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BRIDGING THE TRUST DIVIDE

Cultural Diplomacy and Fostering Understanding
Between China and the West

Bridging the Trust Divide

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Introductory Note

With the reemergence of soft power approaches in international relations comes a greater interest in the potential of cultural diplomacy, understood, in the words of Joseph Nye, as the “ability to persuade through culture, values and ideas.” And nowhere is this persuasive power of more relevance or interest than as it relates to China and the West.

China’s astounding rise has drastically altered power structures across the globe and made it a central figure in the global economic order – thereby making cooperation between Europe, the United States, and the People’s Republic imperative. And some coordination is happening. Economic and trade relations, for example, are largely harmonious and both East and West have made great strides in improving or stabilizing diplomatic relations and getting to know each other better. But there are just as many other issues over which we clash and still many areas where we seem unable to understand one another.

Both sides seem to be trying; we are paying attention to each another. There is no shortage of mutual media attention, but stereotypical thinking and biased views on both sides of the divide often prevail over realistic perceptions. Perceptions, in turn, are informed by cultural identity. Our cultural identities are key: not only different perceptions, but also different cultural values, ideas, and preferences. And this is where cultural diplomacy is urgently needed. We need cultural exchange and dialogue to improve mutual understanding.

For the sake of long term political stability, sustainable development, and ultimately global peace, we need effective means of constructive conflict resolution. We also need to introduce and maintain processes and establish more structures between states to ensure peaceful dialogue and gradually enhance mutual understanding and – at best – mutual acceptance.

And thus we ask in this publication: What is cultural diplomacy? What are the forms it can take? Which actors are involved? And, importantly, do China and Western countries have the same thing in mind when talking about soft

power and cultural diplomacy? Our contributing authors look at “cultural diplomacy” and “soft power” with both Western and Chinese characteristics. And in doing so we make an attempt to build bridges and examine obstacles to better cooperation between European/Western actors and organizations and the budding Chinese civil society.

We also pay particular attention to foundations as important cultural diplomacy actors. While the role of NGOs such as Greenpeace or Amnesty International as soft power actors has been readily acknowledged and observed, the role of foundations in the resurgence of cultural diplomacy has gone largely unexamined. This is surprising, as in the past private philanthropy and foundations have played significant roles in that regard. Examples include: contributing to peace conferences and salons between 1890 and 1910; supporting the League of Nations in the 1920s and pushing post-WWI diplomacy; helping put in place a strong transatlantic partnership in the 1950s; engaging both sides during the Cold War in Europe; preparing the grounds for peace processes to take off in Northern Ireland, Israel/Palestine, and Southern Africa; and, strengthening civil society and civil liberties in the transition countries of central and Eastern Europe.

Naturally, private actors such as foundations do not employ cultural diplomacy in a vacuum. “High” politics and state diplomacy, as well as state-run cultural diplomacy efforts, can in turn facilitate and frustrate civil society’s best efforts. The interaction between state (Track I) and private (Track II) cultural diplomacy and the complex environment of cultural diplomacy in a globalized world in general is also examined in some detail in the following pages. We also look at cultural as well as political and regulatory obstacles to better cooperation between Western partners and China’s expanding civil society.

The authors in this volume offer analysis on China’s cultural diplomacy efforts from both Chinese and Western perspectives. The authors also look at questions related to a perceived “new assertive China” and “China’s assertive cultural diplomacy” as well as the issue of China’s soft power success (or lack thereof).

Further, while this volume makes no attempt at redefining either the concept of soft power (as it has been put forth by Joseph S. Nye, also in a contribution to this publication) nor at offering a new definition of the concept of cultural diplomacy, we point out its varied applications in intercultural contexts and thus the lack of clarity when discussing related issues. Incidentally, we propose that, at the very least, it might be useful to think of soft power as the core of international understanding, with cultural diplomacy as its central tool. Cultural diplomacy as an instrument used in international relations is essen-

tially about building trust and mutual learning.

All in all, this publication is not meant to present a definitive, comprehensive analysis of cultural diplomacy or relations with China. It is meant to be part of a conversation. Our conversation on cultural diplomacy, China, and the role of foundations began in earnest late last year at the international roundtable Stiftung Mercator hosted on the topic. The exchanges there were so fruitful that they inspired this volume. And we hope that this volume will, in turn, spark further conversation.

Allow us to conclude with some words about Stiftung Mercator's project Enlightenment in Dialogue. When we started this project in April 2011 parallel to the exhibition *The Art of Enlightenment*, we got a lot of head wind from the press – especially a few days after the opening ceremony when Chinese police arrested the artist and public figure Ai Weiwei. For several weeks the German media were outraged at the perceived “support” Stiftung Mercator, the Berlin State Museums, the Dresden State Art Collections, the Bavarian State Painting Collections in Munich, and the German government were giving to China by hosting these joint Enlightenment projects.

We had known from the outset that we could expect some bad press at home with the Enlightenment dialogues, as with almost any project undertaken in China. But it remains difficult to understand the logic behind many of the very critical voices in the media and parts of the public that wanted to “end the dialogue” once it got really difficult and sensitive. For us, problematic instances like Ai Weiwei's arrest and the ensuing international reaction merely prove that both sides are in dire need of dialogue. If you have the choice between not communicating (thereby accepting that you have unbridgeable differences and fierce conflict) and communicating, the choice should be clear.

There is no alternative to dialogue.

And finding common solutions for the communication divide between China and the West is a very large, very difficult, and very urgent issue.

Helmut K. Anheier and Bernhard Lorentz

Foundations in the Complex Cultural Diplomacy Environment

HELMUT K. ANHEIER

When Raymond Williams (1976) famously called culture one of the most complex words in the English language, he could well have added diplomacy as one of the most complex fields in international relations. And foundations, the third part of this paper's central triad, could be considered the most complex type of organization as they negotiate the borders of private and public interests, independence and dependence, national and international.

Due to the complexity of the central issues explored in this paper (and indeed in this book), I shall begin by offering some working definitions before further exploring my argument.

Foundations are private, self-governing, nonprofit organizations based on an asset dedicated to a public purpose. Foundations are relatively independent financially – and indeed among the most independent institutions of modern societies. Not beholden to the market or the state, they can, within the stipulations of the law and their deed, largely choose their mission and strategy. This freedom harbors great potential. However, we must acknowledge that foundations' assets are rarely sufficient, in terms of both financial resources and political legitimacy, to achieve their stated objectives alone. Thus, foundations, while independent, operate in a world of multiple stakeholders.

As defined in Helena Finn's seminal 2003 article, *The Case for Cultural Diplomacy*, cultural diplomacy refers to "the promotion of mutual understanding through cultural exchange." Although the term cultural diplomacy is a relatively recent one, the practice itself has existed throughout history, and was employed by both benign and malign regimes. A 2007 Demos report offers a number of examples: "Rubens was both court artist and official ambassador.

The films of Leni Riefenstahl and the architecture of Albert Speer were put at the service of the German Nazi regime in the 1930s. The Cold War relied heavily on cultural and scientific proxy battles between East and West in the form of the Bolshoi Ballet, Abstract Expressionism and the space race.”¹

Cultural diplomacy is based on the premise that culture has a vital role to play in international relations. Culture is an integral part in diplomacy generally – ranging from local initiatives organized by embassies to international programs such as the Fulbright scheme. Not surprisingly, cultural diplomacy is closely intertwined with what Joseph Nye describes as soft power. In fact, we could say that cultural diplomacy is a subcategory of soft power: “getting the outcomes one wants by attracting others rather than manipulating their material incentives.”² He adds: “Soft power uses a different currency (not force, not money) to engender cooperation – an attraction to shared values and the justness and duty of contributing to the achievement of those values.”³ In a way, cultural diplomacy ensures that soft power can work.

Cultural diplomacy includes all actors, ranging from “science, sport, and popular culture as well as the performing and visual arts and heritage,” and their activities aimed at improving the relations between two countries or cultures.⁴ The main types of cultural diplomacy are first state-sponsored cultural diplomacy, e.g. the Ping Pong Diplomacy between China and the United States in the 1970s; second, cultural diplomacy by independent or semi-independent institutions, such as the Goethe Institute, the British Council as well as the European Union’s Socrates and Erasmus programs; and third, cultural diplomacy by private actors, either by businesses as part of corporate social responsibility and public relations strategies, or by philanthropic and charitable organizations. It is in this third category that we find foundations and related organizations.

Hard and soft power are primarily discussed in relation to the state. However, the coexistence of Track I (state and public agencies) and Track II (private, civil society actors, e.g. NGOs, civic leaders) actors and efforts deserves attention, particularly in terms of cultural diplomacy efforts. Foundations are a particular, and I argue, important player among these non-state actors. This

¹ Kirsten Bound et al., *Cultural Diplomacy*, (2007), 21, www.demos.co.uk/publications.

² Joseph Nye, *The Powers to Lead*, (2008), 29.

³ Note that at a later point in time, Nye transformed the hard-soft power distinction into a trichotomy of soft, hard and smart power, the latter being the power to effectively combine hard and soft power and to decide when to use either or both of them. However, this more refined distinction will not be further pursued here. Joseph Nye, *Soft Power: The Means to Success in World Politics* (2004), 7.

⁴ Bound et al., *Cultural Diplomacy*, 26.

paper thus addresses the key question: What is the role of foundations as Track II actors in cultural diplomacy? What models come to mind, and what are their strengths and limitations, in particular with regards to the relationship between the state (Track I) and foundations (Track II)?

This paper advances the argument that foundations' position and cultural diplomacy efforts largely depend on how the interface between Track I and Track II actors is shaped, both by the salience of the policy issue or event at hand, and by the level of conflict inherent in respective state-society relations.

The Advantages of Foundations

The roles of foundations have been described at length in the literature.⁵ Among them two roles stand out: Foundations can meet otherwise unsatisfied demands for social, educational, or cultural needs; and they can support the problem-solving capacity of actors in finding solutions through research, advocacy, or dialogue.

Foundations are one of a multitude of actors including NGOs, artists, educators, and cultural experts. However, foundations' comparative advantages⁶ may serve them well in achieving stated objectives: as social or cultural entrepreneurs they can respond to needs, initiate programs, design activities, and convene different groups or stakeholders. As institution-builders, foundations can lead collaborations and establish self-sustaining institutions and organizations; and as risk absorbers they can accept programmatic, social, and political risks, preserve financial and cultural assets, and shield certain values and practices. What sets foundations apart from other actors is that they can take the long view, and are not necessarily guided by short-term expectations of markets or politics.

Foundations are by no means perfect institutions. They rarely have the resources to meet their sometimes rather lofty goals. Foundations can also be particularistic by favoring special interests over the common good, irrespective of popular preferences, needs, and sentiments. They can be paternalistic and disregard the views of others, however founded or unfounded they may be. Finally, foundations sometimes behave as amateurs by acting as, or relying on, "informed dilettantes," while believing "we know best."

Foundations are also incomplete institutions, especially grant-making foundations that seek to realize their objectives by supporting other organizations, networks, or individuals. Support typically takes the form of grants but

⁵ Helmut K. Anheier and David Hammack, *American Foundations: Roles and Contributions* (2010).

⁶ Ibid.

can also involve contributions in kind, ranging from expertise to office space. The important point is that foundations require third parties, which in the field of cultural diplomacy prominently includes coalition partners and individuals well positioned to further common goals. Thus, foundations, as diplomatic agents, are networking organizations and shaped by the context in which they operate.

Relations and Models

In trying to understand how foundations fit into the field of cultural diplomacy as Track II actors, and in particular how Track I and Track II actors interact, we can borrow from Adil Najam’s Four-C model.⁷ Figure 1 offers a typology of relations between foundations and Track I stakeholders by examining the extent to which their respective organizational goals and means overlap.

Figure 1:
Four-C Model of Host Relations

| | | GOALS | |
|-------|------------|-----------------|---------------|
| | | Similar | Dissimilar |
| MEANS | Similar | Cooperation | Co-optation |
| | Dissimilar | Complementarity | Confrontation |

Source: Najam (2000)

Cooperative relations: If the goals and means are similar, then foundations and Track I actors (especially government) develop a cooperative relationship. Using the example of the “Art of Enlightenment” Exhibition in China (a cooperation between three German museums and the Beijing National Museum, supported by Mercator Foundation salons and forums), one could argue for cooperative relations if both the Chinese government and the foundation shared an interest in advancing dialogue among Chinese and German artists. In that case, they could cooperate on an open and competitive exchange program.

Complementary relations: If the goals are similar but the means are dissimilar, then a complementary relationship between foundations and government emerges. For example, foundations can complement attempts by the

⁷ Adil Najam, “The Four C’s of Third Sector-Government Relations: Cooperation, Confrontation, Complementarity, and Co-optation,” *Nonprofit Management and Leadership* 10, no. 4 (2000), 375-397.

Chinese Ministry of Culture to display modern Chinese art in Europe by inviting artists from rural areas or from periods not covered by official programs.

Co-optive relations: If the goals are dissimilar and the means are similar, then government tries to establish a co-optive relationship with private organizations. An example would be the artistic development funds channeled to local grass-roots organizations in Chinese provinces for programs that are similar to governmental ones. In such situations, state authorities may try to co-opt grass-roots organizations and foundations to advance their own agenda.

Confrontational relations: If the goals and means are both dissimilar, then government and the nonprofit sector are in a confrontational relationship. Examples include the activities of some foundations to pressure governments on issues of cultural freedom, art advocacy groups demanding better protection of freedom of expression and anti-globalization groups demonstrating against the dominance of Western arts markets.

While Najam's Four-C model (Figure 1) is undoubtedly a gross simplification, it challenges us to focus our perspective: On the one hand it leads us to perceive diplomatic actors, both Track I and Track II, as strategic actors within contested policy fields in which scarce resources (material or immaterial) are used to advance one's position; on the other hand, the model identifies the goals and means of these strategic actors as the most relevant empirical factors behind decisions to compete or form strategic alliances or coalitions to advance their position by acquiring new resources or greater control.

Let us finally look at two additional factors that can be added to Najam's model to help us understand what influences the content and style of foundations' strategic actions and choices in a given field.

Policy Salience and Styles in Cultural Diplomacy

The following model (Figure 2) expands upon the previous by taking into account policy salience and styles. Salience generally refers to the general political relevance of an issue or a cultural event. Style here refers to the extent of conflict or consensus associated with a specific issue and event and the resulting governance modes of cooperation, coalition building, or power politics (including threats to move to hard power scenarios). With the additional variables, the following patterns emerge:

Figure 2:
Policy Styles and Track I (State) and Track II (Foundation) Interaction

| | <i>Low Salience Issue or Event</i> | <i>High Salience Issue or Event</i> |
|------------------|--|---|
| <i>Consensus</i> | Low-Key Coordination or “Muddling Through” | Support and Coordination or “Passing Through” |
| <i>Conflict</i> | Low-Key Coordination or “Channeling Through” | Politicking and Strategizing or “Pushing Through” |

a.) *Low-Key Muddling Through*: In these scenarios, expectations differ between various Track I and II actors and their actions are fragmented. The object of cultural diplomacy policies is seen as insignificant by others, neither as a threat nor as something worth supporting. Cultural diplomacy resembles a low-key “muddling through” with inconclusive outcomes and unspectacular events for lack of interest by the major parties and constituencies that shape the cultural agenda. For much of the last decade, the relationship between the European Cultural Foundation and the European Commission were of this kind. While the European Cultural Foundation, with some allies in the various member states of the Union, tried to advance a more comprehensive and active role for EU institutions in cultural matters, the Commission itself attached much less importance to it and focused instead on a limited set of programs like the “European Capital of Culture.” In a constellation like this, the strength of foundations is that they can function as a mediator or entrepreneur. On the other hand, given the inchoate nature of the policy field, foundations may fall prey to particularism by following very specific, narrow agendas that do not reflect the actual needs of the respective countries or relations. Finally, in this case foundations will generally cooperate well with the state, pursuing programs that supplement state policies.

b.) *Low-Key Channeling Through*: While cultural policies remain a matter of low salience in day-to-day politics, low-key efforts have been made to move the cultural and diplomatic agenda forward. Foundations are aware of the ideological sensitivities involved, the diversity of actors across constituencies, and thus the potential for conflict. They are sensitive toward the fact that a policy infrastructure (representative bodies, lobby groups, think tanks) for and about culture remains underdeveloped. Hence their initiatives are cautious and largely restricted to fact-finding, dialogue, or constituency-building in preparation for more ambitious programs in the future.

An example of such a kind of diplomacy are the efforts led by the Soros Foundation to challenge economic orthodoxy by establishing an “Institute for New Economic Thinking” and in preparation for a more direct and sustained approach to develop new macro-economic models. In this scenario, foundations can work as institution builders. However, as the situation requires wisdom and savvy, foundations run the risk of being amateurish if they do not understand that caution and slow change are virtues; by pushing for quick results, they can torpedo their own projects. Finally, state-foundation relations will generally be cooperative.

- c.) *Politicking and Strategizing*: Cultural policies are becoming ever more complicated and important because of the increasingly high stakes involved in wider political and economic terms. Powerful interests and their respective representative bodies at national and international levels are watchful of every step taken toward the formulation of policy. Policy making and planning are characterized by active “strategizing” among key players in both tracks and include a broad range of tactics like preventive stalling, deal-making, and bullying. No broad-based consensus seems to emerge among the major parties involved. Leading examples are the position in which some European foundations found themselves in the aftermath of the Arab Spring or the attacks on the Open Society Fund in Russia in the 1990s. In this sort of environment, foundations could provide a much needed role as mediators or asset protectors. However, a “we know best” or “we know it all” attitude often gets foundations into trouble when they defend and advance their interests through third parties. In this context foundations need to be self-confident and open, but not paternalistic, both in setting priorities and in strategy. In a politicking/strategizing environment, state-foundation relations will often be confrontational or even adversarial, and foundations also risk being co-opted by state interests.
- d.) *Support and Coordination*: Policies reflect a relatively well-coordinated attempt by key Track I and II actors to provide an enabling policy environment for cultural understanding and exchange. Having recognized the importance of cultural diplomacy for building better understanding among governments and populations, mutual policies lend financial and political support to cultural organizations that help governments fill this crucial need. The various Track I and II actors are appreciative of this interest, have reached a broad consensus, and try to inform policy making accordingly. The work of the Aventis Foundation in the field of tuberculosis and HIV/AIDS prevention in southern Africa is a good example. Aware of the highly politicized nature and high cultural sensitivity associated with both

related diseases, the foundation followed a measured, cooperative, and coalition-based approach in developing and implementing its programs. In this field foundations offer a valued complement to larger diplomatic policies. On the other hand, foundations find that they have insufficient capacity to achieve desired goals. State-foundation relations are cooperative.

Understanding Foundations' Place in the World

These patterns, building on the typologies of foundation-state relations, are guided more inductively by empirical observations than by theoretical assertions and imperatives. However, they reflect the basic tenets of an approach to further exploration of foundations as Track II actors in cultural diplomacy. Such an exploration will, in turn, help us to better conceptualize the potentials and risks for foundations as a conspicuously independent type of actor within the realm of international relations.

Joseph Nye famously encouraged scholars of international relations to think beyond well-established notions of hard-power-based postures and actions when attempting to understand and explain actors' roles and choices on the international stage. One field in which this notion proves to be of great value due to the multitude of actors involved and fuzzy hard power implications is undoubtedly cultural diplomacy. Track II actors, that is non-public actors such as foundations, NGOs, and others, are especially inclined to use soft power approaches given their limited, but specialized, resources. Foundations are a special type of actor within this group of Track II actors because as private, self-governing, nonprofit organizations they are relatively independent. However, this freedom, in terms of available strategic choices, also harbors risks. The four patterns introduced above can be understood as cautious recommendations. If foundations identify their political context appropriately and avoid the various risks, they have the potential to assume valuable roles as mediators, entrepreneurs, institution builders, and valuable complements to state efforts to improve international relations.

New Governance, New Diplomacy, and the Role of Foundations

BERNHARD LORENTZ

The involvement of foundations in global politics is anything but new. But given the fact that transnational problems are accumulating faster than the international community's capacity for effective cooperation, and given the sensitivities involved in cooperating with nondemocratic states and their populations, it has never been more important to identify constructive roles for foundations within the transnational context.

In order to depict the possible and ideal roles that foundations can – and should – assume in the current transnational realm, and within cultural diplomacy in particular, we need to look at the specific characteristics of foundations in relation to overall changes in concepts of governance and organization, as well as the roles of nonstate actors within a context of transnationalization. Taking as its starting point Giuliana Gemelli's historical assessment of foundations as commonly functioning to sustain communities, this article investigates the opportunities and challenges of such a community-sustaining service in the context of a transnationally networked world society and multistakeholder diplomacy. What kind of roles can and should foundations play in a context of globalization and new governance? Foundations are well-equipped, I argue, to act within a global-network context and can best help foster, shape, and sustain an emerging world society by creating learning platforms and awareness spaces as arenas for transcultural deliberation and cooperative innovation to secure transnational problem-solving capacities in a world faced with rapidly emerging new challenges.

Perpetuating Change Across Time

Historically, the function of foundations mostly entailed running institutions such as orphanages or schools or distributing alms or clothes.¹ They were locally embedded and organized to react to immediate local needs. Over time, increasing internationalization has seen foundations' operations reach beyond the local toward the national and transnational² level. In her analysis of this process of adaptation, Giuliana Gemelli proposes the thesis of "differentiated isomorphism," which argues that foundations' deeply institutionalized "structural patterns and social functions are remarkably similar, but that their configuration, aims, and organizational models change with historical and social context."³ She characterizes foundations as path-dependent institutions, embedded in and therefore mirroring the evolutionary patterns of societies and cultures "in respect to universal needs." Lynne Zucker has famously argued that the cultural persistence of practices is closely related to their degree of institutionalization.⁴ It therefore follows that when foundations – as deeply institutionalized organizations – nonetheless change, for example their aims or organizational model, this reflects overall changes in configurations and a growing acceptance of a new paradigm of organization. This article therefore seeks to relate the changes of the roles of foundations to overall paradigmatic changes in patterns of organization and governance.

But first I would like to focus on the persistent characteristics of foundations. According to Gemelli, throughout the ages foundations have always pursued two ends. First, since their earliest beginnings, foundations have promoted the idea of donating private wealth for the public good, thereby empowering people in less fortunate positions within a community, which implies a stable notion of responsibility toward the strengthening and preservation of the community. Second, extending the relationship between founder and beneficiaries beyond the founder's life span, implies a notion of sustainability and "respon-

¹ Helmut K. Anheier and Siobhan Daly, "Roles of Foundations in Europe: A Comparison," in *The Legitimacy of Philanthropic Foundations: United States and European Perspectives*, ed. Kenneth Prewitt et al. (2006).

² The term "transnational relations," following Risse-Kappen, relates to "regular interactions across national boundaries when at least one actor is a nonstate agent or does not operate on behalf of a national government or an intergovernmental organization." Thomas Risse-Kappen, "Introduction," in *Bringing Transnational Relations Back*, ed. Thomas Risse-Kappen (1995).

³ Giuliana Gemelli, "Historical Changes in Foundation Functions and Legitimacy in Europe," in *The Legitimacy of Philanthropic Foundations* (2006), 178.

⁴ Lynne G. Zucker, "The Role of Institutionalization in Cultural Persistence," *American Sociological Review* 42, no. 5 (1977), 726-43.

sibility toward the next generation.”⁵ These two goals still characterize the work of foundations today, but the context in which they are pursued has changed considerably.

From Community to Global Society

Whereas historically foundations tended to focus on preserving the specific and the sacred, currently their central goals include promoting pluralism and understanding between cultures and supporting innovation.⁶ At first glance, this seems both contradictory and a complete shift in goals. In fact, it reflects not so much a change in the function of foundations (the sustainment of community), as a change in context and societal needs. First, a redefinition and broadening of the concept of “community” has taken place. The centrality of *Gemeinschaft* (community) has slowly been replaced by a focus on *Gesellschaft* (society). And further, the understanding of society has shifted beyond the nation-state to become global, as in Niklas Luhmann’s “world society” and specifically a “global civil society.”⁷ This new context is characterized by rapid changes and the emergence of transnational problems that require cooperative solutions. Moreover, this growing interdependence means that sustaining particular communities implies the need for transcultural cooperation and the cultivation of pluralism to promote innovation. Although the paradigm of intercultural dialogue has been exhaustively employed, in practice many of the resources of transcultural learning and innovation still remain unutilized.

Today, rather than being incompatible, the preservation of the community and the fostering of social change seem to have become interdependent. Modern foundations are embedded in a context that involves transgressing borders. This context is compelling foundations to adapt to new challenges and to reinvent their role, to become agents of social change in order to continue to fulfill their social function of sustainment of the new, more flexible, and fluid community. The process of adjusting foundations’ work to this new context takes time and requires the courage to learn by trial and error. And it requires transcultural entrepreneurship. This is creating challenges that require a steep learning curve for foundations, but it is also generating opportunities in an increasingly globalized world.

⁵ Gemelli, “Historical Changes,” 177.

⁶ Helmut K. Anheier and Siobhan Daly, “Roles of Foundations in Europe: A Comparison,” in *The Legitimacy of Philanthropic Foundations*.

⁷ Lester M. Salamon and Helmut K. Anheier, *Global Civil Society. Dimensions of the Nonprofit Sector* (1999).

Global Governance Architecture and Nonstate Actors

“Global governance,” a result of globalization, is characterized by the involvement and cooperation of a diverse set of actors on different levels in the process of dealing with transnational and global problems. It comprises structures and processes of cooperative problem-solving, steering, decision-making, and implementation, and it involves the participation of diverse governmental actors as well as nonstate actors such as foundations, NGOs, and transnational enterprises at the supranational, national, and subnational level.⁸ Cooperation within this complex process is increasingly taking the form of open and fluid transnational policy networks.

In trying to define the roles of foundations in transnational relations we are confronted with two central problems. First, theories of international relations have always relied on state-centric models. Despite a growing recognition of the roles of nonstate actors in international relations – usage of the term transnational relations, following Risse-Kappen’s definition,⁹ signifying exactly this involvement of nonstate actors – the roles of nonstate actors still remain ill-defined because we lack consistent theories to account for them.¹⁰ Nonetheless, a substantial body of literature has accumulated that challenges the state-centric view, addressing the complex, interwoven structures of multilevel interstate relations and the emerging roles played by transnational nonstate actors.¹¹ It is clear that there is a growing multitude of actors engaging in transnational relations, and as a result researchers are increasingly focusing on private and civil society actors.

The second problem is that as yet little of the research into organizations, including nonprofits, has concentrated on foundations and hence the roles of foundations as civil society actors in the transnational realm still lack close analysis.¹² At the same time, the existing research underscores the growing relevance of network governance in the transnational arena and in understanding relationships between civil society and the state. This new network focus of

⁸ Doris Fuchs and Matthias Gaugele, “Globalisierung und Global Governance,” in *Handbuch der internationalen Politik*, ed. Carlo Masala, Frank Sauer, and Andreas Wilhelm (2010), 321–36.

⁹ Risse-Kappen, “Introduction,” in *The Legitimacy of Philanthropic Foundations*.

¹⁰ Andreas Nölke, “Regieren in transnationalen Politiknetzwerken? Kritik postnationaler Governance-Konzepte aus der Perspektive einer transnationalen (Inter-) Organisationssoziologie,” *Zeitschrift für Internationale Beziehungen* 7, no. 2 (2000).

¹¹ To name just a few prominent examples: Margaret E. Keck and Kathryn Sikkink, *Activists Beyond Borders: Advocacy Networks in International Politics* (1998); Anne-Marie Slaughter, *A New World Order: Government Networks and the Disaggregated State* (2004); Sidney Tarrow, *The New Transnational Activism* (2005).

¹² Anheier and Daly, “Roles of Foundations.”

academic research hints at actual efforts made by a multitude of practitioners incrementally to find ways to organize themselves and interact within this evolving “network society.”¹³ In what follows, particular attention is devoted to foundations’ advantages, opportunities, and threats within network governance. Two important aspects of foundations – their inner structure and their interorganizational position – bestow them with particular advantages as actors within the transnational network society.

To Dare or Not To Dare: Creating Platforms for Creating “Alpha”

One of the most important characteristics of foundations is their relative freedom as a result of their financial and political independence. Nevertheless, as Luc Tayart de Borms points out, “[t]he foundation sector has a tradition of being reactive, rather than proactive.”¹⁴ He insists that foundations should engage more internationally as they “can create a meaningful platform for dialogue” in transnational relations and forge links with civil society actors, also in nondemocratic states.¹⁵ He argues that foundations are in a position to take risks and to “create alpha,” which is an investment term for risk-adjusted returns. To create alpha, foundations would need to escape the status quo to achieve results that exceed expectation, for example, in building foundations for democracy in emerging market economies by strengthening civil society and effecting real, sustainable societal change.

Along with hierarchy and the market, Walter Powell argues that networks constitute a third organizational logic.¹⁶ Foundations, with their political independence, stand outside bureaucratic state hierarchies, and as financially independent nonprofits, are largely free from market pressures. Yet their independence is incomplete: They are not self-sufficient and therefore, as a consequence, they are prone to cooperate with complementary actors. Hence, their interorganizational position inclines them to network entrepreneurship. Furthermore, as Helmut Anheier points out in this publication, due to their intra-organizational structure, foundations are accustomed to responding to a multitude of stakeholders. As a result, foundations are well-equipped to operate in a context of transnational network governance and well-experienced in dealing with multiple stakeholders.

¹³ Manuel Castells, *The Rise of the Network Society* (2010).

¹⁴ Luc Tayart de Borms, *Foundations: Creating Impact in a Globalised World* (2005).

¹⁵ *Ibid.*, 160.

¹⁶ Walter W. Powell, “Neither Market Nor Hierarchy: Network Forms of Organization,” *Research in Organizational Behavior* 12 (1990), 295-336.

Foundations' comparative independence and hence their capacity to absorb risks on the one hand and their structurally dependent position as intermediaries and brokers in state-society networks on the other hand equip them well to create de Borms' "alpha." This innovative, ideational power – which can be seen as a kind of social "software" component, to borrow a metaphor used by John Dryzek – is theoretically well complemented by their institution-building capacity. As social "hardware" producers, e.g., institution builders, foundations can help preserve and promote positive ideational spillovers by providing them with long-term institutional frameworks.

But interdependence within networks comes with a challenge. If network partners pursue diametrically opposed ends, then foundations need to take care not to end up in a gridlock. Maneuvering within networks thus means constantly dealing with differing and even incompatible expectations. Transcultural networks take this cacophony of differing background knowledge, expectations, and motivations to a new level. Moreover, dealing with both nondemocratic and democratic partners makes balance and alignment even harder to find. Nonetheless, nondemocratic partners are and will remain key partners in certain problem areas. Indeed, authoritarian states such as the People's Republic of China have proved to be surprisingly resilient. The ideological abyss between different members of our global society represents a key challenge for intercultural dialogue and successful communication. It means that foundations need to show proof both of their willingness to absorb risks that political and economic actors are not willing to take, and of their abilities as learning institutions, actively participating in the platforms for dialogue that de Borms argues they should provide.

Old Diplomacy, New Diplomacy, and Multistakeholder Diplomacy

The changes in global governance outlined above are also reflected in the diplomatic realm, which today is moving away from "the stiff formal waltz of traditional diplomacy to the jazzier dance" of networks and partnerships.¹⁷

These fundamental changes and the evolution of types of diplomacy can be seen as providing new opportunities for foundations.

Diplomacy was not always the unique and exclusive prerogative of states, which dispatched their servants bearing credentials based on principles of sovereignty. Before the rise of the Westphalian nation-state model, diplomacy was exercised more informally and by individuals who even covered their own expenses. Then states began to establish professional diplomatic guilds as gate-

¹⁷ Jonathan Lash, "The Johannesburg Summit," World Resource Institute, 2002, wri.org.

keepers and mediators between the national and international level, hierarchically organized and communicating through government-led information flows. The shocking experience of the First World War and the influence of the Wilsonian propositions induced further change. The binational pattern of diplomacy lost favor and became increasingly supplemented by multinational diplomacy. This shift was supported by the establishment of international organizations as supranational actors. However, although the result of these changes was referred to as “new diplomacy,” diplomats still retained their roles as gatekeepers and diplomacy remained exclusively in the hands of states.¹⁸

Today we are seeing an even greater shift. Brian Hocking, for example, speaks of “two cultures of diplomacy” now cohabiting in a changing global environment. Alongside traditional, state-driven bilateral and multilateral diplomacy, a “polylateralism”¹⁹ or “multistakeholder diplomacy”²⁰ is also evolving, encompassing new diplomatic norms, actors, and practices. Hocking describes the changes taking place at a systemic level as an evolution of fluid forms with an increasingly diffuse leadership – reflecting James Rosenau’s multiple spheres of authority. Diplomats embodying the new culture are adopting the role of facilitators and entrepreneurs in networks that are now also open to nongovernmental stakeholders. The results often take the form of a trisectoral model that incorporates governments (which indisputably remain the most important players), nongovernmental organizations, and business. The power of influential individuals, particularly those establishing foundations such as Bill Gates, is also increasingly being acknowledged. The role of nongovernmental actors is shifting from that of consumers to producers of diplomacy, one in which they can perform as either stake-takers (opponents) or stake-givers (supporters). There is an incentive for traditional governmental and international agencies to include this third sector in decision-finding and even decision-making processes, since such inclusion can strengthen the legitimacy of these state agencies and their decisions, “meaning that those subject to international regulatory standards have participated in some meaningful way in their developments.”²¹ Furthermore, the function of nongovernmental actors

¹⁸ Geoffrey Wiseman, “‘Polylateralism’ and New Modes of Global Dialogue,” in *Diplomacy Vol. III*, eds. Christer Jönsson and Richard Langhorne (Sage, 2004), 36-57; Brian Hocking, “Multi-stakeholder Diplomacy: Forms, Functions, and Frustrations,” in *Multistakeholder Diplomacy: Challenges and Opportunities*, eds. Jovan Kurbalija and Valentin Katrandjiev (2006).

¹⁹ Wiseman, “‘Polylateralism.’”

²⁰ Hocking, “Multi-stakeholder Diplomacy.”

²¹ Kern Alexander, Rahul Dhumale, and John Eatwell, *Global Governance of Financial Systems: The International Regulation of Systemic Risk* (2006).

is seen as compensating for “deficiencies in diplomatic processes by exchanging resources through policy networks,” including information exchange and monitoring functions.²² This involvement of nonstate actors is being accompanied by the evolution of new rules of openness, accountability, and transparency that are currently supplementing the secrecy and opaqueness which have commonly been regarded as strategic assets in traditional diplomacy. Furthermore, nongovernmental actors are becoming engaged in changing the traditional diplomatic goal of exclusively promoting national interests into the new goal of jointly detecting, defining, and promoting global interests. As a result, nonstate actors are changing traditional approaches to diplomacy.

Nonstate Actors and Diplomacy

Analyzing evolving patterns of diplomatic interaction between governments and nonstate actors, Wiseman delineates the following four propositions, which point toward opportunities for foundations to bring into play their comparative advantages:²³

- First, “[s]mall and middle-sized state diplomatic institutions” are “more likely to innovate and cooperate with nonstate actors.”
- Second, democracies are “more likely to innovate polylaterally than semidemocracies and nondemocracies.”
- Foreign ministries and diplomatic services are “more likely to display innovative, polylateral tendencies with nonstate actors in ‘low politics’ issues, and less likely to do so when it comes to security-oriented ‘high politics.’”
- “State foreign and diplomatic establishments are more likely to cooperate with nonstate actors engaged in long-term policy influence, and less likely with those engaged in short-term political campaigns or protests.”

The first three propositions are instructive when it comes to choosing the right institutions with which to cooperate within the larger field of diplomacy, choosing an appropriate issue, and drawing attention to the different levels of willingness among states to cooperate with nonstate actors. The fourth proposition clearly highlights a comparative advantage of foundations: their particular capacity for long-term planning and their capacity to foster long-term relations, to build trust, and therefore function as a reliable partner. This is a capacity that is generally valuable within the logics of network governance. But what are the restrictions on foundations in their cooperation with states?

²² Hocking, “Multi-stakeholder Diplomacy,” 19.

²³ Wiseman, “Polylateralism,” 42-43.

Not every issue allows for foundations to step in and get involved to the same degree. What Wiseman has noted for multistakeholder diplomacy holds true for the whole global governance framework. Civil society actors – as intermediaries between state and society – are attributed a special ability and role in mobilizing the problem-solving capacities of a society. Therefore, they are seen as one important aspect of global governance and characterized by their ability to connect local knowledge with global decision-making.²⁴ However, the exclusion of civil society actors from “hard core international organizations” and “hard interests” usually restricts the space in which they can maneuver to “softer” policy issues such as education, health, and welfare or to newly emerging problem areas such as ecology and combating the negative social consequences of economic developments.²⁵ Sufficiently competent and professional civil society actors can be included in problem-solving governance processes at different levels: as a source of legitimation for national and international policy decisions, within public-private partnerships at the national level, and at the local level in terms of community-building and empowerment.²⁶

For foundations attempting to work in a highly sensitive political context, the range of issues in which they can become involved is even more restricted. In trying to offer arenas for debate and the exchange of ideas in China, Stiftung Mercator is carefully exploring windows of opportunity within the context of cultural diplomacy and climate change for the creation of transcultural learning platforms.

But can foundations make a difference by engaging in the “soft,” “low politics” of cultural diplomacy? This is where the notion of soft power within networks and soft power’s strategic value for nonstate actors comes into play.

Networks and Soft Power

Network patterns play a prominent role in the analysis of relationships between civil society and the state. The renowned studies of advocacy networks cited above represent constructivist approaches and focus largely on the power of advocacy by persuasion. Typical characteristics of network governance are

²⁴ Achim Brunnengraber, “‘Global Governance’ oder die Notwendigkeit eines neuen Globalkonzeptes - diskutiert am Beispiel der internationalen Klimapolitik,” in *Vernetzt und Verstrickt*, eds. Elmar Altvater, Achim Brunnengraber, and Markus Haake (1997).

²⁵ Peter Wahl, “Mythos und Realität internationaler Zivilgesellschaft. Zu den Perspektiven globaler Vernetzung von Nicht-Regierungs-Organisationen,” in *Vernetzt und Verstrickt*.

²⁶ Compare Wahl, and Helmut K. Anheier and Matthias Freise, “Der Dritte Sektor im Wandel: zwischen New Public Management und Zivilgesellschaft,” in *Zivilgesellschaft - national und transnational*, ed. Dieter Gosewinkel et al. (2004).

trust-building and the emergence of “network cultures.”²⁷ Along with power within hierarchies and profit in markets, the power of persuasion, trust-building, and the building of a common culture of interaction within network governance all resonate with Joseph Nye’s concept of “soft power.” In this sense, network governance can be identified as an important mechanism for bringing soft power into play. The notion of soft power is dependent on the perception and the beliefs of others. It follows that soft power relies on trust and mutual understanding. As a result, transcultural learning remains a precondition for successful transcultural network entrepreneurship and for becoming a soft power agent. If successful, foundations, engaging as network entrepreneurs, can use their soft power to build transcultural coalitions for change. This can have a positive effect on global problem-solving capacities.

As in the field of diplomacy, transnational networks are seeing the evolution of new rules of openness, accountability, and transparency. However, as Hocking observes, unlike the clear-cut rules of statist diplomacy, the rules regulating transnational networks still remain underdeveloped. As a result, we are faced with a fluid global governance context with many newly emerging actors and a deficit of norms. It is in this context that Kathryn Sikkink, in *Restructuring World Politics*, points to the role of transnational nongovernmental actors as driving forces behind norm construction: “Transnational nongovernmental actors are key instigators and promoters of new norms (...) providing voices and ideas.” Here she draws on the concept of communicative power formulated by John Dryzek²⁸ and Jürgen Habermas,²⁹ which is exercised by proposing, questioning, criticizing, and publicizing. Thus, soft power within networks is not only about getting “others to want what you want,” as Nye puts it. It is also about addressing a fundamental need in the contemporary emerging global society. If norm consensus can be reached, this provides stability for the international system.³⁰

Slaughter takes this argument even further. She argues that government networks benefit the world order by “(1) creating convergence and informed divergence; (2) by improving compliance with international rules; and (3) by

²⁷ Mark Considine and Jenny M. Lewis, “Bureaucracy, Network, or Enterprise? Comparing Models of Governance in Australia, Britain, the Netherlands, and New Zealand,” *Public Administration Review* 63, no. 2 (2003), 131-140.

²⁸ John S. Dryzek, “Transnational Democracy,” *Journal of Political Philosophy* 7, no. 1 (1999), 30-51.

²⁹ Jürgen Habermas, *Theorie des kommunikativen Handelns* (1981).

³⁰ Kathryn Sikkink, “Restructuring World Politics: The Limits and Asymmetries of Soft Power,” in *Restructuring World Politics. Transnational Social Movements, Networks, and Norms*, eds. Sanjeev Khagram, James V. Riker, and Kathryn Sikkink (2002).

increasing the scope, nature, and quality of international cooperation.”³¹ It follows from her first observation that not only the achievement of normative consensus but also the deepening of an understanding for normative divergence and the underlying reasons for differing viewpoints may all contribute to the construction of a better global order. Thus, arenas for debate are not only valuable in the sense of generating harmonious and cooperative outcomes, but also in the sense of negotiating differing viewpoints. Such a negotiation is an important starting point for substantive transcultural learning that goes beyond a redundant and often paternalistic ode to multicultural understanding and clears the way for meaningful international cooperation.

Thus discussion platforms, as outlined by de Borms, provide important starting points for constructive debates oriented to reaching an understanding of different viewpoints, thereby paving the way for consensus on norms and rules of interaction in the transnational context. In this sense, such platforms can be seen as safeguarding or even restoring problem-solving abilities within the challenging and fluid transnational realm and hence producing a valuable common good.

Intercultural Learning in a Globalizing Knowledge Society

So what might de Borms’ platforms look like in concrete terms? Willke highlights the change in the role of governments from “governing a nationally organized and confined industrial society to governing a globally connected and interdependent knowledge society.”³² However, he also points out that evolution of new governance structures tends to be incremental and lacks any kind of master plan or political vision. If foundations are to develop a new role for themselves within a new governance context, a proactive approach would include defining a new vision within this new context. However, as revealed in debates in the 1970s on the limited “steering” capacity available to governments,³³ the development of a master plan may not be a feasible goal. Innovation and cooperation rely on structures. And foundations, as dependent partners when it comes to social innovation but as more independent players in the field of institution-building, can provide long-term structures and arenas such as think tanks and regular conferences to create various platforms for informed debate or “awareness spaces.”³⁴ These exchanges can include formal, professional information. However, given

³¹ Slaughter, *A New World Order*, 24.

³² Helmut Willke, *Smart Governance. Governing the Global Knowledge Society* (2007), 34-35.

³³ For an overview see Renate Mayntz, “Politische Steuerung und gesellschaftliche Steuerungsprobleme,” in *Soziale Dynamik und politische Steuerung. Theoretische und methodologische Überlegungen* (1997).

³⁴ Franz Huber, *Social Networks and Knowledge Spillovers* (2007).

the importance of trust within networks and in order to build the complex foundations for transcultural understanding, more intimate, narration-based information flows are also needed, providing spaces for more personal, face-to-face networking and the micro-foundations for trust and transcultural understanding.

Promoting Learning Spaces Within a Restrictive Context

The Stiftung Mercator initiative involving the organization of a series of intercultural dialogue forums in China to accompany the “Art of the Enlightenment” exhibit fits into this concept of creating transcultural learning spaces. There is no instant recipe for the complex issue of finding ways to overcome intercultural boundaries and to reach intercultural understanding. This is an intrinsic process that can be initiated and supported but for which there are no ready-made insights. If foundations seek to meet the high expectations Sikkink places on nonstate actors, this requires them to establish a framework for the exchange of ideas characterized by the same qualities needed for successful networking and the exertion of soft power: a maximum of trust, openness, fairness, and mutual respect, so that a dialogue culture can evolve. During our China dialogue project we saw that a space for dialogue is what people make of it – we can set the stage but we have to trust in the ability of all partners and participants to construct a meaningful dialogue. The acceptance of divergent viewpoints and the formulation of common definitions – and hence, the construction of a common language – were prevalent themes in our enlightenment dialogues. These achievements – finding a common language and constructing a dialogue culture – represent common goods that can stabilize global dialogue as a step toward joint norm construction.

In an authoritarian regime that prohibits freedom of speech, openness and trust are circumscribed. But if we take a close look at developments within China, we find that spaces do evolve for interactions between state officials and nonstate actors. Dirk Schmidt’s analysis of various dimensions of China’s diplomacy and foreign policy reveals an overall fragmentation process caused by a growing multitude of actors from different sectors meshing and melding in the field of transnational activities.³⁵ This fragmentation within Chinese politics also clearly points to a need for actors who can help process the multitude of emerging problems by fostering the innovative exchange of ideas, specifically in areas where the state is reluctant to act.

The Chinese context offers two important points of entry for international civil society actors. First, the accumulation of newly emerging problems and

³⁵ Schmidt, “‘From the Charm to the Offensive’: Hat China eine neue Außenpolitik?” *Asien. The German Journal on Contemporary Asia* 122 (2012), 34-56.

pressing welfare shortages are creating opportunities for civil society actors, even in China, to cooperate with state agencies by offering means and methods for opening up policy processes to public participation, or by helping identify solutions to pressing problems not sufficiently dealt with by the one-party state. Second, the locally embedded civil society still remains fragmented, is often marginalized,³⁶ and patently lacks arenas for engaging in a dynamic “culture of the public sphere” characterized by self-organization.³⁷ For foundations, supporting local civil society actors and epistemic communities, empowering grassroots groups and academic elites to help build up effective forms of self-organization in China, and creating arenas for the international exchange of ideas, thereby fostering debates about issues of public concern in China, seem to be meaningful and viable areas of endeavor. Taking more low-profile issues as a starting point does not diminish the kind of benefits outlined by Slaughter: achieving an understanding of norms and norm diversion, identifying cultural differences and bridges to overcome them, and hence, building a foundation for sustainable cooperation through better mutual understanding.

Foundations: Entrepreneurs in a Global Network

While the historical role of foundations primarily consisted in sustaining the community, their contemporary role needs to be seen as more akin to a “sustainable management of globalization” – reflecting the shift from a premodern notion of “community” toward today’s paradigm of a “global civil society.”³⁸ Foundations seem well-equipped to act as entrepreneurs in a global network context, bringing persuasion-based soft power into play to convene state and nonstate actors from different backgrounds and create latent vertical and horizontal learning arenas. As partners within multistakeholder diplomacy, they can support sustainable dialogues and contribute transcultural civil society perspectives, ranging from elite to grassroots knowledge.

By capitalizing on their opportunities, foundations can now take the sustainment of community one step further: creating arenas to promote the proactive and sustainable self-management of a globalizing, networked knowledge society.

³⁶ Taru Salmenkari, “Searching for a Chinese Civil Society Model,” *China Information* 22, no. 3 (2008), 397-421; Bjoern Alpermann, “State and Society in China’s Environmental Politics,” in *China’s Environmental Crisis: Domestic and Global Political Impacts and Responses*, eds. Joel Kassiola and Sujian Guo (2010), 123-151.

³⁷ Gunnar F. Schuppert, “Governance-Leistungen der Zivilgesellschaft. Vom staatlichen Rechtssetzungsmonopol zur zivilgesellschaftlichen Selbstregulierung,” in *Zivilgesellschaft*.

³⁸ Thorsten Benner, Wolfgang Reinicke, and Jan Martin Witte, “Shaping Globalization: The Role of Global Public Policy Networks,” in *Transparency: A Basis For Responsibility and Cooperation*, ed. Bertelsmann Foundation (2002).

China's Soft Power Strategy

JOSEPH S. NYE

I first coined the term “soft power” in my 1990 book *Bound to Lead* that challenged the then conventional view of the decline of American power. After looking at American military and economic power resources, I felt that something was still missing – the ability to affect others by attraction and persuasion rather than just coercion and payment. I thought of soft power as an analytic concept to fill a deficiency in the way analysts thought about power. Thus I was pleasantly surprised to learn that a political leader like Chinese President Hu Jintao told the 17th Party Congress of the Chinese Communist Party in 2007 that China needed to increase its soft power. Subsequently, the Chinese government has invested billions of dollars in that task, and Chinese journals are filled with articles about soft power. But what is it?

Power is the ability to affect others to obtain the outcomes you want. One can affect their behavior in three main ways: threats of coercion (“sticks”); inducements or payments (“carrots”); and attraction that makes others want what you want. A country may obtain the outcomes it wants in world politics because other countries want to follow it, admiring its values, emulating its example, and aspiring to its level of prosperity and openness. In this sense, it is also important to set the agenda and attract others in world politics, and not only to force them to change through the threat or use of military or economic weapons. This soft power – getting others to want the outcomes that you want – co-opts people rather than coerces them.

Soft power rests on the ability to shape the preferences of others. It is not the possession of any one country, nor only of countries. At the personal level, we all know the power of attraction and seduction. Political leaders have long understood the power that comes from setting the agenda and determining the framework of a debate.

In international politics, the resources that produce soft power arise in large part from the values an organization or country expresses in its culture, in the examples it sets by its internal practices and policies, and in the way it handles its relations with others. Governments sometimes find it difficult to control and employ soft power, but that does not diminish its importance. The soft power of a country rests primarily on three resources: its culture (in places where it is attractive to others), its political values (when it lives up to them at home and abroad), and its foreign policies (when they are seen as legitimate and having moral authority).

Stepping on the Message

China has always had an attractive traditional culture, but now it is entering the realm of global popular culture as well. Yao Ming has become another Michael Jordan, and China successfully hosted the 2008 Summer Olympics and the 2010 Shanghai Exposition. China has created nearly 300 Confucius Institutes around the world to teach its language and culture, and China is increasing its international radio and television broadcasting. Moreover, China's economic success has attracted others, and this has been reinforced by its successful response to the 2008 financial crisis. In addition, China has reinforced its attraction by providing economic aid to poor countries.

But just as China's economic and military power does not yet match that of the United States, China's soft power still has a long way to go as measured by recent international polls. China does not have cultural industries like Hollywood, and its universities are not yet the equal of America's. It lacks the many non-governmental organizations that generate much of America's soft power. Chinese officials seem to think that soft power is generated primarily by government policies and public diplomacy, but much of America's soft power is generated by its civil society rather than its government.

In 2009, Beijing announced plans to spend billions to develop global media giants to compete with Bloomberg, Time Warner, and Viacom to help win friends abroad. In 2009-10, China invested 8.9 billion dollars in external publicity work including a 24-hour Xinhua cable news channel designed to imitate Al Jazeera. But for all its efforts, China has had a limited return on its investment. A recent BBC poll shows that opinions of China's influence are positive in all of Africa and much of Latin America, but predominantly negative in the United States, most of Europe, as well as India, Japan, and South Korea. Similarly, a poll taken in Asia after the Beijing Olympics found that China's charm offensive had been ineffective. Great powers try to use culture and narrative to create soft power that promotes their advantage, but it is not an easy sell when it is inconsistent with their domestic realities.

For example, the 2008 Olympics were a great success, but China's domestic roughly contemporaneous crackdowns in Tibet, Xianjiang, and on human rights activists undercut its soft power gains. The Shanghai Expo was also a great success, but the jailings of public figures like Nobel Peace laureate Liu Xiaobo and the artist Ai Weiwei might have made a more lasting impression. In the world of communications theory, that is called "stepping on your own message." And for all the efforts to turn Xinhua and China Central Television into competitors of CNN and the BBC, there is little international audience for brittle propaganda. Now in the aftermath of the Middle East revolutions, China is clamping down on the internet and jailing human rights lawyers, once again torpedoing its soft power campaign.

As *The Economist* recently reported, "the party has not bought into Mr. Nye's view that soft power springs largely from individuals, the private sector, and civil society. So the government has taken the lead in promoting ancient cultural icons whom it thinks might have global appeal." But Pang Zhongying of Renmin University, a former diplomat, says it highlights what he calls "a poverty of thought" in China today. And in December, Han Han, a novelist and popular blogger, argued that "the restriction on cultural activities makes it impossible for China to influence literature and cinema on a global basis or for us culturati to raise our heads up proud." This is unfortunate for China, but also unfortunate for the rest of the world.

A More Attractive China is Better for All

The development of soft power need not be a zero sum game. All countries can gain from finding attraction in each others' cultures. Just as the national interests of China and the United States are partly congruent and partly conflicting, their soft powers sometimes reinforcing each other in some issue areas and contradicting each other in others. This is not something unique to soft power. In general, power relationships can be zero or positive sum depending on the objectives of the actors.

It is not surprising to see Chinese leaders adopting policies to promote China's soft power. In a sense, this reflects a sophisticated realist strategy for a country with rising hard economic and military power. To the extent it is able to combine its hard power resources with its soft power resources, it is less likely to frighten other countries and thus less likely to stimulate balancing coalitions directed against it. Successful strategies often involve a combination of hard and soft power that I call "smart power."

Thus we should expect to see China attempting to follow a smart power strategy. Whether this will be a problem for other countries will depend on the

way the power is used. If China seeks to manipulate the politics of Asia and exclude the United States, its strategy could be counterproductive, but to the extent that China adopts the attitude of what Robert Zoellick called a rising “responsible stakeholder” in global affairs, its combination of hard and soft power can make a positive contribution. In return, much will depend upon the willingness of the United States to include China as an important player in the web of formal and informal international institutional arrangements.

China is far from America's or Europe's equal in soft power at this point, but it is making important cultural diplomacy efforts to increase its soft power. Fortunately, these gains can be good for China *and* the rest of the world. One country's soft power gain need not be another country's loss. If China and the United States, for example, both become more attractive in each others' eyes, the prospects of damaging conflicts will be reduced. If the rise of China's soft power reduces the likelihood of conflict, it can be part of a positive sum relationship. In the long term, there will always be elements of both competition and cooperation in the US-China relationship, but the two countries have more to gain from cooperation. This can be strengthened by the rise in both countries' soft power.

Demonstrating Magnanimity

ORVILLE SCHELL

Every international cultural exchange begins with the presumption that there is some sort of divide or gap between two parties, most often countries. Often there is also an unresolved conflict, grievance, or sense of inequity at the heart of the matter that has resisted other kinds of ministrations, usually of a state-to-state diplomatic nature. The unresolved problem then gets passed off as a last resort to cultural organizations to see if they can come up with some cultural solvent to dissolve some of the friction and disagreement. This is not entirely a useless progression. After all, the source of much global tension and conflict very often initially grows out of cultural or religious disagreements in the first place. And so, a cultural fix – as woolly and as untargeted as such interactions can often be – is not an inappropriate remedy. In any event, after all else has failed, it is often the only remedy.

Unfortunately, throughout history there has not always been a cultural fix available because the institutions have not existed to administer it. Indeed, the very idea of remedying a state of conflict or tension between countries through cultural exchange and thus greater understanding is a relatively new idea. And, when it comes to relations between China and Europe or the United States, it is a strategy that constantly gets undermined by untoward real events. Just as a cultural remedy is being applied, the Chinese will arrest a dissident intellectual, a European leader will meet with His Holiness the Dalai Lama, or the Americans will send a missile through the window of the Chinese Embassy in Belgrade or land a spy plane on the Chinese coast, neutering any and all cultural exchange efforts underway.

Nonetheless, cultural exchange can be an important tool in the chest of any nation to deal with other non-allied countries. We are reminded of this fact by one of the very earliest attempts by a Western nation, Great Britain, to estab-

lish formal relations with China. Because the Imperial Qing Dynasty Court in Beijing had no notion of “equal” diplomatic relations to draw on when Lord Macartney approached the Tianjin coastline in 1792, Britain’s efforts failed abjectly. And, while the failure was caused by the enormity of the cultural gap between the two societies, because there was no mechanism for creating a deeper understanding of the nature of this cultural divide, relations between China and the West languished. They were not revisited, much less worked out, until half a century later when the two countries ended up in armed conflict during the Opium Wars (1839-42 and 1856-60), a conflict which precipitated a century of the so-called “unequal treaties” and created a deep pool of animosity between China and the West which we have still not outlived.

When a Rising China and a Humbled West Meet, Who Bows Deeper?

This is a centuries-old question that is taking on new significance as the two ends of the world come together, on slightly different terms.

The age-old Chinese question of who gets to stand higher than whom has almost always been a critical point of tension. Since the 18th century, when the newly arrived West’s strenuous demands for equality of representation ran headlong into China’s rigid expectations of superiority, East-West relations have never really found equipoise since.

Yet the Chinese audience at a recent event were witness to Meryl Streep, an artist of incomparable talents and international standing, abjectly yielding before another artistic titan who happened to be Chinese – and who, in his turn, abjectly yielded to her in an unexpected ballet of competitive modesty.

Last November, the Asia Society and the Aspen Institute’s US-China Forum on the Arts and Culture brought Meryl Streep and Yo-Yo Ma – as well as the likes of chef Alice Waters, director Joel Coen, writer Michael Pollan, and others – to China on a cultural exchange. In a concert with Chinese musicians and artists in which every segment paired a representative and work of one culture with another, Streep and Ma gave a joint performance in which she read a Tang Dynasty poem by Wang Wei and a letter from Martha Graham to Agnes DeMille on the creative process while Ma played elements of George Crumb’s Sonata for Solo Cello.

When this mesmerizing collaboration ended to a roar of applause, Streep and Ma embraced each other and bowed before the audience. She started to walk off the stage, but he cried out, “Don’t go away! Don’t go away!” With the audience still clapping, she turned and rejoined him center stage. Clasp ing her hands together in a gesture of appreciation, she pressed one hand to her heart and then dipped into a deep, reverential bow before him.

Not comfortable being the object of such adoration, and wishing to demonstrate his own appreciation of her artistry, Ma fell to one knee before her like Sir Walter Raleigh. Then, as if he had suddenly decided that this was an insufficient paean to her prowess, his already regal genuflection morphed into a full bow with both knees bent to the floor.

This, in turn, triggered Streep to an even more extreme demonstration of devotion to Ma's musical abilities. As the crowd roared with delight, the two continued their duet of increasing suppliancy until both ended lying flat on the floor.

As they finally stood up from the strange pas de deux, grins of amused stupefaction spread across their faces. Recognizing that something quite unprecedented had just transpired on this stage, the Chinese audience, too, was going berserk, clapping, laughing, and cheering in a state of rapturous delight. The audience members may have known that they were witnessing a dramatic volte-face of a centuries old problem between China and the West.

Negotiating Relative Status

Ever since King George III dispatched George Viscount Macartney of Dervock to Beijing in 1793 to exchange ambassadors with the Qing Dynasty, interactions between China and the West have revolved around the prickly historical question of who was stronger than the other and thus who would genuflect to whom. After a long and complex negotiation over whether he would kowtow to the Qianglong Emperor, Lord Macartney failed in his mission to convince the still powerful Chinese to allow a British ambassador to take up permanent residence in Beijing.

When Macartney appeared in Beijing to demand equal relations, China was still strong and he was met by much imperial incredulity. After all, the Middle Kingdom had never accepted emissaries from other countries as anything more than inferior "tribute-bearing" supplicants who might periodically be allowed to travel to Beijing bearing gifts for the Son of Heaven. Accepted as equals? Never! When Macartney was told that he must kowtow – bow and touch his head to the floor – before the emperor, he refused. "Being the representative of the first monarch of the Western world, his dignity must be the measure of my conduct," he wrote in his diary.

Two months of wrangling ensued over the vexing question of the manner of genuflection Macartney would be required to make to the emperor. The deadlock seemed at last broken when the Chinese thought to ask about the "ceremony of presentation to the King of England." Macartney explained that subjects kneeled upon one knee and then kissed his majesty's hand. "Why then," Macartney reported his Chinese counterparts as responding, "can't you do so for the Emperor?"

“Most readily,’ said I,” replied Macartney. “The ceremony I perform to my own King I am willing to go through for your emperor, and I think it a greater compliment than any other I can pay him.”

Alas, another problem of equivalence emerged. “Soon after the Legate arrived, and declared that it was finally determined to adopt the English ceremony, only that, as it was not the custom in China to kiss the Emperor’s hand, he proposed I should kneel on both knees instead of [one],” wrote Macartney. “I told him I had already given my answer, which was to kneel upon one knee only on those occasions when it was usual for the Chinese to prostrate themselves.”

It is easy to see in this exchange how difficult it was, even during this first encounter, to bridge the culture gap and to work out the niceties of relative East-West status. As Lord Macartney noted in his diary, “Thus ended this curious negotiation which has given me a tolerable insight into the character of this Court, and that political address upon which they so much value themselves.” Perhaps the main “insight” Macartney glimpsed was that maintaining face in a culture where equality can never be presumed involves an infinitely complex negotiation over symbolism. Before departing Beijing, Lord Macartney was moved to conclude with some discouragement that “The Chinese character seems at present inexplicable.”

A century later, after the Middle Kingdom had fallen so precipitously from its place of unchallenged global superiority that it had been dubbed the “sick man of Asia,” an enormous reservoir of sensitivity toward Western dominance and bullying had built up. This sensitivity became especially raw in any public interaction or joint ceremony where Chinese inferiority of status might be implied. For a nation that had been accustomed to strength as a birthright for so long, the idea of weakness was excruciatingly painful.

As China nose dived toward collapse, the Chinese found less and less basis left for any presumption of superiority, even equality. However, their yearning for respect – or even for a ritualized semblance of such – did not diminish. Indeed, the Chinese Communist Party elaborated a unique ideology of victimization that depicted China as having been exploited and humiliated by the imperial powers, and so the need for manifestations of respect only grew. Who went first, bowed before another, or sat higher than someone else all became part of the ongoing shadow play of maintaining face – a balm calculated to soothe the actual deficit of respect.

More recently, of course, China has regained much of its former wealth and power, as well as renewed confidence, and sometimes arrogance. But has this resurgence of self-assurance finally begun to assuage China’s long-standing psychological thirst for equivalence? That moment may arrive – if all goes well

– but it is not yet at hand. In reality, the Chinese have chinned their country up to a status that is at last approaching that of the so-called “great powers.” But it usually takes a generation or two for actual changes in power balance within and between countries to be absorbed psychologically by the actual people on both sides of the proposition.

From here on, as China’s wealth and power increases, its national challenge will be to start letting itself feel sufficiently reinstated in the congress of great nations that it does not need to wallow in narratives of victimization, or be so militant about grasping symbolic demonstrations of its equality or superiority. The highest stage of evolution for any truly great power is to reach that point where it is possible to transcend the notion of both inferior and superior, the better to cultivate a self-confidence that leads to modesty. This is a lot to ask of China, or any country. Even the United States, the strongest nation on the globe today, has only rarely demonstrated such national maturity.

What made such exemplars out of Meryl Streep and Yo-Yo Ma on that Beijing stage – which fittingly lies just across the street from the Forbidden City, where the Qianlong Emperor reigned over 200 years ago? Instead of one seeking to stand taller than the other or to bolster one ego at the expense of the other, each tried to deflect acclaim from themselves to the other in what ended up being an almost slapstick comedy of competitive humility. Theirs was a stellar example of magnanimity born of accomplishment and confidence. They helped create a wonderful night of artistry, but more importantly they gave a subtle but powerful demonstration for Chinese and Americans alike of the level to which collaboration built on true equality can sometimes rise.

While a great nation must, of course, seek its own self-interest, it does not need to do so by remaining selfishly unmindful of the interests and accomplishments of other nations. True greatness does not demand endless adoration, but thrives by sometimes deflecting acclaim to others. It was this element that was so heartwarmingly evident in Yo-Yo Ma and Meryl Streep’s joint performance – and, two centuries before, was so missing from Lord Macartney’s visit to the Qianlong Emperor. Alas, it is still all too often missing from relations between China and the West today.

A Two-Way Bridge to China

EBERHARD SANDSCHNEIDER

Cultural diplomacy is a latecomer in Western relations toward China. In the early 1970s, when China had just struggled out of the dark ages of the Cultural Revolution, strategic and security interests dominated Western approaches toward the Middle Kingdom. Any support in the global confrontation with the Soviet Union seemed attractive and China was a preferred partner in balancing the influence of Moscow. With the beginning of reform policies in 1978 and China's gradual opening, economic interests started to prevail and have remained the focus of Western policies toward China ever since. But political relations with China have always presented a major challenge to Western governments and nations. In most Western countries, hope for better market access seemed to be accompanied by, and then clash with, expectations for rapid improvement in China's human rights record. Domestic constituencies keep pushing toward value debates that are based on (rarely explicit and often unacknowledged yet pervasive) assumptions of Western supremacy. Businesses, meanwhile, struggle for success and pragmatic solutions, while political strategists are faced with China's growing self-assertion. It is, therefore, hardly astonishing that, despite undeniable progress, irritations persist after four decades of intensified bilateral relations.

A lack of trust and mutual respect characterizes Western-Chinese relations to such an extent that it impairs core strategic interests on both sides. Despite hundreds of delegations and thousands of exchange students, both China and the West are far from reaching a level of mutual understanding necessary for enduring and sustainable bilateral relations. Cultural diplomacy could be the

best, and may be the only, instrument to help bridge these gaps of mutual misunderstanding. Cultural diplomacy is therefore not only an integral but also an extremely important element of foreign policy. It fulfills the significant function of bringing people together who are living in different cultural worlds, using different codes of communication and different sets of rules.

One of the main challenges for successful cultural diplomacy lies in the eye of the beholder. From a Western perspective, China is usually not seen as a real partner because in a way, China is not really seen at all. One of the reasons for this unilateral arrogance may be found in the fact that interaction with the foreign is too often based on comparisons, with “us” and “them” as the decisive starting point. “Who we are” and “what they are” becomes the underlying issue of any kind of exchange. Thus, Western cultural approaches to China often form on the basis of an unexamined comparison. We deal with China as if it were a less developed version of a Western country, or like any other developing country we are familiar with, or any other potential power we know. Seeing China as a partner would mean trying to understand its particular history and its unique culture and not its similarity to country X or difference from our own country. We must approach Beijing as a potential partner, and not as a potential military threat, nor as a growing manufacturer, nor as a polluter – but as China.

Similarly important, the character of cultural diplomacy is decided by the messages chosen to be sent. In too many cases, cultural diplomacy is not aimed at a pure exchange of knowledge, but it is based on implicit or explicit political interests. Often political messages are sent with cultural diplomacy programs, sometimes overtly, but usually under the cover of cultural heritage, be it art, literature, or music. The aim is clear and simple: Let them learn from our experiences. While this aim is legitimate, things become more complicated when the underlying message implies: By sharing our perspectives and experiences, let them become a little bit more like us! Regrettably, over the last three decades China has been viewed in this sense more as an object and hardly as a partner in cultural diplomacy. The pitfalls of ideology and propaganda prove time and again difficult to avoid – even by well-meaning institutions and actors. Only by acknowledging that cultural diplomacy is not a one-way street can further success be possible with a country like China that is rapidly translating its newly won self-confidence into cultural diplomacy programs based on its language, history, and cultural achievements. Two-way bridges are desperately needed. The times of Western preponderance, domination, and supremacy are over – also in the field of cultural diplomacy.

Lessons To Be Learned

Cultural diplomacy needs to have a long-term perspective. Single events cannot create a sustainable basis for a genuine exchange of ideas, nor can norms and values be truly compared or challenged in a one-time format. We would get further by adopting the Chinese approach of advancing step by step instead of pursuing short-lived activism that starts brilliant initiatives only to cancel them when they face political headwind.

Those who want to use Western culture to change China for good are bound to fail. But those who take the necessary long-term perspective on China will have to expend much effort reassuring their home basis of their activities in order to manage criticism at home.

Cultural diplomacy needs a mixture of state and nonstate actors. In this respect major differences will continue to characterize Western and Chinese approaches. In the West, nonstate actors are definitely more important than state actors, even though they struggle to find Chinese nonstate counterparts. On the other hand, autonomous nonstate actors like private foundations do not exist in China – and will not exist in the foreseeable future. The tensions deriving from public-private coordination will continue to be a challenge for successful cooperation and fuel debates both domestically and internationally.

Coordinating with state institutions (e.g. the Foreign Office) at home while cooperating with state dominated institutions in China is the most crucial challenge for any foundation engaging in cultural diplomacy toward China. While overcoming political and bureaucratic obstacles within China can be burdensome, avoiding criticism at home for “collaborating” with non-democratic systems may be even more trying due to the potential damage for an institution’s overall image.

Many Chinese initiatives described at length in other contributions to this volume owe a lot to Western examples. Chinese foreign policy strategists have understood the importance of soft power and are investing a lot of money and energy in developing their country’s own cultural diplomacy instruments. This is a normal and legitimate consequence of China’s ever more active foreign policy powered by the country’s economic successes. Cultural diplomacy will thus play an increasingly important role in the foreign policies of Western nations as well as emerging economies, laying the groundwork for more lively global engagement and hopefully greater understanding.

Cultural Diplomacy in the New Diplomatic Environment

THOMAS BAGGER

Our understanding of the transformative forces we refer to as “globalization” remains limited. There is little evidence that we are adapting our thinking or the structures within which we operate to the changes these forces are bringing. To assess the broader picture of what private cultural diplomacy can, should, and cannot contribute in today’s world we need first to look at the changing diplomatic environment.

The Changing Distribution of Power: Transition and Diffusion

The tendency among Western analysts to portray the current international framework in terms of “the West versus the rising rest” is more than just a fashion. Even in terms of traditional measures of power – gross national product, trade and market share, economic growth rates, industrial output, and to some degree military spending – we are clearly witnessing a shift away from decades of American and European dominance toward a more multipolar – or polycentric – world. It is all too easy to interpret this shift as a zero-sum game: others win what we lose. The reality is, of course, far more complicated. In his recent book, *The Future of Power*, Harvard professor Joseph Nye argues that “two great power shifts are occurring in this century: a power transition among states and a power diffusion away from all states to nonstate actors.”

Globalization, and the information technology revolution that is primarily driving it, is empowering individuals, private associations, NGOs, and foundations in a way that enables them to transcend borders easily. Mass mobilization is no longer a phenomenon we associate merely with state-run militaries and the advertising strategies of private multinationals. It can now be issue-

specific and advocacy-oriented. And, as illustrated recently by the somewhat problematic success of the “Kony2012” advocacy film on Facebook, practically unlimited reach can be attained very quickly.

These changes are creating an international environment characterized by both an unprecedented speed of information flows and ever increasing complexity. And they have ushered in an “age of fragility” characterized by ever increasing contradictions between national systems of political participation and internationally determined outcomes largely beyond national political influence.

Network-Oriented Foreign Policy

For quite some time now, foreign policy has ceased to be the prerogative of diplomats and foreign offices. Globalization has increased the speed of the news cycle and thereby the pressures on governments. It has also empowered a myriad of new nonstate actors. In addition, it has brought to the fore the need for global governance approaches to address a whole series of new issues, such as climate change, water and food scarcity, competition for raw materials, and pandemics, to name a few. No single country or foreign office can hope to deal with these issues alone.

An additional layer of diffusion has been added to the power shifts that Joseph Nye outlined. In countries across the world, an increasing number of cabinet ministries are creating specific departments to deal with the internationalization of their respective policies, which now require cross-border consultation. The policy fields involved range from defense, trade, investment, and development to health, environment, agriculture, research and technology, education, and even internal affairs such as social and labor policies. Governments are increasingly enlisting technical experts in order to reach an acceptable international consensus. Some analysts mistakenly interpret this development as an indication that foreign offices have reached the limits of their usefulness because their responsibilities are increasingly being assumed by others – both within state structures and by nonstate actors. But this represents a profound misreading of the real challenge emerging in a world in which power has diffused among a multitude of actors and where internationally coordinated action is required across an unprecedented range of issues. Diplomacy’s challenge today is to provide and produce coherence, unity of purpose, and a clear sense of national – or European – interest. To put it another way, a series of internationalized policies across a range of separate fields do not a foreign policy make.

While diplomacy’s methods, instruments, procedures, and even its speed may have changed, its essential task remains largely unaltered and as impor-

tant as it ever was: to understand and assess the international environment, to identify areas of shared interests, and to advance the national interest “rightly understood.” In today’s world diplomacy can only fulfill this role if foreign offices successfully transform themselves into platforms through which the various actors can share their views, positions, and interests. The challenge, then, is to streamline, to coordinate, ideally also to arbitrate and to develop cross-issue “package deals” to advance otherwise stalled negotiations. In essence, foreign offices of the future will need to serve as the hub of an ever-wider network of actors and issues. Developing this capacity requires network-oriented thinking and the development of approaches and structures within foreign offices that are actively focused on (1) their convening power, (2) their agenda-setting capabilities, and (3) providing leadership in distilling and then pursuing the national interest. This is the task that will fall to the foreign offices and diplomats of tomorrow.

The Foreign Office Web

Foreign offices have two great assets they can draw on in this challenging endeavor. First, they can avail themselves of the global network of foreign missions that already integrate all aspects of national policies toward a given country or international organization. Second, they have at their disposal a reservoir of diplomats who, by dint of their international training and substantial experience abroad, are well-equipped to integrate all aspects of internationalized sector policies into a coherent set of foreign policy interests and objectives.

There should, however, be no illusions about centralized control. A network-oriented foreign policy will increasingly rely on the power of persuasion. This is not only because other ministries will be reluctant to see foreign offices take a formally leading role. It is also because of the great number of independent and semi-independent nonstate actors that will have to be brought into the network of a country’s foreign policy. Such actors often jealously guard their independence from official influence or guidance and cannot be directed or steered. At the same time they want to influence policy, while, for its part, the ministry wants to share its perspectives and requires “opinion multipliers” outside government structures. This is why foreign offices should much more actively strive to build and expand networks – abroad and at home. Such efforts should include exchanging personnel with other ministries as well as with think tanks, the business sector, and NGOs. Proper network-oriented foreign policy must also include cultural diplomacy.

Role of Cultural Diplomacy

Cultural diplomacy has long been an integral part of the broader concept of German post-war foreign policy, in effect its so-called “third pillar.” In today’s world, however, the characteristics and instruments of cultural diplomacy are taking on a new importance. In its latest statement on the concept driving its Foreign Cultural and Education Policy (AKBP) released in September 2011, the German Foreign Office stresses the need to adapt these instruments – almost 150 Goethe-Instituts, 1500 “partner schools” teaching German throughout the world, and approximately 40,000 annual student grants – to the new international environment. Technology-driven global networks have created worldwide competition around ideas, creative products, design, and education. Cultural diplomacy is therefore an indispensable part of the construction of a nation’s image in the minds of global citizens. This image – or “national brand” – can be an asset when it comes to a nation’s ability to set agendas, but also a liability.

A network-oriented concept of modern diplomacy therefore aims at the broadest possible approach to harnessing the power of cultural diplomacy: not simply by supporting and subsidizing a cultural network of its own, but also by making the best possible use of the full spectrum of private actors, associations, and foundations to promote the normative basis of the respective country’s foreign policy.

Privately sponsored cultural diplomacy is already doing what foreign offices need to do more of: providing platforms for an exchange of ideas and opinions, and creating networks of shared interests and information exchange. Moreover, compared with the “issue-driven” pursuit of foreign policy objectives, the practice of cultural diplomacy provides a distinct, valuable added benefit. First, cultural diplomacy is less immediately interest-driven. It focuses on identities, on underlying values. Second, it has a different time horizon. Efforts and exchanges need not pay off immediately. The process of “change through interaction” is much less utilitarian and therefore more credible. Third, the focus of cultural diplomacy is not on communicating positions on issues but rather on channeling ideas. Some of these ideas may be considered dangerous in some places, but if they prove to be productive in a host society, they will find their way into debates and discussions and subsequently into local thinking.

It is here that the transition and diffusion of power coalesce. As part of its efforts to rebuild its foreign policy following a devastating war that had left it isolated, Germany created a web of cultural-diplomatic actors in the form of Goethe-Instituts, political foundations, and cultural exchange organizations.

Together with its close neighbors and allies, it also created vast networks of contacts across all areas of political, societal, economic, and scientific life. For instance, the Franco-German Office for Youth Exchange, one of the consequences of the Elysée Treaty, is now regarded as an exemplary organization within the international policy field. A myriad of government-sponsored and private institutions also enabled Germany to sustain an unprecedented level of interaction, and a security partnership, with the United States. These networks have proven invaluable throughout the decades. They have helped build an intercultural understanding that has contributed not only to Germany's reintegration into the community of nations but also to the country's peaceful reunification.

Working With New Partners

Today we are confronted with an increasingly polycentric world in which the relevant actors have widely varying historical traditions, norms, and interests. Developing global governance is more pressing than ever and yet we as Germans know precious little about our new emerging partners. Cooperation with them relies on a thorough understanding of their perspectives, aims, interests, and ultimately their cultural foundations. Our networks with countries like India, Brazil, Mexico, Indonesia, and above all with China, are woefully inadequate given these countries' increasing importance and our own interest in functional cooperation with them. Opening new consulates general, shifting diplomatic personnel from traditional posts to new centers of political and economic power, and training more language specialists in the Foreign Service are all necessary – and currently ongoing. But given the speed of change and the complexity of international interaction, we need a far more broad-based and sustained effort. Over 400 university partnerships have been established so far with China alone, and flagship exhibitions such as “The Art of the Enlightenment” in Beijing are providing points of reference for intercultural debates. While such debates may not produce immediate and tangible results, they help build understanding of the historical background against which current interaction takes place.

Our cultural interaction with China, as indeed with many of our partners, combines elements of both cooperation and competition. The art of foreign policy is to identify shared interests and build sustainable relationships based on them. The challenge of our time is to extend partners' understanding of their shared interests into the sphere of the global commons and to build a system of reasonably functioning global governance. Building networks is a crucial aspect of the endeavor to meet this challenge. However, the kinds of

networking required are far beyond the capacities of central governments. For this reason, it is inevitable that private cultural diplomacy and philanthropy be associated with official foreign policy interests. The degree of this association will vary widely but there can be little doubt that private cultural diplomacy and philanthropy must constitute an essential component of a network-oriented foreign policy in the 21st century.

As a concluding thought, it is worth considering that the importance we accord to cultural diplomacy ultimately also depends on our own self-confidence. Do we believe in the power of our own ideas? Do we believe in the power of the values that form the foundation of our societies and the basis of our own daily interactions? Do we believe that these normative foundations should also govern the community of nations when addressing problems of mutual or even global concern? If the answer is yes, then we need to invest in a learning process that not only functions as a two-way street but also relies on personal interaction on the level at which people are most impressionable: in the realm of ideas, emotions, and debate. If we believe that change is best and most peacefully brought about by the power of ideas from within societies, then we should increase our investment in networks of higher education, in the sciences, but also in art, music, theater, literature, and design. The convening power of new technology will help, but nothing leaves as strong an impression on minds as being exposed to a foreign culture in person.

We live in a world that is almost incomprehensibly complex. It is also a world in which, as Nye puts it, the state with the best story wins. As Europeans we should be confident that we have a compelling story to tell.

The Chinese View of Cultural Diplomacy

WANG YIWEI

For China the cardinal source of pride is not the much touted “Chinese model,” but its rich cultural heritage. Diplomacy, too, is less important to Beijing than culture. It is therefore hardly surprising that it is culture, and traditional culture in particular, that forms the pivot of Chinese public diplomacy. Traditionally, the Chinese concept of diplomacy has represented a continuation of domestic policy. Chinese cultural diplomacy is no exception in this regard, with the “vigorous development and prosperity of culture” at home seen as providing the basis for an increased visibility of Chinese language and Chinese culture abroad.

The Chinese understanding of cultural diplomacy is distinctive in a number of ways. To begin with, the meanings it attaches to culture and diplomacy are different from those in the West. To understand Chinese cultural diplomacy, both in terms of its current constraints and future trends, one must understand the Chinese concepts behind its diplomacy.

Culture in Chinese Discourse

There are many similarities between China and the West in terms of their understanding of culture, but there are also very clear differences. A central difference is the Chinese emphasis on culturization compared with the Western emphasis on civilization.

The Chinese concept of culture actually sees it as an abbreviation of “humanistic cultivation.” Only people have “culture,” and human society can only be discussed in terms of culture. The original meaning of “culture” can be traced back to aphorisms found in the *I Ching* (*Book of Changes*).

The Western concept of “culture” on the other hand, is generally regarded as consisting of three aspects: objects, systems, and concepts such as spoken

and written language, customs, ideology, and national strength. A society's "culture" is therefore expressed by the overall system of social values, including nonhuman objects.

There are two other key differences between the Chinese and Western understandings of culture. The Chinese concept highlights self-discipline whereas the Western concept focuses on heteronomy. And while the Chinese concept focuses on cultivation, the Western concept emphasizes identity.

Diplomacy in Chinese Discourse

China learned modern diplomacy from Europe. Nonetheless, Chinese diplomacy has retained many strategies and insights deriving from ancient traditions. In general, there are two key differences between the Chinese and the Western concepts of diplomacy. Whereas the Chinese concept emphasizes harmony, the Western concept focuses on assimilation, and whereas the Chinese concept focuses on (protective) morality the Western concept emphasizes (exporting) norms.

These differences also carry into perceptions of soft power and cultural diplomacy. The comparison of soft power perceptions outlined in the table on page 50 elaborates the key differences between the Chinese, the European, and the American understanding of diplomacy.

Cultural Diplomacy in Chinese Discourse

The sixth plenary session of the 17th Central Committee of the Communist party in October 2011 focused on cultural awareness and cultural confidence, and represented a milestone for Chinese cultural diplomacy.

"Cultural awareness" (文化自觉) emphasizes "culture for diplomacy," while the focus of "cultural confidence" (文化自信) is "diplomacy for culture." Of course, culture in this context has pronounced political and ideological dimensions. China has now gained more confidence in its own development model and value system and sees the export of Chinese culture as a means of expanding its international influence.

For China the focus has been on "culture for diplomacy," in other words, on cultural exchanges as a means of promoting diplomatic goals – an approach currently exemplified by the Confucius Institutes. Leading up to the 2011 plenary session, Chinese cultural diplomacy entered a second stage that could be termed "diplomacy for culture." This public diplomacy has become more media-driven, but here too the main context of media coverage is culture, especially traditional culture.

In line with this new focus on cultural diplomacy, Chinese Minister of

Soft Power Perceptions and Diplomacy

| | China | EU | US |
|-----------------------------------|--|---|--|
| Starting point | <ul style="list-style-type: none"> • Peaches and plums do not have to talk, yet the earth beats a path to them. 桃李不言，下自成蹊 • One can be modest if one has no selfish desires. 无欲则刚 | <ul style="list-style-type: none"> • Empire by example • Cosmopolitan • Mission | <ul style="list-style-type: none"> • City upon the hill • American exceptionalism |
| Measures of implementation | <ul style="list-style-type: none"> • Confucius: All positive influences of civil culture and virtue are to be cultivated to attract insubmissive foreigners; only when they have been so attracted, will they bend 远人不服，则修文德以来之；既来之，则安之 • Change oneself, change the world (Zhang 2002). 改变自己，影响世界 | <ul style="list-style-type: none"> • Normative power • Soft imperialism | <ul style="list-style-type: none"> • Carrot • Public diplomacy |
| Ideas of implementation | <ul style="list-style-type: none"> • Confucius: Do not do to others what you do not want others to do to you. 己所不欲，勿施于人 • Substantive democracy: reach people's hearts; multipolar world order | <ul style="list-style-type: none"> • Promoting EU values around the world • Procedural democracy: effective multilateralism | <ul style="list-style-type: none"> • Do what you want to do to others • Pragmatism: bilateralism and multilateralism |
| Objectives | <p>On differences: accept the beauty of your own civilization, and accept the beauty of other civilizations too; share beauty and create the world's great harmony 存异：各美其美，美人之美，美美与共，天下大同</p> | <ul style="list-style-type: none"> • Art of seeking common ground: EU standard • Civilian power | <ul style="list-style-type: none"> • Art of seeking common ground: US values • Aggressiveness |

Culture Cai Wu, writing in the *People's Daily* in November 2011, touted the advances of Chinese cultural diplomacy: "At present, China maintains good relations and cultural exchanges with 160 countries/regions and has signed intergovernmental agreements on cultural cooperation and cultural exchanges with 145 countries ... China has set up 96 overseas embassies and consulates, 9 Chinese Cultural Centers, and 322 Confucius Institutes. The mainstream media continues to enhance international communication, including foreign language radio and television ... China Radio International coverage is also growing."

A New Cultural Diplomacy Push

There are three major reasons for China's focus on cultural diplomacy in recent years. The first has to do with the way China sees its future. The country's dramatic economic growth has brought it renewed international influence. China's rulers want to match this economic power with increased political and social influence.

The second reason is historical. China has always taken great pride in its cultural traditions. The Western cultural invasion in the modern era led to a culturally conservative Chinese outlook. Now, with the rise of China as an economic power, cultural revitalization is seen as a means of enhancing Chinese soft power and offsetting the perception that China poses a threat. Culture is regarded as the tool best suited to reflect China's political self-confidence and its sense of itself as a great power.

The third reason has to do with the present. As a result of the strategy of "sending culture abroad," Confucius Institutes around the world have been actively promoting Chinese culture through diplomacy and cultural edification and exchange.

Chinese cultural diplomacy is not just a governmental endeavor, but also stems from individual awareness. As the renowned Chinese sociologist Fei Xiaotong put it, "In a different cultural environment you are not an individual but rather a cultural representative with a responsibility to represent your own culture."

In general, the current Chinese approach to cultural diplomacy is situated somewhere between the more defensive strategy of "culture for diplomacy" and the more offensive one of "diplomacy for culture."

Impediments to Culture Sharing

For all its achievements, Chinese cultural diplomacy is subject to three major constraints. First, Chinese concepts have a specifically Chinese character,

which makes it difficult for outsiders to understand China's unique cultural background. The challenge of accommodating the Western understanding of China is a significant one, as is that of accommodating the Chinese understanding of the West. If the Chinese government employs a common international language in its dealings with the rest of the world, this language will necessarily lack specific Chinese characteristics and be open to criticism by the Chinese populace for being too westernized. On the other hand, when the Chinese government expresses itself using specifically Chinese concepts, the international community often has difficulty understanding China's intent. One example can be found in the strategy of "peaceful rise," the Chinese understanding of which emphasizes "peace" while the Western understanding focuses on "rise." Similarly, 科学发展观 (kexue fazhan guan) is translated as "scientific development" and interpreted in the West in terms of technological progress. But this ignores the Chinese emphasis on "the right, the appropriate, concept of development."

Second, traditional Chinese society is secular and nonproselytistic by nature, which makes it difficult for China to conduct a cultural offensive. As a result its cultural diplomacy remains too defensive. Chinese interpretations of "soft power" are very much inward-looking and their emphasis on specifically Chinese characteristics constrains the scope of China's cultural diplomacy.

Third, the strong pragmatic streak in traditional Chinese thinking and its lack of idealism limits Chinese cultural diplomacy. The focus of traditional Chinese culture is on learning, and its absorption of Buddhism offered little in the way of missionary spirit. For instance, the avowed objective of the seven voyages undertaken by Zheng He during the Ming Dynasty was merely to spread "infinite royal graciousness" rather than to disseminate positive Chinese achievements. In this sense the activist stance of the Confucius Institute is an unusually bold one. However, it should be remembered that Confucius is regarded as a sage rather than a leader. The introverted nature of Chinese secular culture means that China lacks initiative when it comes to cultural diplomacy.

The Outlook

In a speech delivered in Beijing in 1996, Lee Kuan Yew argued that "soft power is achieved only when other nations admire and want to emulate aspects of that nation's civilization." Of course, civilization refers not only to the ancient civilization, but also to the modern. It is particularly in the

promotion of its modern identity that China faces strong domestic constraints on its cultural diplomacy.

Current Chinese cultural diplomacy can be seen as characterized by three trends. The first reflects the country's triple identity. Liang Qichao, a renowned scholar writing at the end of the Qing Dynasty, classified Chinese history in terms of "China's China," "Asia's China," and "the world's China."¹ In today's world, the establishment of Chinese identity represents a struggle to reconcile traditional China, modern China, and global China, all of which refer to different aspects of the Chinese experience.

Traditional China is cultural China, which is based mainly on Confucian culture with strong continental and agricultural characteristics. Modern China is political China, which is based on the revolutionary experience and the struggle for independence and prosperity since the Opium Wars. Global China refers to economic China, which is based on the opening and reform process, globalized interests, and a global mentality based on Chinese versions of universal values.

The strength of traditional Chinese culture and the secular character of its society constitute a background against which China's cultural diplomacy has been largely defensive and limited in its effects. Chinese identity is still caught in a struggle between "traditional China" and "modern China," with "global China" yet to make an impact. More importantly, apart from the as yet incomplete process of "modern Chinese" identity-formation, China is still not united, and a clear national agenda and a modern concept of the state are still in a formative phase. Confucius Institutes, for example, teach Chinese language and promote traditional Chinese culture while largely ignoring the issues of modern China. Thus, they are unsuited to fostering a new "global China" identity.

The second trend involves the rapid development of creative industries. "Made in China" is still a long way from "Created in China." China's Minister of Culture has pointed out that in 2010 the output of China's cultural industries amounted to 1.1 trillion RMB (173 billion dollars), constituting 2.78 percent of GDP. China thus urgently needs to promote "its cultural sector to boost its soft power."²

The third trend involves the aforementioned shift from culture as an engine of diplomacy to diplomacy as an engine of culture. Twenty years ago,

¹ Liang Qichao, "Introduction to Chinese History," *Yinbinshi Heji (Complete Works of Liang Qichao)*, (Beijing Press, 1901), 11-12.

² David Pilling, "China needs more than a five-year charm offensive," *Financial Times*, November 9, 2011.

former British Prime Minister Margaret Thatcher quite confidently reassured the West that “China cannot be a superpower since China does not have universal values to export.” This remark continues to sting and is often cited in the context of the current campaign to highlight the construction of a “socialist core value system.”

China’s new emphasis on “cultural awareness” and “cultural confidence” is a signal that Chinese cultural diplomacy is beginning to enter a new phase characterized by diplomacy for culture. China believes it does have universal values to offer and will increasingly be looking to export them.

The Limits to China's Cultural Diplomacy

ZHANG JUNHUA

The term cultural diplomacy has only recently been established in the study of international relations, but evidence of its practice can be seen throughout history. The long history of Chinese civilization makes China one of the few countries with extensive experience of this type of diplomacy. One notable example is the so-called Voyage of Zheng He (1371-1433) during the Ming Dynasty. This series of voyages was initiated in order to establish a Chinese presence in other parts of the world, impress the peoples encountered there, and extend the empire's tributary system: Shin-Shan Henry Tsai speculates that some of Zheng's expeditions may even have reached the Cape of Good Hope.

It could be argued that the rise of China over the last three decades represents an attempt to regain the economic power lost by the Chinese empire in the course of the nineteenth century. Along with its economic achievements, this emerging world power has also started to "regain" its cultural and spiritual influence by reinforcing its cultural diplomacy. This ambition was clearly formulated by Party Secretary Hu Jintao in his speech at the 17th Party Congress in October 2007: "The great rejuvenation of the Chinese nation will definitely be accompanied by a thriving of Chinese culture ... We must enhance culture as part of our country's soft power ... We will further publicize the fine traditions of Chinese culture and strengthen international cultural exchanges to enhance the influence of Chinese culture worldwide."¹ In line with this statement, Sun Jiazheng, China's former Minister of Culture, has declared that culture has now become the third pillar of China's diplomacy after economics and politics.²

¹ Hu Jintao's report at the 17th Party Congress, China.com.cn.

² "Minister of Culture Sun Jiazheng: Enhance our ability to help Chinese Culture go out into the world," <http://www.jxwhsc.com/gzck/show.asp?id=477>.

Obviously, China's great interest in cultural diplomacy is closely linked with its increasing focus on the idea of soft power. The ability to persuade through attraction, as outlined by Joseph Nye, is shaped by a country's less tangible strengths, such as the abundance of its cultural heritage, its value system, educational achievements, innovative spirit, etc.³ Over the last few years, there has been a noticeable surge in discourse around the notion of soft power within Chinese government and academic circles.

China's long history has provided it with many unique and attractive cultural resources that include its ancient philosophical traditions, Chinese calligraphy, music, cuisine, medicine, martial arts, etc. Such resources constitute a valuable base for the conduct of Chinese cultural diplomacy.

China's Endeavors

China's efforts in the field of cultural diplomacy can be divided into two categories. One involves the generation of so-called "internal" attractiveness. Events in this category that have contributed to the elevation of China's status in the region and the world include the Beijing Olympic Games in 2008, especially its opening ceremony, the 2010 Shanghai Expo with its more than 70 million visitors, and the Boao Forum for Asia held on Hainan Island, which annually attracts nearly 2,000 Asian politicians and business leaders and has been labeled the "Asian Davos."⁴

However, cultural diplomacy is most often understood as a kind of externally oriented politics, and China has invested immense resources and human capital in this area. The Confucius Institutes, which disseminate Chinese culture and language, are the poster children in this area. The first such institute was founded in 2004, and the system of Confucius Institutes and Classrooms has expanded at an extraordinary rate since. By the end of 2010, there were 282 registered Confucius Institutes and 241 Confucius Classrooms, meaning that since the project was first launched a new branch had been created somewhere in the world every three days.⁵ In an interesting demonstration of openness, "Hanban," the Confucius Institute headquarters, has invited foreign experts to work for it.

Recognizing the importance of mass media, China has also bundled its soft power resources by means of information and communication technologies (ICT). ICT is extending and deepening cross-border cultural exchange as never

³ Joseph S. Nye Jr., *Soft Power: The Means to Success in World Politics* (2004), 5.

⁴ Xin Li and Verner Worm, "Building China's Soft Power for a Peaceful Rise," *Journal of Chinese Political Science* 16, no. 71 (2011).

⁵ Junhua Zhang, "China setzt neu auf 'Soft Power' – mit welchen Perspektiven?" *Neue Zürcher Zeitung*, February 26, 2010.

before. On January 18, Wang Cheng, then head of the Information Office of the State Council, stated that China should be more open-minded in conveying its voice abroad.⁶ Although Beijing has retained tight control of media outlets and continues to censor and force-feed them official party news, there are signs that China's English-language media are trying to become more Westernized in terms of their rhetoric and program design. At least it is taking a considerably gentler approach from that of the Chinese language media, which bluntly identify themselves as state mouthpieces.

The state is also lavishing money on opening branches of large state-run news organizations such as Xinhua, the state news agency, and China Central Television (CCTV) in cities around the world. The Chinese government is hoping that such outlets will eventually emulate global giants like CNN, News Corporation, Bloomberg, and Al Jazeera.

CCTV, the nation's biggest state-controlled broadcaster, now has international channels broadcasting in English, French, Spanish, Russian, Arabic, and other languages. It is also hiring more overseas producers and journalists. The network is leasing space in Manhattan and building a broadcasting center in Washington.

A Preliminary Assessment of Chinese Cultural Diplomacy

Since the effects of cultural diplomacy are often difficult to measure due to their intangibility and soft data, whether China is in fact achieving the goals it has set for itself is a matter for debate. However, there are statistics available that provide us with some basis for at least a partial assessment. One of them is the number of foreign students studying in China.

In the past few years, the number of foreign students in China has risen dramatically, hitting a record high in 2010 of more than 260,000 students from 194 countries. This compares with 240,000 in the previous year, and reveals a dramatic rise from roughly 110,000 in 2004.⁷ China also seems to recognize the importance of attracting foreign students. In 2010 alone, the central government poured 800 million RMB (121.7 million dollars) into student scholarships with local governments offering an additional 110 million RMB.⁸

Other useful figures for evaluating the success of China's cultural diplomacy can be found in polls conducted by prominent institutions such as the BBC,

⁶ <http://www.takungpao.com/news/china/2012-01-19/1059635.html>.

⁷ "Number of Foreign Students in China Rises 20 % Annually," *Xinhua News Agency*, January 19, 2006, china.org.cn.

⁸ "Europe less, China more popular in global BBC poll," *BBC News*, May 11, 2012, bbc.co.uk/news/world-18038304.

Gallup, and the Pew Research Institute. According to the BBC World Service Country Ranking 2012 poll, positive views on China have increased significantly.⁹ Last year only 46 percent of those questioned expressed a positive attitude toward China whereas this year the figure reached 50 percent, ranking it number five on the entire list. It is important to mention that the following four criteria were taken into consideration during the poll: a country's foreign policy, traditional culture, views of the respective nation, and its economy (including products and services). Interestingly, over 51 percent of those expressing a positive view of China said that this view was based on the country's economic growth. China is obviously influencing world opinion on the basis of its products and services.¹⁰ Its unprecedented rate of economic growth has certainly attracted international interest in recent years. According to the BBC poll, China's rise as an economic power has become a major source of its appeal in the developing world.

Chinese cultural diplomacy has great potential for success due to its immense cultural and historical resources, and the country's extraordinary rate of economic growth. Its large export-oriented economy has strongly influenced China's image abroad in both positive and negative ways. Obviously China has been gaining more positive attention due to the enduring international financial crisis. However, although economic success provides a compelling "story," to use Nye's words, and has helped improve China's image, it is not equivalent to soft power per se. Clearly soft power cannot be based primarily on economic strength, a lesson that is particularly important since it is unclear whether China's economy will remain stable over the next ten to fifteen years.

China's Self-Confidence and Its Soft Power Deficit

China's rise has given its leadership a high degree of self-confidence. Nevertheless, China still has immense difficulties in getting its message across to foreign audiences. These difficulties can be summarized as follows: First, China has unfortunately become a country characterized by a pronounced orientation toward the power of money, and a kind of money fetishism prevails, running counter to its Confucian traditions. As a result, the Chinese leadership tends to oversimplify the nature of soft power and cultural diplomacy. A prevailing view among many Chinese government officials is that a good image can be bought if one is willing to spend enough. An example of this approach can be seen in China's 4 million dollar gift to Stanford to open a Confucius Institute and endow a professorship in Chinese poetry, an offer they tried to make condi-

⁹ "China: Foreign Students Hit a Record," *New York Times*, March 4, 2011.

¹⁰ http://news.stnn.cc/guojj/201205/t20120520_1740903_3.html.

tional on a promise to not address sensitive issues such as Tibet.¹¹ Another example is the millions of dollars spent last year by Xinhua, the official state-run news agency, to promote itself on a giant electronic billboard in Manhattan's Times Square.

China's understanding of Joseph Nye's concept of soft power tends to be one-dimensional. It is obvious that, in the long run, authoritarian rule cannot compete with the idea of democracy in the sense that it is precisely the democratic value system that forms the political and ideological core of soft power. In this respect, Han Fangming, head of a prominent semi-governmental think-tank for public diplomacy based in China, correctly perceives the problem China is facing:

“Parallel to continuous economic growth, China has to seek answers to many puzzling questions. Where is China's soft power? Is China's core value system compatible with that of the international community? Given that it is the world's second-biggest economy and the world's biggest lender, why is China still regarded as a second-class country? Can money convey China's real strength?”¹²

Han Fangming's questions highlight a common insight in the realm of cultural diplomacy: no matter how well-resourced a country is and no matter how good its messengers are, if the message itself is problematic, you simply cannot sell it.

¹¹ “China Says No Talking Tibet as Confucius Funds U.S. Universities,” *Bloomberg Businessweek*, November 8, 2011.

¹² http://www.zaobao.com/special/forum/pages8/forum_zp120511.shtml (2012).

A Hard-Bitten Pursuit of Soft Power

SHAUN BRESLIN

The increase in China's international reach in recent years has generated considerable interest in how China might use its growing power to influence and perhaps even change the global order. The focus of attention has largely been on the consequences of rapid economic growth in China, and the externalization of this "rise" through international trade, investment, and aid-related international economic relations. Developments in military technology (and spending) have also led some to consider the implications for the military balance of power (at least within the Asian region). However, one of the fastest growing areas of interest (and concern) has been in non-material sources of Chinese power and the growth of what is often called "soft power."

Ideas are important, and what is being done in China (and outside) to develop and promote a self-defined idea of what China is and what it wants is important, too. But in the search for potential sources of Chinese power and influence that are not "hard" and materialistic it seems that at times virtually anything can be classified as "soft power." In some cases this term has been applied to the "normal" politics of diplomacy, the development of financial and trade relationships, and even to the threat of breaking off diplomatic relations with a country if they recognize Taiwan.

In general, most of what is described as Chinese soft power seems to be a state project to internationalize the voice of China so that it penetrates into popular consciousness and influences the debate over the consequences of China's rise. It is an attempt to promote a state-constructed idea of what China is, what it believes in, and what it stands for, and it is designed to correct perceived misconceptions about Chinese motivations and intentions among overseas audiences. By bringing more people across the world into contact with

Chinese understandings and preferences, and by explaining the source of these understandings and preferences, the hope is that people will become more aware and accepting of Chinese norms, perhaps ultimately even sharing and supporting them, but at least in the short term ceasing to find China worrying or offensive. This interpretation tends to see “soft power” as something that needs to be actively promoted and as part of a conscious and deliberate state project rather than as something that states and/or societies simply have. Perhaps it might be fair to say that this is a particular form of cultural diplomacy: a deliberate cultural promotion intended to amass soft power.

Helping the World Understand China

The origins of the state effort to promote Chinese soft power seem to lie in Chinese reactions to foreign responses to China’s rise and perceived criticisms of China by foreigners. At times it has seemed as if the rest of the world is collectively turning against China and its interests. This is partly seen as a result of simple ignorance of the history of China and the wider Asian region – and, in particular, of a lack of knowledge of the way that power and influence were distributed in the region before the major Western powers developed militarily supported commercial interests in China in the nineteenth century. For proponents of this view, it is this history that explains why Tibet and Taiwan are to be regarded as inalienable parts of a single China, and why China claims the vast majority of the South China Sea as its own. However, the idea of Chinese “difference” also plays a role here. Dominant expectations about the nature of international relations, global governance, and national political systems reflect the history, culture, and philosophies of major Western powers. The attempt to universalize these expectations ignores the fact that in other parts of the world, different histories and cultures have generated other norms and expectations that suggest alternative ways of thinking about (and organizing) power and politics. Not understanding these differences – or even worse, rejecting them as valid alternatives to Western preferences – is seen as a key reason why foreigners often get China so wrong.

This approach is exemplified by the idea that the Chinese people’s feelings have been hurt (伤害中国人民感情) by the interventions of others in domestic Chinese affairs. These typically relate to what we might broadly term sovereignty-related issues – such as the status of Tibet and Taiwan – or foreign criticisms of China’s leaders. There is a strong and deliberately constructed link between the Chinese people, the Chinese state, and China’s leaders. As a result, if foreign demonstrators express support for the Dalai Lama, for example, this is taken as an attack not just on the Chinese state or on the policy

of China's leaders, but as an attack on China as a whole, including the Chinese people, an attack based on fundamental misunderstandings of the nature of the Chinese state and Chinese history. Similarly, when Liu Xiaobo was awarded the 2010 Nobel Peace Prize, there was a lot of internet chatter in China about how foreigners were erroneously assuming that China was some sort of police state – again because these foreigners simply did not understand how China works and what China wants.

Some in China identify a sinister plot: The idea that the “West” is deliberately trying to prevent China from developing and attaining its rightful place in the world has gained on occasion considerable purchase. For example, the failure of China's bid to host the 2000 Olympics (a decision made in 1993) was interpreted as a sign that China was not being welcomed into the family of nations in contrast to Japan, which had been “rehabilitated” when it was awarded the Olympics less than 20 years after the end of World War II. Throughout much of the 1990s a number of issues fed the idea that major powers were trying to block China's rise: the very narrow defeat of a resolution condemning China's human rights record at the UNHR Council in Geneva in 1995, Taiwanese president Lee Teng-Hui's visit to the United States in 1995, the threat of Taiwanese independence and the subsequent Taiwan Straits crisis of 1996, and long-term opposition to China's attempts to join the World Trade Organization.

As a result, the mid-to-late 90s witnessed an explosion of academic and policy-related writings exploring the “China threat thesis” (中国威胁论). Collectively, these suggested that negative depictions (principally, but not only, in the United States) of what China was and what it wanted were being created to influence publics and policy makers to take negative positions toward the country. There were also a number of popular books published calling on China to reject the global order. The most famous of these was “China Can Say No” (中国可以说不) but more significant in many ways for this study was *Behind the Demonization of China* (妖魔化中国的背后). Written by Chinese authors who had studied in the United States, the authors claimed that they had originally been very pro-American until they witnessed a “neoracist attack on our culture by the American media.” These sentiments in part evolved into a growing anti-Western nationalism that perhaps reached its apex with the anti-US demonstrations following the NATO bombing of the Chinese embassy in Belgrade in May 1999.

Despite these popular “rejectionist” positions, official policy at the time tended to focus on how best to change the way that others thought about China and to establish an international profile and reputation that was more

conducive to China's rise. This was not just about reputation for reputation's sake. There was a very real concern that China's material interests might be damaged if the world perceived China in a negative light. As imported resources – first energy resources, then other raw materials, and later food – became increasingly important to domestic development goals, so too did maintaining a stable international environment in which China could get what it needed. This remains an ongoing issue. A recent Chinese press report pointed to a number of cases in which (supposed) concerns about challenges to US security from China had resulted in the collapse of commercial deals (in 2005 China National Offshore Oil Corporation and Unocal; in 2008 Huawei and 3Com; in 2009 China Northwest Nonferrous International Investment Company and Firstgold; in 2010 Anshan Iron and Steel Group and the Steel Development Company). Huawei was also blocked from bidding for an Australian hi-tech contract in 2012, and there is anecdotal evidence to suggest that the China Investment Corporation has exercised some caution in seeking overseas partners for fear of rousing anti-Chinese sentiment in the United States.

Conversely, by not devaluing the Renminbi as a means of helping exporters during and after the Asian financial crisis of 1997, China gained considerable praise in the region for behaving responsibly. The closer regional relations that resulted and the consolidation of ASEAN + 3 meetings into a form of formal regional cooperation also showed the potential benefits of a good external profile and a positive national image. As a result, in the words of Susan Shirk in *Fragile Superpower*, “with a remarkable self-consciousness about how its own actions and words are perceived by others, the Chinese government has set about keeping peace at home by cultivating a benign reputation abroad.”

This endeavor can be seen as a proactive state project to persuade others of China's good intentions and establish a preferred national identity. Moreover, this is not just an attempt to explain what these intentions are but also to establish their historical and cultural roots – to establish a perhaps idealized image of what China is and what it stands for (and why) through reference to China's past. And according to the Chinese scholar, Wang Yiwei, it is this concerted political effort at cultural diplomacy that has effectively become a synonym for “soft power” in discourses within China itself.¹

A Gentle and Responsible Rise

Not every aspect of China's external interaction is the result of a specific diplomacy strategy. A number of studies have shown how China has participated

¹ Wang Yiwei, “Public Diplomacy and the Rise of Chinese Soft Power,” *The Annals of the American Academy of Political and Social Science* 616, no. 1 (2008), 257-273.

“responsibly” across a range of international organizations and increasingly aligned itself with preexisting, dominant norms and procedures, and how this “responsible” action has done much to convince those that deal with China in these forums that China need not be a destabilizing force.² To be sure, China may want to change some of those norms and procedures, but it is prepared to reform slowly through existing institutions rather than aiming to overthrow and challenge them from without. It might not be wholly satisfied with the existing global order, but even if it is a dissatisfied power, it typically articulates and operationalizes this dissatisfaction in responsible ways.

On the other hand, we are also seeing clear diplomatic attempts to promote the idea of responsibility. For example, in 2003 China’s leaders used the Boao Forum for Asia (itself an institution established as a means of articulating Chinese interests and ideas) to launch a new quasi-ideology to counteract the “China threat” theory: the concept of China’s “peaceful rise” (中国和平崛起). As Robert Suettinger notes, the specific term was dropped relatively quickly – partly because it drew as much attention to “rise” as it did to the notion of this rise being peaceful – and was replaced by the term “harmonious world” (和谐世界), sometimes expressed as “peaceful world” (和平世界) or “peace and development” (和平与发展).³ But the basic idea of China as benign and a force for peace, stability, and growth for all, remains a message that China’s leaders rarely miss the chance to reaffirm.

In addition to the Boao forum, China also uses major diplomatic events such as the ASEAN and BRICS summits, and the Forum on China-Africa Cooperation to articulate its position on the global order and to announce new aid and development projects that underscore the notion that China differs from the predatory, colonizing “Great Powers” of the past. The promotion of a preferred idea of China also occurs through less high profile interactions that are not overtly or immediately political.

The expansion of Chinese media outlets operating in foreign languages overseas is also seen as a way of ensuring that Chinese views and opinions are able to be heard and read across the world and that anti-Chinese voices do not have a monopoly on reporting what China really wants.

² Alastair Johnston, *Social States: China in International Institutions, 1980–2000* (2008); Harold Karan Jacobson and Michel Oksenberg, *China’s Participation in the IMF, the World Bank, and GATT: Toward a Global Economic Order* (1990); Samuel S. Kim, “China and the United Nations” in *China Joins the World: Progress and Prospects*, ed. Elizabeth Economy and Michel Oksenberg (1999), 42–89; Wei Liang, “China: Globalization and the Emergence of a New Status Quo Power?” *Asian Perspective* 31, no. 4 (2007), 125–149.

³ Robert Suettinger, “The Rise and Descent of ‘Peaceful Rise,’” *China Leadership Monitor* 12, (2004).

China's promotion of its history and culture, partly through Confucius Institutes and Classrooms and partly through media and film, also has a role to play. China's leaders are aware that the country's current political culture and practices are likely to worry outside observers more than attract or reassure them. China's present political system might be a problem in terms of national image projection, but there is a belief that China's history offers much that is attractive and is the key to developing China's soft power. By using an eclectic mix of the philosophies of Mencius, Confucianism, Daoism, Sunzi and others, Sheng Ding argues that a new history and a new philosophy is being created that provides the supposed philosophical roots of China's current emphasis on harmony.

This approach not only tries to explain why China is the sort of state that it is today, but also why others have nothing to fear from what it will become in the future. Power transition theories that see China's rise as an inevitable challenge to a peaceful global order, this approach argues, are simply based on the incorrect imposition of readings of European and Western history onto China and Asia. Because China and Asia are different, the impact of China's rise to great-power status will also be different.

How Soft Is National Image Promotion?

It may in fact be a little naive to think of soft power as something that does not need to be promoted because it is inherent in the attractiveness of the political and social systems, values, and policies of certain countries (or societies). It is also worth noting that the Chinese government is far from unique in wanting to create and promote an image of itself for external (and internal) consumption. But the extent to which the Chinese state has actively promoted and funded the promotion of a national image and identity seems to move beyond a "soft" approach.

Not that China does not have its attractions. It would be strange, for example, if China's remarkable economic success had not aroused interest and even admiration. Of course, we need to be careful not to confuse two different things here: The desire to emulate success does not necessarily equate with a desire to emulate the way that this success has been achieved. Indeed, it is perhaps more often the case that the attraction exerted by China tends to focus on the positive aspects of its growth model, while its less palatable dimensions are discounted or ignored. Nevertheless, it needs to be acknowledged that the aspiration to emulate China's model (as perceived in the eye of the beholder) does constitute a latent form of soft power.

This form of soft power is slightly different from, but becoming closely entwined with, the state promotion of China as a "normative power": the

idea that China's international interactions are based on a set of fundamental ideas and philosophies that differ from those associated with previous Great Powers and other major (Western) powers today. But in this comparison it is not so much what China does and stands for that is important, but what China does not do and does not stand for. Western powers are depicted as being paternalistic and patronizing toward developing countries, while China treats them as partners seeking "win-win" relationships. Perhaps more importantly, the West is portrayed as pushing supposedly universal liberal values onto other countries via politically conditional economic relations, while China does not tell other countries what to do and has no interest in their domestic politics.

How Successful Is National Image Promotion?

The extension of China's international economic relationships – particularly with other developing states – is sometimes taken as evidence of the success of the Chinese promotion of soft power. Indeed, the extent of these contacts and the speed at which they have multiplied is truly impressive. However, quite apart from the debate about what actually constitutes soft power, the key problem we confront when analyzing the success of this state strategy is how to disentangle the different strands of the bilateral relationships involved. The fact that China does not impose conditions on economic relations might make it attractive, but is it the normative position or the material economic benefits that constitute the most attractive part of the relationship? This suggests that while studying the way in which China articulates its national image and identity is important, so too is studying the economic interests of the increasingly wide number of actors that are the drivers of these economic relationships.

There is also evidence that suggests that China's hard-won reputation gains can be easily lost. Developing good relations in Southeast Asia has been a particularly important part of China's national image promotion through the early adoption of a "good neighbor" policy (睦邻政策). However, in recent years, increasingly confident assertions of China's "core interests," including territorial claims in the South China Sea, have undermined attempts to create an impression of responsibility and benevolence and pushed some regional states to look to each other and the United States for alliances to resist a perceived growth in Chinese power and confidence.

There is also evidence suggesting that there is sometimes a mismatch between, on the one hand, the state project of national image promotion and, on the other, the consequences of actual economic interactions on the ground.

Put another way, the actions of some Chinese companies and individuals overseas undermine assertions of Chinese “difference,” predilections for harmony and equal win-win partnerships.

However, there is also a positive side to this coin. People with rather negative views of the Chinese political system and China’s long-term objectives are often impressed by the individual Chinese students and businesspeople they meet in the course of their daily lives. This is important because genuine soft power cannot be based solely on a concerted state effort. It is conditioned by how a society is viewed in totality as a result of multiple forms of interaction. So perhaps the more China extends its economic interests and interactions abroad, the more an agglomeration of individual interactions will reflect back on the state and make it look like a “normal state” that has both positive and negative facets.

This paper does not deny that China exerts soft power. As argued in more detail elsewhere, this has much to do with the conception of a “China model” that has delivered the sort of economic growth that elites in a number of other countries would very much like to emulate. It is perhaps also inspired by the search for alternatives to a neoliberal model of development – a quest that the global financial crisis has made even more urgent.

Investing in the Exchange of People and Ideas

MARC BERMANN

The most useful gift in foreign relations, according to US historian Jacques Barzun, is not to see ourselves as others see us, but “to see others as they see themselves.” Seeing others well is not a key aspect of soft power as it is commonly understood. Soft power, according to Joseph Nye, “co-opts people rather than coerces them” and it “rests on the ability to shape the preferences of others to want what you want.” This understanding of soft power maintains the traditional meaning of power in the sense of effecting change on the part of somebody else. It is thus a unidirectional concept (A gets B to do something). According to Anheier (see this volume), soft power can be classified as the overarching category that subsumes cultural diplomacy. However, a key aspect of successful cultural diplomacy, I argue, is that it requires a concept that goes beyond how one can get others to do what one wants. If we subscribe to Helena K. Finn’s definition, cultural diplomacy refers to the promotion of mutual understanding through cultural exchange. Such exchanges, as exemplified in the international exchanges outlined in this article, are a two-way street. Thus cultural diplomacy, and perhaps soft power as well, should be seen as a two- or multi-directional concept that also refers to the change that can be effected in one’s own thinking and behavior. Hence, both the concept of soft power and that of cultural diplomacy should allow for flexibility in adjusting one’s perceptions and perspectives. Perhaps the greater “power” resides not in the capacity to shape another’s behavior, but the ability to adapt one’s way of thinking and acting to fit reality, not vice versa.

This personal adaptability is a vital precondition for intercultural dialogue based on mutual respect. Essentially, the middle ground is a matter of negotiation. This does not imply that we should give up or sacrifice our own

(political) interests, beliefs, values, and convictions. And some positions are so diametrically opposed that common ground requires great compromises. Cultural diplomacy, as a two-way street, can facilitate and help pave the way for mutually acceptable compromise.

The ability not to insist on being right at all costs and not to regard one's own standpoint as nonnegotiable or exclusive are essential ingredients for success in achieving international understanding and functioning intercultural dialogue.¹ Thus, international understanding, the concept of the exchange of people and ideas, is about tolerance, about accepting the validity of different perceptions and preferences, and about giving and taking so as to create a win-win situation for all involved.

China's "Going-Out Strategy"²

In recent years the Chinese government has redoubled its efforts to promote Chinese language and culture abroad.³ Using cultural diplomacy – often decried as propaganda in the West – it hopes to defuse the negative perceptions of China widely disseminated by international media and improve its global image.⁴ Meeting this challenge is the task of state-owned cultural centers as well as the Confucius Institutes, which are normally set up in collaboration with universities (see Falk Hartig's article in this book for more on the Confucius Institutes). China's role as "guest of honor" at the Frankfurt Book Fair in 2009 was part of this (cultural) "going-out strategy" and clearly boosted the country's international recognition as well as the consumption of Chinese literature in Germany and beyond.

China's active "going-out strategy" has been spurred on by watching its international image being bludgeoned by reports in the international media – especially in the period from 2007 to the present, which has seen at least one major image crisis per year, usually followed by a widely-reported diplomatic

¹ Cf. Carmel Camilleri, "Prinzipien einer interkulturellen Pädagogik," in *Interkulturell denken und handeln – Theoretische Grundlagen und gesellschaftliche Praxis*, ed. Hans Nicklas, Burkhard Müller, and Hagen Kordes (2006), 47-54.

² Also translated as "go out policy" (走出去战略). Devised in 1999, the policy represents the Chinese government's current strategy to encourage its enterprises to invest overseas. In the early 2000s it was extended to include soft power policies and cultural diplomacy; http://www.gov.cn/node_11140/2006-03/15/content_227686.htm; see also Mingjiang Li, "China Debates Soft Power," *Chinese Journal of International Politics* 2, no. 2 (2008), 287-308.

³ Cf. Hongyi Lai, "China's Cultural Diplomacy, Going for Soft Power," *EAI Background Brief* 308 (2006), [eai.nus.edu](http://www.eai.nus.edu); see also Alan Hunter, "Soft Power: China on the Global Stage," *Chinese Journal of International Politics* 2, no. 3 (2009), 373-389.

⁴ Falk Hartig, "Mit Konfuzius ins 21. Jahrhundert – China's Auswärtige Kulturpolitik," *Kultur und Außenpolitik, Handbuch für Studium und Praxis*, ed. Kurt-Jürgen Maaß (2009), 401-410.

crisis. In terms of cultural relations, it is the way media coverage – mainly, but not only, during these crises – has been perceived in China that is important.⁵

In 2012 China and Germany are celebrating the fortieth anniversary of their establishment of diplomatic relations. At the same time, China has declared 2012 to be a Chinese Culture Year in Germany, which is being marked by dance and music performances, exhibitions, symposia, workshops, and discussions. Months before it began, the Chinese Culture Year ignited heated debate in Germany, with many critical voices arguing that autocratic regimes should not be given a platform for propaganda. Nevertheless, the German government is right to provide a platform, not for propaganda, but for cultural diplomacy. And in part, doing this well requires managing expectations.

China is not a democracy, but its government is improving the livelihood of millions of its citizens and is working to tackle both national and international problems. It is doing so peacefully and with a reasonable degree of success. However much we insist that China should embrace democracy, it will not do so until it is ready – if indeed it ever is. One must seriously consider the possibility that China and the majority of its citizens may want to choose a different development path (also in terms of political reform) from the one the majority of Western countries have chosen. Western style democracy, officially, is not necessarily on the Chinese agenda.

In this Chinese Culture Year, the Chinese government is focusing on presenting China's positive sides. But what government does not do the same? In the end, cultural diplomacy – and soft power – is about attracting through positive example. In terms of the concerns about Germany providing a platform for a nondemocratic state, the important thing is that criticism can be uninhibitedly voiced wherever appropriate. We need to continue engaging in dialogue while also finding an effective way to stand up for our values and interests. There is no denying that we have different perceptions, preferences, and values when it comes to human rights and their concrete protection and implementation. Nevertheless, we should try to give China the benefit of the doubt and also focus *as well* on what it is doing right. We need to strive to formulate a better combination of arguments and a better way of conveying them. A good way to start would be to engage in ongoing trust-building measures coupled with a sincere attempt to keep an open mind.

⁵ I refer here to crises of image that unfolded around issues such as the Dalai Lama's visit to German Chancellor Angela Merkel's office in 2007, the Tibetan crisis in early 2008, the social drama surrounding the Wenchuan earthquake and the 2008 Olympics, the escalation of a diplomatic conflict prior to China being guest of honor at the Frankfurt Book Fair in 2009, the Chinese government's negative reaction to Liu Xiaobo receiving the Nobel Peace Prize in 2010, the arrest of Ai Weiwei in the spring of 2011 and, in the spring of 2012, the case of Chen Guangcheng.

Building Trust Through Open Minds

On the surface, relations between China and “the West” are reasonably stable and guided by principles of friendly cooperation. However, on a deeper level there is a great deal of insecurity, even distrust and suspicion about the political and economic role an increasingly strong China will play globally in the near future and about China’s military goals regionally and internationally. This situation is being exacerbated by, on the one hand, an information and communication gap and, on the other, multiple intercultural obstacles. These factors are leading to a great deal of what is more often than not uneducated guessing on both sides.

The Chinese government and various Chinese scholars (along with scholars of China and Sinologists from the rest of the world) often stress China’s so-called “uniqueness argument” as a particular problem between Western and Chinese interlocutors. (Not that arguing cultural or historical uniqueness is unique to China; France and the United States have similar convictions.) The approach to dialogue that is prejudiced from the outset with a “you cannot understand us because we are so different” outlook does not lend itself well to finding common ground. Nevertheless, despite the substantial improvements in diplomatic relations in recent years and the many issues we agree on, there is no denying that China and the West really do have trouble understanding each other.

Building Trust and Two-Way Streets Through Exchange

There are many important efforts underway to build bridges across the Sino-Western cultural divide, efforts to build trust and thereby help improve and stabilize Sino-European and Sino-Western relations. As part of these efforts, foundations as agents of cultural diplomacy are assuming an increasingly important role. Here, I would like to use the Stiftung Mercator and its China Programs to present just a few practical examples of how private foundations can effect positive change by building such bridges.

We engage in dialogue with China on different levels, in different formats, and with different target groups. For instance, through a program called “Mercator Exchange” and in cooperation with American Field Service and Youth For Understanding, we support both Chinese and German high school students with stipends for a year abroad in Germany or China. Since we began investing in high school student exchanges in the late 1990s we have supported over 500 students with stipends for one-year stays in either China or Germany. In 2012, we are helping over 70 students take part in these exchange programs, almost evenly distributed between both countries.

Short-term student exchanges are proving increasingly popular. These exchanges range from two weeks to two months and have a thematic focus on subjects such as sustainable development, environmental protection, and climate change. This allows candidates to combine personal and political-issue-related “international experience.”

Intercultural training programs also offer both intercultural and topical education. We offer qualification programs that enable young people exhibiting leadership potential from both Germany and China to participate in a full year of training, as well as 10-day summer academy programs on issues such as sustainable urban development and low carbon economies. During these ten days participants from both countries attend expert lectures and participate in hands-on workshops and debates. Participants also have the chance to get to know each other on a personal level and in doing so, to build up mutual trust. One particular program, the “Zukunftsbrücke: Chinese-German Young Professional Campus” is mentioned in the intergovernmental consultations agreement of June 2011, the first of its kind between China and Germany,⁶ which shows the importance the governments of both countries attach to these kinds of exchanges.

In early 2011 we launched a series of public discussions in our forum and salon project entitled “Enlightenment in Dialogue.” For the forums, we partnered with the National Museum of China; the salons were our responsibility alone. The forums and salons ran parallel to each other, and to the exhibition entitled “The Art of Enlightenment,” a one-year project undertaken by the Berlin State Museums, the Dresden State Art Collections, the Bavarian State Painting Collections, and the German Foreign Office. “Enlightenment in Dialogue” showed that critical and open dialogue between foreigners and Chinese citizens is possible, even on subjects widely regarded as sensitive, for instance “Enlightenment and its Chinese History” and “Enlightenment and Cultures of Knowledge,” two of the titles in the series.⁷

The dialogues dealt with historical, social and philosophical topics designed to achieve a mutual understanding of what enlightenment means for people in both Europe and China today.⁸ Salons as such are not particularly new to the Chinese public. However, a novel aspect of our forums and salons was the fact that members of the audience, the majority of which were Chinese university students and other young intellectuals, could publicly challenge senior Chinese

⁶ See point 22 in “Gemeinsame Erklärung anlässlich der 1. Deutsch-Chinesischen Regierungskonsultationen in Berlin” Presse- und Informationsamt der Bundesregierung, Pressemitteilung: 234 www.bundesregierung.de.

⁷ For documentation of the whole series see www.aufklaerung-im-dialog.de.

⁸ Bernhard Lorentz, “Is Enlightened Dialogue Possible?” *IP-Journal.org*, July 29, 2011.

officials or any of the Western speakers. This in itself was a first for most of the invited speakers and, indeed, for many members of the audience.

Not surprisingly, the Chinese officials would only reveal so much when confronted with touchy political questions (not unlike their Western counterparts). One should not expect to revolutionize or turn around a political culture or an established culture of communication overnight – nor was this the intention of these sessions. However, as many of the participating guest speakers and audience members told us, the forums and salons offered the exciting experience of being able to observe a new culture of public debate unfolding – one that was inclusive because it involved not only Chinese citizens but also many foreigners. The forums attracted between six hundred and a thousand listeners in each case, and the smaller salons were often also well attended by up to 300 people. The encounters supported by these events might have been brief, but they were impactful and conducive to building trust among participants and between our foundation and its partners.

We also work to facilitate and enhance the number and quality of German-Chinese collaborations in the fields of sustainable urban development and climate change. For these efforts we partner with technical and research institutes in Germany such as the Wuppertal Institute for Climate, Environment and Energy, which is involved in a partner city project on the low carbon economy between the German city of Düsseldorf and the Chinese coastal city of Wuxi. These collaborations focus not only on the transfer and exchange of knowledge on a professional level but also, very importantly, on building personal relationships and trust. They constitute the kind of building blocks that are absolutely necessary to achieve a common goal: in this case, effective policies to curb the negative effects of climate change.

Finally, Stiftung Mercator also awards financial support to a number of projects that, in 2012, are in part also associated with the Chinese Culture Year in Germany, such as “Leibniz and Confucius,” a discussion forum on educational issues that took place at the Hannover Messe at the end of April and was organized in partnership with the Chinese Center Hannover.

Exchange and dialogue formats contribute to the goal of enhancing mutual understanding through direct personal experience. By enabling people to experience the lifestyles, traditions, behavior, and way of thinking of their counterparts in China and Germany (or any Western country) and giving them the opportunity to put themselves in each other’s shoes, we are promoting a broader understanding of the perceptions and preferences that are deeply rooted in and shaped by the respective societal and cultural backgrounds. Mutual learning is always part and parcel of exchanges of people and ideas – or

at least it should be. We aim to achieve at least a cognitive learning effect and, optimally, also an emotional one, which is required to put things in perspective and generate a sustainable personal experience.

In a nutshell, the concept of the “exchange of people and ideas” is about fostering the ability to identify⁹ with people who come from different backgrounds and who have different preferences. If we want to be able to envision ourselves in someone else’s shoes, it certainly helps to have personally seen the streets those shoes walk in. Cultural exchanges also more generally help develop the ability to adapt to new and foreign environments and thereby gain an understanding of different patterns and logics of thinking and acting.

The longer one is exposed to another culture, the higher the likelihood that the exchange will result not only in a positive cognitive learning curve but also in a more sustainable and thus more profound emotional experience.¹⁰ This experience is normally based on personal encounters and, at best, on long-term personal relationships built on trust. Finally, while there is no one-size-fits-all solution, cultural programs can be tailored to the specific needs of a particular culture. Foundations as convening platforms can help break down cultural barriers and bridge cultural gaps by offering programs and projects that enable the exchange of people and ideas, and, in doing so, improve the chances for intercultural cooperation on many levels.

⁹ To avoid any misunderstanding: Identification here refers to the ability to cognitively and emotionally grasp the preferences and their consequences for the behavioral patterns of foreign cultures. It does not necessarily imply adapting to a culture or becoming one with it. See for instance, Amartya Sen, *Identity & Violence – The Illusion of Destiny* (2006); and Erik H. Erikson, *Identity, Youth and Crisis* (1968).

¹⁰ Yun Young Kim, “Adapting to an Unfamiliar Culture – An Interdisciplinary Overview,” *Handbook of International and Intercultural Communication*, ed. William B. Gudykunst and Bella Mody (2002), 259.

Supporting China's Expanding Nonprofit Sector

JOHN FITZGERALD

The welfare of independent social organizations in China today is a source of some domestic confusion and considerable international disquiet. In December 2010, two diametrically-opposed annual reviews of the nonprofit sector circulated widely. Pei Bin, Director of China Partnership Development of Business for Social Responsibility, began her upbeat review with the claim that “2010 was the most exciting year for new developments in philanthropy in China.” Wan Yanhai, Director of the Beijing Aizhixing Research Institute, declared 2010 “a year in which the Chinese government launched a total assault and tightened restrictions on non-government organizations.” In fact, the seemingly contradictory analyses are both correct. Evidence points to clearly positive developments in philanthropy and some domestic nonprofit programs, on the one side, and tighter government restrictions on some categories of nonprofits on the other.

This contradictory situation is the result of a trade-off, a kind of Faustian bargain with Chinese characteristics. The central government is isolating domestic security issues from international security issues by tightening restrictions on international donors and international donor-dependent nonprofits. At the same time China is allowing local governments greater room for maneuver to ease administrative restrictions on nonprofits that are demonstrably local, that raise their own funds, or that carry out fee-for-service work in cities. This trade-off enables growth. We are at the leading edge of a new stage in the development of organized society in China, a stage marked by rapid growth supported by local resourcing of the nonprofit sector. Foreign organizations working in China or planning to do so need to be mindful of the conditions underlying the growth of China's social sector if they want to play a constructive part in its development.

Walling Off Outsiders to Foster Domestic Philanthropy

In one sense this positive prognosis for the Chinese nonprofit activist poses a problem for foreign organizations and donors. In the present climate, restricting the role of foreign donors and actors seems to be a precondition for the growth of domestic social organizations in China. Is this the end of foreign foundations and donors in China? Should the Ford Foundation and its cohorts move on?

Far from it. We see the growth of independent domestic social organizations and philanthropy in China as among the most exciting developments of recent times. We believe that our foundation and others like it still have a modest role to play in assisting with the indigenization of the nonprofit sector in China. And we have reason to believe that the Chinese government welcomes international nonprofit organizations fostering the localization of nonprofit institutions and culture.

We must accept that the restrictions we face as foreign donors and organizations may be a precondition for the growth of China's own organized society. But accepting this setback does not mean giving up. The restrictions in place are by no means absolute. We must, however, given this new environment, carefully reconsider the role that foreign actors, as guests of the Chinese government, can play in supporting the development of an organized society on terms suited to China's national conditions and the country's legal and regulatory framework.

As an effort at careful reconsideration, the Ford Foundation Beijing office has supported a number of parallel research projects and consultations exploring local and international perspectives on recent developments in China. These reports assume that while China has a strong government and an increasingly strong for-profit sector, the country stands to benefit from an independent social or civic sector that is able to mobilize citizen energies, catalyze innovative problem-solving, and enable and extend policy implementation. A second assumption is that civil societies must be fundamentally rooted in local and national values, energies, and resources. Given these assumptions, it follows that international resources, including donor funding, should be deployed carefully to ensure that foreign donor values, assumptions, and interests do not subvert development of a locally-grounded civil society. I would imagine that similar opportunities would be available to foreign operating organizations – and that similar caveats would apply to them as well.

In one commissioned report, David Brown and Hu Xing of the Hauser Center for Nonprofit Organizations at Harvard University's Kennedy School

of Government are canvassing Chinese views on how private nonprofit international organizations can support this evolution. Their preliminary findings, and my own observations, suggest that foreign foundations and other actors could usefully focus on the following points:

- Access to scarce financial resources is a huge challenge for local nonprofits, the more so if there is a significant shift away from international to domestic resourcing.
- Expanded access to local financial resources might emerge from using international resources to enhance the capacity of domestic institutions to support local associations and grass-roots organizations, to increase government support for social services, to generate more income from fees for service, and to increase income through the creation of new wealth. The support of foreign foundations and other organizations could be directed toward introducing international models of best practice in government outsourcing of social services to nonprofits, in the organization, management and operation of private foundations in support of nonprofit development, and in Corporate Social Responsibility (CSR) practices consistent with the healthy development of an independent nonprofit sector.
- International resources could also be used to enhance the capacities of nonprofit leaders, staffs, and organizations, by starting up and supporting intermediary capacity-building organizations, and by fostering research and education centers that enhance the human and organizational resources of the social sector. This could include support for the specialization and professionalization of local staff resources, providing opportunities for professional training of nonprofit personnel, and specialist training in social work and related professions.

In each case there are a number of operational principles that international players should bear in mind when planning to assist in the development of civil society in the Chinese context. These principles include focusing on problems that are seen as important and are not easily managed by other actors, designing programs for local sustainability after a time-limited investment of external resources, emphasizing initiatives where “foreign interests” do not threaten social and political stability, and working toward building a long-term enabling environment for civil society support to vulnerable groups.

Excited as we are at the growth prospects for nonprofits in China, foreign foundations should be mindful of the limits of our own role and resources, and of the constraints that our grantees continue to face. In focusing on the localization of resourcing for social organizations, we are talking about a very small sample of Chinese organized society: the subset of nonprofits that provide

goods and services to vulnerable social groups through government procurement of services, philanthropic grant making, or CSR programs. This particular subset represents a minute proportion of associational forms in China today, largely excluding second and third tier cities, and leaving out much of peri-urban and rural China. In fact the subset of social organizations that is in a position to provide public goods to vulnerable groups represents a minority of social organizations within the modern top-tier urban sector itself. Even in their own space, within the urban outsourced service industry, nonprofits face stiff competition in accessing government social service contracts. The bulk of this business is likely to go to the ex-government enterprise units (*shiye danwei*) which enjoy close ties to government.

These limitations highlight the challenges that should guide foreign donor planning and perhaps also foreign operating organizations in China. Once precedents for local resourcing of service nonprofits have been successfully demonstrated in top-tier cities, the challenge is to extend the nonprofit service model geographically and demographically to other cities, then to peri-urban rural areas, and ultimately to service rural areas in greatest need. Another set of challenges relates to enhancing nonprofit competitiveness by building trust in their competence, by expanding their professional training opportunities, and by encouraging robust evaluation practices. Then there is the challenge of ensuring that the tendering and grant making processes are themselves fair and open, and the challenge of local government transparency and of expanding open information coverage to embrace all local grant-making philanthropy.

The Ford Foundation's Plans

Considering all of this, the Ford Foundation has set on a strategy for our activity in China. With a central goal of fostering the indigenization of resourcing for nonprofit development in China, the Ford Foundation intends to continue working with local partners in government, academia, and the nonprofit sector to meet these challenges. We plan to assist nonprofit support organizations to build capacity in the sector. We hope to work with local governments to extend the nonprofit service model to peri-urban areas, regional townships, and rural villages. We hope to provide professional training opportunities and help to build robust and efficient evaluation practices for nonprofits themselves. We will support research and publication of guides and manuals for nonprofits seeking access to government, philanthropic, and CSR corporate resources. We want to support the development of new information systems and networks that promote greater public disclo-

sure of private and corporate philanthropic funding and nonprofit activities. We will fund innovations that for one reason or another cannot be funded using local government, corporate, or philanthropic resources. And, if invited, we will assist government agencies to meet heightened public expectations of transparency in the procurement of services.

In every case, we will build on the Foundation's standing in China as an international non-government organization that can provide important bridges and connections linking Chinese and foreign experts and practitioners, particularly those based in the United States. Our plan, put simply, is to build on a legacy of Ford Foundation philanthropy that began with the launch of China's Reform and Opening over thirty years ago and which has helped China to assume its rightful place in the world. In supporting the indigenization of China's nonprofit sector, we look forward to building closer people-to-people ties in support of the most important bilateral relationship in the world today. Social organizations can and should play a key part in this mission. We shall continue to work on these tasks for as long as we are welcome to do so as guests of the Chinese people and the Government of China.

Cooperation Is Based On Trust

NORA SAUSMIKAT

It is to be expected that the development of the NGO sector and the scope of its operations in China will be substantially different from what is happening in the West, and always contingent on explicit government support. If Chinese and Western NGOs want to cooperate with one another, they must engage in *zhengming* – clarifying the terms to build trust.

Of late China has been subject to increasingly intense international scrutiny, and while it tries to project a modern and cosmopolitan image abroad, it often falls short – reacting to internal disobedience or activism with Cultural Revolutionary rhetoric and behavior. This problem has been exacerbated by Western media’s proclivity to present simplified, dichotomized, and biased pictures of China. Complex analysis and nuanced renderings of a country comprised of 56 ethnic groups and well over a billion people are glaringly absent, and this void is often filled by stereotypical portrayals more palatable to an undiscerning, and often prejudiced, public. Meanwhile, problems caused by continuing globalization, social crises, and environmental degradation seem to be polarizing the world’s powers.

People active in European and Chinese organizations and associations are certainly feeling the polarization. One Chinese participant in our Civil Society Dialogues argued that when dealing with European activists that do issue advocacy, “it’s difficult to develop a common language, understanding, and demands.” The more China is cast as an “enemy” in the Western press, the more hesitant Chinese civil society activists are to cooperate with their Western counterparts. Another participant stated that “European organizations’ work is often aimed at influencing government policies whereas Chinese organizations are more focused on providing point-to-point charitable support and guidance

for Chinese civil society at the community level.”¹ Even though we are seeing a trend among Chinese NGOs and foundations toward “policy influencing” approaches as more Chinese citizens begin to participate in third sector activities, there remains a fundamental difference in the Chinese and European understanding of the appropriate role of civil society, the third sector, and NGOs. The anti-government attitude of some European NGOs frequently puts too much pressure on their Chinese counterparts. Clearly, a better understanding of each other’s goals, policies, and personalities is required to promote more effective cooperation and clearer communication.

The Ideological Roots of European Civil Society

European NGOs are confronted with many diverse challenges concerning their work in China. Not only do they face struggles with prejudices and inexperience, but often they simply do not know enough about China, culturally or politically. Part of the problem is that historically China has played only a very minor role in the operations and ideology of European NGOs. While this situation has gradually changed with China’s increasing global importance, the current perception of China’s also needs to be seen as reflecting the philosophical history of European protest movements.

The early protest movements of the 1960s had one strong common characteristic: They were uniformly critical of state institutions and strove for absolute autonomy and self-determination. Many of these organizations focused on Latin America, Vietnam, and a number of African nations. China played only a minor, indirect role in the diverse leftist (Maoist), labor rights, feminist, and church group debates and in the third-world solidarity movements. Although some anti-capitalist activists saw the China of the 1960s and the 1970s as a “positive model” for an alternative system to capitalism, it was never a central focus.

After 1989/90, the focus of European protest movements shifted to the new paradigm of “sustainable development,” environmental degradation in developing countries, and the finite nature of the world’s resources. Moreover, in the wake of its market-based reforms initiated during the 1980s, China ceased to be seen as an alternative to capitalism.

The 1990s saw three parallel developments that had a significant influence on the image of China that remains pervasive among current European NGOs:

- I. Western European leftist groups integrated with the New Social Movements (the environmental, feminist, and human rights movements), and in the

¹ An Xin, “My Observations on the Forum of Common Concerns of Chinese and European Civil Society Organizations,” in *Global Concerns-Global Cooperation*, ed. Nora Sausmikat (2010), 169.

process abandoned their single-note, anti-imperialist, anti-capitalist, anti-US critique. Many activists turned toward a more integrated understanding of the interdependency between economy, ecology, and social justice. In this context, China's shortcomings in terms of environmental issues and social justice meant that it could no longer serve as an alternative ideal.

- II. China also attracted the ire of diehard leftists, who, in their attempt to continue their anti-imperialist, anti-capitalist project, resuscitated Engels' skepticism toward idealist and bourgeois intellectual groups, attacking the New Social Movements for their lack of real class-consciousness, while also condemning China's capitalist turn.
- III. Finally, Western European leftists who supported the Eastern European revolutions started to criticize the totalitarian character of communist regimes, and in turn accepted the concept of civil society as a common "emancipative project" of both Eastern dissidents and Western post-Marxists.

Thus, despite dissension among leftist Western activist communities, from the 1980s onwards, China, which was now emerging as a market-oriented global player, was seen in a more negative light among international solidarity movements, a development that has filtered through to NGOs today. These ideological differences often hinder Western groups from working well together, and also make them reluctant to work with or through state-sponsored organizations in China. As discussed below, this poses a significant challenge to cooperation with Chinese partners. On the other hand, the few China-focused organizations that have better knowledge of the country and are more ideologically open, also lack strong networks with Chinese NGOs because they have typically almost exclusively dealt with the political entities of China. Given all this, it is not surprising that good examples of Western-Chinese cooperation at the level of civil society are rare.

Obstacles to Cooperation

Western-Chinese cooperation is also hindered by the relatively short history of European-Chinese interaction. China was only opened up to foreigners in the 1980s, when for the first time independent media and observers were able to glean relatively unbiased pictures of the often inscrutable country. This dearth of information means that even today, well-funded and qualified organizations lack vital information about the political and social situation facing (and constraining) would-be activists and partners in China. This is particularly problematic for issue-centered global NGOs such as agricultural initiatives, consumer rights organizations, and environmental organizations that do not focus solely on China.

In addition to insufficient knowledge, the fact that most European activist organizations never focus exclusively on China, preferring to highlight China's role within the international system and within their own foundational mission has another consequence. In order to maximize their organization's impact vis-à-vis its core issue (e.g. human rights or sustainability), Western activist organizations often employ methods that are detrimental to wider Far East-West relations. The most effective strategy for European activists to effect change remains creating pressure through the public. This entails a reliance on campaigning, demonstrations, and the media. In order to maximize importance and reach, organizations often tend to portray China and its issues in simple, stereotyped, and dichotomized ways that are familiar and easily digestible to the public. This in turn encourages China-focused NGOs aiming to be identified as stakeholders to polarize issues. Media outlets welcome this as part of a kind of symbiotic relationship, since dramatized and extreme portrayals better capture the attention and imagination of their audience, driving up ratings, and creating a positive feedback loop that rewards sensationalism over sensibility. The danger is that this creates a flawed general perception of the development of China among the public and leaves us without a differentiated portrait of the inconsistencies of China's modernization process.

Since the mobilization of the European public is usually the central goal of an organization, increasing profile and awareness are prioritized above exchange and networking with Chinese organizations, which undermines the process of cultural diplomacy and hobbles cooperation by reducing trust in partners.

The State of Chinese NGOs: Regulation, Funding, and Control

The recent publication of newly drafted guidelines for foundations and non-profits illustrates a very clear wish on the part of the Chinese political administration to separate third sector activists from system-reform activists and advocacy groups. The perception of Chinese civil society, at home and abroad, has been that the Chinese state effectively incorporates any new social force. Especially in the post-Tiananmen era, it seems that "if you want to get anything done, you have to go through the government."² This was the case with the rapidly expanding, foreign-financed, Chinese NGO sector of the mid-1990s, which the Chinese government quickly and tightly regulated. However, the really significant changes taking place in Chinese society are not at the level of regulation, but among the people themselves, motivated by their desire to participate and voice their concerns.

² Nick Young, "Advocacy: NGOs want better communication, not confrontation with the state," *China Development Brief*, (2006) www.chinadevelopmentbrief.com/node/476.

Not everyone in China is optimistic about the expanding NGO sector. Chinese nationalist intellectuals like Wang Shaoguang have warned from very early on against building a vigorous nonstate sector dependent on foreign money. He has also warned that the number of organizations does not indicate the quality of a civil society and that the reality is that most NGOs are caught up in selfish market competition against their peers.

Chinese-Western cultural diplomacy has therefore been characterized, on the one hand, by a Western enthusiasm about taking part in the nonprofit/NGO sector that has opened up in China since the UN international conference on women in 1995, and on the other by skepticism from China regarding Western paternalistic donor-recipient relationships and the international community's true motivations.

These misgivings, coupled with several high profile embezzlement scandals, have prompted the government to institute tight regulations on third sector financing, which could suffocate important new social forces and advocacy groups that are now just beginning to emerge.

The latest control measure is the so-called "Notice No. 63" (2009) of the State Administration of Foreign Exchange (SAFE). This foreign currency control law requires proof that money will not be used "against the laws, morals, or welfare of the state" before foreign funds can be distributed. Most of these funds must go through the Chinese Association for NGO Cooperation (CANGO), which, while officially an NGO, is in fact one of the most powerful government-organized "NGOs" in the world. It serves as a control organ channeling all foreign money, contacts, and projects into a semi-state institution. After reshuffling its top management, this organization has become even more powerful in controlling foreign engagement in the nonprofit sector.

Chinese civil society organizations (CSOs) are further bound to the state since the government requires a state partner to register each NGO.³ At the outset they must clearly state their goals and intentions, and are monitored even after their registration. When they want to lobby, they seek contact with protective and highly influential governmental circles. Chinese NGOs registered as enterprises have to document their business administration, submit a donation contract, and prove that each donor is registered as a charitable organization. The fact that China tries to so tightly regulate a sector that thrives from informal laws and structures has led to massive problems, especially by retarding the creation, growth, and efficacy of small grass-roots organizations, which have become hopelessly dependent on bigger state umbrella organiza-

³ See Miriam Schröder and Melanie Müller, "Chinese Paths to Climate Protection," *Development and Cooperation* 36, no. 1 (2009), 30-32.

tions for funding. Nevertheless, many activists support the establishment of clear rules to limit embezzlement, criticism, and political opposition.

The other major hurdle for Euro-Chinese cooperation is the different working styles and thematic focuses of Chinese NGOs and donor organizations. Donor and charity foundations are government-led and structured heavily top-down – unlike their European counterparts. Many Chinese organizations are still in the process of professionalization, and are primarily concerned with local matters. The number of organizations that are active in “advocacy work” and can also afford to take an interest in larger global issues is still relatively small. But there are signs that this might be changing, especially in areas like environmental conservation, where there are now initiatives like the Chinese Climate Action Networks⁴ that network at the local and international levels.

Finally, difficulties arise simply because of an ongoing lack of trust. The Chinese government is of the opinion that Western NGOs are contributing to the negative image of China among their home populations concerning the subjects of human rights and China’s ecological footprint. This general suspicion toward European NGOs in turn puts pressure on the Chinese NGOs that cooperate with them. The Chinese government also likes to point accusingly at the composition of funds from European NGOs, since some organizations are financed partially by government institutions such as the European Commission and the UK’s Department of International Development, even though this funding is similar to lottery funds and given without policy stipulations or control. This is part of a larger trend whereby the Chinese overestimate the importance and power of NGOs in Europe. In part due to this misestimation, the Chinese government is insecure vis-à-vis Western or transnational NGOs and therefore heavily restricts Chinese NGOs. “Government concerns were heightened by ‘color revolutions’ in Georgia (2003), Ukraine (2004), and Kyrgyzstan (2005), and the role in forming them allegedly played by US public and private funding agencies. This prompted a two year investigation of international organizations working in China and of local NGOs receiving funding from overseas. (Given the legal constraints on local fund-raising, many grass-roots NGOs rely heavily on international funding.) As a result of this investigation a few groups and publications were closed down in the run-up to the 2008 Olympics, and the chilly atmosphere of heightened security served as a warning to others.”⁵

⁴ For a good overview on the development of civil climate change activism in China: Patrick Schröder, “Civil Climate Change Activism in China – More than Meets the Eye,” (German Asia Foundation, 2011).

⁵ Nick Young, “Government-NGO Relations,” in *Berkshire Encyclopedia of China*, ed. Linsun Cheng et al. (2009),1621-23.

The specter looming over everything is that Chinese CSOs are constantly being reminded by the government that their Western partners are ultimately aiming for system change, while Western partners are unable to accurately judge the political and legal circumstances in China, creating a conflict of interest for Chinese CSOs between their international donors and allegiance to the state. Furthermore, Western partners are often not interested in the small, local pilot projects favored by Chinese organizations, but rather want quick, dramatic results. In light of such expectations, their Chinese partners often feel overwhelmed.

Fostering Cooperation

The growing societal interest in China contrasts with the small number of European NGOs whose work concerns China. Aside from funding organizations and big multinational NGOs such as the WWF, few NGOs have regular contact with organizations in mainland China. Instead, everything goes through Hong Kong.

In order to promote change within European-Chinese relations, there must be more exchange and collaboration with Chinese CSOs at various levels. However, Western NGOs, including foundations, need to know that they will face three major issues when cooperating with Chinese CSOs. First is the necessity of dealing with the Chinese government, as working through government-organized NGOs cannot generally be avoided. The level of control and influence exercised by the state as a result might be too high in some situations, while in others this risk is minimal. Either way, the true level of influence is very difficult to correctly gauge from the outside. The second central challenge is conflicts between state and foreign goals. Should the Chinese government misconstrue critique as an attack on their authority, work in China will be made more difficult, and may even become dangerous for Chinese partners. Finally, Western organizations have to answer to home audiences. In taking nonconfrontational, cooperative approaches that acknowledge the contradictory nature of developments in China, NGOs expose themselves to criticism at home. Many of their supporters will argue that their work only strengthens the Chinese government, thereby betraying the self-determination goals of the organization and Western society at large. Working with Chinese CSOs requires a constant balancing act. While withdrawing entirely is the easiest path, the more rewarding one is to target beneficial cooperation to foment the growth of civil society and strengthen CSOs in China.

Collaboration Benefits Both Sides

By exchanging ideas, European and Chinese individuals are able to get a deeper view into the effects of globalization on each other's lives and work. Trading

ideas on working methods could help develop issue-specific cooperation across regions. Advocating cooperation does not imply that critique should always be withheld. Instead we should always ask when, where, and how critique is most appropriate.

Keeping these considerations in mind, here are some objectives that should be embraced by European and German CSOs:

- CSOs should increase debate about the veracity and suitability of how China is portrayed in Western media, working to create an image of China that more accurately reflects the contradictory developments within the nation.
- CSOs should not only work “on” but also with China. The exchange of representatives from CSOs and social movements must be promoted through contact and exchange programs to develop concrete cooperation.
- CSOs should promote discussion of Europe’s responsibilities toward China with respect to social justice, ecological standards, and human rights.
- CSOs should lobby for the inclusion of topics that are of international relevance (i.e. climate issues) in Europe’s China policy. This could be done together with our Chinese colleagues.

If NGOs and civil society organizations want to strengthen the force of a civil society, they have to start with exchange and mutual respect. Although the situations of CSOs in the respective regions are very different, it would be of mutual benefit to learn from each other and in the process, perhaps learn more about ourselves. Research on transnational advocacy in Central Asia, East Asia, Eastern Europe, and Africa also suggests the same approach toward cooperation.⁶ Ultimately, transnational advocacy and CSO networks must spearhead the task of spreading balanced information, paving the way for capacity building, and establishing the basis for mutual understanding: vital elements for securing a peaceful future.

⁶ Sarah E. Mendelson and John Glenn (ed.), *The Power and Limits of NGOs*, (2002); eds., Joachim Betz and Wolfgang Hein, *Neues Jahrbuch Dritte Welt 2005 – Zivilgesellschaft* (2005).

Confucius Institutes: The Star of China's Cultural Diplomacy

FALK HARTIG

Image problems are nothing new for China. Negative perceptions of the country can be traced back centuries: Hegel, for instance, said that China does not have history, and Kaiser Wilhelm II infamously railed against the “Yellow Peril” in his Hun Speech in 1900. Although China’s image problem has improved since Wilhelm’s speech, many are still uneasy with the People’s Republic, especially in the West. Beijing’s ever increasing military budget (which will grow by more than 11 percent this year to 106.4 billion dollars), constant reports of media and internet censorship, its treatment of Ai Weiwei and Chen Guangcheng, and the public sense that China is stealing “our” jobs – all this leads to a rather skeptical global perception of the People’s Republic. Beijing is thus increasingly concerned about its global reputation and is bolstering its efforts to shape and manage its image internationally. This is reflected, in part, by China pushing concepts such as “Peaceful Rise/Development” and “Harmonious World” which are meant to convince the world of its benign intentions. Additionally, the Chinese government has become very active in what is known as public or cultural diplomacy.

Public diplomacy is broadly understood, to use Wang Jian’s phrasing from *Soft Power in China*, as “a country’s engagement and communication with foreign publics.” One of its core components is cultural diplomacy, which can be described as a country’s “attempt to manage the international environment through making its cultural resources and achievements known overseas and/or facilitating cultural transmission abroad.”¹ As most of these activities are

¹ Nicholas J. Cull, “Public Diplomacy: Taxonomies and Histories,” *The Annals of the American Academy of Political and Social Science* 616, no. 1 (2008), 31-33.

still initiated or sponsored by governments, the line between propaganda and image-management can become blurred. But given the highly negative connotation of propaganda, it is obvious that “good public [and cultural] diplomacy has to go beyond propaganda,” if it is to have a positive impact. As Joseph Nye cautions, “information that appears to be propaganda [...] may [...] turn out to be counterproductive if it undermines a country’s reputation for credibility.”²

How China Presents Itself to the World

In recent years the Chinese government has become very active in presenting China and explaining the “real” China to the world.³ To do so, China is heavily investing in its state media to “go out” and explain China’s point of view abroad. While these efforts by media outlets such as Xinhua have had limited success, China is also employing its millennia-old culture.

This emphasis on traditional culture makes sense, especially from the leadership’s point of view. First, by emphasizing traditional culture, China is reminding the world of its several thousand years of rich cultural history. Further, culture is, at first glance, more apolitical and therefore less likely to insight conflict than ideas and policies (which are the other two components of soft power, according to Joseph Nye). Finally, Chinese traditional culture is genuinely “Chinese.” This is less true of contemporary Chinese culture, which reflects and incorporates some Western cultural ideas and concepts. There is also a strategic element to cultural promotion, which is viewed as an effective tool in the struggle for power and participation among nations as it can be used to attract societies and people in other countries.⁴ Therefore Beijing has decided that China, too, should take part in this cultural competition and promote its culture to the world. Exactly this argument was also put forward by Hu Jintao in a speech in late 2011 where he declared that the country that takes the lead in cultural development will have a strong cultural soft power and thus can be the winner in the highly competitive international struggle.

China’s initiatives and tools in this regard include the Year of Chinese Culture in Germany 2012, the lending of the famous Terra-cotta Warriors, or its panda diplomacy, which was recently reintensified. The most prominent and controversial instrument of China’s cultural diplomacy, however, is its Confucius

² “Public Diplomacy and Soft Power,” *The Annals of the American Academy of Political and Social Science* 616, no. 1 (2008), 100-101.

³ Zhao Qizheng, *Public Diplomacy and Communication between Cultures* (2011).

⁴ Li Zhi, *Cultural Diplomacy – An Interpretative Mode of Communication* (2005).

Institutes,⁵ which are set up by the Chinese government to promote Chinese language and culture around the world. By the end of 2011 there were 358 Confucius Institutes and 500 Confucius Classrooms established in 105 countries.

The Face of China at a University Near You

Debate over the goals and purposes of the Confucius Institutes has persisted since the first was established in 2004. Criticism of Confucius Institutes falls into two categories: insiders with practical concerns versus outsiders with ideological objections.⁶ Many of these concerns stem from the Institutes' alleged relationship to the Chinese Communist Party (CCP), giving rise to allegations of improper influence over academic freedom at host universities, espionage, surveillance of Chinese students abroad, and attempts to advance the Chinese government's political agenda on controversial issues such as Tibet and Taiwan. Additional worries have arisen over the Institutes' financial and academic viability, teaching quality, and relations with Chinese partner universities. These issues are hotly debated, but can be somewhat resolved with sober attention to the form and function of the Institutes.⁷

First, there cannot be any doubt that Confucius Institutes are tied to the Chinese government. They are guided and administered by Hanban, the Office of Chinese Language Council International, which describes itself as "a public institution affiliated with the Chinese Ministry of Education." In addition to the Ministry of Education, other ministries and commissions are involved, such as the ministries of foreign affairs, culture, and finance, as well as the State Press and Publications Administration. The Council of the Confucius Institutes Headquarters is chaired by State Councilor Liu Yandong, currently the only woman in the CCP's Politburo. The Confucius Institutes are also valued by the Politburo, as evidenced by the fact that every member of the Standing Committee of the Politburo has visited a Confucius Institute somewhere around the world at least once.

This link to the Chinese government (which Institute leaders do not deny) is troubling for various Western observers in two ways. First, while public-

⁵ In addition to Confucius Institutes there are also so-called Confucius Classrooms which have the same goals and aims, but differ slightly in structural terms. Classrooms are mainly aimed at secondary education rather than universities.

⁶ Don Starr, "Chinese Language Education in Europe: Confucius Institutes," *European Journal of Education* 44, no. 1, (2009), 65-82.

⁷ The basis for my remarks are some 50 interviews with people in charge of Confucius Institutes (foreigners and Chinese) in ten countries starting in 2007, talks with Chinese officials working in the field, conversations with academics and people from think tanks in China and abroad, as well as an evaluation of public and internal documents and the relevant literature.

private partnerships are not per se problematic, there is sensitivity around “hosting” what some might view as an outreach organization of an authoritarian regime. And second, Confucius Institutes are not solely organized and run by the Chinese themselves, but mainly in cooperation with international partners – thus implicating others in a degree of cooperation with the CCP.

Although not every Institute around the world is organized as a joint venture, this is the most common form, especially in Europe, Oceania, and North America. These joint ventures are cooperation projects between the Chinese and local partners, generally universities. Normally the Chinese offer teaching materials and send language teachers and management staff while local partners provide space, facilities, and local staff. The exact set-up varies from Institute to Institute, also in terms of staff dispatched from China. Some Institutes (for example in Australia) do not have a Chinese codirector (often without complaint from local staff). In general there is a striking lack of qualified Chinese language teachers with adequate foreign-language skills, which presents a particular problem when trying to find Chinese staff for Institutes in countries with more uncommon languages. Furthermore, it is rarely easy to convince qualified personnel to leave their jobs in China to go to a distant country, some of which offer harsh living conditions.

In addition to the allocation of teaching equipment and human resources, Hanban supports Confucius Institutes financially. Institutes generally have a set annual budget to use for further project funding. There are different annual budget figures in circulation, ranging from about 100,000 dollars to around 400,000 dollars.⁸ Hanban's annual report for 2010 notes that every Institute received 500,000 dollars and that the total budget spent for Confucius Institutes and Classrooms in 2010 was 167 million dollars. But this is the total budget “provided by both sides at a ratio of 1:1,” meaning the Chinese spent 83.5 million dollars. This is much less than half the amount the German Foreign Office provided to the Goethe-Institut in 2011 (217 million euros).

The Real China vs. The Correct China

Confucius Institutes usually address a mainstream public audience without special knowledge of China. They also work with students and sometimes with staff at the host university. The Institutes' main activities include language courses for various levels and a wide range of cultural events such as exhibitions, screenings, business and intercultural training, as well as tea ceremonies, calligraphy classes, and Tai Chi and Chinese painting courses.

⁸ It is important to note that every Institute around the world receives the money in US dollars.

Furthermore, the Institutes host talks and lectures by China scholars. Several Confucius Institutes are trying to develop a distinctive profile, and it is true that schedules differ from Institute to Institute. It can be said that in general, they all offer the same content with a local flavor. The crucial point, however, is not what is happening at Confucius Institutes, but what is not.

According to its bylaws, Confucius Institutes “shall abide by the laws and regulations of the countries in which they are located, respect local cultural and educational traditions and social customs, and they shall not contravene concerning [*sic*] the laws and regulations of China.”⁹ The mingling of local cultural traditions on the one hand and Chinese laws and regulations on the other could lead to potential conflicts of interest, for example when one assumes that such local traditions in Western countries include freedom of expression and the press or publicly articulated opposition to the government. These potential conflicts have to be negotiated by local people heading the Confucius Institutes, most of whom have profound China expertise and a full awareness of the problem. Across the Institutes, local staff explain that there is no interference in daily activities and that there are no concrete guidelines coming from Beijing. One common argument is that the sheer number of Institutes around the world prohibits strict control by the Hanban.

But there are acknowledged limits for Confucius Institutes. Certain topics that are sensitive for official China are clearly out of bounds – including Tibet and the Dalai Lama, Taiwan, Tiananmen, or Falun Gong. The general understanding in this context is that when you sign such a contract with China you know the confines. A common explanation from those responsible is that China is much more than Tibet, Taiwan, and Tiananmen, and there is much to explore and discuss without broaching these sensitive topics. Although this is absolutely true, it is also unsatisfactory. This approach leads to a consideration not of the real China, but of a “correct” version of China. And it is precisely those topics left out by Confucius Institutes that are the issues an interested citizen will be familiar with from reading newspapers, which, as various studies have revealed, mainly feature negative coverage and focus on these and other controversies.

Some commonly voiced concerns about the Institutes are exaggerated. The risk of self-censorship, for example, is mitigated by the involvement of local staff and scholars, who would not risk their jobs and reputations by participating in brash propaganda for the CCP. On the other hand, these same staff are unlikely to risk losing their funding from Beijing by exploring provocative

⁹ Constitution and Bylaws of the Confucius Institutes, english.hanban.org/node_7880.htm.

topics in depth in open challenge to Hanban. Thus, a kind of delicate balance can be expected. There have also been accusations that communist ideology is being spread via language courses, and that trained teachers are indoctrinating students. But most Confucius Institutes use local teaching materials, especially in countries with a non-English speaking audience. In addition, a severe scarcity of teachers from China often compels Institutes to hire local teachers. With both materials and often teachers being locally sourced, indoctrination is not much more likely than in any other teaching environment.

Interestingly, in debates about Confucius Institutes' potential role in spreading propaganda, both critics and proponents point to the joint venture structure. While the former say the joint structure, in providing a legitimate gateway, allows for the undermining of academic freedom and the spreading of communist ideology, the latter claim that it is precisely this joint structure that prevents Confucius Institutes from being mere tools of Chinese propaganda.

It is fair to say that there is potential for self-censorship at Confucius Institutes – especially in terms of certain politically-explosive topics simply being avoided. But the Institutes do not participate in active propaganda by, for instance, celebrating Socialism with Chinese Characteristics, Jiang Zemin's "Three Represents" theory, or Hu Jintao's scientific development concept. It is not yet certain, however, if the future will bring less reason for concern. At the 6th Confucius Institute World Conference in Beijing in December 2011, Hanban introduced plans for a "New Sinology and China Studies Research Scheme" under which Confucius Institute host universities could sponsor academics "with a strong background in Sinology and China Studies [...] to conduct research on traditional and contemporary China and cross-cultural academic exchanges."¹⁰ If Hanban indeed begins to target international scholarship of China, this would be a critical development that would require close observation and analysis.

Scoring the Confucius Institutes

Confucius Institutes have two main goals. The first, prominently put forward by Hanban, is to meet the world's increasing demand for Chinese-language learning. There are currently an estimated 40 million foreigners learning Chinese¹¹ and the number is steadily increasing. The demand for Confucius Institutes is also high: in late 2011 Hanban examined about 300 requests for Confucius Institutes from 60 countries, several of which were repeat submissions.

¹⁰ Xu Lin, "Recommendations on Confucius Institute Development and Planning," Presented at the 6th Confucius Institute Conference (Beijing, December 11, 2011).

¹¹ The International Society for Chinese Language Teaching, www.shihan.edu.cn/articles/101720.

The Institutes' advantages for international partners are an increase in capabilities to teach Chinese language and the introduction of some aspects of Chinese culture to a local audience. Confucius Institutes might also help the local university or community to establish or strengthen contacts with China. The disadvantages are equally clear: International partners see themselves confronted with accusations of being propaganda tools of the CCP. Even if this is not exactly the case, international partners are generally expected to avoid certain topics, despite these issues' salience for local audiences.

For China, the joint-venture structure offers cost effectiveness, an increase in prestige for its institutions due to their association with international partner institutions, and an opportunity to present its language and culture to a global audience. Another benefit of the joint venture is worth mentioning: the Chinese government is still restrictive in terms of welcoming foreign cultural institutions in China. There are currently only a few foreign cultural institutions in Beijing. Germany's Goethe-Institut is the oldest, having been there since 1988. The political principle is "one country, one culture institute," which prohibits multiple branches within the People's Republic. With its Confucius Institutes China avoids these self-imposed difficulties altogether because the Institutes are formally registered associations in countries like Germany and therefore not formally Chinese organizations. In this way China can easily establish more than one culture institute in a certain country without infringing on official cultural treaties and agreements.

A practical disadvantage, especially for the Chinese universities involved, is the lack of people willing to go abroad. Another disadvantage – even though the Chinese side would not concur – is the fact that Confucius Institutes have to adapt to local circumstances and therefore may have to be somewhat more open and progressive than a fully Chinese run institute would be.

Beyond teaching language and introducing culture, Confucius Institutes also have more far reaching political purposes (at least indirectly). This is generally not something to criticize, as the same can undoubtedly be said for most cultural institutes. First they should help to promote a friendly image of China, thus helping to boost the Chinese economy overseas in one way or another. They also have a political mission to help construct a "harmonious world," which is the overall goal of China's foreign policy.

The concept of a harmonious world implies using multilateralism to realize common security, mutually beneficial cooperation to achieve common prosperity, and inclusiveness so that all civilizations can coexist harmoniously. More practically, it also entails a reform of the United Nations to make it more representative. As it stresses mutual respect and equality among states and aims

at a multipolar world, various observers, especially in the United States, assume that the political implications are at least partly directed at the United States, while China understands harmonious world simply as a pragmatic approach to foreign policy. Either way, it is unequivocally a foreign policy concept and Confucius Institutes are tasked with promoting this idea, giving them at least indirectly a political dimension.

Taken together, the Confucius Institutes as a cultural diplomacy effort, are as strategic as they are efficient. By utilizing the current global fascination with Chinese language and culture, Beijing has found interested international partners to cofinance the Confucius Institutes and thus partially fund China's charm offensive. But no matter how sophisticated the approach is, one has to acknowledge their influence in shaping China's image has been limited. This is not so much a flaw of the Confucius Institutes or other cultural diplomacy tools as such, but rather is grounded in the authoritarian political system behind Confucius Institutes. Because no matter how many Confucius Institutes promote Chinese language and culture across the globe, and no matter how well they do so, as long as the Chinese government is still arresting human rights lawyers, censoring the media, and covering up disasters, all efforts by Confucius Institutes to help to promote China's image will hit a wall.

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