

DECEMBER 2017

# UNDERSTANDING CHINA'S “SOFT POWER” AND INFLUENCE

REPORT



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In association with



## UNDERSTANDING CHINA'S "SOFT POWER" AND INFLUENCE

China's emergence as an economic super-power is clear for all to see. Yet there remains a 'great wall of ignorance' between this country and Europe, which growing trade links alone cannot break down. At the Friends of Europe conference 'Understanding China's "soft power" and influence' in Brussels on 21 November 2017, experts debated the key challenges and opportunities of fostering a better relationship between the two – especially through tourism and culture.

The conference, held in cooperation with the Mission of China to the EU, kicked off with a session on the EU-China Year of Tourism in 2018. International relations are typically defined by countries' leaders, noted the moderator **Shada Islam**, Director for Europe and Geopolitics at Friends of Europe. 'However, in today's interconnected world, it's conversations between people that counts – helping to build mutual trust,' she said.

Islam added that social and cultural contacts are an essential part of Europe's strategic partnerships, including those with China. A great example is the EU-China High Level People-to-People Dialogue (HPPD), the third pillar of EU-China relations, complementing the other two pillars – the High Level Economic and Trade Dialogue and the High Level Strategic Dialogue. Held four times since 2012, HPPDs focus on cooperation in education and training, culture, multilingualism and youth.

Tourism, the moderator remarked, has tremendous potential to build stronger EU-China cultural understanding thanks to its extensive impact on jobs, economic growth and social development. Moreover, China is a major destination for European tourists and vice versa.

## TOURISM, THE BUILDER OF BRIDGES

'Tourism can help the EU and China build trust, openness and mutual understanding – by creating synergies and bridging differences,' said **Anna Athanasopoulou**, head of the European Commission's Unit for Tourism. She highlighted the benefits of more exchanges based on culture and heritage, which will feature largely in the EU-China Tourism Year in 2018.

Europe is the world's largest travel market and has 500 million tourist arrivals annually, accounting for 10% of European GDP. 'We want to maintain our edge through tourism. Anything that boosts tourism between the EU and China will be a win-win for both of us,' said Athanasopoulou. Hence the recent launch of the Joint Promotion Platform, a pilot project including public and private partners, to support promotion of EU tourism activities to China and the USA.

One major cooperation event during ECTY 2018 will be the EU-China Light Bridge. Iconic EU landmark buildings and sites are to be illuminated on 2 March 2017 in traditional Chinese red with golden stars. On 9 May 2018, several Chinese cities will emulate this initiative by displaying traditional European illuminations.

**“Tourism can help the EU and China build trust, openness and mutual understanding – by creating synergies and bridging differences”**

**Anna Athanasopoulou**

Head of Unit for Tourism, Emerging and Creative Industries at the European Commission Directorate-General for the Internal Market, Industry, Entrepreneurship and SMEs

## “Tourism is one part of EU-China cooperation”

### Xinning Song

Professor for European Integration Studies at Renmin University of China, and Brussels Academy for China EU Studies

‘The JPP is a marketing and awareness-branding campaign for Europe, with one aim of increasing Chinese tourist arrivals by 15%,’ added Athanasopoulou. ‘Tourism can include economic as well as cultural goals: the challenge for us is to reconcile these.’

‘Tourism is one part of EU-China cooperation,’ said **Xinning Song**, Jean Monnet Professor for European Integration Studies at Renmin University of China in Beijing and currently at the Brussels Academy for China EU Studies (BACES). He noted that China makes up 20% of the world’s outbound tourists market and that the number of Chinese coming to Europe will soon reach 400 million, although China still receives more tourists.

## EUROPE IS NOT ALWAYS THE FIRST CHOICE

Yet the picture is not entirely rosy for Europe, added Song. The number of EU-bound Chinese tourists fell in 2016, most likely due to security fears after a spate of terrorist attacks across Europe. Although 2017 has seen a small rebound, he warned that Chinese tourists still generally prefer destinations in Asia (which is cheaper than Europe) and the USA.

A series of other tourism challenges were highlighted by several panellists. Among them are finding the right partners in China for business and cooperation, and for the Chinese the relatively high cost of EU tourism visas. Cultural and language barriers on both sides also discourage some visitors.

‘All these problems can be addressed, which is partly why the organisation I work for has a marketing focus on China in 2018,’ said **František Reismüller**, China specialist at the European Travel Commission – a key partner in the EU-China Year of Tourism. For instance, the ETC can help educate its members and European regions to offer a better welcome to Chinese visitors. They need a ‘Chinese-readiness’ policy, such as more Chinese-speakers in Europe’s shops and transport hubs. Reismüller added that the ETC will also be helping its members and regions across Europe to enter the Chinese market.

There was vocal support for the Chinese-readiness policy from **Mikko Turtiainen**, Vice-President for Global Sales at Finnair. Thirty years ago it became the first European airline to fly direct to China and today connects to seven Chinese cities. Finnair has even placed China at the top of its roadmap, despite sometimes struggling to find the right Chinese partners, be they start-ups or huge companies. ‘There is little room for trial and error there, but the opportunities outweigh the challenges,’ he added.

## A GLISTENING, HIGH-TECH FUTURE

China’s great leap forward, in terms of technology, was mentioned several times during the session. In some ways, Europeans are trailing behind the Chinese, said ETC’s František Reismüller. Some 720 million Chinese are now on the Internet and are avid users of the latest mobile apps. Online travel bookings today account for 56% of bookings made in China. That is why the ETC is focusing on social media and web forums in its marketing campaigns to China.

‘To succeed in China, you need some innovation and have to take risks,’ said Turtiainen. ‘Helsinki airport is localising itself for Chinese tourists by providing Chinese-speaking helpers and adding signage in Chinese.’ He also highlighted the enormous progress being made by popular Chinese tech companies in the travel, bookings and payments sphere, notably

through AliPay and WeChat. Europe's businesses should make every effort to allow foreign travellers from China and across Asia to use their favourite apps here too. This would encourage Chinese tourists to spend more in Europe than the current €2,000 per person per holiday.

## TARGETING DIFFERENT KINDS OF TOURIST

Europe also needs to up its game for 'segmentation marketing' to Chinese tourists. Five years ago, said Reismüller, most Chinese coming to Europe purchased package tours: they travelled in large groups, visiting as many countries as possible. That's changing, with more Chinese tourists today travelling in small groups or pairs as Fully Independent Travellers (FITS).

'We at Finnair are seeing lots more Chinese couples or individuals in Europe, so we need to market to them now,' said Turtiainen. 'They still enjoy shopping trips, but they increasingly want a holiday with quality experiences. In Finland, that could be seeing the aurora borealis or the midnight sun.' Surprisingly, added Reismüller, many Chinese tourists are now choosing to visit the Nordic countries as well as central and Eastern Europe over Western Europe – so perhaps they are seeking a new form of experience.

'Culture can change the behaviour of tourists and encourage them to seek out more experiences in tourism,' noted [Xuan Tan](#), Vice Secretary-General of the China Arts Festival in the EU. She cited the example of how a travelling exhibition of French impressionist works has created a Chinese passion for all things impressionist, such as visiting the famous Orangerie museum in Paris.

## THE POWER OF INSPIRATIONAL ART

'Cultural cooperation between China and Europe is relatively recent,' added Tan. 'Our 2018 festival aims to extend the content of our dialogue and cooperation, through arts, augmented reality and tourism promotion.' She called this the 'economy of culture, driven by the creative industry', but regretted that there is still no bilateral cultural platform for China and Europe.

According to Song, Europe should also focus more tourism marketing on people born since the 1980s. 'Older Chinese prefer holidaying in Europe, but the younger generation often chooses Asia or the USA. So the ECTY 2018 is a good initiative, with specific goals for attracting Chinese under-50s to Europe.' The panel also highlighted the 2018 European Year of Cultural Heritage, which aims to promote Europe's roots to a China audience.

'EU and China have much in common, although separated by great distances, not least a history and culture stretching back for thousands of years,' said Athanasopoulou. 'Although there is no automatic link between culture and tourism, we hope that over time tourism between us can build, trust, openness and mutual commitment.' In other words, concluded Shada Islam, the sort of people-to-people contact that maybe should be the main focus of Europe-China cooperation, even ahead of trade.

**“Culture can change the behaviour of tourists and encourage them to seek out more experiences in tourism”**

**Xuan Tan**

Vice Secretary-General  
of the China Arts Festival in the EU

## “China wants to build a soft power strategy through culture, the economy, business and geopolitics – all in a creative way”

**Diego Gilardoni**  
Author of ‘Decoding China’

### CHINA, EUROPE AND SOFT POWER

China’s fast-growing soft power – with policymakers promoting the nation’s rich cultural heritage and international exchanges – was debated by another panel of experts in session two.

The world order seems to be changing and Asia is confident and booming, just when the USA is in retreat from the global stage, noted the moderator Shada Islam. ‘China is rising as a global and economic power, as well as a soft power – despite the West’s scepticism,’ she added. For proof of this, she highlighted China’s 19th Party Congress, where President Xi Jinping said this was a new era for the country and its development. He had welcomed its global soft power and the growing influence of Chinese culture and language, including through more than 500 Confucius Institutes in some 140 countries and regions.

But what exactly is soft power, besides public diplomacy? The panel explored this term’s various meanings in the context of China. **Diego Gilardoni**, author of ‘Decoding China’ and an international management and communication expert, noted that it was Joseph Nye who coined the term in 1990 and said it means providing public goods. ‘China wants to build a soft power strategy through culture, the economy, business and geopolitics – all in a creative way,’ said Gilardoni. He said that soft power is especially about building a reputation and that China can also do this through a ‘new multilateralism’, in which Europe can play a role.

Soft power was also defined by Nye as the ability to attract others, not to coerce them, added **David Cheung**, PhD researcher at Utrecht University. ‘If a country can combine soft power with hard power, or coercion, one might call that smart power,’ he said. Noting that Chinese academics define the term as being resource power (i.e. culture and foreign policy) and behavioural power, or real power, Cheung said it’s tricky to shift from the first to the second phase. One solution, he added, is to call on public diplomacy or international communication, which is helped by face-to-face exchange through culture. ‘So China should focus on its long history of culture, if it wants to advance its soft power globally,’ he concluded.

### BUILDING BRIDGES THROUGH ARTISTIC COLLABORATION

A more personal perspective on Chinese soft power was offered by **Lieve Dejonghe**, a Belgian unrealistic realistic painter with experience of working in China. She acknowledged that soft power is important, as it fosters more contact, respect and understanding among people through cultural exchanges.

Dejonghe had four recommendations for dealing with soft power in China and Europe: 1) cultural cooperation should not be left to market forces, so governments should play a bigger role, 2) cultural cooperation projects can maximise input by involving partners from both sides, 3) better understanding among people can be stimulated through respect for one another’s society and cultural roots, and 4) dialogue should be increased between artists.

By way of example, Dejonghe recalled how one art exhibition had brought together Ming Dynasty landscapes and 16th-century European landscapes. 'These works are the mirrors of the society that produced them and they help modern visitors to better understand today's thinking in China and Europe,' she said.

However, Dejonghe noted these artists still face challenges – including recent cuts to European cultural budgets, and getting funding for promotion or customs clearance for travelling exhibitions. 'The Confucius Institutes push Chinese culture and language, but they mainly work with universities. I'd like to see a more permanent platform for broader cultural cooperation between Europe and China.'

The words of **Joan Xu**, a Chinese-American screenwriter and a World Economic Forum's Global Shaper, included a healthy dose of realism and optimism aplenty about China's place in the creative world. Asked whether China was approaching its full cultural potential, she replied that its cultural industry – from fashion to cinema – has many young creative people who care about China's place in the world. 'Yet our films struggle on the global stage, because our industry is still young and was only liberalised in the late 1990s. Our top films are also mainly blockbusters for a home audience, so maybe don't focus yet on quality,' said Xu.

A second challenge for China, added Xu, is a lack of confidence and stability about the country's cultural identity: 'We have a dilemma. If we modernise our cinema, will we adopt more Western values and lose some of our own?' All the same, she added, China's filmmakers are collaborating more with Hollywood, increasing its production values and have ideas for movies with a stronger Chinese identity.

## IN SEARCH OF A CHINESE NARRATIVE

Addressing comment from the audience calling for more Chinese story-telling, Xu said that its filmmakers could help to show China to the world by making their films cooler or more sexy. And, as another audience member had suggested, a Chinese James Bond girl might also do the trick! But China, she added, has its own big ambitions for cinema: 'We want to compete with Hollywood. But we don't really do the traditional Western narrative of a single hero against the world or Greek-type stories with tragedy or comedy. What we prefer are circular stories – close to the Chinese mentality of regeneration.' The problem with that, she noted, is that circular stories are not in vogue in the West.

Cheung agreed that China often thinks differently from the West. 'That's because our traditional culture is rooted in Confucius and Zen Buddhism. We believe in benevolence and Taoism, where there is no black or white.'

With the United States increasingly isolated, Europe and China have common cause in global trade, multilateral deals and fighting climate change. Hence their need for more dialogue and cooperation in the media, cultural and artistic spheres. 'We must promote exchanges between each other, so as to introduce China to the world and Europe to China,' said **Shijun Gao**, Director-General of the European Bureau of China Radio International (CRI).

**“I'd like to see a more permanent platform for broader cultural cooperation between Europe and China”**

**Lieve Dejonghe**  
Belgian unrealistic realistic painter

## “We must promote exchanges between each other, so as to introduce China to the world and Europe to China”

### Gao Shijun

Director-General of the European Bureau of China Radio International

Our goal is to promote Chinese culture and introduce people worldwide to what is happening in our country, added Gao. That is more important than ever, given that Europe and China need a ‘fresh understanding of each other’. He explained how China Central Television and CRI aim to promote the Chinese language, voice and culture. They also try to tell Chinese stories. CRI alone broadcasts to 65 countries and offers 3,000 programme hours per day.

In Europe, added Gao, CRI has 10 bureaux and offers broadcasts in English, French and Spanish. It also cooperates with local radio stations by sharing resources. ‘We want to build a global platform, to show the world what’s happening in China – including our reform and opening up – because many Europeans have never been to our country and know nothing about it.’

The media in Europe and China are certainly different, remarked Gao. ‘So another goal at CRI is to tell different stories from those usually seen or heard in the West. Our stories focus more on people.’

## BELT AND ROAD INITIATIVE (BRI)

Panellists were asked for their views on China’s BRI, a huge infrastructures project announced in 2013 and inspired by the Silk Road, the ancient trade route linking China and the West. China’s official position is that BRI will also foster positive, intercultural exchange. ‘If nothing else, this ambitious project ties in with the Nye vision of soft power and providing public goods,’ noted author Diego Gilardoni.

Reminded that many Europeans are sceptical about the commercial success of BRI and Chinese goals behind it, Gilardoni replied that the initiative is merely a blueprint and is not being imposed on anybody: ‘Unlike the Transatlantic Trade and Investment Partnership, which has so far come to nothing, BRI is open to any country willing to join. So it’s not just a way for the Chinese to project soft power. The Europeans can join in if they want to.’

Cheung remarked that the BRI dovetails with China’s new foreign policies, and includes the ‘notion of humanity sharing the future’. He also acknowledged that China’s soft power is not all smooth sailing. ‘As just mentioned by Mr Gilardoni, China has had a strong central authority for some 2,000 years. Joseph Nye himself said that we’re not good at soft power, while others sometimes point fingers at our human rights, democracy and rule of law.’

Nonetheless, added Cheung, ‘This conference today has shown that people-to-people contact – and at a larger scale, public diplomacy and international communication – will be key for Chinese and European trust and mutual understanding. Put another way, concluded Shada Islam, ‘Despite our many differences, and what some people have called the Great Wall of Ignorance between Europe and China, we can learn much from one another.’





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