s services shifting from immediate rewards to untestable teachings about salvation, the founder of FLG changed from a *qigong* master to a supernatural being who was worshiped by his followers.

When Li Hongzhi began to recruit followers, he claimed that the 10th successor of Buddhism, Master *Quan Jue*, transmitted the *Gong* to him when he was only four years old. He further claimed that at the age of eight he achieved a high level of cultivation and was given three special words, “*Zhen, Shan, Ren,*” and at the age of 12, another superior master imparted to him the Taoist cultivation system, boxing, and internal exercises. After that, over 20 masters of Daoism and Buddhism transmitted the *Gong* to Li, and his energy potency (*Gongli*) reached the highest level. Under their guidance, Li created FLG in 1984 and began to spread it publicly in 1992.

The above is the introduction written by Li Hongzhi himself when he “came into public.” Even if we believe this introduction to be credible, Mr. Li was no more than a *qigong* master with several unusual experiences at that time. As FLG became a new religion, however, Li began to depict himself as a supernatural being rather than a *qigong* master.

In *Zhuan Falun*, Li asserts that he has achieved the highest level of cultivation and been equipped with various “Law Bodies” (*fashen*). As “a complete, independent, and realistic individual life,” *fashen* was totally controlled by him, Li asserted. Furthermore, he (Li 2000:92) affirmed that his *fashen*, being flexible and invisible, allowed him to do whatever he wanted to do, such as supervising people practicing FLG and protecting true practitioners from disaster. Because of the supposed existence of the marvelous *fashen* who are with his followers at all times, Li Hongzhi claims, he is quite aware of ideas and actions of the practitioners even if he is far away. Thus, Li suggests that he himself is an all-knowing supernatural being.

In the years after he published *Zhuan Falun*, the self-deification of Li Hongzhi went further. To compete with traditional sects in Taiwan, Li claimed that he was the incarnation of Maitreya Buddha who would offer the last salvation to the masses.¹¹ In other places, however, Li (2000) suggested that he is superior to any Buddha or gods, since those deities just revealed parts of the Buddha Law and only Li Hongzhi himself, for the first time in history, brings the whole Buddha Law to human beings.

In July 1998, Li finally implied that he was the creator of the cosmos rather than merely the messenger bringing new revelations to mankind. He said:

No matter how great the Law is, I am not within it. Except me, all beings are in the law. That is to say, not only all beings are created by the Law, but also the circumstance all of you live in is created by the Law. . . . The Law covers the Buddhas, the *Dao* and all other kinds of gods whom you do not know. No matter whether you are Buddha, *Dao* or gods, only through the cultivation of Falun Dafa can you return to where you came from. (Li 1998b)

In Mr. Li’s view, the Law creates the cosmos and contains all beings, whereas he not only owns the sole right to deliver and explain the Law but also is beyond and superior to the Law. This claim indicates that Li Hongzhi is superior to all beings; and if there is an omnipotent god, it is Mr. Li himself. A large number of practitioners regard Li Hongzhi as an omniscient God who is protecting and guiding practitioners at all times, satisfies all qualified practitioners’ needs, and even determines the future of the world. Such descriptions are available in FLG practitioners’ testimonies.¹² Emerging originally as a secular *qigong* organization that dealt in immediate treatments (rewards), FLG eventually developed into a new religion in which Li Hongzhi acts as the dominant God.

ENTREPRENEURIAL LOGICS BENEATH THE TRANSITION

Differentiating Falun Gong from the *Qigong* Milieu

From the above analysis we can see an obvious transition of FLG from a secular curing system to a salvation-centered movement.¹³ The following sections explore the entrepreneurial efforts accompanying that transition. Let us first review the background against which FLG’s transition emerged.

As noted above, in the late 1980s a *qigong* market emerged in China: various *qigong* organizations sought to attract or maintain adherents; different cultivation systems were offered by these organizations; and a large amount of revenue was created from this business. In sum, “[t]he entrepreneurial logic of healing sects during the 1990s in mainland China resonate with Robert Weller’s finding of millenarian sects as ‘good business’ in Taiwan” (Chen 2003:510). Accordingly, a fierce competition existed in this market.

As a newcomer in the *qigong* circle, FLG was actually not as competitive in healing diseases as Li Hongzhi himself described, if we compare it with other *qigong* organizations. For example, “New Guo Lin Qigong” had established its fame in resisting cancers for a long time. Yan Xing, the *qigong* master who played an active role in promoting the *qigong* fad, is a professional doctor and had established thousands of cultivation centers all over the country (Zhang 1994). “*Zhong Gong*,” which began to recruit practitioners on a large scale in 1987, had established thousands of enterprises that mainly focused on strengthening health and mastering the skills of Special Medicine in the early 1990s. More than 400,000 people worked in these highly bureaucratic and commercial enterprises.¹⁴ Compared with these big and successful *qigong* organizations, FLG was new and small. A reasonable assumption is that the keen competition in the *qigong* market drove Li Hongzhi to differentiate his cultivation system from other movements through providing different services. We can get some clues from the following words offered by Li Hongzhi in 1994:

A few years ago there were many *qigong* masters who taught *qigong*. All of what they taught belonged to the level of healing and fitness. Of course, I am not saying that their ways of practice were not good. I am only pointing out that they did not teach anything at a higher level. I also know the *qigong* situation in the entire country. At present, I am the only person genuinely teaching *qigong* towards high levels at home and abroad. . . . Think about it, everyone: What matter is it to teach *qigong* toward high levels? Isn’t this offering salvation to humankind? (Li 2000:1)

The above quotation indicates that Mr. Li understood the *qigong* market, and was well aware of what his competitors were providing and what could distinguish his services from others. According to his knowledge of “the *qigong* situation in the entire country,” Li decided to offer salvation that, from his perspective, was unavailable in other *qigong* movements. According to Mr. Li, all other *qigong* systems are at a low level, “the level of healing and fitness,” while FLG is at a “high level,” the level of salvation. In fact, Mr. Li emphasized the uniqueness of FLG so frequently that the term “high levels” (*Gao Cengci*) appears 134 times in *Zhuan Falun*, a book with 198 pages. This shows that Li was eager to distinguish his practice from other *qigong* movements. The idea of “high levels vs. low levels” is frequently mentioned by Mr. Li, who tends to compare his system with others. For instance, in *Zhuan Falun*, he wrote:

The primary purpose of my coming to the public is to guide people to high levels, genuinely guiding people to high levels. . . . In the past, many *qigong* masters said that *qigong* has a so-called beginning level, intermediate level, and advanced level. That was all *qi* and only something at the level of practicing *qi*. . . . From now on, all of what we address will be the *Fa* at high levels. (Li 2000:4)

The same theme is also available in Li’s other books. In *China Falun Gong*, Li directly claimed that “Falun Gong is much superior to other cultivation ways in terms of what it offers and the level on which it is practiced” (Li 1998a:33). Also in this book, a dialogue is documented. When a practitioner asked if he could ask other *qigong* masters to adjust his body, Li Hongzhi answered: “Doesn’t it sound ridiculous that you want to look for something at a low level when you have got something of a high order?” (Li 1998a:162).

All of the above citations of Li’s speeches are either from *China Falun Gong*, which was published in 1993, or *Zhuan Falun*, which was published in 1994. The sequence is clear: after analyzing the “whole situation” of the *qigong* market, Li gave up providing immediate treatments

and offered a theory about salvation. He subsequently published *Zhuan Falun*, which eventually differentiated FLG from the *qigong* milieu.

I do not intend to argue that Li's theories were not invoked by his personal faith; maybe they were. Suffice it to point out that Mr. Li was well aware of what he wanted to pursue (a high-level cultivation system) and how to achieve this purpose (offering salvation), and that these calculations and decisions were before the differentiation of FLG from other *qigong* systems. According to these primary materials, we can hold that the transition of FLG was mainly due to the considerations and actions of its founder who was facing the fierce competition of the *qigong* market. In the following, we will see how Mr. Li Hongzhi adopted other strategies that proved helpful in dealing with substantial problems encountered in the management of the business. Keep in mind that these strategies are also employed under the pressure of intense competition.

Sustaining the Practitioners

Susan Naquin has noted that switching one's sect affiliation was common within China's sectarian tradition: "there were some people who went from sect to sect, joining first one and then another, always searching for the 'best' system" (Naquin 1976:37). The analysis applies equally well to *qigong* practitioners in contemporary China. A large proportion of *qigong* practitioners direct their attention to the efficacy of cultivation systems. When they fail to get what they want, they are inclined to go to other *qigong* organizations. "Some *qigong* practitioners even managed to practise several forms including FLG, at different times of the day" (Chen 2003:512). So increasing the practitioners' commitment is a problem with which all *qigong* masters had to deal.

Mr. Li's speeches showed that he was quite aware of this phenomenon. In 1994, he said: "we have a lot of practitioners who learn one practice today, then go and learn some other one tomorrow. They turn their own bodies into a big mess. Their cultivation is bound to fail" (Li 2000:1). To avoid followers turning to other *qigong* organizations, Li suggested that "you [the FLG practitioners] have to devote yourself to a single system" (Li 1998a:161). In *Zhuan Falun*, Mr. Li directly claimed that "to truly practice cultivation toward high levels, one must be single-minded with one practice" (Li 2000:22). In addition, Li admonished practitioners to pay less attention to the current benefits. If one followed his cultivation practice with utilitarian ends, Mr. Li stated, that would achieve nothing. The more one purposely wants to pursue, the less one eventually gains. Genuine cultivation is a process of constantly wiping out all kind of desires, and genuine cultivation also requires practitioners to give up all of their conventional mentalities and accept Li's teachings.¹⁵ Specifically, Li Hongzhi stressed that following other *qigong* masters is not only useless in curing diseases but also dangerous. He said:

If you practise one *qigong* practice today and another tomorrow to cure your illness, is your illness cured? No, you can only postpone it. (Li 2000:21)

If you ask other *qigong* masters to adjust your body, it means you don't understand or believe in what I say and have something to crave for. In that case you will invite malignant messages, which will interfere with your cultivation. The *qigong* master may be possessed by evil spirits, and you may bring them upon yourself. (1998a:162)

Aside from the above admonishments, in April 1994 Li Hongzhi established official rules to guide FLG practitioners' behavior. In *Requirements for Falun Dafa Assistance Centers*, Li required that

Dafa disciples are strongly forbidden to mix their practice with the practices of any other cultivation way (those who go awry are always these kinds of people). Whoever ignores this warning is himself responsible for any problems that occur. Pass this message on to all disciples: It is unacceptable to have in mind the ideas and mind-intent of other practices while doing our exercises. . . . Once the practice is mixed with others, the Falun will become deformed and lose its effectiveness. (Li 1994b)

The Standards for Falun Dafa Assistants, which was written in April 1994, states that:

The assistants need to practice cultivation in only Falun Dafa. Should they study other practice's exercises, it automatically means that they have forfeited their qualifications for being practitioners and assistants of Falun Dafa. (Li:1994c)

The above messages are certainly useful in increasing the practitioners' commitment. In addition to these intended strategies, an empirical study (Lin and Zhuang 2002) in Taiwan shows that Li Hongzhi's theories are also helpful to sustain the FLG practitioners. Using a convenience sampling method, Lin and Zhuang interviewed nine FLG practitioners. Interestingly, all of them had been involved in at least one *qigong* system before they turned to FLG. But they ceased to shift again after they turned to FLG. This did not mean that FLG provided more efficient treatments and cures for their diseases. Actually, according to these interviewees, FLG was not superior to other *qigong* systems in curing their diseases. What was most influential and meaningful to them was the theory provided by Li Hongzhi, as it changed their attitudes toward their sufferings and improved their abilities to bear their illnesses. Before studying Li's teachings, they felt very depressed when the illness tortured them, continually questioning why they suffered so much. But now they say they are never depressed. Some of them are even happy to suffer the pain caused by illness because they believe that they are transferring karma into merits and they will benefit in the future. Obviously, Li's teachings, which promise to benefit practitioners in the long run, are useful in maintaining followers' faith and "generate the long-term levels of commitment necessary to sustain strong religious organizations" (Stark 2001:19). Thus, the relationship between Li Hongzhi and his followers tends to be a permanent and enduring one, taking the form of long-term commitment rather than periodic patronage for specific ends as the need arises.

Preventing Schisms

Previous studies (e.g., Wallis 1979) have revealed that practitioner-based movements tend to disperse charisma to lower echelons and therefore suffer from schisms. The leadership may be challenged by "aspiring practitioners who believe themselves able to advance the doctrine beyond the pioneer work of the founder," or by those "who feel that their own following is sufficient to permit them to challenge the leader's decisions on questions of policy" (Wallis 1979:35).¹⁶ Accordingly, a variety of mechanisms are usually adopted to centralize the leader's authority and constrain the authority of local teachers. These observations hold for the case of FLG.

From Mr. Li's recorded speeches we can see that he was well aware of potential challenges from some practitioners. More than once Li asked his adherents to be cautious not to follow those who claim to be superior to him, since these people "want to make money or want to damage Falun Gong" (Li 1994c). In a 1994 speech in Guangzhou, Li Hongzhi claimed that if a practitioner is permitted to add new contents into his teachings freely, "eventually he will say: 'I am a Buddha. Do not learn from Li Hongzhi. Learn from me!' If he goes on like this, this problem might occur in the end" (Li 1994d). These words suggest that Mr. Li knew that some ambitious adherents were likely to establish a new group through doctrinal innovations. Moreover, Li generated *Regulations for Falun Dafa Disciples in Propagating Dafa and Teaching the Exercises* on April 25, 1994, which included the following:

1. When promoting *Dafa* to the public, all Falun Dafa disciples can only use the statement, "Master Li Hongzhi states..." or "Master Li Hongzhi says..." One is absolutely forbidden to use what one experiences, sees, or knows, or to use things from other practices, as Li Hongzhi's *Dafa*. Otherwise, what would be promoted would not be Falun Dafa and this would be considered sabotaging Falun Dafa.
2. All Falun Dafa disciples can disseminate *Dafa* through book-reading sessions, group discussions, or reciting at practice sites [what] the *Fa* Master Li Hongzhi has taught. No one is allowed to use the form of lecturing in an auditorium, as I have done, to teach the *Fa*. No one else is able to teach *Dafa* and they can neither comprehend

my realm of thinking nor the genuine inner meaning of the *Fa* I teach.

3. When practitioners talk about their own ideas and understanding of *Dafa* in book-reading sessions, group discussions, or at the practice sites, they must make it clear that it is only “their personal understanding.” Mixing *Dafa* with “personal understanding” is not allowed, much less using one’s “personal understanding” as the words of Master Li Hongzhi. (Li 1994a)

These requirements obviously show that Li Hongzhi self-consciously forbids the practitioners to introduce their own ideas into his teachings. These requirements were legitimized by the doctrine that Li Hongzhi is the creator and the savior of the world. Because Li is the incarnation of the highest supernatural force, all of his words are revelations from the other world. As such, they are absolutely true and no one can modify them. Practitioners must give up all of their own ideas, only reciting and quoting the Master’s sentences. And, anyone who adds new content into Li’s teachings will be expelled. Through establishing himself as the sole source of doctrinal innovation and interpretation, Li Hongzhi has largely avoided potential challenges from ambitious practitioners.

Another measure with which Li Hongzhi centralized his authority was to forbid any practitioners from developing their own personal master-disciple relationships within FLG. Wallis (1979) found that the alignment of individual practitioners and teachers is a rich soil for religious schisms. Such a situation exists in China where middle-ranking leaders of sects can form cliques based on the master-disciple relationship. These cliques are inclined to become a new religious organization if the conditions are appropriate (Jones 1999; Lu 1999).

Li Hongzhi also had to deal with potential challenges in the management of FLG. As a country-wide group, FLG included a large number of middle-level leaders, some of whom were in charge of a province or several provinces and could easily take followers away to form a new organization. Partly in order to control these middle-level leaders, Li forbade them to establish any master-disciple relationships within FLG. He informed his followers that: “You cannot call a practitioner who passes on Falun Dafa ‘Teacher’ or ‘Master,’ for there is only one master in *Dafa*. All practitioners are disciples, no matter when they began the practice” (Li 2000:64). This requirement prevents potential factions based on master-disciple alignments and consequently FLG is strongly organized around the cult of Li Hongzhi.

DISCUSSION AND CONCLUSION

The religious economy model includes a theory of the birth of new religions, proposing that there is a tendency for naturalistic firms to turn into religious groups by providing a set of untestable supernaturalistic explanations. Religious economy theorists especially stress that entrepreneurial strategies play an important role in the process of new-religion formation. Religious entrepreneurs are usually first involved in one or more successful new religions, gain necessary skills and experiences, and then establish their own religious groups through manufacturing novel explanations when conditions permit (Stark and Bainbridge 1987). These propositions are visible in the evolution of FLG.

Since the late 1980s, a *qigong* market has emerged in China. Various rival *qigong* firms provided treatments to attract and retain practitioners, and *qigong* became a good business from which a large amount of revenue was generated. When Li Hongzhi began to be involved in the *qigong* business, he followed several *qigong* masters. Prior involvements in *qigong* organizations not only showed him that *qigong* was a profitable business but also gave him the skills necessary to establish and run a new *qigong* organization. Then he broke away from these previous *qigong* organizations and established a new organization, namely, FLG. Like other *qigong* masters, he offered immediate treatments at the beginning of his *qigong* career.

Facing the keen competition of the *qigong* market, however, Li Hongzhi tried to distinguish FLG from other *qigong* movements through manufacturing and offering a set of untestable expla-

nations about salvation. These were a synthesis of prevailing theories available in the surrounding *qigong* milieu, along with elements drawn from science, traditional sects, and Western religions. Under the pressure of *qigong* market competition, Li also adopted other mechanisms that can increase FLG's practitioners' commitment and prevent religious schisms. Because of Li Hongzhi's successful management, FLG soon became the most successful popular organization in China, reportedly recruiting tens of millions of practitioners in some 30 countries within seven years.¹⁷

Within the sociology of religion, there is controversy over whether the religious economy model is valid when applied to Asian religions. Some hold that the model should limit its explanation to American religions, and that "conceptual and theoretical problems arise when the perspective is applied to non-western religion" (Sharot 2002:427). Others (e.g., Miller 1995; Lang, Chan, and Ragvald 2002) think that the model can be applied to Asian religion, and the model is "most useful" for understanding the revival of "popular religion" in China since the 1980s. This study shows that the religion-formation theory offered by the religious economy model, which emphasizes market forces and religious entrepreneurs' role and strategies in the manufacture and sale of otherworldly rewards, can be extended to explain the rise and evolution of a new religion in China in the 1990s.

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NOTES

1. *Falun* refers to the wheel of Dharma.
2. Although the Chinese regime was determined to discredit FLG after 1999, there is nevertheless much useful data in mainland press accounts, based on research by journalists. One can download the data from FLG sources, on which this analysis mainly depends, from www.falundafa.com. Some studies in English (Kunio 1989; Zhu and Penny 1994; Chen 1995, 2003; Xu 1999; Palmer 2003) have explored the *qigong* movements in contemporary China (Ownby 2003). On Falun Gong, the journal *Nova Religio* (April 2003) published a special issue edited by Catherine Wessinger in which nine articles intensively examined the rise of Falun Gong. Finally, Penny (2003) provides a bibliography of Falun Gong studies.
3. The Chinese government held a subtle and contradictory attitude toward *qigong* in the early 1990s. On one hand, since many Chinese political leaders and scientists believed that *qigong* was a superior form of science and thus could help China regain its dignity, the state actively patronized the scientific study of *qigong* and encouraged people to practice it (Palmer 2003). On the other hand, the Chinese state was paying close attention to the personality cults of *qigong* masters. Some *qigong* masters who stretched the tolerance of the CCP leadership past its limits were imprisoned in the early 1990s. For example, Zhang Xiangyu, a *qigong* master who claimed millions of practitioners, was imprisoned from 1990 to 1995 because she claimed that she was the daughter of the Jade Emperor of Heaven (*Yuhuang Dadi*). In 1994, as FLG became increasingly religious, the CQSRA, which was in charge of the regulation of *qigong* organizations, ended FLG's membership as an affiliate group. After several unsuccessful attempts to register as a social organization, FLG withdrew from the CQSRA in 1996 (see Human Rights Watch 2002:8–9). Li Hongzhi felt that the state would take some measures to repress the FLG and that it was unsafe to stay in China, so he emigrated to America in 1996. In the following two years, the tension increased between FLG and the regime in China. Public criticisms toward FLG appeared in state-controlled mass media, while FLG practitioners were systematically protesting against all criticism through sit-ins, protest and letter-writing campaigns, and demanding apologies and the retraction of offending comments. Finally, the protest of over 10,000 practitioners around Zhongnanhai provoked a ruthless suppression from the state. Though state regulation greatly influenced FLG's evolution, I do not intend to discuss this issue extensively, as it has little to do with the research questions here. For a thorough analysis of FLG and efforts to suppress it, please refer to Johnson (2000).
4. *Chushan* in Chinese means that people who are supposed to possess some special abilities end reclusion and propagandize their ideas or cultivation systems publicly. FLG practitioners translate the term as "come into the public."
5. From "Li Hongzhi and His Resume," *Xinhua* News Agency, July 22, 1999. This capsule biography of Li is quite different from that provided by Li himself, which claims that Li has had many marvelous experiences. *Xinhua*'s capsule biography has been accepted by independent sources (e.g., Zhang and Qiao 1999:48–50). At the same time, Mr. Li provides no evidence to support his autobiography, nor does he deny the fact that he once attended the *qigong*

- cultivation classes offered by Li Weidong and Yu Guangsheng. Hence, I adopt the *Xinhua* News Agency's version, considering it more reliable on the point of Li's early experiences in the *qigong* circle. For an extensive analysis of Li's biography, see Penny (2003).
6. FLG believers translate it as "mind or heart nature; moral character."
 7. *De* can be translated as merit or virtue. I accept the translation of "merit," which is adopted by other scholars (e.g., Hardacre 1988).
 8. This is a summary of pp. 66–72, *China Falun Gong*.
 9. *Fashen* is a Chinese translation of the Buddhist concept "dharmakaya," which refers to "embodiment of Truth and the Law." FLG practitioners translate it as "Law Bodies." Apparently, Li Hongzhi borrowed this concept from Buddhism and added his own ideas to the term. In *Zhuan Falun*, there is a special chapter discussing *fashen*. For details, see Li (2000:92).
 10. The honors given to FLG and Li Hongzhi are listed at <http://media.minghui.org/gb/recognition/recognition.1.html#China>, retrieved from the web on May 26, 2003.
 11. For details, please refer to <http://www.geocities.com/gohomeok2010/maitreya-2010-homepage.html>, retrieved from the World Wide Web on May 26, 2003.
 12. The testimonies are available at <http://www.minghui.cc/mh/2/>, retrieved from World Wide Web on May 26, 2003.
 13. David Palmer (2003) holds that the transition of FLG is a rational response by Li Hongzhi to the media campaign against pseudo-science, which criticized "*qigong* science" for failing to produce replicable experimental proof of its claims. However, to my knowledge, the voice of the anti-*qigong* movement was still weak before 1994. In addition, Palmer provides no materials or related studies to support his argument.
 14. Retrieved from the World Wide Web at <http://www.zgzg.net/zglens/view.html>, on September 10, 2002. However, the site is not active now.
 15. This is a summary of paragraph 3, page 1, *Zhuan Falun*.
 16. I thank JSSR Reviewer B for bringing this study to my attention.
 17. Estimates of the number of FLG followers vary widely. The Chinese government estimated 40 million FLG followers at the end of 1998 before the ban; in February 2001, it put the number at some two million, far smaller than the earlier estimate. FLG spokespersons estimate that in 1999, at the start of the crackdown, membership peaked at 100 million practitioners in some 30 countries, with over 70 million in China alone (see Human Right Watch 2002:12). The rapid growth of FLG has attracted scholars' interest. Liu (1999) thinks that China's economic development in recent decades has enhanced people's spiritual demands. Yang (2004) argues that state regulation results in a supply shortage of conventional religions and thus has led to the rise of quasi-religions such as FLG. Lowe (2003:263–76) extensively explores the reasons for FLG's success, arguing that "economic insecurity, abundant free time, the collapse of moral standards, worries about health and medical care, the desire for existential certitude" and especially "the complex gnostic system of the founder's teachings" contributed to the FLG's rapid growth. Though the reasons for FLG's growth are not the focus of this article, I suggest that competition in the *qigong* market and the strategies adopted by Li Hongzhi could partly account for the movement's growth.

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