

CHINESE SOFT POWER – IMPLICATIONS AND LIMITS MIĘKKA WŁADZA CHIN – IMPLIKACJE I OGRANICZENIA

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ABSTRACTS

Due to unprecedented economic growth China has become one of the biggest players in international relations. Yet its present strength is based mostly on financial and economic assets with only limited soft-power capabilities. The last years have shown Beijing's increased openness towards managing its image abroad by organising international events, disseminating the Chinese language and culture and raised diplomatic activity.

The paper aims at identifying China's soft-power capabilities in traditional fields of culture, political values and foreign policy, and evaluating the implications and limits of its soft-power strategy. At the beginning of the paper the definition of the term *soft power* is given, with the short characteristics of this phenomenon. Then the general shifts in China's foreign policy are presented, followed by the analysis of the soft-power instruments used by the government in Beijing. In the final part of the essay consequences and limits of China's soft power are enumerated.

Dzięki bezprecedensowemu wzrostowi Chiny stały się jednym z najważniejszych graczy w stosunkach międzynarodowych. Jednak ich obecna siła opiera się niemal wyłącznie na aktywach finansowych i ekonomicznych, jedynie w niewielkim stopniu na potencjale miękkiej władzy. Ostatnie lata pokazały postępujące otwarcie Pekinu na zarządzanie swoim wizerunkiem za granicą poprzez organizację międzynarodowych imprez, rozpowszechnianie języka chińskiego i kultury oraz rosnącą aktywność dyplomatyczną.

Referat ma na celu prezentację instrumentów miękkiej władzy Chin w tradycyjnych sektorach kultury, wartości politycznych i etycznych oraz polityki zagranicznej, jak również ewaluację konsekwencji i ograniczeń realizowanej strategii miękkiej władzy. W początkowej części opracowania

przedstawiona jest definicja pojęcia miękkiej władzy, wraz z krótką charakterystyką zjawiska. Następnie zaprezentowane zostały główne idee chińskiej polityki zagranicznej, a następnie analiza instrumentów miękkiej władzy stosowanych przez Pekin. Pracę zamyka zestawienie konsekwencji i ograniczeń chińskiej polityki miękkiej władzy.

KEYWORDS:

China, soft power, culture, foreign policy

Chiny, miękka władza, kultura, polityka zagraniczna

INTRODUCTION

China has undergone dramatic changes within the last decades. Initiated by Deng Xiaoping in late 1970s, China's new development strategy of gradual opening resulted in unprecedented economic growth. As China's GDP reached further levels, it became clear that the Middle Kingdom is inevitably approaching the most distinctive and small group of great powers.

Along with China's economic strength, grew its soft-power capabilities. Though soft power itself has been known for centuries, its values were not much appreciated in China until recently. Consecutive governments in Beijing preferred to rely on hard power instruments, such as economic or military assets, and neglect the possible role of culture or education in stimulating China's international image and cooperation with abroad. Lack of soft-power policy resulted in many misunderstandings and the rise of the sense of insecurity in the region. Therefore nowadays China needs efficient soft-power instruments to improve its image abroad, to manage its relations with the outside world.

The paper aims at identifying China's soft-power capabilities in traditional fields of culture, political values and foreign policy, and evaluating the implications and limits of its soft-power strategy. At the beginning of the paper the definition of the term *soft power* is given, with the short characteristics of this phenomenon. Then the general shifts in China's foreign policy are presented, followed by the analysis of the soft-power instruments used by the government in Beijing. In the final part of the essay consequences and limits of China's soft power are enumerated.

SOFT POWER DEFINITION

Historically, states preferred hard power to obtain their political and economic goals in relations with other countries. Yet in the past there were some spectacular examples of soft power, e.g. France of Louis the Great or Great Britain in the 19th century, that mired other countries by their culture or successful politics. In modern times there is one obvious example of efficacious soft power use: the United States of America (the U.S.).

The definition of soft power was coined in the early 1990s by Joseph S. Nye, the political scientist who defined it as the ability to get what you want through inducement and attraction rather than coercion or payments. Nye noticed, that sometimes states can obtain what they want without the use of threats or payoffs, on the opposite: carrots are sometimes much better than sticks (Nye, 2004, p. 5).

According to Nye, countries may derive their soft power from three resources: culture, political and domestic values, and foreign policy. These instruments may have different value, depending on the country. Yet Nye's definition is rather narrow, as it rejects such instruments as aid for development or other forms of financial cooperation, such as foreign investment, which are included by some academics (e.g. Kurlantzick, 2007). Wider definition of soft power allows all forms of influence except the military one, which characterises traditional hard power. Other differences between hard and soft power include such assets, as population, territory, mineral resources or military forces, which are indispensable for hard power and completely useless for soft-power building. As J. Nye noted in his very first essay on soft power, "proof of power lies not in resources but in the ability to change the behaviour of states." (Nye, 1990, p. 155). States have soft power when they have culture, language, political values and institutions that are attractive to other states.

Soft power is best spread by a civil society, e.g. individuals with their informal contacts, travelling or working abroad, as well as multinational companies with foreign investments. Frequent travelling, foreign exchanges, as well as the spread of new ways of communication like the Internet help to export soft power. Nowadays soft-power capabilities come from such sources as good universities (e.g. the Ivy League, Sorbonne, Oxford), famous cultural industries (e.g. Hollywood) or non-governmental organisations with praiseworthy goals (e.g. Médecins Sans Frontières (Doctors Without Borders)). As David Shambaugh noticed, soft power is

not about promoting something that is *unique* about China, but promoting something that is *universal* about China (p. Shambaugh, 2013, p. 212). In other words, if China wants to increase its soft power, it has to find and emphasize all qualities that could be attractive to other nations.

Of course, the role of the government is reduced to supporting the civil society by the use of other soft-power instruments: foreign policy and the spread of most valuable domestic and political values. Therefore states have only minimal contribution in the process of soft-power development, though they can export soft power.

CHINA'S FOREIGN POLICY

China's relations with the world survived many changes in modern history. Mao Zedong's cooperation with the Soviet Union, and the non-alignment policy of close relations with developing countries shifted in the 1970s to the opening towards the U.S. In late 1970s Deng Xiaoping launched the programme of economic reforms which included opening China to international cooperation and trade, but also called for keeping a low profile in foreign relations. Therefore China didn't want to be involved in other countries' affairs and didn't want to take an exposed, leadership role in world affairs (Yan Xuetong, 2015). Deng prioritised economic development, hence close cooperation with rich and powerful partners, such as the U.S. and the EU. Notwithstanding China cultivated friendly relations with developing countries rich in much needed resources.

In 2013 Xi Jinping took the reins of a wealthy China, with foreign reserves of about \$4 trillion (2014). With such immense financial possibilities, accumulating wealth is no longer the top one priority for the Chinese leader. Xi wants to give China a new place among the most important and powerful countries in the world. The new strategy aims at "rejuvenating the nation" and "gaining international respect" (Gracie, 2014), which will be reached by achieving "two centenary goals": by 2020 China should become a moderately well-off society, and by 2049 a fully developed nation (Kuhn, 2013).

In November 2014 the Central Conference on Work Relating to Foreign Affairs was held in Beijing. Such meetings usually signalise a shift in foreign policy. As expected, Xi Jinping declared the end of Deng's low profile policy and engagement in external affairs. Xi Jinping stressed that "China should develop a distinctive diplomatic approach befitting its role

of a major country,” [...] China “should advance multilateral diplomacy, work to reform the international system and global governance, and increase the representation and say of China and other developing countries.” Therefore China will build a “global network of partnerships”, [...] a “sound and stable framework of major-country relations”, “expand cooperation with other major developing countries”, “promote neighbourhood diplomacy” and “increase China’s soft power” (“The Central Conference on Work Relating to Foreign Affairs was Held in Beijing,” 2014). Regional cooperation is therefore a tool to define China’s new – stronger – position in international relations and securing peaceful and undisturbed development.

The shift in foreign policy was caused by the belief, that “modern China is able and willing to offer more “public goods” to the world, including new possibilities of regional cooperation” (Yan Xuetong, 2015a). The newest and most successful initiatives include the creation of two financial institutions: the New Development Bank (NDB) and the Asian Infrastructure Investment Bank (AIIB). Both are based in Asia (in Shanghai and Beijing respectively), both are directed towards developing countries, and in both China is the biggest contributor. Beijing’s leadership shows the rising diplomatic and political strength of China, which apparently can create an offer attractive not only to developing but also to developed countries. In case of the AIIB out of 57 countries involved, there are 14 EU members, having altogether 20.2 percent of voting shares. China’s leadership aspirations are also shown by the creation of the China-ASEAN Free Trade Area (2010), that covers the Chinese trade with ten Asian countries. It is the largest free trade area in terms of population (1.9 billion) and 3rd largest in terms of GDP (\$12.464 trillion) (Walker, 2010).

In the meantime China constantly underlines its sincere will to cooperate and support the existing international order. The political leaders have obviously given recognition to the rising importance of soft power, as since late 2000s China initiated its soft power offensive.

CHINA AND SOFT POWER

Having succeeded on the economic field, Beijing realised, that further development depends on the way China manages its foreign relations with all partners. The positive example of the U.S. has motivated the Chinese political leaders to using soft power in order to improve the international image of China.

The term *soft power* was first used by President Hu Jintao in 2007, during the 17th National Congress of the Communist Party of China (CPC). In his speech the President noticed, that China needed to increase its soft power (Hu Jintao, 2007), without further comment. As a consequence, D. Shambaugh observed, that “since 2008 the Chinese government increasingly has recognized the importance of its international image and building ‘soft power’ as part of the nation’s “comprehensive power” (“Why Is Chinese Soft Power Such a Hard Sell?,” 2013). The results were sometimes spectacular, as the 2008 Summer Olympic Games in Beijing.

New President Xi Jinping was much more talkative in January 2014, when he delivered a speech for the members of the CPC Political Bureau. The President called for the promotion of soft power to build China’s national image, disseminate modern Chinese values and show the charm of the Chinese culture to the world (“Xi: China to promote cultural soft power,” 2014). The declarations were followed by an extensive programme of China’s promotion in the world.

China has used various instruments to improve its soft-power capabilities. Beijing focuses on three main features of soft power: culture and education, political and domestic values, as well as foreign policy.

CHINA’S CULTURAL OUTREACH

The Chinese 3,000-plus years **culture** has always attracted people around the world. Hence Beijing recognised cultural heritage as primary source of soft power. China has been actively using the so called cultural diplomacy in order to increase the knowledge and understanding of China abroad. Cultural diplomacy employs a wide variety of activities in the field of fine arts, movies, music, literature, architecture or sport. It appears that Beijing values most spectacular events, as the Olympics, organised in China or abroad, as clear evidence of China’s power and importance.

The most important and effective soft-power tools are the ones that get directly to vast audience and are connected with everyday life, sports or leisure. To begin with, China is world famous for its cuisine. All around the world there are Chinese restaurants and people enjoying the Chinese food. Another recent great achievements in the soft-power field are international awards, that China can be proud of: in 2012 Mo Yan received the Nobel Prize in Literature, and Wang Shu won the Pritzker Architecture Prize. In the Nobel Prize history China has ten laureates: five in physics,

two in literature, one in chemistry, medicine and one Peace Nobel Prize. China has also many world-class classical musicians (e.g. Lang Lang, Chen Jiafeng), architects, authors or sportsmen. During 2008 Olympic Games in Beijing, the Chinese sportsmen won 100 medals, and had the biggest score of gold medals (51). Even the Chinese movies have found their way to the Western audience (e.g. *Crouching Tiger, Hidden Dragon*) with such famous actors as Chow Yun-fat, Jet Li or Zhang Ziyi. All these achievements spread positive views on China to large audience, so are efficient soft-power instruments. The growing visibility of China on other continents was also reached by such undertakings as the designation of 2012 as the EU-China Year of Intercultural Dialogue, or continuous “Years of China” or “Years of Chinese language” in various countries.

The best yet introduced soft-power instrument are Confucius Institutes (CI) hosted by universities, and school-based Confucius Classrooms (CC), founded to spread the Chinese language and culture. The first Institute was opened in 2004 in Seoul. By the end of July 2015 there were 443 CIs and 648 CCs on six continents in over 100 countries (“Confucius Institutes (Classrooms) Around the World,” 2015). Such spectacular growth could only be obtained thanks to huge government financing, estimated by *the Economist* at \$278 million in 2013, more than six times as much as in 2006 (“Confucius says,” 2014). The costs of this undertaking are considerable: the funding for each CI closes in between \$100,000 to \$150,000 (Sahlins, 2013). Beijing covers all the expenses, including the salaries of directors teachers, and volunteers, funding for training programmes, scholarships, books, conferences, cultural events, travels to China, and field studies of Chinese and foreign experts (Hanban, 2012). Beijing intends to increase the number of CIs to 500 by the end of 2015 (“Confucius Institutes will rise to 500 by the end of this year,” 2015).

Being a very successful soft-power instrument, Confucius Institutes are the answer to great demand for Chinese-language classes, and lack of qualified teachers in many countries. They are very advantageous economically for the host countries, though raise many doubts, especially recently. The CIs’ organisational structure is quite controversial, as they are integral parts of universities, located on their premises and offering language courses as integral parts of the lectures. Another problem lies in the fact, that the institutes are supervised and sponsored by the Beijing headquarters of the Chinese Language Council International, known as Hanban, and must go in line with the official propaganda. There are some tensions, especially in the U.S. and Canada, where the institutes

are accused of restraining academic freedom by forbidding discussion on subjects uneasy for the Chinese government, such as the political status of Taiwan or the independence of Tibet. In June 2014 the American Association of University Professors called for universities to end or revise their contracts with Confucius Institutes (“Confucius says,” 2014). In his article, American anthropologist M. Sahlins gives a list of taboo subjects that cannot be discussed in CIs, including China’s military buildup, “the Tiananmen massacre, blacklisted authors, human rights, the jailing of dissidents, the democracy movement, currency manipulation, environmental pollution and the Uighur autonomy movement in Xinjiang.” (Sahlins, 2013). As Beijing rejected all discussion on the problem, some CIs were recently closed in the U.S., Canada, France, Japan and Sweden.

Notwithstanding the above problems, the government in Beijing appears as a very efficient player in building its soft-power capabilities as it managed to embed Confucius Institutes so deep in foreign education institutions. All alike institutions (e.g. the British Council, Alliance Française) exist as separate entities, with no access to national education systems. However, to continue its expansion, Beijing needs to lessen its tight control over the institutes.

As people-to-people ties are extremely efficient in soft-power building, China develops many forms of international exchange programmes. Unfortunately for Beijing, China still lacks famous universities, that could be the lodestones attracting young people. The role of education system in soft-power building cannot be overestimated, as disseminates not only education, but also the knowledge of the country, its language, and – in most cases – lasting friendships. Only two universities in mainland China (Peking and Tsinghua) and one in Hong Kong (Chinese University) are listed in the Times Higher Education’s 2014 ranking of the world’s top 100 schools (“World Reputation Rankings 2014,” 2014).

According to China’s Ministry of Education, in 2014 there were 377,054 foreign students studying in China, compared to 886,052 in the U.S. (“Project Atlas,” 2015). The weakness of China’s education is that, according to D. Shambaugh, foreign students mostly come to China for short stays to learn the language (Shambaugh, 2015), and have not time to get to know the country and its people. Therefore Beijing needs to improve the attractiveness of its universities, taking example from the best in the field: the Ivy League or Oxford.

The media are another soft-power instrument used by Beijing. Within the last decade China has undertaken serious efforts towards the

enforcement of its official propaganda abroad. As D. Shambaugh noticed, China wants to break “the Western media monopoly” (Shambaugh, 2015), accusing the Western media of biased information about China. The propaganda efforts are coordinated by the State Council Information Office (SCIO), which defines the ideas to be popularised abroad and keeps other Chinese institutions on message (Shambaugh, 2015). The SCIO also produces movies, and publishes books targeting the Chinese communities abroad, as well as in Hong Kong and Taiwan, foreign residents in mainland China, tourists, and business travellers. Beijing confirms its media offensive by huge amounts spent on its “external propaganda” – in 2014 about \$10 billion. According to D. Shambaugh, in the same time the U.S. Department of State public diplomacy expenses equalled only \$666 million (Shambaugh, 2015).

The most important tool of propaganda is Xinhua News Agency, China’s official state news service. By its website Xinhuanet, established in 1997, it provides information in various languages (e.g. Chinese, English, French, Spanish, Russian, Arabic, Japanese, Korean, Tibetan, and Uygur), releases 15,000 news stories a day, 12,000 of which are about China (“Brief Introduction to Xinhuanet,” 2015). Xinhua has bureaus in over 100 countries, trying to overtake the market already divided between the most important international news agencies as CNN, BBC or Reuters.

In Western countries Xinhua is regarded as a state-controlled agency, and has little impact on the public opinion, though it is very influential in developing regions. Its strength may derive from insufficient foreign reporting by national media or Western agencies, very common in Africa. In such cases, Xinhua enters the market niche, as in case of Egypt (Moskowitz, 2013).

Other Chinese media extremely active abroad are: the state China Central Television (CCTV) and China Radio International. CCTV operates a network of 45 channels in mainland China, and has its own website CCTV.com, available in Mandarin, English, French, Spanish, Arabic, Russian, Korean, and Chinese ethnic minority languages (“About CCTV.com,” 2014). In 2012 CCTV opened its bureaus in Nairobi (Kenya) and Washington D.C. The China Radio International (CRI) is a state-owned international radio broadcaster with 32 overseas bureaus. CRI broadcasts in 61 languages and has the biggest language service among all global media organisations. Its multimedia platform includes radio, Internet, mobile web, television and print (“About China Radio International,” 2012).

All Chinese media have recently survived profound changes, making them more attractive, understandable, up-to-date, and less controversial for the foreign audience. China also extends its offer for foreign markets by round-the-clock programmes in various languages. It is possible, that this campaign will bring the desired effects and the media will be very strong soft-power assets.

CHINESE VALUES AND POLICIES

China's tradition is not commonly known abroad. People on other continents are not familiar with core Chinese values and beliefs, such as respect for elderly, age and wisdom, the sense of group, or family loyalty. For the vast majority of foreigners the knowledge of China ends on Confucius and maybe Sun Tzu. The situation gets even worse when it comes to explaining the Chinese foreign policy, its basic principles and goals.

As the country's cultural values influence its political leader, they also influence its foreign policy. According to Zhang Lihua, the most important value is harmony, understood as "proper and balanced coordination between things" (Zhang Lihua, 2013). Harmony is deeply rooted in the Chinese Five Principles of Peaceful Coexistence adopted in the 1950s.: the principles of mutual respect for territorial integrity and sovereignty, nonaggression, non-interference in each other's internal affairs, equality, mutual benefit, and peaceful coexistence. The Chinese believe, that people should aim at creating the world of universal harmony, where foreign policy is based on the values of mutual respect, peace, cooperation, coexistence, and win-win development (Zhang Lihua, n.d.). Beijing should concentrate on disseminating the knowledge and awareness of these values, to better communicate with its foreign partners. This problem gains importance, as China undertakes sometimes controversial actions as building artificial reefs on disputed waters of the South China Sea.

Despite traditional values, also political attractiveness is the weak point in China's soft-power strategy. As political ideas are almost always present in China's public discourse, foreign audience is constantly exposed to the CPC propaganda. This one-sided, sometimes controversial attitude doesn't win people's hearts and rather makes them suspicious towards the news. The problem is that public diplomacy "made in China" differs from the one made in Europe or the U.S. As "public" it depends on the socialist government in Beijing, who defines the objectives and

the strategy. Therefore the instruments used to win public sympathy and support for the policies are still narrowed to state agencies and state-controlled enterprises, missing all the possibilities offered by the private sector and, above all, individuals. As the efforts are directed mostly toward internal and external non-state actors, its efficiency remains at least dubious.

However since late 2000s one can notice a slow movement towards gradual including the civil society. This is reflected in growing possibilities of leaving China to travel, work or study abroad. According to President Xi Jinping, by 2020 “the number of outbound Chinese tourists is expected to top 500 million” (Page & Magnier, 2014). The state control of the press and other media has been reduced, and the government finally seems to be aware that its internal policy influences its image abroad. Therefore Beijing directs its public diplomacy not only towards foreigners, but also towards the large Chinese diaspora. As expatriate communities not only raise interest about their home countries in new places of residence, but also transfer the knowledge about their motherland, they are important targets.

The Chinese politicians should also use personal narratives appealing to everyone, to win the hearts of the global public opinion. However this attitude is rather rare in China. In 2008, after the earthquake in northern Sichuan, Premier Wen Jiabao toured destroyed towns and shared tragic moments with the local people. By showing this high-profile humanitarian gestures, Wen Jiabao broke the pattern of traditional ways the CPC used to interact with ordinary people. As the New York Times noticed, some analysts say that “Wen’s efforts will absolutely leave a long-lasting influence on government work in the future” (Jacobs, 2008).

The Chinese spectacular economic success has already given considerable amount of soft power in both developing and developed countries, with no exceptions. As a result many developing countries want to follow the Chinese economic model and the popularity of the Middle Kingdom is rising. American Pew Research Center analyses global attitudes towards different countries, including China. The recent poll has shown, that in 27 of 39 surveyed countries China’s image has improved since 2014, especially within the young people. People around the world are generally convinced that China will replace or already has replaced the U.S. as the world’s leading superpower. It is surprising, that this opinion was shared by 52% of Canadians, 46% of Americans, 59% of Europeans, 50% of the Middle East population, 49% in Latin America, and 47% in Africa.

Of particular concern for Beijing should be the opinion in Asia, where only 41% believes that China will or has already replaced the U.S. as superpower. The most favourable views of China are found in Africa (e.g. Ghana 80%), Asia (e.g. Pakistan 82%, Malaysia 78%), and Russia (79%), mostly due to strong economic cooperation and the presence of the Chinese diaspora. It is important, that in 2014-15 the ratings for China have risen slightly: positive views from 49% to 54%, and negatives views have dropped from 38% to 34% (Wike, Stokes, & Poushter, 2015).

FOREIGN POLICY

Foreign policy is a very important soft-power instrument used wisely by Beijing. Its vast possibilities have helped to improve China's image abroad and increase its political and economic strength.

Both President Xi Jinping and Prime Minister Li Keqiang have visited over 50 countries in 2014. The growing importance of China is well portrayed by the long lines of politicians and diplomats from various countries making pilgrimages to Beijing in search for valuable deals or financial support. Even the most important European players as Germany or France take good care of bilateral relations with Beijing. Chancellor Angela Merkel visits China every year with a plane full of German investors in search of beneficial contracts. The European countries even sacrifice their traditional values e.g. human rights in order to establish long lasting economic cooperation with China.

Alongside China has been cultivating friendly relations with developing countries to cover its growing appetite for natural resources. As diplomacy is very symbolic, especially in Beijing, since 1993 Premier's first visit every year leads to Africa as a sign of gratitude for diplomatic support after the 1989 Tiananmen square massacre. Thanks to clever diplomacy and deep pockets Beijing managed to convince many governments in Africa and Latin America towards closer cooperation at the expense of its European and American rivals. In bilateral relations with developing countries, China always underlines its win-win strategy based on bilateral trust and shared colonial experience. This attitude is shared by many African leaders, fed up with Western demands concerning human rights or corruption. Beijing's attitude is very undemanding: no meetings with Dalai Lama, no human rights' discussion and non-intervention principle. All these are very convenient and harmless for the vast majority of developing countries. In exchange China offers much needed investment

and financial resources incomparable to those offered by the U.S., the EU or international financial institutions. Thanks to friendly relations with developing countries, China managed to build its own sphere of influence alongside the U.S., USSR or Europe. This influence was often useful e.g. for voting in international organisations.

The last years have seen increased Chinese activity in Asia. Along with the new strategy of President Xi Jinping, China became an important member of various regional organisations (economic, political, security) and even spearheaded the establishment of new entities (e.g. the Shanghai Cooperation Organisation). By regional engagement and stable, well-balanced foreign policy, China pacifies the rising fears of its economic domination over neighbouring countries, as well as increases its importance in the international forums.

Another multiplier for the Chinese soft power is its membership in international organisations gathering developing countries or emerging markets (e.g. BRICS), where Beijing can exert growing influence with the absence of European and American rivals. The most significant example of Beijing's rising soft power is the establishment of the AIIB altogether with European partners, neglecting the resistance from the U.S. and Japan.

To improve its image abroad, China has also activated its embassies. As important soft-power tools they monitor local media in search of negative opinions on China, and organise various cultural events. China increases its soft-power capabilities by hosting many international meetings and conferences, gathering the most important politicians and diplomats from all continents. Just to mention the 2008 Summer Olympic Games, the 2010 Shanghai World Expo, with over 70 million visitors ("Shanghai World Expo wins worldwide applause," 2010), or the G20 summit in 2016. Beijing offers also an extended exchange programme for politicians and intellectuals, with all the expenses covered by China. According to D. Shambaugh, "through this Beijing cultivates relationships with up-and-coming politicians around the world" (Shambaugh, 2015). China's esteem will also be raised by locating the headquarters of new financial institutions in Beijing (AIIB), and Shanghai (NDB). To ensure the spread of Chinese political and economic thought, China has many state think tanks, attached to different organs of the government, e.g. the Chinese People's Institute of Foreign Affairs, or the Shanghai Institutes for International Studies.

IMPLICATIONS AND LIMITS

The rise of China's soft power capabilities has various implications. Thanks to bright diplomacy China has secured access to natural resources, including oil and gas. Its stake in international relations has risen, as Beijing increases its activity in the region or as founding member of new international financial institutions. Hosting grandiose events, as the Olympics or World Expo has simultaneously demonstrated the Chinese financial possibilities and rising aspirations. By extensive programme of cultural cooperation China managed to become more recognisable in many countries.

The long-term consistent strategy of the Chinese political leaders has led to gradual opening of China towards the outside world. Growing access to the Internet (though still censored), altogether with vast supply of various – state and foreign – media (television, radio, press), as well as practically open possibilities of travelling, studying and working abroad, have laid foundation for the further development of a modern society.

Beijing's efforts to build a positive image of China abroad have also affected China itself. The lessening of CPC's control has resulted in higher public awareness and the better understanding of Western values and moral standards. This can facilitate future cooperation.

Overall the Chinese soft-power efforts have had a limited return so far. In its strategy of development China has improved its economic strengths, but not the political and cultural power. The source of huge concern among the Chinese academics and politicians is China's inability to produce movies and other cultural products, that could successfully compete with Western rivals. Its cultural influence doesn't reach beyond East Asia. Its impacts on non-economic, extra-regional affairs are limited.

Joseph S. Nye names two factors that undermine China's efforts: nationalism and reluctance to take full advantage of an uncensored civil society (Nye, 2015). According to Nye, strong anchoring of the CPC's political legitimacy in nationalism resulted in growing territorial conflicts in the South China Sea. On the other hand soft power efforts would be more efficient if China let people openly act with no censorship. By keeping political surveillance on the Internet, Beijing not only reduces the Chinese soft-power capabilities, but also precludes its ability to cover the governments unpopular policies. By keeping censorship over the civil society, Beijing limits its possibilities of positive influence on international

public opinion. Underestimating the importance of internal political decisions may lead to negative perception of China and even destroy positive images, e.g. the 2009 Shanghai Expo was covered by the arrest of Nobel Peace Prize laureate Liu Xiaobo (Zhang Lihua, 2014).

According to J. Nye, domestic policies and values set limits to soft-power creation, particularly in China (Nye, 2004, p. 89), where the overwhelming presence of the CPC limits intellectual freedom, accepts corruption, capital punishment, and lack of economic freedom. Such qualities cannot be understood and accepted in Western democratic countries. China also needs to address its environmental problems as pollution is one of the most disadvantageous factors for foreigners.

In China's foreign policy soft-power creation is disturbed by conflicts caused by Beijing's growing assertiveness. In 2011 China came into confrontation with Western powers on the Syrian crisis. Such conflicts as Ukraine (2013) put China against the European powers. In 2012 Beijing confronted Japan over Senkaku/Diaoyu islands, and in 2013 China declared a new Air Defence Identification Zone. Chinese initiatives as AIIB or NDB also reveal Beijing's will of showing off its growing strength. Such an attitude puts other countries in an uncomfortable position, between the U.S. and China. Yet rising China is sometimes regarded by its neighbours as a threat both in economic, and military aspects. Even though the economic danger does not seem so obvious, many countries fear that China will completely dominate them on its way of development. On the other hand China fears that neighbouring countries may create some anti-China coalition led by Japan, that will at least slower its growth.

CONCLUSION

Unfortunately for Beijing, China is a young, rising economy, that had no time to build its soft power capabilities in modern history. To make up for the lost time, China has to consolidate its existing soft power sources: develop universities, conduct wise and comprehensive cultural diplomacy to raise the knowledge and understanding of the Chinese language and culture, as well as continue its diplomatic efforts to find high-quality strategic partners, and deter from unilateral controversial decisions.

Simultaneously the government of Beijing has to realise, that the best sources of soft power lie in the Chinese civil society, not the state and its agencies. Hence the government must allow unrestrained contact with

the outside world, especially by lessening its control over the Internet, and other media. Thanks to wise soft-power usage soon China may be regarded as a legitimate and accepted member of international society and a provider of stability in the region.

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