III. China's Grand Soft Power Strategy

The Development of a Chinese Soft Power Strategy

China's grand strategy is currently discussed with reference to a "peaceful rise," "peaceful development," or the building of a "harmonious world." China's strategy is inextricably linked to "comprehensive national power" or CNP. CNP was developed in the 1980's as an analytical construct through which progress in China's overall power position could be tracked against other states. ⁴⁰ The main categories of power tended to include tangible factors, such as natural resources, economic growth, military capabilities, and social development. Beginning in the early 2000s, analysts added "soft power" to the CNP toolbox. Li Jie of the Ministry of Foreign Affairs wrote "the status and influence of soft power in CNP is rising, and it is steadily becoming an important form of international competition."

Interest in soft power derived from the notion that hard power alone would be insufficient for China to reach the level of a global power. The rise of prior great powers-ancient Rome, imperial Great Britain, and the United States relied on attractive values and cultural influence. For a nation to achieve and maintain great power status, it needs not only formidable hard power but also soft power.

If one searches deep enough the origins of soft power in China can be traced back for more than two millennia. For example, China's dominant ideology of Confucianism advocates gaining international status by setting a moral example; this ideology explicitly opposes the imposition of a nation's values upon another nation's. Even today, we are all familiar with the golden rule of "do unto others as you would have them do unto you". Furthermore, the idea of using soft power to defeat an enemy can be traced back to Sun Tzu in his masterpiece, *The Art of War*. This famous book of strategy, often related in modern times to everything from business to personal relationships, advocates the

⁴⁰ Michael Pillsbury, *China Debates the Future Security Environment* (Washington D.C.: National Defense University Press, 2000), Chapter 5.

⁴¹ Li Jie, The construction of soft power and China's peaceful development, Research on International Problems, no. 1 (2007): 21-26.

attacking of an enemy's mind. Sun Tzu, so wisely, promotes his strategy as way to limit the use of one's hard power in favor of one's own soft power.

In the last two decades, soft power has become an important topic in Chinese strategic discourse. This observation can be substantiated by the quantity of papers that have appeared in Chinese journals and newspapers. The China National Knowledge Infrastructure (CKNI) database, currently the largest and most comprehensive database of Chinese journals and periodicals, can be used to run a simple search. Searching the three sections of CNKI's journals and periodicals will result in a total of 485 papers with the term "soft power" in their titles from 1994 to 2007. The same search for the period of 1994 to 2000 will result in 11 articles, whereas 2001 to 2004, the total number is 58. From 2005 to 2007, there were 416 such articles. Expanding the search to the full text and not just the title resulted in 1,211 articles in the same three sections of the database from 1994 to 2007. From 1994 to 2000, there were 57, from 2001 to 2004, there were 212, from 2005 to 2007, there were 942 pieces. The fact that the term has become so popular in many fields in China is an indication of the extent of interest in soft power among the Chinese interlocutors. ⁴²

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⁴² Mingjiang Li, "Soft Power in Chinese Discourse: Popularity and Prospect", *RSIS Working Papers No. 156* (September 1, 2008):4-5.

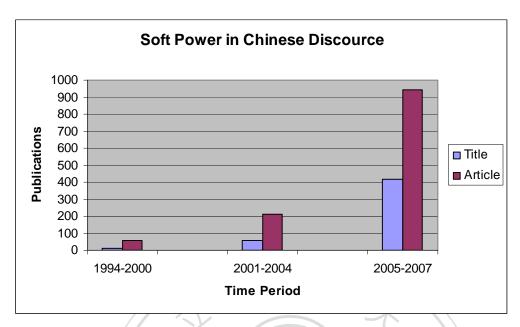


Figure 3: The appearance of the term soft power in Chinese academic literature between 1994 and 2007. **Source:** The China National Knowledge Infrastructure (CNKI) database. 43

Three Resources of Soft Power

This section of the paper first seeks to identify China's soft power strategy throughout the global community. Specifically, this section will examine each of China's soft power resources in detail: 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). Each resource will be clearly defined, a historical background of its development will be provided, followed by the contemporary situation, and finally, with the help of data based on a public opinion poll conducted by the Chicago Council on Global Affairs, an assessment of each resource's effectiveness at accomplishing its objective (to get others to want what you want) will be provided.

⁴³ Figure 1 adapted from Mingjiang Li, "Soft Power in Chinese Discourse: Popularity and Prospect", *RSIS Working Papers No. 156* (September 1, 2008): 4-5.

⁴⁴ Nye, Soft Power: The Means to Success in World Politics, 11.

Culture

Culture as defined by Joseph Nye, is the set of values and practices that create meaning for a society. Culture is the social ideology and corresponding systems and organizations, including viewpoints and ideas of politics, law, ethics, art, religion, and science. Cultural critics divide culture into two sub-groups: "high culture" of the elites which includes literature, art, and education and low or "popular culture" of the masses which includes primarily mass entertainment. Just how does culture fit into China's soft power strategy? In the words of President Hu Jintao to a Joint Sitting of the Australian Parliament, "The Chinese culture belongs not only to the Chinese but also to the whole world... We stand ready to step up cultural exchanges with the rest of the world in a joint promotion of cultural prosperity."

Culture, as supported by many scholars is one of the most important aspects of a nation's soft power. Cultural attractiveness not only influences various aspects of people's lives in the social development within a country but helps to achieve foreign policy goals. Samuel P. Huntington's thesis of "clash of civilizations" supports the claim that there is a connection between national culture and national power. His hypothesis states "the fundamental source of conflict in this new world will not be primarily ideological or primarily economic. The great divisions among humankind and the dominating source of conflict will be cultural."

As Samuel P. Huntington argues, people of similar cultures are more apt to stick together and those of different cultures are moving apart.⁴⁹ A state will perpetuate itself by identifying with a national cultural tradition that distinguishes 'us' from 'them'. For thousands of years, the Chinese have distinguished themselves from barbarians by way of culture. Ironically, despite China's long statehood, it is difficult to precisely define Chinese culture. Nonetheless, Chinese culture, however loosely defined, has withstood the test of time. China experienced several invasions by non-Han groups; inevitably

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⁴⁵ Ibid., 11.

⁴⁶ Ibid., 44-54.

⁴⁷ Hu Jintao's address to a Joint Sitting of the Austrlian Parliament on October 24, 2003, available at http://www.australianpolitics.com/news/2003/10/03-10-24b.shtml.

⁴⁸ Samuel P. Huntington, "The Clash of Civilizations," 22.

⁴⁹ Samuel P. Huntington, *The Clash of Civilizations: Remaking of World Order*, 125.

these groups all eventually converted to Chinese culture.⁵⁰ Ironically, the greatest assault on Chinese culture came from within during the Cultural Revolution when the 'Four Olds' (old ideas, old culture, old customs, and old habits) were attacked by the Red Guards. At this point, China's cultural soft power reached an arguable all time low. Since the rise to prevalence of the term soft power in Chinese discourse, there has been a revival of Chinese culture in hopes of improving their national image.

"Chinese Culture', loosely defined as an amalgam of Confucian social and political values, folk and high customs and art, and the Chinese language is a core component of China's soft power.⁵¹ Yan Xuetong and Xu Jin explain: "A state's ability to transmit its culture internationally will lead to the understanding, sympathy, and acceptance of its cultural values by outsiders."⁵² Traditional Chinese culture is singled out as the most valuable source of Chinese soft power on the premise that it boasts an uninterrupted long history, a wide range of traditions, symbols and textual records. Many of these texts (Confucianism, Taoism, and Buddhism) point to the good values in traditional Chinese culture. For example, winning respect through virtues, benevolent governance, peace and harmony, and harmony without suppressing differences.⁵³

The first Chinese scholar credited with publishing China's first article on soft power is Wang Huning. He was hand-picked by former president Jiang Zemin to serve as a deputy director of the Policy Research Office of the Chinese Communist Party (CPC) and under Hu Jintao was promoted to head the office and also appointed to the powerful Secretariat of the CPC Central Committee. He was a professor at Fudan University, where he wrote for its journal. Wang evaluated Nye's theory regarding the sources of soft power: culture, political values and ideas, and foreign policies. Back in 1993, Wang focused on culture as the main source of a state's soft power. "If a country has an admirable culture and ideological system, other countries will tend to follow it...It does

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⁵⁰ For specific examples of foreign invasion see John King Fairbank, *Chinese World Order: Traditional China's Foreign Relations*, (Cambridge, MA: Harvard University Press, 1968)

⁵¹ Xuetong Yan and Xu Jin, A comparison of Chinese and American soft power." *Xiandai guoji guanxi*, no.1: 26.

⁵²Ibid., 26

⁵³ Mingjiang Li, "Soft Power in Chinese Discourse: Popularity and Prospect", 6.

not have to use its hard power, which is expensive and less efficient."⁵⁴ Chinese analysts have since followed this central thesis.

As mentioned previously in this section, there are two sub-groups of culture: high and low or popular culture. I will begin by highlighting some of the various forms of popular culture which are growing in popularity across the globe.

In recent years Chinese pop culture is gaining a tremendous amount of popularity across the globe. This is evident with the recent success of blockbuster films such as *Crouching Tiger, Hidden Dragon*, which was the first non-English language film to gross more than a \$100 million in the history of the American box office. The famous actress Zhang Ziyi, who also starred in the said film, has become the quintessential beauty admired across the globe.

In the sports arena, there was no better venue than the 2008 Olympic Games, which gave China the opportunity to display their athletic prowess. Chinese athletes have become a powerful tool for countering the ill conceived stereotype of the weak and diminutive Chinese. Events such as the Olympics give the athletes an opportunity to show how China can compete against the best in the world. Not only did China manage to win the overall gold medal count, but had the esteemed honor to host the event. ⁵⁵ Chinese athletes are performing so well that some of their best talent is being exported. Probably the most famous Chinese athlete is Yao Ming, who plays for the Houston Rockets in the NBA. Yao Ming serves as a cultural ambassador who bridges the cultural gap between the United States and China.

Since its opening to the world in the late 1970's, China has become a major tourist destination for global travelers. Presently, China is the world's fourth largest country for inbound tourism. The number of overseas tourists was 55 million in 2007. Foreign exchange income was 41.9 billion U.S. dollars, the world's fifth largest in 2007. These millions of tourists are flocking to China to see just some of the thousands of years of culture which China has to offer. Many of these tourists will return to their homelands enchanted by the mystique of China.

⁵⁶ See United Nations World Tourism Organization (WNWTO) http://www.unwto.org/index.php.

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⁵⁴ Huning Wang, "Culture as National Soft Power: Soft Power," *Journal of Fudan University* (March 1993).

⁵⁵ For medal count see the official website of the Beijing 2008 Olympic Games, http://en.beijing2008.cn/.

The global impact on the tourism industry doesn't stop at China's borders. China has become one of the world's most-watched and hottest outbound tourist markets. An easing of restrictions on movement by the Chinese authorities will only further this travel boom. The emergence of a newly rich middle class and a pent-up demand to see the rest of the world will make China one of the most significant outbound tourism markets in the coming decade. Chinese nationals spent more than US\$15 billion on tourism abroad in 2002, and US\$19.1 billion in 2004. In 2006, some 34.5 million mainland Chinese trips were taken outside of China. China has been the leading source of outbound tourists in Asia since 2003. In addition, Chinese tourists are among the biggest spenders when they travel overseas, making them a highly desired market. According to the United Nations World Tourism Organization (UNWTO), by 2020 China is projected to produce 100 million outbound trips going to every corner of the globe, making it the largest producer of tourists in the world, by far.⁵⁷

This surge in the number of outbound tourists may result in two positive outcomes. First, these outbound Chinese tourists traveling to far off lands have gained a new perspective on the outside world. No longer will Europe and America seem mysterious. Rather, the Chinese tourists have a chance to witness firsthand the poverty, crime, and grime of the western world. The Chinese may come to realize their own big cities, like Shanghai, can now match any world capital for nightlife and culture. Moreover, the tourist destinations receiving these flocks of Chinese tourists may be astonished with the amount of expendible cash they bring and are willing to spend on the various luxury items of Europe and America. No longer will the Chinese be perceived as the poor of the world, rather they will be looked upon in a new light, one that boasts of their new-found wealth.

Perhaps, even more important than "popular culture" to China's soft power strategy is the utilization of "high culture." As Joel Wuthnow explains, "studying Chinese language, history, and culture is viewed not only as a way to engender respect for China, but also as a way to cultivate a pool of foreign talent that will be better equipped to form personal ties with Chinese counterparts and to sympathize with the

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⁵⁷ Ibid.

⁵⁸ Joshua Kurlantzick, *Charm Offensive: How China's Soft Power is Transforming the World*, (New Haven: Yale University Press, 2007), p. 6.

PRC."⁵⁹ Education as a means of soft power development takes two main forms. The first includes students who pursue study in the PRC itself. Due to China's booming economy and wealth of cultural heritage there are an increasing amount of foreign students studying in China today. According to China's Ministry of Education, in 1950 China received the first group of 33 students from the East European countries. By the end of 2000, the total number of international students in China had increased to 407,000 and came from more than 160 different countries. Among them, Chinese Government Scholarship students numbered 88,000, whereas self-financed students reached 317,000.⁶⁰ We can only speculate as to what kind of influence academic training will have on these exchange students. Most likely, this experience will make them partial to Chinese worldviews and interests. ⁶¹ Official statistics reveal that some 30 former international students in China now hold minister level positions in their home countries, more than 10 have served as ambassadors to China and over 30 are attaches posted in China.⁶²

The second form of education is performed outside the PRC. Recently, the most obvious example is the establishment of "Confucius Institutes" around the globe. These institutes are centers for teaching Chinese language and culture. The goal is that by 2010 there will be 500 institutes worldwide. According to Bates Gill and Yanzhong Huang, "these institutes have a political agenda: to present a kinder and gentler image of China to the outside world." Confucianism is at the core of China's soft power strategy, especially in the Southeast Asian communities. These countries are already familiar with Confucian values which stress the importance of family, collectivism over individualism, harmony, hard work, and the importance of education.⁶⁴

⁵⁹ Joel Wuthonow, "The Integration of Cooptation and Coercion: China's Taiwan Strategy since 2001," *East Asia*, Vol. 23 no.3 (Fall 2006): 12.

⁶⁰ http://www.moe.edu.cn/english/international_3.htm, please note: the accuracy of these numbers is questionable as the author relied on Chinese websites.

⁶¹ David Shambaugh, "Rising Dragon and the American Eagle," Yale Global, April 20, 2005.

⁶² Bates Gill and Yanzhong Huang, "Sources and Limits of Chinese 'Soft Power," *Survival*, Vol. 48 no. 2 (Summer 2006): 19.

⁶³ Ibid., 18.

⁶⁴ Young Nam Cho and Jong Ho Jeong, "China's Soft Power: Discussion, Resources, and Prospects," *Asian Survey*, Vol. 48 Issue 3 (2008): 470.

China has recognized the importance of language in increasing cultural attractiveness, thus they have actively promoted the study of Chinese all over the globe. The number of non-Chinese people studying Chinese is projected to reach as many as 100 million students by the year 2010. More than 2,300 universities in roughly 100 countries are offering Chinese courses as a part of their curriculum. The Chinese Proficiency Test (HSK), known as the "Chinese TOEFL," has an increase in examinees of about 40-50 percent every year. China is making headway in challenging English as the world's lingua franca.

Scientific and technological innovations are another form of high culture which can contribute to a nation's attractiveness abroad. The technology playing field has been leveled in recent years by Asian nations, including China. Between 1995 and 2001, China, South Korea, and Taiwan increased their gross R&D spending by about 140 percent, while the United States increased its investments by only 34 percent. Moreover, the number of researchers in the United States is declining while the number of Chinese earning doctoral degrees is on the rise. ⁶⁷ Potentially, this number will only be exacerbated in the coming years with China's increase in wealth.

Cultural Assessment

As described in the above section, China's cultural soft power, a mainstay of China's attractiveness to the outside world has made great strides since the Cultural Revolution. Policy makers within China are making a concerted effort to promote China's culture at home and abroad. But, how do other nations, particularly those of Asia, perceive Chinese culture?

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⁶⁵ Bates Gill and Yanzhong Huang, "Sources and Limits of Chinese 'Soft Power," 18.

⁶⁶ Gao Ying, "China to Host Second Confucius Institute Conference," <u>www.chinaview.cn</u>, December 6, 2007.

⁶⁷ See Diana Hicks at the American Chemical Society's National Meeting. http://www.physorg.com/news3376.html>.

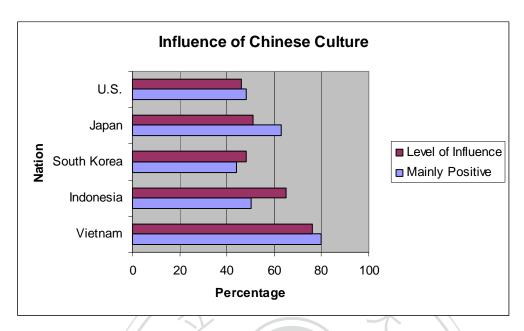


Figure 4: Influence of Chinese Culture **Source**: Soft Power In Asia: Results of a 2008 Multinational Survey of Public Opinion by The Chicago Council on Global Affairs, Whitney and Shambaugh.

Assessing the results of a 2008 multinational survey of public opinion conducted by the Chicago Council on Global Affairs, we witness a high regard for China's "rich cultural heritage," with mean scores ranging between 78% and 86%. However, China has a cultural deficit when we consider higher forms of high culture, such as literature and intellectual property rights. For example, in 2004 China imported 4,068 kinds of books from the United States and exported only 14, imported 2,030 books from Britian and exported only 16, and imported 694 books from Japan and exported only 22. Furthermore, in 2005, the ratio of imports to exports in the intellectual property rights trade with the United States was 4,000 to 24.⁶⁸

The imbalance not only exists within high culture, the appeal of China's popular culture is even less impressive than that of its cultural heritage. If we reference Figure 4, when the participants were asked to assess whether China's popular culture has a mainly positive or negative influence on their own popular culture, majorities in Vietnam (80%) and Japan (63%) say the influence is "somewhat" or "very positive." However, the three other nations surveyed (U.S., South Korea and Indonesia) do not show such a strong

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⁶⁸ Li Lei, "*Dazao zhongguo ruan shili*," (Moulding China's soft power) *Shangye wenhua* (Business Culture) (November 2006): 86-88.

welcome. The mean scores fall around the midpoint of 55 to 64%.⁶⁹ Thus, we can assess that China has some ways to go before its popular culture is perceived by all as positive.

Strong majorities of Japanese and South Koreas and pluralities of Indonesians say they "rarely" or "never" view Chinese movies or television. One explanation for China's relatively low scores on cultural soft power may be that Chinese movies, television programs, and literature are almost exclusively offered in only Mandarin. According to the National Information Security Report, "only 4% of global information resources are carried in Chinese, although China accounts for one-fifth of the world population." However, strong majorities in the surveyed Asian countries (70% to 91%) believe it is at least somewhat important for their children to learn Chinese in order to succeed in the future.

The mass media plays a crucial role in dispersing a state's soft power. The four major western news agencies, Associated Press, United Press International, Reuters and Agence France Presse, produce four-fifths of the total news stories in the world every day. The top 50 western trans-national media corporations hold 90% of the world communication market. The United States alone controls 75% of TV programs in the world. In developing nations, 60-80% of the content in TV programs comes from the U.S. Over half of the total show time in the world's theatres is taken by American movies.⁷²

As far as cultural attractiveness is concerned, China admittedly is not strong in marketing its cultural products. While the "Made in China" label is on many products in the global marketplace, the perception is that these products are of low quality. Few Chinese companies, cultural icons, or brand names have the ubiquity of Microsoft, Michael Jackson, and McDonald's. ⁷³ For a nation to truly express its culture to the

⁶⁹ Whitney and Shambaugh, "Soft Power In Asia: Results of a 2008 Multinational Survey of Public Opinion," by The Chicago Council on Global Affairs, 2008.

⁷⁰ Bates Gill and Yanzhong Huang, "Sources and Limits of Chinese 'Soft Power," 27.

⁷¹ Whitney and Shambaugh, "Soft Power In Asia."

Yao Xu, "Gonggong guanxi de chuanbo shouduan yu zhongguo ruan shili jiangou," (Communication methods of public relations and China's soft power building) Xinwen qianshao (News Frontline) Issue 7, Vol. 93, 2007.

⁷³ Bates Gill and Yanzhong Huang, "Sources and Limits of Chinese 'Soft Power," 27.

outside world, it needs to rely on politically relaxed domestic environment that encourages the freedom of expression. China's current monolithic political system is unwilling to allow free expression, thus its cultural soft power will suffer.⁷⁴

Thus, we can infer that many nations do admire China's "rich cultural heritage." Yet, due to the lack of availability they seldom use modern Chinese cultural goods. It seems those nations in Southeast Asia on the mainland have a better perception of China's popular culture. All in all, China has made significant strides in improving its cultural image. However, China still has a long way to go before it can reach the same level of cultural soft power as the United States.

Political Values

This section of the paper will analyze some of China's core political values. As Joseph Nye claims, a country's soft power also depends on its domestic performance, because how a country implements its political values can enhance its image and perceived legitimacy, which has important implications for the advancement of foreign policy objectives.⁷⁵ The term "values" takes on various forms which are determined by the context of values, whether it be cultural, personal, etc. For the purpose of this paper we will define values as beliefs and attitudes about the way things should be. They involve what is important to us. We carry with us values that influence our thoughts, feelings, and actions. However, values are not only expressed in what a nation says but in what it does. As supported by Nye, a nation's values can be attractive to some, but may repell others.⁷⁶

China has an impressive history of implementing attractive political values. Evidence of their effectiveness to demonstrate competent governance dates back the the Tang dynasty. The Tang emperors set up a centralized government that selected government officials based on individual merit. They developed a uniform legal system, an equal system for allocating taxes, and standardized the school system. Neo-

⁷⁴ Ibid., 27.

⁷⁵ Nye, *Soft Power: The Means to Success in World Politics*, 56. 76 Ibid, p. 55.

Confucianism dominated China's official state ideology from the Song Dynasty to the beginning of the 20th century. This same ideology was then adopted throughout neighboring nations such as Korea and Japan.⁷⁷ Once the CCP had firmly taken control of China in 1949, Mao's revolutionary ideology grew in appeal to large groups in Asia, Africa, Latin America, and some western nations. This revolutionary appeal helped China's political values gain international status. However, with arrival of the Cultural Revolution, Mao's radical beliefs once again began to lose favor internationally.

The new Chinese leadership is pursuing a new set of domestic policies which may appear to be more attractive to other nations. These new social and political programs are termed the 'New Deal' and are very similar in content to those implemented in the United States in the 1930s by President Franklin D. Roosevelt. According to Cheng Li, the 'New Deal' incorporates three interrelated aspects: more balanced regional economic development to reduce regional disparity, increase employment, and stimulate the domestic market; increased concern for social justice, or fairness; and the need to create a social safety net and greater transparency and instutionalization.⁷⁸

In February 2003, President Hu Jintao unveiled his 'three people principles' (power for, sympathy with, and benefit for the people). Since, the government has taken a series of policy measures, including intensifying its anti-corruption campaign, reducing the burden on farmers, granting legal and equal status for migrant workers in cities, greater attention to the treatment and care of HIV/AIDS patients, and strengthening environmental initiatives in the government's policies. These policies have helped to improve the image of Chinese leadership in the international arena.⁷⁹

Political Values Assessment

China's ancient value system, based on Confucian philosophy, is greatly admired by many nations in the Southeast Asian region. Yet, many western nations often criticize

⁷⁷ For specific examples of Chinese political values see John King Fairbank, *Chinese World Order: Traditional China's Foreign Relations*, (Cambridge, MA: Harvard University Press, 1968)

⁷⁸ Cheng Li, "The 'New Deal': Politics and Policies of the Hu Administration," *Journal of Asian and African Studies*, no 38: 329-346.

⁷⁹ Yanzhong Huang and Sheng Ding, "Dragon's Underbelly: An Analysis of China's Soft Power", *East Asia*, Vol. 23 no. 4 (2006): 12.

China's domestic policies for their lack of appeal when considering human rights, rule of law, and democracy. To gain a better understanding of other's perceptions of China we shall take a closer look at how China's policies rated globally and in the region.

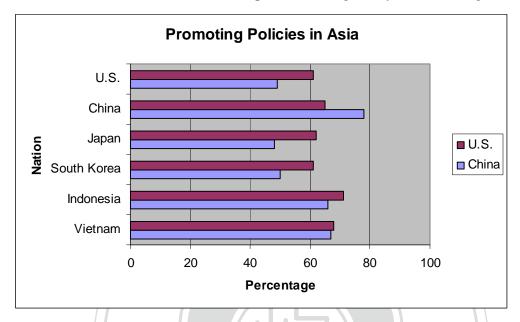


Figure 5: Promoting Policies in Asia **Source**: Soft Power In Asia: Results of a 2008 Multinational Survey of Public Opinion by The Chicago Council on Global Affairs, Whitney and Shambaugh.

Assessing the results of a 2008 multinational survey of public opinion conducted by the Chicago Council on Global Affairs, one may be skeptical of China's soft power in terms of political values. As seen in the Figure 5, all nations, excluding China, view the United States as more influential in promoting its policies within Asia. China's lack of political soft power becomes even more evident when respondents are asked whether their country shares similar values with China. Excluding China's own opinion, the majority of the nations surveyed believe their values converge either "a little" or to "no extent" with China. ⁸⁰

In respect to China's political system, when the respondents were asked whether China's political system serves the needs of its people, with the exception of Indonesia, the mean score is 51% or below. Similarly, in respect to human rights and the rule of law,

⁸⁰ Whitney and Shambaugh, "Soft Power In Asia".

with the exception of Indonesians (68%), China receives low average ratings from Americans (27%), Japanese (39%), and South Koreans (45%).⁸¹

Presently, China faces a myriad of domestic problems which hinder its image in the international community. One issue of contention is the problem of rampant corruption throughout China. President Hu Jintao called it "the most dangerous factor" weakening the Communist Party's claim to rule. 82 Corruption has become China's greatest economic blight, its biggest social pollutant, and an important political challenge.83

China's economy has grown by enormous measures since the opening up in 1978, lifting millions out of poverty. Nonetheless, a substantial amount of income disparity still exists within China. At the time of reform, China's Gini coefficient was 0.16 (urban) and 0.21 (rural), in 2004 the national average was 0.53⁸⁴, which is higher than the international danger level of 0.4. In 2002, a report based on the nationwide survey shows the average per capita income of urban residents was 3.1 times higher than that of rural residents⁸⁵. The disparity between the rich and poor continues to grow; meanwhile the development of a middle class is yet to be fully realized.

The general quality of life of the average Chinese citizen is very poor. The government is constantly pressed to provide adequate public goods and services in areas of public safety, education, health care, and law enforcement. 86 In 2000, the World Health Organization (WHO) analyzed health systems of 191 member countries in terms of health improvement, government responsiveness, and fairness of health financing, and China ranked 144th in the world, behind India, Indonesia, and Bangladesh.⁸⁷ According to a recent report released by the Chinese State Council Development Research Center, medical resources have been mostly allocated to urban areas and to government

⁸¹ Ibid.

⁸² Bates Gill and Yanzhong Huang, "Sources and Limits of Chinese 'Soft Power," 28.

Yanzhong Huang and Sheng Ding, "Dragon's Underbelly: An Analysis of China's Soft Power," 12.
Josephine Ma, "Wealth Gap Fuelling Instability, Studies Warn," South China Morning Post, December 22, 2005. The Gini coefficient is a statistical measure of wealth distribution and disparity, where zero means all persons have the same wealth in a given group or country, and 1.0 means on person has all the wealth in that group or country.

⁸⁵ See National Bureau of Statistics of China, *China Statistical Yearbook* 2002, (Beijing: National Bureau of Statistics of China, 2003) available at http://www.stats.gov.cn/enGliSH/.

⁸⁶ Minxin Pei, "China's Governance Crisis," Foreign Affairs, Vol. 81 no. 5 (September-October 2002): 96-

⁸⁷ Yanzhong Huang and Sheng Ding, "Dragon's Underbelly: An Analysis of China's Soft Power," 12.

departments or state-owned units. Basically, the medical reform has been a failure, with unbearable expenses placed on patients, many of whom do not dare go to the hospital.⁸⁸ Nearly, 80% of rural residents and about 55% of urban residents are not covered by health insurance.⁸⁹

In summary, China's political values are not well received around the globe. The majority of nations surveyed perceive China's government to be inadequate in providing its citizens with essential public goods and services. China's domestic instability caused by a corrupt government, large income gap, and uninsured populace may be the eventual downfall of its glorious rise. Therefore, before China sets out to charm the international community, it should first consider the well being of its own citizens.

Foreign Policy

As claimed by Joseph Nye Jr., compared to a nation's cultural attractiveness and political values, the substance and style of its foreign policy is a more direct vehicle for developing its soft power. O According to Nye, all countries pursue their national interest in foreign policy, but there are choices to be made about how broadly or narrowly they define their national interest, as well as by the means by which they pursue it. Since soft power depends on the currency of attraction rather than force or payoffs, it depends in part on how they frame their own objectives. Policies based on broadly inclusive and farsighted definitions are easier to make attractive to others. A state has interest in maintaining a degree of international order. A government needs to influence distant governments and organizations on a variety of issues: proliferation of weapons of mass destruction, terrorism, drugs, trade, resources, and environmental issues. Joseph Nye claims international order is a public good--something everybody can consume without diminishing its availability to others. Furthermore, foreign policies produce soft power when they promote broadly shared values such as democracy and human rights. If a state can establish international norms consistent with its society, it is less likely to have to

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⁹¹ Ibid., 60-61.

⁸⁸ Bates Gill and Yanzhong Huang, "Sources and Limits of Chinese 'Soft Power," 28.

⁸⁹ State Council Development Research Center, "An Evaluation of and Recommendation on the Reforms of the Health System in China," *China Development Review*, Vol. 7 no. 1 (March 2005): 151-152.

⁹⁰ Joseph S. Nye Jr., Soft Power: The Means to Success in World Politics, 60.

change. If it can support institutions that make other states wish to channel or limit their activities in ways the dominant state prefers it may be spared the costly exercise of coercive or hard power.⁹²

Throughout China's 5,000 year history, their foreign policy has been one of the most stable aspects of Chinese society. They have primarily taken a role of isolationism rather than imperialism, in that China from within was viewed as the central kingdom to which all other states were tributary states. Rarely, did China leave its borders to conquer foreign lands and was primarily self-sufficient. However, in China's modern history (1840-1949), China's traditional self-reliance gave way to reluctant interaction with other foreign powers. During the Mao era, China's foreign policy turned into one driven by ideology in which the primary goal was to balance the two superpowers. Initially, in the 1950s the goal was to balance the United States' imperialism, 93 Then, in the 1970s China began its rapprochement with the United States to counterbalance the Soviet's revisionism.

Since China's entry into the United Nations in the early 1970s, there has been a general consensus among scholars that China is moving into the gradual acceptance of international status quo. The post-Mao leadership has adopted a less confrontational, more sophisticated, more confident, and, at times, more constructive approach toward regional and global affairs.⁹⁴ The new leaders have developed a new security concept that emphasizes 1.) the Five Principles of Peaceful Coexistence, 2.) mutual beneficial economic contracts, 3.) greater dialogue promoting trust and the peaceful settlement of disputes, and a 4.) peaceful rise. 95

One of the most interesting results of China's new found foreign policy is its "good neighbor policy." China has lowered its nationalist tone and demonstrated more flexibility in solving territorial disputes with its neighbors, including Russia, Vietnam, and India. According to Taylor Fravel, China has "frequently used cooperative means to manage its territorial conflicts, revealing a pattern of behavior far more complex than

⁹² Joseph S. Nye, Jr., Soft Power, *Foreign Policy* 90 (80): p. 153-171.

⁹³ For specific examples of foreign relations see John King Fairbank, Chinese World Order: Traditional China's Foreign Relations, (Cambridge, MA: Harvard University Press, 1968)

⁹⁴ Evan S. Mederios and M. Taylor Fravel, "China's New Diplomacy," Foreign Affairs, Vol. 82 no. 6 (November-December 2003): 22-35.

⁹⁵ China to be mainstay for peace and peaceful rise, People Daily Online, June 25, 2004. ⁹⁶ Bates Gill and Yanzhong Huang, "Sources and Limits of Chinese 'Soft Power,'" 21.

many portray."⁹⁷ Of the twenty-three territorial disputes with other governments, China has settled 17. Moreover, it has agreed to suffer substantial losses in most settlements, usually receiving less than 50% of the contested land.⁹⁸

China is becoming more active in international agenda setting. It is actively looking to establish 'partnerships' or 'strategic partnerships' with most of the powers along China's periphery. China was very instrumental in establishing the Shanghai Cooperation Organization (SCO), which organizes China, Russia, and Central Asian countries to thwart extremism, separatism, and terrorism⁹⁹. Another example of China becoming more active in regional security dialogues would be the establishment of a regional defense minister's dialogue within the ASEAN Regional Forum (ARF).

Meanwhile, China's membership in international institutions and organizations has increased dramatically. From the mid 1960s to the mid 1990s, China has moved from virtual isolation from international organizations to membership numbers approaching about 80% of comparison states. Many states in Southeast Asia were very apprehensive about China's economic rise, so Premier Zhu Rongji proposed the establishment of a China-ASEAN (Association of Southeast Asian Nations) free trade area, eventually becoming a cornerstone of China's foreign policy in the region. China has agreed on the regional non-aggression pact, thereby signing the Southeast Asia Treaty of Amity and Cooperation In addition, an agreement was signed among the national oil companies of the Philipines, Vietnam, and China for a joint survey in agreed-upon areas in the South China Sea. In International oil companies of the Philipines, Vietnam, and China for a joint survey in agreed-upon areas in the South China Sea.

There are many other examples of China becoming more sophisticated in the substance and style of its diplomacy. For example, China's response to the U.S. invasion of Iraq utilized the voices of other states (Germany, Russia, France), rather than single-

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⁹⁷ M. Taylor Fravel, "Regime Insecurity and International Cooperation: Explaining China's Compromises in Territorial Disputes," *International Security*, Vol. 30 no. 2 (Fall 2005): 46.

⁹⁸ Ibid., 46.

⁹⁹ Yanzhong Huang and Sheng Ding, "Dragon's Underbelly: An Analysis of China's Soft Power," *East Asia*, Vol. 23 no. 4 (2006) 15.

¹⁰⁰ M. Taylor Fravel, "Regime Insecurity and International Cooperation: Explaining China's Compromises in Territorial Disputes," 46.

¹⁰¹ Bates Gill and Yanzhong Huang, "Sources and Limits of Chinese 'Soft Power," 22.

Yanzhong Huang and Sheng Ding, "Dragon's Underbelly: An Analysis of China's Soft Power," 14.
See the report of "Philippines, Vietnam, China sign accord on South China Sea," *Asia Pulse*, March 15, 2005.

handedly opposing the invasion. In the global tsunami relief efforts, China launched an international disaster relief campaign. Recently, China has indicated willingness to host the 'L20' Leaders Summit proposed by the Canadian Prime Minister. In addition, China has increased engagement with the UN Security Council and taken a more active role toward participating in UN peacekeeping missions.¹⁰⁴ As of 2005, China ranked as the fifteenth largest contributor of peacekeeping personnel to the United Nations.¹⁰⁵

Foreign Policy Assessment

In today's international community, China is more frequently than not seen as a responsible nation willing to cooperate with international norms. . Beijing's foreign policy style is described by many scholars as pragmatic, proactive, and savvy. But, what do other nations, particularly Asian nations, think of Beijing's diplomacy?

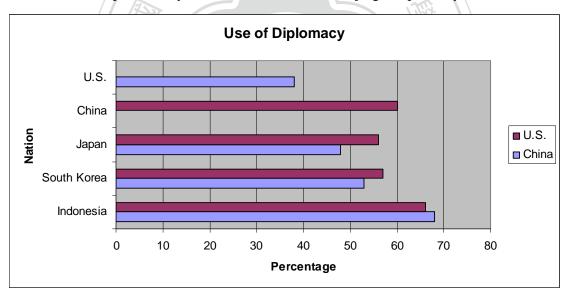


Figure 6: Use of Diplomacy

Source: Soft Power In Asia: Results of a 2008 Multinational Survey of Public Opinion by The Chicago Council on Global Affairs, Whitney and Shambaugh.

Yanzhong Huang and Sheng Ding, "Dragon's Underbelly: An Analysis of China's Soft Power," 14.
See the United Nations Department of Peacekeeping Operations website at http://www.un.org/Depts/dpko/dpko/contributors/2005/dec2005_2pdf.

According to the results of a 2008 multinational survey of public opinion conducted by the Chicago Council on Global Affairs, Chinese diplomacy receives low ratings. In we reference Figure 6, when asking the respondents if China uses diplomacy to resolve key problems in Asia or builds trust and cooperation among Asian countries, Americans, Japanese, and South Koreans give China mean scores in the low to mid range. Majorities in the United States, Japan, and South Korea rate China as either "somewhat" or "very ineffective" in resolving the problem of North Korea's nuclear weapons program. More pertinent to this paper, China receives negative assessments of its effectiveness in helping to manage tensions between Taiwan and the mainland. ¹⁰⁶

From the above data, we can see that China's regional diplomacy is not entirely effective. Despite China's efforts to popularize its own ideas about world order and the conduct of foreign policy, these ideas have not resonated within the global community. The large majority of publics in each country have not heard of China's concept of a "harmonious world". 107

In the era of globalization, China may find it increasingly difficult to set the agenda for its diplomacy. China may possess the hard power to generate relationships with governments but in today's global community far more non-state actors are involved in policy making. These non-governmental organizations (NGOs) which champion the values of human rights groups, labor unions, Falun Gong, and Tibet will be less easily persuaded by economic incentives or military threat. Rather, they will bring China's deficiencies into the international spotlight. Moreover, these groups who operate on very low costs and cut across national borders tend to attract their own international following and may force Beijing into competition for the hearts and minds of the international public. 108

Beijing's friendly relationships with dictators in the developing world, creates a legitimacy problem. Two prime examples of Beijing's willingness to coddle repressive regimes took place on the African continent. In 2004, China helped deflect U.S. and other western efforts to take tougher steps against Sudan who had violated the human

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¹⁰⁶ Whitney and Shambaugh, "Soft Power in Asia."

¹⁰⁷ Whitney and Shambaugh, "Soft Power in Asia"

¹⁰⁸ For the NGO argument see Yanzhong Huang and Sheng Ding, "Dragon's Underbelly: An Analysis of China's Soft Power," *East Asia*, Vol. 23 no. 4 (2006): 17. and Bates Gill and Yanzhong Huang, "Sources and Limits of Chinese 'Soft Power," *Survival*, Vol. 48 no. 2 (Summer 2006): 29.

rights of many who live in the Darfur region. Beijing's primary motivation for protecting this notorious regime was to secure its oil supply, of which nearly 5% comes from Sudan. Then, in 2005, at a time when UN Secretary Kofi Annan spoke of Zimbabwean President Robert Mugabe's "catastrophic injustice" when implementing his urban eviction program, Beijing lavished honors on him. Beijing takes the business is business approach to foreign affairs, but this approach will not help build sustainable relationships within those countries it tries to manipulate nor in the international community.

A major factor hindering Beijing's soft power is its lack of coherency in promoting its foreign policy. Beijing's "good neighbor policy" is often smeared by reoccurring issues with its immediate neighbors. Many times, these issues can be attributed to the nationalistic sentiment of the Chinese, whose leaders use this nationalistic sentiment to promote their own domestic and foreign policy agenda. In 2003, China applied to the United Nations Economic, Social and Cultural Organization to have Koguryo-era tombs and murals registered as a World Heritage site. This triggered anti-Chinese protests in South Korea who interpreted this act as China exerting its historical claim to this disputed area. Again, in 2005, the Chinese government was slow to thwart the anti-Japanese protests within their own country. Since, this time Sino-Japanese relations have plunged to an all time low point. Finally, more pertinent to this paper, is China's continual claim over the island of Taiwan. This point of contention, leads those across the Strait and in the international community skeptical of China's true intentions.

The lack of consistency in China's foreign policy has many in the international community uneasy about China's "peaceful development." China's recent actions are spotted with gestures of diplomatic genius and blatant aggression. Nonetheless, the abundance of non-state actors will not give reprieve to a Chinese government that befriends authoritarian regimes and pushes around its closest neighbors.

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¹⁰⁹ Abraham McLaughlin, "A Rising China Counters US Clout in Africa," *Christian Science Monitor*, March 30, 2005.

¹¹⁰ Bates Gill and Yanzhong Huang, "Sources and Limits of Chinese 'Soft Power," 28.

David Scofield, "Northeast Asia's Intra-mural Mural Wars," *Asia Times*, December 23, 2003.

¹¹² Bates Gill and Yanzhong Huang, "Sources and Limits of Chinese 'Soft Power," 30.