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DEPARTMENT OF **EU INTERNATIONAL  
RELATIONS AND DIPLOMACY STUDIES**

InBev-Baillet Latour Chair of  
European Union-China Relations



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# EU-China Observer

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**InBev-Baillet Latour Chair of  
European Union-China Relations**



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**InBev-Baillet Latour Chair of  
European Union-China Relations**



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Views expressed in the *EU-China Observer* are those of the authors only and do not necessarily reflect positions of either the editors or the College of Europe.



## INTRODUCTION TO THE INTERNATIONAL CONFERENCE: “EU-CHINA SOFT DIPLOMACY”

On 18-19 April 2013, the InBev-Baillet Latour Chair of European Union-China Relations at the College of Europe in Bruges, together with the Committee of the Regions, organised its fifth annual international conference on EU-China relations that carried the theme of “EU-China Soft Diplomacy” in order to foster research on different topics in this field. During the two-day international conference, European and Chinese policy practitioners, scholars, representatives of NGOs and of the business community examined the role and impact of soft diplomacy on the bilateral interaction between the EU and China. The conference offered the opportunity for debate on a large array of issues of common interest in a spirit of enhanced people-to-people contacts.

The two-day conference was considered a big success and attracted more than 40 speakers and over 200 participants from across Europe and China. Six panels were organised to discuss, in detail, the following topics: Dialogue and Soft Diplomacy between the EU and China; Environmental Diplomacy; Culture Diplomacy; Education Diplomacy; the EU's Public Diplomacy and EU-China Relations; China's Public Diplomacy and EU-China Relations. The discussions at the conference highlighted both divergent and convergent interests between the EU and China and raised many unanswered questions for future consideration.

For the purpose of sharing with our readers the topics of discussion at the conference, we have edited this special issue of the *EU-China Observer*. The summaries of speeches are arranged according to the order of the panels presented at the conference. The summaries not only offer a glimpse of the issues discussed to those who could not attend the event, but also permit our readers to gain a better idea of the themes discussed.



InBev-Baillet Latour Chair of  
**European Union-China Relations**



**INTERNATIONAL CONFERENCE  
EU-CHINA SOFT DIPLOMACY**

**Thursday, 18 April & Friday, 19 April 2013**

**EU Committee of the Regions, 99-101 Rue Belliard, 1040 Brussels**

**Thursday, 18 April 2013**

**08:30 – 09:00 REGISTRATION**

**09:00 – 10:00 WELCOME SPEECH (ROOM JDE 52):**

**Prof. MEN Jing, InBev-Baillet Latour Chair of EU-China Relations  
College of Europe**

**KEYNOTE SPEECHES (ROOM JDE 52):**

**H.E. Mr. WU Hailong, Ambassador of the People's Republic of  
China to the EU**

**Mr. Gerhard STAHL, Secretary General of the Committee of the  
Regions**

**10:00 – 10:15 PHOTO & COFFEE BREAK**

**10:15 – 12:30 PANEL ONE: DIALOGUE AND SOFT DIPLOMACY BETWEEN THE EU  
AND CHINA (ROOM JDE 52)**

**Chair:** Prof. Pierre DEFRAIGNE, Madariaga – College of Europe  
Foundation

**Speakers:** Dr. Joelle HIVONNET, China and Mongolia Unit, EEAS, Dr. Kolja  
RAUBE, Leuven Centre for Global Governance Studies, KU  
Leuven & Mr. Matthieu BURNAY, Leuven Centre for Global  
Governance Studies, KU Leuven:  
“‘Soft Diplomacy’ and People-to-People Dialogue between the  
EU and the PRC: A Tool for a Truly Comprehensive Strategic  
Partnership, or Simply a Framework of Last Resort?”

Dr. Ida MUSIALKOWSKA, Poznan University of Economics & Dr.  
Marcin DABROWSKI, Institute for European Integration Research  
(EIF), University of Vienna:  
“EU-China Dialogue on the Regional Policy”

Mr. Xavier NUTTIN, Directorate General External Policies,  
European Parliament:  
“Public Diplomacy: EU-China People-to-People Exchanges”

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Ms. Verena NOWOTNY, independent strategy and communications consultant:

"Public Diplomacy and Communication Piecing the Puzzle Together: Why a Bigger Picture Seems Necessary to Unleash Europe's Soft Power towards China"

Dr. David SCOTT, Brunel University:

"Convergence and Divergence in EU-China Soft Power Public Diplomacy Communication: Multipolar and Multilateral Avenues"

### 12:30 – 13:30 LUNCH

### 13:30 – 15:45 PANEL TWO: ENVIRONMENTAL DIPLOMACY (ROOM JDE 52)

Chair: Ms. Alexandra SOMBSTHAY, DG Energy, European Commission

Speakers: Prof. Beatriz PEREZ DE LAS HERAS, University of Deusto, Bilbao:  
"The European Union-China Cooperation on GHG Mitigation: Mutual Experience and Joint Contribution to a Potential International Emission Trading Scheme"

Dr. Diarmuid TORNEY, TAPIR Postdoctoral Fellowship Programme & Dr. Katja BIEDENKOPF, University of Amsterdam/Vrije Universiteit Brussel:

"EU-China Environmental Diplomacy: The Case of Emissions Trading"

Dr. WANG Xin, Institut du développement durable et des relations internationales (IDDRI), Sciences Po:

"An Assessment of EU's Low-Carbon Cooperation Strategy with China"

Dr. Malte KAEDING, University of Surrey & Ms. WANG Ningkang, London School of Economics:

"NGOs in the EU-China Environmental Diplomacy"

Mr. Peter KIRBY-HARRIS, Green Economics Institute, Reading:

"From Environmental Management to Risk Prevention – the Reconfiguring of Climate Politics and the Formation of the EU-China Climate Partnership"

### 13:30 – 15:45 PANEL THREE: CULTURE DIPLOMACY (ROOM JDE 53)

Chair: Prof. Jan MELISSEN, Clingendael Institute

Speakers: Dr. Michael REITERER, Asia and the Pacific, EEAS:  
"Cultural Diplomacy: the Pilot Case of China"

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Dr. James LEE, Peking University:

"Opportunities for Promotion of the EU-China Relations in Context of the Present Cultural Project of China"

Dr. WANG Yiwei, Renmin University of China:

"When the Chinese Dream Meets the European Dream: the Mission of Chinese Cultural Diplomacy towards Europe"

Mr. Emmanuel DUBOIS, Asie21 – Futuribles:

"French Theory with Chinese Characteristics: the Case of 'Discursive Power'"

**15:45 – 16:00 COFFEE BREAK**

**16:00 – 17:45 PANEL FOUR: EDUCATION DIPLOMACY (ROOM JDE 52)**

Chair: Mr. Vito BORRELLI, DG Education and Culture, European Commission

Speakers: Dr. WANG Xiaohai, The Minda de Gunzburg Center for European Studies, Harvard University, & Mr. WANG Liuyang, Guangzhou University:  
"Promoting EU-China People-to People Exchanges: Resources, Programmes, Mechanisms and Measures of EU's Educational Diplomacy"

Ms. HONG Natalie, University of Geneva:

"Educational Exchange and Cooperation between the EU and China: A Way to Foster Understanding and Reshape Perception"

Dr. Anne-Marie DUGUET, Medicine Faculty, Université Paul Sabatier, Toulouse:

"Research and Training in Health Law: the Successful Steps of People-to People Dialogue to Set up Programs and Projects with China"

Dr. LI Albert, Science & Technology Policy Research and Information Center (STPI), National Applied Research Laboratories (NARL), Taiwan & Mr. CHANG Ching-Chun, Science & Technology Policy Research and Information Center (STPI), National Applied Research Laboratories (NARL), Taiwan:

"The Advancement of a Relationship: Science Diplomacy between the EU and China"



**InBev-Baillet Latour Chair of  
European Union-China Relations**



**Friday, 19 April 2013**

**08:30 – 09:00 REGISTRATION**

**09:00 – 11:00 ROUND TABLE: EU-CHINA COOPERATION IN THE FIELD OF  
REGIONAL DEVELOPMENT AND URBANISATION (ROOM JDE 52)**

Moderator: Mr. Gerhard STAHL, Secretary General of the Committee of the Regions

Speakers: Mr. HUANG Yiyang, Mission of the PR of China to the EU

Mr. Ramon LOPEZ SANCHEZ, DG REGIO, European Commission

Ms. Alexandra SOMBSTHAY, DG ENERGY, European Commission

Mr. Graham MEADOWS, former Director General DG REGIO, European Commission

Mr. Michel LAMBLIN, Joint Technical Secretariat, INTERREG IV C

**11:00 – 11:15 COFFEE BREAK**

**11:15 – 12:45 PANEL FIVE: THE EU'S PUBLIC DIPLOMACY AND EU-CHINA  
RELATIONS (ROOM JDE 52)**

Chair: Prof. Sieglinde GSTÖHL, College of Europe

Speakers: Prof. Cristina ORTEGA, University of Deusto, Bilbao & Ms. Silvia Maria GONZALEZ, University of Deusto, Bilbao:  
"New Challenges to Rebuild Europe: Cultural and Creative Industries as a Mechanism to Improve EU-China Relations"

Dr. Paul IRWIN CROOKES, The China Centre, University of Oxford:  
"Technical Assistance as the EU's Principal Soft Power with China: How the IPR2 Project Provided Positive Contributions to China's Technology Upgrading Strategy"

Ms. Mireia PAULO, Institute of East Asian Politics, Ruhr University Bochum, Germany:  
"The EU's Presence and Visibility in the People Republic of China: A Case Study on Public Diplomacy"

**12:45 – 13:45 LUNCH**



InBev-Baillet Latour Chair of  
**European Union-China Relations**



**13:45 – 15:15 PANEL SIX: CHINA'S PUBLIC DIPLOMACY AND EU-CHINA  
RELATIONS (ROOM JDE 52)**

Chair: Prof. MEN Jing, InBev-Baillet Latour Chair of EU-China Relations,  
College of Europe

Speakers: Prof. Stephan KEUKELEIRE, TOTAL Chair of EU Foreign Policy,  
College of Europe, Prof. PANG Chinglin, Interculturalism,  
Migration and Minorities Research Center, KU Leuven, & Ms.  
Floor KEULEERS, Institute for International and European Policy,  
KU Leuven:  
"What Soft Diplomacy? Examining Core Concepts of EU and  
Chinese Foreign Policy"

Dr. Rogier CREEMERS, University of Oxford:  
"The Domestic Context of China's International Public  
Diplomacy and Its Impact on Strategy"

Dr. SONG Lilei, Tongji University:  
"Chinese Public Diplomacy towards Central and Eastern Europe:  
Goals, Progress and Challenges"

**15:15 – 15:30 CLOSING SPEECH**

**Mr. Henk KOOL, Deputy Mayor of The Hague, the Netherlands,  
and member of the Committee of the Regions**



## WELCOME SPEECH

MEN Jing \*

Good morning, Your Excellency, Mr Secretary General, dear colleagues and friends,

Welcome to Brussels and to this two-day conference on "EU-China Soft Diplomacy". I am thrilled to meet you here especially on such a warm and sunny day. Climate change has made the weather in Brussels to become so unpredictable. The English poet Shelly once said, "If winter comes, can spring be far behind?" This winter, however, has been long and drawn out, causing people to become impatient. It was not until April that spring finally arrived and with it came new found hope. Such a setting creates the perfect environment for us to talk about EU-China relations.

The EU and China have forged a solid and mature relationship based on 38 years of bilateral diplomatic relations and 10 years of a comprehensive strategic partnership. The three pillars, the political, the economic and the people-to-people, serve as an important impetus for the EU and China to extend in-depth cooperation and exchange. In particular, the people-to-people dialogue, newly added to the institutional framework since last year, widely broadens the content of EU-China relations, making it not only the business of diplomats and politicians, but also the topic of societies from both sides. Against this background, we have organised this conference on EU-China Soft Diplomacy.

We issued a call for conference papers last November and received more than 50 proposals by January. After reading each and every one with the upmost care, we selected the total of 24 research papers, all of which will be presented today and tomorrow. The six panels include Panel 1: Dialogue and Soft Diplomacy between the EU and China; Panel 2: Environmental Diplomacy; Panel 3: Culture Diplomacy; Panel 4: Education Diplomacy; Panel 5: The EU's Public Diplomacy and EU-China Relations; Panel 6: China's Public Diplomacy and EU-China Relations.

As we hold this conference jointly with the Committee of the Regions, the Committee of the Regions will organise a round-table on "EU-China Cooperation in the field of Regional Development and Urbanisation" tomorrow morning, inviting 5 speakers from both the EU and China to exchange views and opinions on these issues.

At this conference, we are also honoured to have H.E. Mr. WU Hailong, Chinese Ambassador to the EU, and Mr. Gerhard Stahl, Secretary General of the Committee of the Regions to give opening speeches and Mr. Henk KOOL, Deputy Mayor of The Hague, and member of the Committee of the Regions to deliver the closing speech.

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\* Prof. MEN Jing is Chairholder of the InBev-Baillet Latour Chair of European Union-China Relations at the College of Europe.



## InBev-Baillet Latour Chair of European Union-China Relations



This is the fifth conference discussing EU-China relations that the InBev-Baillet Latour Chair has organised since 2009. As time passes, we see that a greater number of people are becoming increasingly interested in the field of EU-China relations. A larger proportion of individuals from all over the world are now attending conferences such as this one. I warmly welcome all of you here today and tomorrow and hope that you enjoy both the two-day conference and your stay in Brussels.

Now I would like to invite His Excellency Ambassador WU to deliver the opening speech.



## KEYNOTE SPEECH

WU Hailong\*

Secretary General Stahl, Ladies and Gentlemen,

I'm very happy to join you here in the Committee of the Regions today and share with you my views on China-EU relations. As I read through the Programme, I find that there is a wide range of issues to be discussed, covering China-EU political relations, urbanisation, environment, regional cooperation, and people-to-people exchange. In that context, I hope that my comments on these issues will offer our experts some useful perspectives and reference in your later-on discussions.

This year celebrates the tenth anniversary of the China-EU comprehensive strategic partnership. In the course of past ten years, we have built a solid and comprehensive basis for our rapidly growing relationship, which is now extensive, multi-tiered, and all-directional, as sustained by the three pillars—political, economic, and people-to-people exchange – and by over 60 dialogue and cooperation mechanisms. Our practical cooperation has been moving forward in steady steps. For nine years in a row, the EU has remained China's biggest trading partner. Despite the unfavourable global economic environment, we registered US\$546 billion of bilateral trade last year, more than four times the level of a decade earlier. In the face of the sovereign debt crisis, China has supported Europe's efforts to recover and grow through speedy acceleration of investment in Europe. On regional hotspot issues and global issues such as economic governance and climate change, the two sides have also maintained close communication, and have developed a strong foundation for international cooperation.

We are particularly encouraged by our remarkable accomplishments in people-to-people exchange. Home to ancient civilisations, China and Europe share strong traditions of enriching human civilisation, and have conducted diverse and extensive forms of exchange throughout history. In recent years, we have worked together to tap deeper into this area to release the potential, and as a result, have established people-to-people exchange as the third pillar for China-EU relations, complementing the political and business pillars. We have organized the EU-China Year of Youth, Year of Intercultural Dialogue, as well as thematic year events between China and EU member states. These activities have been extremely helpful in bringing the two peoples together. Last year, over 1.5 million Chinese chose Europe as their first destination to visit abroad. Over 200 000 Chinese students are going to schools in Europe. More than 70 flights are scheduled daily between Chinese and European cities. Through these interactions, today the people in China and Europe understand each other much better. Therefore, I

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\* H.E. Mr. WU Hailong is the Ambassador of the People's Republic of China to the European Union.

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believe that to continue growing our relations, we must combine both the traditional diplomatic approach and the non-traditional, the soft-diplomacy approach, which are mutually reinforcing.

Not long ago, a new generation of leaders have assumed the duty to lead China. They have proposed a vision known as the Chinese dream, a shared aspiration of all Chinese people: by 2020, double the GDP and income for urban and rural residents based on the 2010 level and build a moderately prosperous society in all respects; by 2050, make China a modernised socialist country that is strong, prosperous, democratic, culturally advanced, and harmonious. In the last three decades, China has maintained a 10 percent annual economic growth rate. The size of our economy has increased by 18 times to become the world's second biggest, and per capita income for urban and rural residents over 30 times, lifting 600 million people out of poverty, contributing 70 percent to global poverty reduction efforts. With our efforts to boost domestic demand and overseas investment, we expect the Chinese economy will keep the sound growth momentum going forward. It is estimated that in the next five years, China will import US\$10 trillion of products, invest US\$500 billion overseas, and send over 400 billion person-times tourists abroad.<sup>1</sup> These numbers mean enormous business opportunities for Europe and the rest of the world.

The path to achievement is never easy. The closer we get towards our goal, the more it becomes necessary for us to work hard and seek support from our partners. One important aspect of the Chinese dream is that we want to share our growth and prosperity with people from all over the world. We want to make sure that as we realise the Chinese dream, we are also creating opportunities for Europe to realise its own dream for unity, stability, and prosperity.

In order to realise our shared vision for the future, we must do three things. First, we must strengthen strategic mutual trust. An ancient Chinese philosopher Mencius once said, he who loves others is constantly loved by them; he who respects others is constantly respected by them. Equality and mutual respect are fundamental to mutual trust. China has full confidence in the prospect of the EU and firmly supports its efforts to build a stronger union, to address the debt crisis, and to play an active role in international affairs. We hope that the EU side will view China's development and China-EU relations with strategic perspective, and respect and support our choice of development path based on China's national conditions. I believe that working together, we can pioneer an even stronger partnership between China and Europe with exemplary merits of equality and mutual respect.

Second, we must share opportunities for growth. We must make good use of the opportunities presented by China's Twelfth Five Year Plan and Europe's 2020 Strategy, identify areas where we can cooperate, and come up with medium- and long-term action plans. We should start the negotiation for a mutual investment agreement at an early date, promote two-way trade

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<sup>1</sup> Here it does not mean that 400 billion people would go abroad – some may go abroad many times, but all of the overseas visits by Chinese tourists in the coming five years would be 400 billion.



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and investment, and tap deep into the cooperation potentials in urbanisation, high tech, and green economy. We should keep our markets open, oppose protectionism, and strive to build an open, relaxed, and facilitating environment for business.

Third, we must properly manage our differences and problems. Given the rapid expansion of our trade links, which is good news, we have also in recent years found ourselves in some negative stories in our business cooperation. We in China look at these problems with a sense of maturity. Instead of walking away from these problems or getting ourselves into quarrels or confrontation, we believe the true way out is dialogue. We should never let local differences affect the overall landscape of the our cooperation. Wilful adoption of punitive measures against one another will take us to nowhere. Only by working together constructively can we deliver win-win results and keep up the growth momentum of our ties.

Ladies and Gentlemen,

The China-EU relationship is now positioned on a new starting point. We have all reasons to feel confident about its future. In a few days, High Representative Ashton will go to China as the first EU leader we receive since the new leadership in China took office. Her visit will also mark the beginning of this year's high-level exchange between China and the EU. I strongly believe that guided by the spirit of equality, mutual trust, cooperation, and win-win progress, we will turn over a new page in China-EU strategic partnership. Thank you!



## KEYNOTE SPEECH

Gerhard Stahl\*

Ladies and Gentlemen,

I am delighted to welcome you to the Committee of the Regions' premises for this high-level "EU-China Soft Diplomacy" international conference. This is the second year in a row that we have successfully cooperated with the College of Europe in Bruges regarding the advancement of Sino-European relations. Last year's topic covered the 'green economy' partnership between China and the European Union (EU). This year we meet over two days to debate 'soft diplomacy' issues between Europe and China. The subject of this conference could not have been better chosen.

Recently, we have witnessed an escalation of military and diplomatic threats in and around the Korean Peninsula. The headlines dedicated to this event could give the wrong impression that military strategies have a high leverage to influence developments in an interdependent and globalised world.

European integration demonstrates that soft measures can lead to far deeper changes than the failed military policy of the past. European countries have learned that progress can be achieved through mutual agreement, through building up consensus on policies which bring common advantages. The EU has obtained the Nobel Prize for peace thanks to this method. I am convinced that the method of finding the common interest, the win-win situation in negotiations which are based on equal partnership, is a good basis for the EU-China relationship.

In the public debate about China and in some academic contributions you find two conflicting ideas. You often find in discussions a concept of containment of China. The idea is a rivalry between powers which fight for supremacy based on military and economic strength. At the end there is a winner and a loser. The other concept is the idea of partnership. It is the European idea of creating a common interest, which is based on negotiation, a common vision and agreed rules. Such cooperation is underpinned by intensive people-to-people contacts. From my understanding, this is the best description of soft diplomacy.

The different forces in a society – like political parties, business, trade unions, regions and cities, associations and interest groups - contribute to a common view of a mutually-beneficial development. What is the common vision for China and the EU?

Somehow I could find this vision 3 years ago when I visited the World Expo in Shanghai. "Better city – better life" was the slogan. Ambassador WU, I know that you contributed to the organisation of the Shanghai Expo. I remember an official movie which was shown to the visitors in the Chinese

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\* Prof. Gerhard Stahl is the Secretary General of the EU Committee of the Regions.

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Pavilion. For me, this movie represented the Chinese historical journey from a rural society into a more and more industrial one, which aims at achieving a harmonised society, living in green cities with a sustainable countryside.

This is also the European dream, which is laid down in the EU treaty, which has the objective of creating a European Union respecting social, economic and territorial cohesion. The European approach for strategic partnership, which some researchers describe as an offer for reciprocal engagement, also allows conflictual issues to be addressed. If we discuss topics like human rights, the role of the press, or democratic and economic development, we can accept that there are different ways of achieving the same objective, i.e. to protect the basic rights of all people and to promote a fair, a just and a prosperous society.

Today and tomorrow, eminent experts and scholars will explore important aspects of the Sino-European 'soft diplomacy' agenda. I am very pleased that the programme includes debates on public diplomacy, as well as environmental diplomacy, cultural relations, educational cooperation and collaboration on urbanisation and regional development issues. In this regard I wish to take this opportunity to welcome the representatives of the Chinese mission to the EU and colleagues from different Directories-General of the European Commission, the European Parliament and the European External Action Service (EEAS) who will contribute to these debates. The pool of expertise that has been gathered together is completed by eminent academics and researchers from Chinese, European and international universities.

As Secretary General of the Committee of the Regions let me also say that, when talking about 'soft diplomacy' and 'people to people contacts', one should not forget the growing relations between European and Chinese regions and cities. This bottom-up approach needs to be further strengthened so that it can meet the expectations enshrined in the EU-China Strategic Partnership and realise the potential inherent in recent concrete initiatives such as the EU China Urbanisation Partnership, the High Level Dialogue on Regional Policy and last year's 1st edition of the EU-China Mayors' Forum. Tomorrow morning, I have the pleasure of chairing a panel of Chinese and European experts, who will discuss the possibilities of establishing and financing cooperative initiatives in the field of regional and urban development.

Ladies and gentlemen,

The EU and China are world players. The EU is China's biggest trading partner, while China is EU's largest source of imports. China as the world's second largest economy is the assembly centre of the world for many manufactured goods. With US\$3.3 trillion in foreign exchange reserve it is also a major player in the international financial markets. Chinese banks are making efforts to build up a global presence. The trade and investment relationship between the EU and China is a major source of wealth, jobs, enterprise development and innovation for both sides. Closer cooperation in such areas offers us all – both in Europe and China – unprecedented opportunities for economic growth and social development. Last but not

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least, the recovery of the world economy hinges on the stability and willingness to reform of major global players such as Europe and China.

I am convinced that the intensification of partnerships, particularly at the local and regional level, represents a clear 'win-win' situation for both Europe and China. We can learn a lot from each other in areas such as implementing intelligent urban planning, improving energy efficiency, mitigating and adapting to climate change, promoting 'green' and 'digital' economies, developing efficient and clean transport, improving water and air quality, developing waste management systems and strengthening urban-rural linkages.

However, the realisation of ambitious plans in these policy areas at local and regional level requires a coordinated approach between multiple players and levels of governance. This is why the Committee of the Regions espouses the multilevel governance (MLG) approach, which has both vertical and horizontal dimensions that aim to accommodate the interests of various stakeholders and enhance participatory potential.

It is certain that the ultimate goal of all of these efforts by national and sub-national authorities should be to improve the quality of life of our citizens. I am particularly glad that the Joint Declaration signed by EU and Chinese mayors on 20 September 2012 at the first EU-China Mayors' Forum specifically focuses on building "harmonious societies based on sustainable and inclusive development". In addition to capital investment and the transfer of technology regarding energy saving, environmental protection and clean public transport, highly relevant in this context also is the exchange of best practices and models of urban and regional development. For instance, I am aware that many Chinese authorities are interested in the EU experience of dense but green cities, which have efficient infrastructure and services, good private-public cooperation schemes and attention to social integration. The many forms of public-private partnerships and investment that had shown their potential in Europe could surely benefit our Chinese counterparts too.

For some years now one of the main political priorities of the Committee of the Regions (and of the EU as a whole) has been the implementation of the Europe 2020 Strategy at the local and regional level. This blueprint for growth and competitiveness in the EU has a number of important similarities with China's Twelfth Five-Year Plan, which is not perhaps surprising. The bottom-line of both documents regarding regional development is clear: sustainable and inclusive growth, accompanied by innovative and competitiveness-enhancing actions. Thanks to the Madariaga-College of Europe Foundation, on 6 December 2012, I had the opportunity to exchange views with high-level Chinese officials regarding the similarities between Europe 2020 and China's 12th Five-Year Plan. What impresses me in the above-mentioned document is the substantial increase in environmental targets and the proposed political measures to enhance transparency particularly with respect to sustainability and societal involvement in regional and urban solutions.

Let me give you one example in this respect: the Covenant of Mayors, a pan-European initiative that the Committee of the Regions' members hold very much to heart and in the promotion of which they actively participate.



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The Covenant aims to support the efforts of local authorities to implement sustainable energy policies. It is open to all cities that want to join, including those outside the European Union. The Covenant is based on a voluntary commitment by signatories to meet and exceed the EU 20 percent CO2 reduction objective through increased energy efficiency and the development of renewable energy sources. More than 4 000 cities and regions, involving a population of over 160 million people, have joined the Covenant of Mayors. Signatories come from all 27 Member States, and 19 Mayors from other countries have also signed the Covenant.

"Governing sustainable urban development" remains a major issue for both Europe and China. On 3 May last year, a Joint Declaration on Establishing the EU-China Partnership on Sustainable Urbanisation was signed in Brussels by the then-Vice-President Li Keqiang and José Manuel Barroso, President of the European Commission. This was a highly significant development for the Committee of the Regions as well as for the European Commission, in particular for the Directorate General for Regional and Urban Policy and that for Energy. At this conference, we aim to explore, together with our Chinese partners, new solutions to tackling pressing urbanisation issues, including issues concerning the metropolitan and peri-urban areas that are both sources of growth and social challenges in many parts of Europe and China.

Ladies and Gentlemen,

Allow me to close by reiterating that the Committee of the Regions stands ready to actively contribute to EU-China cooperation in the field of regional and urban development. In welcoming you to this high-level conference, I also wish to assure you of our support for similar academic and policy-related initiatives that include both European participants and also Chinese officials, academics and experts, particularly where the topics concerned are of interest to Europe's regions and local authorities.

I wish you success in your deliberations as participants in the "EU-China Soft Diplomacy" conference. Thank you for your attention!



## PANEL ONE: DIALOGUE AND SOFT DIPLOMACY BETWEEN THE EU AND CHINA

The chair Prof. Pierre Defraigne welcomed the participants to the first panel of the two-day conference on "EU-China Soft Diplomacy". Prof. Defraigne stressed that dialogue is about talking and listening in order to understand each other, to accept differences and learn to live with them and to learn from them. In this sense, he claimed that Europe has a lot to learn from China in areas such as regional policy.

Dr. Kolja Raube and Mr. Matthieu Burnay presented a comprehensive assessment of the third pillar of the EU-China Relations – the High Level People-to-People Dialogue (HPPD), which they conducted jointly with Dr. Joelle Hivonnet. Dr. Raube and Mr. Burnay tackled in particular the factors and strategic goals that shaped the initiation of the HPPD. After a theoretical discussion on the concept of 'soft diplomacy', they examined whether the People-to-People Dialogue constitutes a soft diplomacy tool in the EU-China relationship. The speakers clarified the link between 'soft power', 'public diplomacy' and 'soft diplomacy' tools, all essential elements of the diplomatic toolbox of both the EU and more recently of China. The term 'soft diplomacy' was defined as a "new aspect of the new 'public diplomacy'" (where both public and private actors are involved). Its components are the fostering of 'soft power', processing two-way street exchanges, based on mutual agreements, reaching out to non-governmental actors. Mr. Burnay stressed that the EU has been developing a more comprehensive diplomatic toolbox while putting an emphasis on the use of soft tools but that a coherent public diplomacy strategy has yet to be established. China's history, culture, mode of economic development and a number of its political values shape the country's 'soft power'. 'Public diplomacy' has only recently been included as an important instrument in China's diplomatic toolbox as it was considered to be a foreign concept in the past. The speakers further explained the benefits of using soft diplomatic instruments to consolidate and further expand the EU-China Strategic Partnership and improve HPPD which for now remains a mainly top-down process. Dr. Raube and Mr. Burnay concluded by identifying the HPPD as a soft diplomacy tool and stated that only time will tell what impact this tool would have on the Sino-EU relationship.

Dr. Ida Musialkowska introduced the findings of the analysis she conducted jointly with Dr. Marcin Dabrowski on the EU-China Dialogue on Regional Policy. Dr. Musialkowska noted that very few studies focus on the external influence of EU policies in third countries and emphasised the lack of research on EU policy transfer to other regional organisations and third countries in the field of regional policy. She further explained that even though regional developments are increasingly seen as an internal policy, exchanges could help to build more efficient long-term strategies and policies, develop ways of financing certain activities and tackle problematic issues such as urban development, agglomeration economies. China and the

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EU face similar challenges and seek solutions at both national and subnational units. Dr. Musialkowska identified regional development disparities that exist both in the EU and in China as the first common area of interest where some aspects of the EU cohesion policy framework could be emulated and used by China to address this problem. While discussing international policy learning, Dr. Musialkowska focused on the notion of policy transfer between the EU and China. The different agreements and memoranda of understanding signed between the EU and China in the area of regional policy point out the need for balanced development which aims at promoting mutual understanding and bilateral cooperation, the sharing of EU experience on government's partnership, the new area of innovation and formation of regional clusters. Cooperation between the EU and China includes instruments such as cooperative research activities, the Chinese-European Training on Regional Policy and high level seminars on regional policy that have taken since 2006. Some actors and elements of transfer can be identified. The reasons for transfer include: exchange of experience and political reasons such as enhancing strategic cooperation. According to the study conducted by Dr. Musialkowska and Dr. Dabrowski, there are mainly two forms of transfer: inspiration from the experience of both partners and lesson-drawing from the experience of others. For instance, the case of the Chinese-European Training on Regional Policy represents mainly one-way transfer from the EU to China. The subjects of transfer are concrete and include, for example, classification of regions and policy approaches to reduce regional disparities. Many actors are involved in the process of policy transfer. Lastly, Dr. Musialkowska pointed out that in this particular area soft mechanisms are used but the evaluation of the outcomes is a process that needs more time.

Mr. Xavier Nuttin discussed the EU-China P-to-P exchanges and the role of non-state actors and civil society. He remarked that in the context of people's empowerment, globalisation, media networks, and the rise of democracy, non-state actors are righteously demanding to play a role in policy-making. Many of those actors have expertise in different fields such as environmental concerns, conflict prevention, sustainable development, fair trade or human rights. Mr. Nuttin analysed the added-value of the engagement of non-state actors in the relationship between countries and regions. Non-official actors are not meant to replace the official line but they may contribute to tackle sensitive issues that might not be dealt with otherwise. He mentioned the Asia-Europe Foundation (ASEF) which was established under the Asia-Europe Meeting with the aim to give a voice to society in Asia-Europe relations and policy making. He also noted the existence of the Asia-Europe People's Forum where recommendations are drafted and later handed to the Summit leaders. However this process is not recognised as an official forum within the framework of the ASEM and its recommendations are not formally presented. Mr. Nuttin further raised the issue of the legitimacy of representation of non-state actors. He also noted that China is promoting a harmonious society that puts people in the centre. In this sense, P-to-P exchanges and extended contacts at all levels can be used to promote intercultural dialogue and mutual understanding between

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the EU and China. Mr. Nuttin identified three objectives that need to be reached in order to enhance EU-China relations: alleviate fears in the EU (and the EU public) towards China; tap the potential of Chinese civil society for its social and political development; and promote democratic values. He underlined that bottom-up initiatives are essential to achieve the latter and to build a more inclusive policy. He argued that China has a lot to gain from developing a stronger civil society that voices its concern and contributes to solve the countries' problems.

Ms. Verena Nowotny tackled the topic of public diplomacy and communication and presented the mapping exercise she conducted of the existing public diplomacy efforts between the EU, selected member states (Austria, Finland, France, Germany, Netherlands, United Kingdom), and China. She explained that the mapping exercise was based on the following six elements of public diplomacy: listening or engaging people by collecting and analysing their value debate and opinion formation; advocacy or the direct presentation of policy and information; cultural diplomacy; exchange diplomacy; international broadcasting; and the possibilities created by the Internet to involve public participation and establish a two-way conversation. Ms Nowotny made further observations regarding EU-China public diplomacy by firstly noting that public perceptions on both sides are rather negative. She additionally underlined that Chinese public diplomacy towards Europe makes the latter's public diplomacy efforts towards the former look insignificant. She explained that even though the role of cooperation in science and research is not very popular among the wider public, it plays a very important role in EU-China relations. Ms. Nowotny stated that the listening and engaging components as well as the international broadcasting are not among the well-developed public diplomacy initiatives of the EU. Lastly, Ms. Novotny argued that EU actors tend to preach and address a rather narrow segment of the Chinese population which makes the impact of the public diplomacy efforts very limited. In her opinion, the EU is punching below its weight. In this context she emphasised the need for the EEAS to assume a coordinating role which will help achieve coordination and cooperation within the EU. She also recommended the EU develop a public diplomacy strategy and vision towards China. Last but not least, she pointed out the need for the EU to increase the outreach to the Chinese public by building on existing networks.

Dr. David Scott examined instances of convergence and divergence in EU-China 'soft power' public diplomacy communication. Dr. Scott questioned whether the EU and China were talking to/at/with or past each other and raised the issue regarding the lack of mutual understanding existent in EU-China relations. He focused his presentation on the perceptions and the use of the terms 'multipolarity' and 'multilateralism'. He also highlighted the challenges that these terms present to each actor. In this regard, it is important to understand the extent to which international actors use words on a strategic basis as a means to construct and maintain just images of them. Dr. Scott further explained that the concept of 'soft power' is linked to the concepts of 'multipolarity' and 'multilateralism'. According to him, 'multipolarity' possesses some 'soft power' attraction as it challenges hegemonism but that it might be received as too elitist and can have



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negative connotations associated with competition. 'Multilateralism' has 'soft power' advantages as it is perceived as an inclusive and active term which supposes cooperation in international affairs and complementarity between larger, medium-sized and smaller states. 'Multilateralism' is embedded in EU's internal structures and has a normative edge to it. The EU underlines the necessity to work with other national and regional actors in order to implement an international system based on 'multipolarity'. Even though the latest EU-China summit declaration stated that "both sides emphasised multilateralism", differences do still emerge. Dr. Scott pointed out that China is said to be a 'conditional multilateralist' as it is hesitant and has greater reserve over sovereignty restrictions. Chinese officials state in a very straight forward way that advocacy for a multipolar world is the strategic foundation of EU-China relations. On the other hand, Dr. Scott clarified that the EU has a much more hesitant language and tends not to use 'multipolarity' in its public diplomacy language. It is thus crucial to question who is affecting who and what such effects have on mutual understanding between the EU and China.



## PANEL TWO: ENVIRONMENTAL DIPLOMACY

The chair of the panel, Ms. Alexandra Sombsthay, welcomed the participants to the afternoon session of the first day of the conference. She recalled that one of the panels of last year's conference, organised by the InBev-Baillet Latour Chair of EU-China Relations at the College of Europe, was on "Green Diplomacy". Ms. Sombsthay emphasised that the thinking on EU-China environmental diplomacy is growing deeper.

Prof. Beatriz Perez de las Heras addressed the issue of EU-China cooperation on green-house gas (GHG) mitigation and examined the establishment of a potential International Emission Trading Scheme (ETS) which will contribute to a more sustainable development. Prof. Perez de las Heras explained that the EU can offer China its experience in emissions trading and the important lessons learnt, both in terms of positive aspects and lessons, as it is currently the largest established carbon market that complies with the Kyoto Protocol. The EU is an example of how an international trading scheme can work among 30 economically and politically divergent states when there is common will to work together to combat climate change. The EU ETS has become a more harmonised and centralised instrument at EU level while at the same time becoming more differentiated when it comes to its implementation in EU member states. As Dr. Perez de las Heras underlined, through this development the EU has become more in line with the climate governance principle of 'common but differentiated responsibility', behind which China firmly stands, and can thus become a referent for the potential world carbon market. This new feature of the EU ETS may become another factor that brings the EU and China closer together. China is the world's largest host country for the Clean Development Mechanism (CDM). Moreover, the country has gradually gained ground in the international carbon market and is now actively designing and implementing local carbon-trading programs. The target is for the regional pilot carbon trading scheme to be fully operational by 2014, so that an international carbon trading scheme can be established in China by 2016. Over recent years, the EU and China have developed broader dialogue on climate change and related issues. Dr. Perez de las Heras mentioned that one of the current priorities of EU-China cooperation is to effectively implement carbon trading markets in China, that are compatible with the EU ETS and other similar schemes. She remarked that the EU-China cooperation on emissions trading might have very positive multilateral effects as it could strengthen the global admission of emission trading as an effective instrument. In this way it could encourage the emergence of a global carbon market which will probably consist of compatible interlinked schemes. Dr. Perez de las Heras considered the establishment of a global carbon market a feasible scenario. Its construction has been underway ever since the EU-Australia emission trading scheme agreement was signed in August 2012. Harmonisation, however, is essential in order to prevent distortion between the different economies.

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Dr. Diarmuid Tornay presented research on the development of EU-China cooperation in emissions trading from a supply-demand perspective. The research, conducted together with Dr. Katja Biedenkopf, examines the steps that China is taking to develop pilot emissions trading schemes. He stated that initially, China planned to adopt a national emissions trading scheme by 2015, a scheme that is now expected to be implemented by 2020. The delay was granted after government officials voiced concern that such a goal was unlikely to be met within the next two years. Dr. Tornay further explained the factors underpinning the EU's 'supply' of policy lessons, and the Chinese domestic context which explains China's 'demand' for policy solutions. Given that emission trading is a field of common interest for the EU and China, cooperation has been driven both by Chinese demand and by European supply. The demand is seen within three broad categories: political commitment and priorities (driven by energy security concerns, need to reduce energy use, water, land, air pollution, etc.), previous policies and path dependencies (failure of command and control policies – all of Chinese experimentation of emissions trading of the early 2000 failed), and structural factors (data collection and administrative capacity). Dr. Toney noted that the Chinese government is self-conscious about the lack of experience and recognises that it does not have the required expertise to develop an effective emissions trading scheme. He further argued that the Clean Development Mechanism contributed to the development of a carbon trading industry in China which has grown more influential. According to him, cooperation between the EU and China would be most fruitful when it comes to data collection, measurement reporting, administrative capacity, etc. He further stressed that when it comes to capacity building and cooperation, it is important to look at both positive and negative lesson-drawing. Dr. Tornay identified deeper challenges which might undermine the establishment of GHG emissions trading schemes in China among which the lack of a full market-based economy in China and issues with the rule of law become apparent.

Dr. WANG Xin for his part examined the EU's low-carbon cooperation strategy towards China. He underlined that in light of the global economic downturn and sovereign debt crisis, there is a need for an effective global climate change agreement. This allows for discussions to take place regarding the adoption of an EU-level strategy that sees cooperation with China concerning the promotion of low-carbon economies. The new Chinese government is prioritising low-carbon development (LCD). Dr Wang's extensive research allowed him to aggregate relevant information and suggestions concerning the achievements of low-carbon development cooperation projects. He assessed low-carbon cooperation projects (on the central government level) between China and four EU member states (France, Germany, Italy and UK) in different sectors so as to adequately identify the fields of diplomatic interest and successes. France is very active in the area of energy efficiency in buildings in China as well as on other urban development issues. Germany has an advantage and is highly interested in the areas of energy efficiency in industry and new technology. Italy is keener to work on renewable energy issues and high technology. The UK seems to

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have initiated the highest number of LCD projects in China among the EU member states, but the majority of those projects are very small. Dr. Wang argued that where Germany and the UK focus mainly on rich provinces such as Guangdong when implementing LCD projects, Italy prefers to invest in regions with lower per capita GDP. Dr. Wang's findings illustrate that existing projects between EU member states and China not only benefit different regions in China but also exert positive impacts on a number of Chinese sectors. Such projects have been shown to help increase mutual understanding between the EU and China. Dr. Wang considered the following elements as crucial for successful and more effective EU-China low-carbon cooperation: mutual trust, cooperation on a governmental level, and intellectual property rights. In his concluding remarks, Dr. Wang voiced the following recommendations to strengthen EU's further cooperation with China in the area of LCD: strengthen experience sharing mechanisms and ICT projects within the EU, establish EU-China low-carbon development working group, identify China's domestic needs, and ally European think-tanks and research centres.

Dr. Malte Kaeding and Ms. WANG Ningkang analysed the influence of NGOs in the EU-China Environmental Diplomacy sector and introduced the notion of 'NGO diplomacy'. Their research adopted a discourse analysis approach and was based on a recent case study on the open letter, concerning an incineration project, sent in August 2012 to the German State Development Bank (KfW Bankengruppe) by 18 Chinese environmental NGOs. This study allows them to examine the micro-level interaction in Sino-German environmental diplomacy. Ms. Wang explained that this case is emblematic because: firstly, Chinese NGOs requested for the first time the establishment of a dialogue with foreign investors; secondly, due to environmental concerns they rejected a project previously agreed upon by two governments; and thirdly, the evidence obtained by the Chinese NGOs came mainly from a report released by the German NGOs. Ms. Wang questioned the ways in which Chinese NGOs communicated with German NGOs as well as with German Development Bank. She raised, as well, the issue of the leverage of Chinese NGOs when bargaining with state actors. Ms. Wang pointed out that when it came to the analysis of the discourse used in the open letter, three main themes emerged: the issue concerning the reputation of the German State and the German Bank, the issue of trust between different actors and the issue regarding NGO to NGO relations. Dr. Kaeding noted that the demands for public participation of and consultation with the Chinese NGOs were answered by an invitation for a discussion with KfW. In their report German NGOs depicted KfW as irresponsible in its overseas investments, citing projects in South Africa, Chile, and India. However, notwithstanding their support, for various reasons Chinese NGOs did not mention their NGO counterparts in Germany in the open letter to the German Bank, thus missing an opportunity to put the issue of environmental protection on the agenda. According to Dr. Kaeding and Ms. Wang, this shows that Chinese NGOs are not sufficiently aware of the power of transnational NGOs in environmental diplomacy.



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Mr. Peter Kirby-Harris discussed the possibility of reconfiguring the global state of climate politics and focused on the formation of the EU-China Climate Partnership in his presentation. He noted the slight shift towards liberal internationalisation from 'real politik' where states realised that it is in their own interest to cooperate on a number of areas with mutual interest so as to avoid risk. He examined the emergence of 'the politics of risk' and affirmed that bilateral agreements can play a role as a complimentary process, rather than an alternative one, to the multi-party talks. Much of what can be achieved at the annual multi-party talks can be predetermined bilaterally by parties willing to share technology, ideas and good practice. Bilateralism is a way of breaking the gridlock. Mr. Kirby-Harris further argued that under the aegis of differentiated responsibilities, states can look to others for assistance in reaching emissions reduction targets in a cost-effective manner, thereby reducing climate associated risks. He noted the need for leadership in the vacuum that resulted from American isolationism and commented that in this sense the EU-China Climate Partnership produces opportunities. The Partnership is focused on six main areas: energy efficiency, energy conservation and renewable energy; clean coal; methane recovery and use; carbon capture and storage; hydrogen fuel; and power generation and transmission. The focus in China is very much on short-term effects of pollution and long-term strategies, in particular, towards water management and depleted soils. Mr. Kirby-Harris said that both partners have a lot to learn from each other. For instance, coastal areas in China can benefit from the experience of the lower lands in Europe which have a lot of experience in dealing with rising sea levels. Mr. Kirby-Harris questioned the possibility of drafting a global emissions reductions treaty. Such developments, he added, will represent an alternative to the current approach which focuses solely on mitigating risks and does little to appeal to aspirations for higher living standards and expanding economic opportunities.



### PANEL THREE: CULTURE DIPLOMACY

The Chair Prof. Jan Melissen began the session by making a distinction between the terms 'cultural diplomacy' and 'cultural relations'. The concept of 'cultural diplomacy' is associated with the achievement of certain goals such as the accomplishment of diplomatic objectives. Conversely, 'cultural relations' was described by Prof. Melissen as being associated with a number of independent actors.

Dr. Michael Reiterer was the first among the speakers to talk about culture diplomacy between the EU and China. He outlined the legal and political basis concerning the term 'culture diplomacy' and its applicability to EU-China relations. Dr. Reiterer then proceeded to make reference to the 2010 European Parliament (EP) Report on the Cultural Dimensions of the EU's External Actions. The report discussed the importance of a community of values and cultural diversity both of which represent European culture values aligned with EU foreign policy goals. In support of his argument, he referred to articles 21 of the Treaty on European Union (TEU) and 167 of the Treaty on the Functioning of the European Union (TFEU). Article 21 of the TEU states that the Union's action on the international scene will be guided by the principles which have inspired its own creation. Article 167 of the TFEU stresses the importance of allowing "the flowering of the cultures of the member states while respecting their national and regional diversity". Of significance to the emergence of cultural diplomacy in the EU, was the 2005 EU and UNESCO international agreement concerning cultural expression. The increase in EU dialogues also played an extensive role in the promotion of cultural diplomacy. The EP report of 2010 stated that: "Cultural diplomacy, in the form of a constructive intercultural interaction, is an instrument for global peace and stability." In other words, the EU defines cultural diplomacy as a process rather than an event. Culture is part of the EU's 'soft power'. Dr. Reiterer stressed that values, even if distinct in the EU and in China, should be an incentive to increase dialogue, rather than an excuse to relinquish it. He concluded by referencing Bhikhu Parekh's work *Rethinking Multiculturalism: Cultural Diversity and Political Theory*. He also defined and identified a number of frameworks to be used in the future. Of greatest importance for the development of the EU-China relationship, according to Dr. Reiterer, is the mapping of stakeholders, partnerships and structured cooperation. There is a need for an increase in the number of visas issued per year, for adequate developments in the film industry, and for the promotion of an urbanisation partnership. Dr. Reiterer pointed out further that changes need to be made to the EU's public diplomacy policy.

Dr. LEE James then took the floor to discuss the opportunities for the promotion of soft diplomacy regarding EU-China relations. He stressed that China and the EU represent key powers that have the potential to promote world peace. Sino-EU cultural relations have a long history: cultural communication between both nations can be traced all the way back to the

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16<sup>th</sup> century. According to Dr. Lee, Chinese learning was first introduced to the West between the 16<sup>th</sup> and 18<sup>th</sup> centuries. This period witnessed the contrast between China's feudalistic system and the West's Capitalist system. Between the 19<sup>th</sup> and 20<sup>th</sup> century Western learning spread to the East. European science, technology and philosophy were studied in great depth by the Chinese during the middle of the 19<sup>th</sup> century. By the early 20<sup>th</sup> century, a number of Chinese had visited Europe, working part time or studying at schools as a means to experience the socialist way of life. Dr. Lee explained that with the lessons learnt regarding Western advanced science and technology, the late Qing Dynasty built up its industry and its military capacity. The Western political philosophy was an inspiration to China. Dr. Lee noted China's modernisation with respect to its ideology and the steady incorporation of capitalist tendencies in China since the end of the last century. The Nationalist Party subsequently established the Republic of China (ROC), laying down the foundation for the development of capitalist practices in the country. Many important leaders of the Chinese Communist Party (among them, Deng Xiaoping) received helpful training. By the early 21<sup>st</sup> century, stimulated by globalisation, two-way communications was initiated between the West and China. China's adoption of advanced technology and management skills from the West enabled it to promote the four modernisations that were driven by China's reform and opening up. Europe, for its part, valued its strategic partnership with the emerging power and studied its culture, tradition and Confucian philosophy. Since 2009 and as a direct consequence of modernisation, China has established a cultural project policy to support Sino-EU cultural relations. In Dr. Lee's opinion, even though significant progress has been made with respect to cultural exchange between China and the EU recently, notably through the drafting, in 2012, of a Joint Declaration on Cultural Cooperation, a lot remains to be achieved in the field. He stipulated the need for a new philosophy and the creation and instilment of new projects through cultural enterprise and industry. He also stated the need for both nations to share new cultural philosophies and opportunities for increased cooperation. The new General Secretary XI Jinping has promoted in greater depth the notion of a 'Chinese dream' that builds on harmony, common development and national rejuvenation. According to Dr. Lee, given their historical past, there is a solid basis for the promotion and success of cultural relations between China and the EU.

Dr. WANG Yiwei began his speech by deliberating the Chinese understanding of the notion of 'culture'. 'Culture' in Chinese can have two different meanings – either it is related to the observation of humanity to transcend the world or it is related to the observation of astronomy to identify evolutions of time. Dr. Wang emphasised that Chinese culture is not limited to China – it is shared by the Japanese, Koreans and even a number of Southeast Asian countries. In contrast to China, the EU shares a universal culture. Dr. Wang further noticed that the notion of the 'Chinese dream' was established after XI Jinping came to power and allowed for people to focus on China after its impressive rise. He clarified that unlike what some may believe, the 'Chinese dream' does not promote or emphasise the importance of Westernisation but rather stresses the importance for China to establish its

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own identity through an inclusive method of development. The essence of the 'Chinese dream' consists of three distinct levels. The first comprises the 'Chinese dream' at the people's level and is associated with Chinese human rights. Second, the 'Chinese dream' at the national level encompasses the desire for Chinese national rights. Third, at the civilisation level, the Chinese dream consists in the promotion of Chinese rights. There are three dimensions to the 'Chinese dream'. The first sees the 'Chinese dream' as originating from China but belonging to the world, in that sense it is a dream shared by all. The second sees the 'Chinese dream' created by China. The third dimension perceives the 'Chinese dream' as something for the Chinese people, nation and civilisation as a whole to aspire to. Dr. Wang proceeded to distinguish the 'European dream' from the 'Chinese dream'. He described the 'European dream' as being closely aligned to the EU's law on human rights. To him, world culture and diversity is calling for the rejuvenation of ancient civilisations. As the only two ancient civilisations being modernised and secularised, China and Europe should jointly push forward global governance. In Dr. Wang view, cultural diplomacy could bridge the gap between the 'Chinese dream' and the 'European dream'. Whether a state or a cultural community, it is vital for China to convince Europe not to view it as a threatening nationalistic state or emerging power. Of equal importance is the need for Europe to promote its ideal image abroad. China ought to promote a global, industrial and maritime approach to development. Europe conversely, ought to emphasise the importance of regionalism over universalism. Dr. Wang maintained that the mission of Chinese cultural diplomacy towards Europe is to transform and integrate the European universal values into a common values system, just like China absorbed Buddhism from India during the Eastern Han Dynasty. Europe could benefit from the rejuvenation of the Chinese civilisation. Dr. Wang concluded by stating that in order to deal with the uncertain world, both China and the EU have to jointly initiate 'new humanism' so as to bridge the gaps between man and nature, between East and West, North and South, as well as between generations.

Mr. Emmanuel Dubois closed the afternoon session with a presentation discussing the concept of 'discursive power' issued from French theory and the ways it has travelled to and transformed in China. He began by questioning the true meaning of 'discursive power' and emphasised the different interpretations of the term. For many Chinese scholars in the West, 'discursive power' represented a new Chinese concept used to describe the ability of leading countries to shape the agenda in the media in China and elsewhere. Mr. Dubois stated that it represented a means to analyse and promote China's influence on the global scene more comprehensively and efficiently than 'soft power'. In China 'discursive power' was considered both an end in itself and a tool for China, useful for the CCP when discussing peaceful development and the peaceful emergence of China. In this case 'discursive power' (contrary to 'soft power') is regarded as a zero sum game that can be enhanced concurrently in various countries. Thus, 'soft power' can be shared more easily than 'discursive power'. Mr. Dubois claimed that most Western scholars accurately trace the origin of the concept 'discursive



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power' all the way back to the French philosopher Michel Foucault and his 'theory of power'. The term was indeed mentioned in Foucault's text the "Order of discourse". Foucault developed the notions of 'language as power' and 'power as language', stressing that power represented essentially the ability to speak. According to Mr. Dubois, however, Foucault's power theory is often misunderstood in China. He explained that Foucault's intention was to enhance the discursive power of the individual against the government and not to hinder it, whereas in China this intention was interpreted the other way round. Two hypotheses can be considered when discussing 'discursive power' in relation to French theory with Chinese characteristics. The first is: when a concept moves from one cultural sphere to another, there is the tendency to think that the result will be a convergence between these two cultural spheres. The case of 'discursive power', however, shows the opposite, Mr. Dubois stressed, in the case of China, the concept of 'discursive power' reinforces 'Chineseness'. The second is: a metamorphosis of an anti-power theory, like Foucault's theory, into a 'counsellor to the prince theory' might be a sign of new developments in China – the rise of a civil society, independent from the government, will occur.



## PANEL FOUR: EDUCATION DIPLOMACY

The Chair Mr. Vito Borrelli welcomed the participants and expressed his satisfaction for the organisation of an event which corresponds so well to the growing need of visibility of EU's dialogue with China in the people-to-people area. He further expressed hope that the presentation in the panel will allow the participants in the conference to get familiar with the initiatives in the education area which have been contributing to strengthen links between EU and Chinese higher education institutions, research centres and, very importantly, individuals. He emphasised that bringing trust and confidence is essential for forging strong and stable ties, which requires regular exchanges between state and non-state actors.

Dr. WANG Xiaohai and Mr WANG Liuyang shared their thoughts on the resources, programmes, mechanisms and measures associated with the EU's educational diplomacy. He mentioned Joseph Nye's work on "Soft Power and Higher Education" and compared the United States' (US) and the EU's educational diplomacies. According to Dr. Wang, due to its institutional limitations in military power deployment and its negligible hard power resources, the EU is regarded as a civilian power and is obliged to resort to its 'soft power' to promote its interests outside Europe. He identified three resources of the EU's 'soft power' – culture, political values and foreign policies. Dr. Wang believes that all the three are best transmitted through personal contacts, visits, and exchanges between non-state actors, since they contribute to building real trust and confidence and to forging strong and stable ties between two nations. He remarked that over the past three decades EU-China cooperation in education, training, culture, research, and youth has developed steadily. In this sense, personal contacts have been the biggest stimulus for enhanced mutual understanding and future cooperation between Europeans and Chinese. Dr. Wang reviewed the concrete measures that have been taken by the EU to achieve its goals in terms of educational diplomacy. He underlined that the EU allocated €10 million for the EU-China European Studies Centres Programme (ESCP) (2004-2008), the first programme launched after the establishment of the EU-China strategic partnership. Additional €500 000 were disbursed for library support. He clarified that in the framework of the ESCP, fourteen new research centres for European studies were established in China. He specified that language remains the biggest challenge for Chinese students. Dr. Wang alleged that of all the EU projects, the Youth Programme, the FP7 and the Marie-Curie Actions are relatively successful – 490 researchers from China were funded through the Marie-Curie Actions programme between 2007 and 2013. He concluded that educational diplomacy enhances the EU's presence in China by encouraging student and research mobility. The EU needs to make full use of its 'soft power' potential inherent in educational exchanges in future.

Ms. HONG Natalie presented her assessment of EU-China cooperation in education. In 2007, the EU and China signed a Joint Declaration on

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Education and launched a Dialogue on Education and Vocational Training. Ms. Hong noted that since then the EU has initiated more educational programmes than China has done. EU initiatives in joint higher education institutions include the China-EU International Business School and the China-EU School of Law. According to Ms. Hong, the most successful project promoting EU studies in China is the EU-China Higher Education Cooperation Project (which was the largest cooperation project in the area of humanities and social sciences in China). She noted that the EU has also sponsored basic education in China and cited the project in Gansu province as an example. This particular case has helped the province reform both primary and secondary education. China has launched two main initiatives to foster EU-China education cooperation, namely the EU-China Language Exchange Project and the China Government Scholarship Programmes which includes the EU Window. Ms. Hong stressed the noticeable increase in the inflow of students from China to the EU and vice-versa. From 1997 to 2012, 10 000 students from the EU27 have benefited from Chinese government scholarships. In 2010, nearly 120 000 Chinese students studied in European countries, six times more than back in 2000. However, as Ms. Hong underlined, most of the Chinese students tend to be concentrated in the UK, France and Germany. The majority of European students in China also come from these three member states. Ms. Hong then looked at how the EU and China use education as a source and means of 'soft power'. 'Soft power' is an indispensable alternative for the EU and in this sense educational activities play an essential role. Ms. Hong clarified that China has launched the 'bring-in' initiative which aims at attracting foreign students through scholarships offered by the central government (EU Window, Great Wall Scholarship programme in cooperation with UNESCO, etc.), provincial and municipal governments. She added that China is pursuing a 'going global' policy and establishing Confucius Institutes around the world. Ms. Hong made a detailed analysis of the EU's Erasmus Mundus Programme in China and focused on its Action 1 (Joint-Masters and Joint-Doctorate). Beneficiaries from China amount to 1 250 for the Erasmus Mundus Joint Masters and 42 for the Erasmus Mundus Joint Doctorates (EMJD). A number of Chinese universities have been involved in the Erasmus Mundus Masters and PhD Programmes. The surveys conducted by Ms. Hong on Chinese and EU students who have benefited either from the Erasmus Mundus or from the Chinese Government Scholarship show that these programmes have increased the understanding of students from both sides about each other's political and economic system, culture and history. The programmes have also enhanced their interest in EU-China relations. Ms. Hong further noted that the future of the EU-China cooperation in education very much depends on the direct and indirect ways in which the beneficiaries of the projects are engaged.

Based on her personal experience, Dr. Anne-Marie Duguet gave valuable insight into the research and training cooperation between the EU and China in health law. Firstly, she explained that health law is a relatively new field and thus is not taught in law school or in medical school. Health law is composed of the law provisions that organise health protection and healthcare and defines the conditions that allow people to have safe health

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products and services. Health law involves the work of lawyers and health professionals from the administrative and care services as well as the input from health economists, pharmaceutical industries and bio engineers. Dr. Duguet stressed that the EU Directives have defined a legal framework for health products applicable in the 27 member states, which have different living standards. According to her, even though health law is not very well taught in Europe (or in China), research centres on health law do exist and the scientific societies on both sides are very active. Dr. Duguet focused on the exchanges between France and China on health law. In this context she mentioned the World Congress on Health Law, held both in France and in China. She was happy to confirm the willingness of the Chinese Health Law Society to learn from the European experience. She also stated that several universities in China are willing to teach medical and health law. In order to respond to the demand from the Chinese side, every year the Paul Sabatier University of Toulouse organises a Summer School in Health Law and Bioethics, in which Chinese specialists take part. Dr. Duguet believes that the exchange of visits between the European and the Chinese health law societies can foster the EU-China dialogue on health law. She noted that in 2012 the Shandong University Law School and the Paul Sabatier University launched two projects on health law: the first one on the comparison between France and China on the application of health law and ethics to genetics, biotechnology and public health, and the second on European and Chinese perspectives on patient rights and access to genetic testing. Dr. Duguet ended her presentation by stating that Chinese culture is very different from the European culture and that working together entails the existence of mutual understanding on behalf of both parties involved.

Dr. LI Albert and Mr. CHANG Ching-Chun tackled the topic concerning the advancement of the EU-China relationship through the prism of science diplomacy. Dr. Li argued that science diplomacy depends very much on the geopolitical common ground between the two sides. He argued that science diplomacy contributes to the good governance of Science and technology (S&T). S&T cooperation has arguably been increasingly important in EU-China relations since the EU adopted a constructive engagement approach towards China in 1995. He further noted that over ten dialogues are relevant to the EU-China S&T cooperation, which makes the framework of the dialogue quite complex. There is more and more collaboration in research projects and active involvement in big projects. Dr. Li underlined that Chinese involvement in EU's projects (FP 6 and 7 projects, for example) has been far more aggressive than European involvement in Chinese projects (11<sup>th</sup> and 12<sup>th</sup> Five-Year Plan). For instance, during the EU-China Science and Technology Year, the events were held only in China. Dr. Li specified, however, that the partnership is becoming more equal and reciprocal. He further argued that S&T cooperation depends on the multipolar geopolitical perception and on the fast-growing bilateral trade relations between the EU and China. He explained that in China S&T is seen as the most important drive to economic development. China is eager to excel in S&T, but the decision-making mechanism does not foster innovation since the academia and the industry enjoy less autonomy than in the EU. The good news is that both China and the



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EU agreed to increase their expenditure on S&T. For Dr. Li, the challenges that persist for the EU-China science diplomacy are linked to the shifting geopolitical balance provoked by the fast-growing Chinese economy, the changing comparative advantages, the trade disputes, and the accountability problem brought by China's expanding research and development budget. Dr Li identified a number of opportunities for the EU-China science diplomacy: S&T cooperation in China can serve as a leverage to transform China's innovation approach; and the sophisticated policy evaluation can be employed to address possible frictions in S&T-related policies.



## ROUND TABLE: EU-CHINA COOPERATION IN THE FIELD OF REGIONAL DEVELOPMENT AND URBANISATION

Dr. Gerhard Stahl opened the Round Table discussion on “EU-China Cooperation in the Field of Regional development and Urbanisation” by noting the similarities between the Chinese objectives and the objectives of the European Union (EU). The Chinese objective regarding a ‘harmonious society’ promotes an economic development that benefits all, from metropolitan areas to the country side. The objective of the EU is to create a union which respects economic and social cohesion, or in other words to create a society which allows for everyone to benefit from economic development. However, Dr. Stahl noted that the financial crisis is putting into question the achievements of the EU’s longstanding cohesion policy. China was successful in attracting people to metropolitan areas but is now facing problems linked to the environment, metropolitan development, and to megacities.

Mr. Ramon Lopez Sanchez presented the cooperation between the Directorate General (DG) for Regional integration (REGIO) and the National Development and Reform Commission (NDRC) since 2006. One of the action points of the “EU Strategy toward China” from 2001 was the establishment of a regional development and cooperation strategy between the EU and China. China was the first country outside the EU with which DG REGIO established a formal cooperation. According to Mr. Lopez Sanchez, cooperation is established when a third country shows interest in working with the EU. He stressed that the EU is not trying to impose its development model on any other country, but wishes rather to be a source of social inspiration. Nevertheless, the EU’s experience in regional development and urbanisation has been recognised and many countries have sought to develop cooperation with the EU because of this. Mr. Lopez Sanchez qualified regional policy cooperation as ‘soft cooperation’. The EU promotes an approach integrating economic growth and jobs with balanced territorial development so as to reduce regional disparities. Mr. Lopez Sanchez underlined that the European Parliament has been supporting the EU-China regional cooperation since 2009 through different pilot projects. He explained that 2013 will be the fifth and last year of support, but that the European Commission is now looking for different avenues to continue the cooperation. The main themes concerning the EU-China cooperation on regional policies include: definition of the policies, multilevel governance, evaluation and monitoring mechanisms, strategic planning, cross-border cooperation, urban and rural development and innovation. Mr. Lopez Sanchez also listed the different actions organised through the cooperation mechanism, which include events (such as seminars and conferences, and study visits), work and exchange of good practice, technical assistance in very particular fields. Since 2006 annual meetings take place between the Commissioner for Regional Policy and the Chinese Vice-Minister and seminars. The first activity within the EU-

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China cooperation consisted in a joint comparative study on regional policy. The flagship project – China-EU Training on Regional Policy, involved training sessions and visits to China and Europe which fostered exchange of good-practices and experience between Chinese and European decision makers. Since 2010 more than 100 Chinese decision makers from national and provincial levels have come to Europe to exchange with specialists from 40 different regions in 12 countries. Mr. Lopez Sanchez mentioned that 7 percent of the EU's population, much less than in other countries, live in agglomerations of more than 5 million inhabitants, which shows the EU has a rather polycentric structure. He further noted similarities between the EU and China: for instance, both in the EU and in China the least developed regions are situated in the periphery. The EU is interested in the cooperation between provinces and regions in China, especially when it comes to the solidarity between rich and poor regions. Mr. Lopez Sanchez clarified that the EU-China regional policy cooperation in 2013 will be focused on integrated rural territorial development, on implementation and coordination mechanisms, local action plans, macro-regional strategies. A number of targeted information sessions on regional innovation will be organised in Europe.

Mr. Michel Lamblin pointed out that the EU cohesion policy seeks to reduce territorial disparity, to foster the development of all regions and to promote real equal opportunities for all. This policy also supports job creation and economic growth, aims to improve quality of life as well as to encourage sustainable development. The overall budget for the cohesion policy for the period 2007-2013 is €347 billion. The following three objectives have been identified: convergence, so as to help all regions to have the same chance to compete; competitiveness, in order to create jobs and modernise the economy; and cooperation. Interregional cooperation is part of the cooperation pillar. Mr. Lamblin clarified that the group on Interregional cooperation works mainly in two fields – innovation and the knowledge economics; and environment and risk prevention. Subsidies are given to partnerships, which are created by regions. Thus, 90 percent of the regions in the EU are covered by this interregional cooperation. So far, 4 000 good practices have been identified and 250 of those have been successfully transferred. The partnership with third countries is possible but since they cannot benefit from the interregional cooperation budget, they have to finance their own cost. Mr. Lamblin identified two possibilities for such cooperation between EU and Chinese regions to be launched. Firstly, awareness could be raised about the various characteristics and competencies regarding the Chinese provinces and the Chinese authorities. The EU and China's development programmes could focus on smart, green and inclusive growth. Secondly, cooperation between the EU and China could, as well, consist in exchanges on the systems themselves and on the policies.

Ms. Alexandra Sombsthay introduced the EU-China Sustainable Urbanisation Partnership. By 2025, 350 million people will be added to the Chinese urban population, which means that 1 billion people will be living in Chinese cities by 2030. More than 200 cities in China will have a population of more than one million. In order to adequately address the issue, China has

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developed the 12<sup>th</sup> Five-Year Plan. For 2013, China plans to put more than 150 000 hectares of land on the market for housing projects and the Ministry of Housing announced that it would release 440 billion Renminbi (RMB) to build smart cities. In addition, Ms. Sombsthay underlined the high number of migrant workers – 260 million per year, which represents an important social issue given that China uses the hukou system. The Urbanisation Partnership aims at creating added value by encompassing a wide range of issues and by having all EU institutions and regional and local authorities involved. Ms. Sombsthay noted that the EU and China do have converging policies such as a willingness to increase social welfare and employment. Policies issuing from both sides equally focus on cities and on green technologies. The EU-China Partnership on Urbanisation was announced at the 14<sup>th</sup> EU-China Summit and the joint declaration was signed three months later. Thus all the 27 member states were brought on board. Ms Sombsthay stated that the Urbanisation Partnership represented an encompassing framework and an entry point into the city. The Urbanisation Partnership enables not only to increase funding, but is also subject to a high degree of political attention. The Partnership possesses a review mechanism and is composed of 14 areas of cooperation, among which public services, infrastructure, housing, energy supply, mobility, governance, cultural features, urban-rural integrated development, etc. The latest EU-China Summit agreed that the Secretariat of the Partnership will be located at the China Centre for Urban Development. Ms. Sombsthay further noted that the First EU-China Mayor's Forum took place in the Committee of the Regions in September 2012, where more than 60 participants attended (city representatives and businessmen), both from the EU and from China. The latter, she stated, shows that China is ready to engage on a city level. She mentioned several cooperation projects in the field of urbanisation, namely the EU-China Social Protection Reform Programme, which tackles issues such as the aging population and equitable social protection system), and the EC-Link project which is to be started in September 2013. A number of business opportunities have been created thanks to the Partnership, such as the EU-China Clean Energy Centre (EC2), a sustainable urbanisation project in Urumqi, Xinjiang Autonomous Region, and the Sustainable Urbanisation Park in Shenyang which covers 6 000 m<sup>2</sup> and has won a number of awards for planning.

Mr. HUANG Yiyang agreed that coordination is not always easy. He explained that the 'Chinese dream', often mentioned by Chinese leaders, has triggered a lot of debates both internationally and domestically, but if put in simple words means 'better life, life of quality and dignity'. The Chinese dream thus entails being able to breathe clean air, eat safe food and have easy access to public services (medical care and education). The existence of good governance is also crucial. For Mr. Huang, urbanisation is the most direct pathway leading to the 'Chinese dream'. Half a million are expected to migrate from the rural areas to the cities. Mr. Huang said that it is easy to dream, but difficult to fulfil one's dream. In keeping with the teachings of Confucius, the Chinese are looking across the globe for sources of inspiration. It is impossible for Chinese to follow the American dream, but the EU offers a valuable alternative based on a low-carbon economy. When it comes to

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urbanisation, China and the EU have identical priorities. Within the framework of the EU-China Urbanisation Partnership, the EU and China have worked out well-defined action plans, policies and mechanisms. In 2013, for instance, an exhibition on urbanisation will be organised, pilot projects will also be launched against the backdrop of the next EU-China Summit to be held in autumn 2013. Mr. Huang mentioned the EU Covenant of Mayors, through which more than 500 EU mayors committed themselves to reduce greenhouse gas emissions, encourage the development of renewable energy, and increase the efficiency of energy consumption. He added that cities can effectively spearhead EU-China cooperation in the field of urbanisation. Although Chinese cities have industrial parks, wide roads, and a well-established transportation system, the drainage systems, which according to Mr. Huang are at the heart of the urbanisation, are in very bad shape. He specified that the city of Qingdao, which was designed, supervised and managed by Germans around a century ago, never suffered from drainage problems – when a problem with the sewage pipe occurred in the city of Qigdao, it was easily fixed thanks to the spare parts Germans buried near the pipeline. Mr. Huang expressed great hope for the cooperation between China and the EU on urbanisation, especially where the city and regions can implement different pilot projects.

Mr. Graham Meadows explained that the big disparity between the EU and China makes China interesting to the EU. He stressed that there is a difference in causality between the 'American dream' and the 'Chinese dream': if the 'American dream' stipulates that individual prosperity leads to national prosperity, people in China believe that they will be well-off when their country is prosperous. Mr. Meadows identified a few reasons for the difficult cooperation between the EU and China. He explained that the cost of cooperating with China is increasing, the RMB being re-valued against the Euro by 25 percent. Furthermore, the focus for cooperation has shifted. China used to be considered a developing country until a few years ago, but now is a member of the BRICS, and as such is no longer dealt with as part of the EU development policy. Generally speaking, urbanisation in China does not mean quite the same thing as it does in Europe. Mr. Meadows further noticed that language creates difficulties: the easiest way to exchange experience on urbanisation issues is by having Chinese people work in EU cities and vice versa. However, it is very difficult for Europeans to work in Chinese cities since very few Europeans speak Chinese. Due to the increased potential for miscommunication, it is very important to have Chinese-speaking European specialists. He underlined that urbanisation is not merely about city-building, but also about people. China has to keep a balance between viable rural communities and the growth of cities. Mr. Meadows insisted that the problems Chinese cities have to face are slightly different from the problems EU cities are facing. In China, the problems are linked mainly to the construction of cities, rather than their management. Rural and urban development is hence closely linked. Lastly, he mentioned the difficulty of 'scaling-up' from good practice and good experience. Indeed, given its huge territory, scaling-up is a big problem for China. It is, indeed, very difficult to reach out to many smaller agglomerations (for instance villages) at the same time and make them



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change the way they are functioning in a short period of time. Mr. Meadows insisted that it is crucial to come up with ways to spread good practices in a timely manner both in China and in Europe.



## PANEL FIVE: THE EU'S PUBLIC DIPLOMACY AND EU-CHINA RELATIONS

The Chair, Prof. Sieglinde Gstohl, welcomed the participants to the afternoon session of the second day of the Conference on "EU-China Soft Diplomacy". She stressed that the three papers presented by the panel agree on the EU's great public diplomacy potential when it comes to China. She noted that when compared to China's public diplomacy efforts towards Europe, the EU's public diplomacy efforts towards China seem underdeveloped.

Ms. Silvia Maria Gonzalez presented an analysis of the cultural and creative industries in EU-China relations, a project that she carried out jointly with Prof. Cristina Ortega. Ms. Gonzalez specified that folklore, values and traditions, visual arts, performing arts, literature and press, as well as cultural heritage all constitute elements of culture. She clarified that the term 'creative industries' is broader than the term 'cultural industries' as it includes sectors such as fashion, marketing and publicity. Ms. Gonzalez introduced the term 'creative economy' which deals with the marketing policy, cinema, entertainment and software programmes. Since the artists and creators of art are the main players here, both the EU and China should invest in education and provide support for them. Moreover, industries such as fashion design, cultural tourism or contemporary art encourage identity preservation both in the EU and in China. Foreign enterprises are showing a growing interest toward 'creative industries': they have begun to invest in fashion and the manufacturing of cultural products in China. Thus, around 70 percent of the culture goods exported by China are made by foreign companies. Ms. Gonzalez stated that investments in culture have a positive effect on the social development and economic growth of a country by, for instance, fostering job creation or increasing the capacity of the productivity sector. She further noted that creative industries account for 4.5 percent of EU's GDP and 3.8 percent of its workforce. In China the cultural sector accounts for 2.45 percent of the country's GDP and is growing faster than the Chinese economy in general. The sheer size of China makes possible the development and flourishing of cultural products that have Chinese characteristics. Ms. Gonzalez noted that cultural diplomacy remains a key tool in Chinese foreign policy and that China is very keen on engaging with European culture and creative industries. However, language remains an issue, which makes Mandarin Chinese learning important in schools and universities. Ms. Gonzalez underlined that the EU should also pay special attention to the tourist industry since, according to the World Tourist Organisation, the number of Chinese tourists will continue to rise in the future. She discussed the main agreements, conferences and forums between the EU and China in the cultural industry field and in the educational sector. Ms. Gonzalez argued that some elements of culture, such as contemporary art, can contribute to the enhancement and improvement of diplomatic relations between the EU and China by promoting harmony and tolerance.

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Dr. Paul Irwin Crookes introduced technical assistance as an example of the effective use of 'soft power' and focused on the IPR2 (intellectual property rights) project. He explained that the Chinese formulation of 'soft power' overlaps with technical assistance capacity enabling strategy. Dr. Irwin Crookes identified three key areas in the conceptualisation of 'soft power' in China after the speech of HU Jintao at the Party Congress in 2007. Firstly, Chinese conceptualisation appears to be less evangelical than some of the Western conceptualisations and more focussed on instrumental elements. Secondly, there is a defensive aspect of China's conceptualisation of 'soft power' as it is believed that the use of 'soft power' can help counter the 'China threat' and allow China to develop in its own domestic interest. Thirdly, 'soft power' is a rather expansive concept and the content is more nuanced as it includes a further aspect concerning capacities. In this way the ideas behind technical assistance can embrace the Chinese conceptualisation of 'soft power'. Dr. Irwin Crookes further described the overlap between 'technical assistance' and 'educational diplomacy' by referring to the work of Prof. Nikolaidis who discusses the EU's "capacity to empower others". Dr. Irwin Crookes stressed that those areas of trade engagement that emphasise effective protection of EU intellectual property (IP) assets are valuable when engaging with China on its own IP development journey. The IPR project was actually considered to be shaped by the combination of China's national strategy in science and technological innovation and European interests in protecting their own intellectual property. Dr. Irwin Crookes clarified that the IPR2 has been operating since 2002 and aims at providing a structural framework for the existing initiatives. Dr. Irwin Crookes emphasised that the IPR2 was not only targeted at European firms, but also at Chinese firms. He argued that the IPR2 strategy helped meet the mutual interests of the EU and China. The discussions Dr. Irwin Crookes led with European officials and people from the business community confirmed the positive effects the implementation of the project had on the normalisation of EU-China relations. The IPR2 made it possible to promote the issue regarding intellectual property, a result that has enabled China to meet the needs of its own science and technology strategy. The IPR2 has also influenced the Chinese legal system (Chinese IPR laws and regulations), the corporate climate, the general administration of Chinese customs, etc. However, Dr Irwin Crookes underlined that a number of enforcement issues still exist such as the problems concerning provincial enforcement and the establishment of uniformity of enforcement across the provinces. He further observed the subsistence of broad IP activism in China, which materialises through an increasing number of national and international patent applications. Dr. Irwin Crookes called for the EU to carefully consider the IPR2 follow-up strategy.

Ms. Mireia Paulo described the EU's presence and visibility in China with the support of a public diplomacy case study. She began her presentation by discussing Chinese perceptions of the EU. Even though Chinese officials tend to evaluate the EU-China partnership positively (particularly the economic and trade cooperation) and see the Union as a partner and a friend, some negative views linked to the inadequacy of EU's policy toward China do

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persist. The promotion of EU values such as democracy is sometimes seen as a self-serving interest. When it comes to the Chinese public, both positive and negative perceptions of the EU coexist. Europe's long history, developed technology and its focus on research and innovation all contribute to the positive image of Europe and not the EU. The EU is considered a non-aggressive partner. In recent years this positive perception has been, nevertheless, replaced by a constantly increasing negative view mainly because of the economic and financial crisis and the attitude of the EU and its member states during the 2008 Olympic Games. It is interesting to note that the younger generation tends to have a more negative view of the EU; they are more influenced by the culture of the United States of America (USA). Actually, it is the USA that is valued as China's most important partner, not the EU. The EU is seen as lacking the ability to speak with a single voice and the capacity to meet the expectations of partners. Ms. Paulo further argued that EU's presence and visibility in China is very low which further aggravates the loss of legitimacy and credibility. Events in Europe are not covered very much in Chinese media and news concerning the EU as such are even less (only about 30 percent of the news-items covering Europe). Ms. Paulo stressed that Chinese rely more on television and newspapers and less on internet resources. She explained that the level of knowledge about the EU is very low when it comes to environmental matters since most news on the EU covers economic and trade related topics. According to Ms. Paulo, the EU's public strategy and other attempts to increase EU's presence in China, including EU centres, press information activities, cultural activities and education programmes, have not led to the improvement of its image. In this sense she questioned the absence of EU centres in big cities such as Beijing and Shanghai. She also noted the growing number of press and information activities as well as education and culture activities. With regard to the promotion of the EU Policy Dialogue Support Facility a number round tables, conferences and seminars between European and the Chinese politicians, businessmen and civil society take place. Nevertheless, as Ms. Paulo clarified, the activities are to a large extent event driven. Ms. Paulo additionally mentioned the European Pilot Programme on Public Diplomacy which is part of the new EU strategy toward China and is to be launched soon. The activities planned within this programme are better tailored to the Chinese public. Ms. Paulo stated that the EU needs to work on improving the perception EU citizens have of the union in order to improve the image others have. Therefore, a shift of Chinese negative perception of the EU calls for public diplomacy and outreach efforts.



## PANEL SIX: CHINA'S PUBLIC DIPLOMACY AND EU-CHINA RELATIONS

The Chair Prof. MEN Jing welcomed the participants to the last panel of the two-day conference on "EU-China Soft Diplomacy and introduced the speakers.

Prof. PANG Chinglin, Prof. Stephan Keukeleire and Ms. Floor Keuleers opened the panel with an analysis of the core concepts of EU and Chinese foreign policy. Prof. Keukeleire noted that research on foreign policy has mostly been based on Western concepts such as 'human rights', 'democracy', or 'good governance'. Therefore, the research of the three co-authors examined extensively the EU's foreign policy in relation to Chinese concepts. Prof. Keukeleire noted that the work of very few Chinese scholars is actually translated into English. Prof. Pang introduced the concepts that are important in the general academic and political debates. The 'five principles of peaceful coexistence', introduced by ZHOU Enlai, regarded as the cornerstone of Chinese foreign policy, encompass the notions of 'mutual respect', 'territorial integrity', 'non-aggression', 'non-interference in internal affairs', 'equality', 'mutual benefit'. According to Prof. Pang, the root concept that unites all the above-mentioned components is 'sovereignty'. She further explained that in the Chinese context it is unimaginable that sovereignty is handed to a sub- or a supranational entity. 'Sovereignty' lies also in the foundation of other principles such as the 'democratisation of the international community' or the construction of a 'harmonious world'. Prof. Pang clarified that the Five Principles were elaborated into the Eight Principles of Chinese aid to foreign countries. With time, the importance of the Eight Principles has somehow decreased, but the principles of 'equality', 'mutual benefit' and 'respect for sovereignty with no conditions' remain very important. The second root concept to be identified is the concept of 'equality', particularly used in the context of Sino-African relations since African countries are considered by the Chinese as brothers and partners. Prof. Pang further explained that the notion of 'peaceful development and peaceful rise' was used to curb the threat of a rising China. The idea of 'harmonious world' contains the notions of 'multilateralism', 'equality' and 'democratisation of the international community'. In 2004, a new dictum appeared: "NATO countries are the key, surrounding areas are a priority, developing countries are the foundation, multilateralism is important in the international stage", but no agreement was reached concerning the order of priority to be given to the four different areas. Prof. Pang considers however that the surrounding areas, namely East and Southeast Asia have gained more importance given the increasing presence of the US in the region. The lack of Europeans who speak Chinese and are well acquainted with the Chinese culture is a significant challenge to the successful application of these concepts toward the understanding of the EU's foreign policy.

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Dr. Rogier Creemers discussed the domestic context of China's international public diplomacy and its impact on strategy. He stressed that his focus was on policy and that he adopted a government perspective, excluding Chinese society and civil society. Dr. Creemers further alleged that regardless of the significant amount of money spent on the promotion of 'soft power', the desired objectives were not reached, i.e. the creation of a more willing and conducive environment for China to pursue its domestic development objectives. He argued that the overarching collective state-centred goal of Chinese politics for the last century has been to save the nation and reconstruct the country. China sees the world as an extremely competitive environment which is modelled by comprehensive national strength. This is why the Chinese state endeavours to develop its comprehensive national strength by working on one of the main components – 'soft power'. Dr. Creemers clarified that 'soft power' has often been identified as 'cultural power' by the Chinese leadership. This explains the huge torrent of cultural exports and activities run mainly by the Central Propaganda Department (which funds the Confucius Institutes), the General Administration of Press and the State Administration for Radio and Television – Xinhua. Dr. Creemers argued that the perceptions of 'soft power' by the Chinese leadership could be described in the following words: 'monist' (which is contrary to pluralist), 'holist', 'magical' and 'defensive'. The Chinese tend to look at things as one whole rather than in a fractured manner, which is why 'soft power' is considered a part of the country's national strength. Dr. Creemers differentiated 'epistemological monism' (according to which there is a single way to understand reality), 'political monism' (which states that there is one accepted political view) and 'value monism' (that singles out one value system, which in the case of China is the socialist core value system). This concept leads to a particular view of what 'opposition' is as there is little room for debate with regards to the way the country is governed. 'Monism' also indicates the occurrence of public diplomacy centralisation. The latter explains why Chinese civil society is affiliated to the party or the government in some way. Dr. Creemers emphasised that decisions in China are deemed to be based on science, hence, justifying them as correct and efficient. Dr. Creemers drew attention to a concept he called "the scientific optimal model of public diplomacy". He stated that by stressing Chinese 'exceptionalism', China claims the conceptual monopoly when it comes to explaining China. Dr. Creemers clarified that 'magical thinking' (or the idea that by stating something it becomes true) does create problems. Indeed, statements like "China is not a threat" obviate some concerns over the role of China in the international system, even though the latter might not necessarily entail enmity towards China as a nation. They are also proof that China disregards some of the concerns voiced by other international players. Lastly, China's 'soft power' approach could be qualified as 'defensive' since very often Chinese responses to external concepts are reactive and derivative. According to Dr. Creemers, China wants to be seen as friendly and trustworthy by a world that it sees as an enemy and untrustworthy.

Dr. SONG Lilei, the last speaker at the conference, examined the goals, the progress and the challenges of China's public diplomacy towards Central



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and Eastern Europe (CEE). First, Dr. Song introduced the changes of the Chinese perceptions of CEE. From 1949 to the early 1960s, China and the CEE countries had very good relations and participated in a number of exchange programmes. However, due to the split between the USSR and China, bilateral relations worsened and interaction between China and the CEE countries began to dwindle. Dr. Song underlined the limited knowledge of the Chinese with regards to CEE countries and the lack of understanding between them, partially due to the differing priorities of China and the CEE countries in the immediate after-Cold War period. Nowadays, Chinese scholars focusing on the CEE countries are interested in the transition processes that these countries have been undergoing and in the rise of the extreme left-wing parties. She noted that in April 2012 then Premier WEN Jiabao met with leaders from 16 CEE countries (ten EU member states, three EU candidate countries and three potential candidates for the EU). The transition process in CEE, which began in 1989, created the impetus for increased political relations between the CEE countries and China at a multilateral level, and fostered economic relations at the bilateral level. Dr. Song alleged that China-CEE relations are complex since on the one hand China is welcomed as an economic partner, and on the other hand China is criticised for its political stance regarding human rights and Tibet. However, Dr. Song explained that there are important differences between the CEE countries when it comes to their perceptions of China. Over 60 percent of the Polish, Czech and Slovenian population manifest negative perceptions of China. In the more accommodating CEE countries over 60 percent of the population have a good impression of China. The last group, according to Dr. Song, consists of countries that have not developed a particular public diplomacy toward China and that follow European decisions. Dr. Song further examined China's public diplomacy toward the CEE countries, which comprises all the diplomatic activities organised by the Chinese government and in which the Chinese public takes part. The latter have the long-term goal to promote a positive image of China in the CEE countries and the short-term objective to create a good environment for economic and trade cooperation. Dr. Song stated that China has adopted a top-to-bottom public diplomacy approach towards the CEE countries. China sees the development of closer relations with the CEE countries as a bridge between China and the EU. For Dr. Song although bilateral relations have been strengthening over the past few years, China ought to take more initiative when it comes to promoting public diplomacy in regions such as CEE. A lot of challenges remain, namely the aversion to Chinese propaganda and the lack of trust in Chinese public diplomacy.



## CLOSING SPEECH

Henk Kool\*

Mr. Chairman, distinguished guests, ladies and gentlemen!

It gives me great pleasure to be here to share some of my thoughts on the China Chapter with you. When discussing China often the term “soft power” is alluded to. Talking about China the words ‘soft power’ nowadays are often heard.

Forgive me, but the first time I heard these words, it reminded me of a lady-friend from the past, who was always trying to convince me to go shopping with her and to bring along my credit card!

Soft power, Ladies and Gentlemen is a concept developed by Joseph Nye, Dean of the Kennedy School at Harvard University, to describe the “ability to attract and co-opt rather than coerce, use force or give money as a means of persuasion”.

Joseph Nye is a well-known foreign policy expert and former US government official. Prof. Nye developed the soft power concept in his book *The Means to Success in World Politics*. Some readers consider this book not to be one of his best; the term ‘soft power’ is, widely used in international affairs nowadays.

Wikipedia informed me, that in 2007 President HU Jintao stated at the 17<sup>th</sup> Communist Party Congress that China needed to increase its ‘soft power’, and that the US State Secretary of Defence, Mr. Brown, spoke of the need to enhance American ‘soft power’.

When examining Chinese history, one notices that the term ‘power’ appears in various settings and has a number of colourful meanings. We all know SUN Zi and his *Art of War* and didn’t MAO Zedong tell us that “power comes from the barrel of a gun”? In the West we are no better: in Prof. Nye’s book we read, “[t]he best way to succeed in world politics is to smartly mix soft power with hard power”. This is a well-known Western tactic that has been used very recently by America and Europe but has proved to be rather unsuccessful at times.

I remember when the Chinese Ambassador told us in 2007 the exciting news that The Hague was chosen for the establishment of the first Confucius Institute. This was an exciting progress and was viewed as a kind of reward for the efforts we had made during these years.

Ladies and Gentlemen, the Confucius Institutes are an initiative launched by the Chinese Central Government in 2004 to promote Chinese language and culture in other countries. The Chinese National Hanban Institute administers the programs for teaching Chinese as a foreign

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language. Admittedly, most of us in the West seem to have great difficulty in pronouncing “the four Chinese tones”.

I remember we were warned by various organisations, agencies and parties of the “potential undesirable influence” this new institute might have on the “daily life of the citizens of The Hague”. It was difficult to understand such warning – we made comparisons with the French Cultural Institutes Alliance Francaise and the German Goethe Institutes and we took good note of all this – the Confucius Institute established in the Greater Hague area today is something we are proud of.

Last week in New York and in Washington, as well as in Georgia and Colorado, four more Confucius Institutes were opened, bringing the total to 100 Confucius Institutes. In the United States of America alone there are already 300 Confucius classrooms. Worldwide there are now over 400 Confucius Institutes and, as I said before, the Confucius Institute in The Hague/Leiden is doing fine and successfully contributes to cultural and economic cooperation between The Netherlands and China.

The Hague showed its ‘soft power’ in return by attracting a large number of Chinese companies. In Foreign Direct Investment (FDI) circles we share this secret that every full time equivalent (FTE) of a foreign company generates a multiplier effect, adding 1,5 FTE to the national economy! This makes acquiring foreign companies to Europe so attractive!

Allow me to mention a few things about my City: The Hague. The Hague has its own China town. I am well acquainted with the city centres of London, Paris and Brussels which also possess China towns and even China Gates. Nonetheless, I am proud to say that The Hague is the only European City with a China town and two full size, official and real China Gates, directly neighbouring the City Hall. If you want to experience delicious Chinese food, you need not fly 10 hours! I look forward to welcoming you to The Hague! Every year the Chinese New Year is happily celebrated in The Hague China Town and the City Hall and broadcast on the CCTV. This year The Hague area was able to attract the largest number of Chinese Companies. The question in this regard is what leads to the best result – power or cooperation, or rather a mix of the two. I definitely prefer and like to emphasise the power of cooperation. In the past century we were confronted with protectionism and trade wars.

We have become aware that cultural, economic and political accomplishments are very much used in arguments concerning ‘soft power’.

Last October US officials accused two Chinese Telecom equipment companies of posing a potential security threat. This is nothing new! We remember the failed negotiations concerning the Canadian Oil Company. Moreover, in the Netherlands we hesitated to sell a famous glass fiber cable company to the Chinese. Economic and trade relations have always been very important.

This is why I was very happy to read that Mr. Jerry Brown, Governor of California, shares the cooperation philosophy with us in The Hague and in the Netherlands as a whole. After signing large trade deals with a group of Chinese provinces, last week Mr. Brown stated, “We are totally open to China, it is about jobs and investments”. I must say (with a bit of jealousy) that this is

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easy to say given that the China-US Trade reached almost US\$500 billion last year.

Let's be frank, whenever we talk about China we are confronted with facts and figures that go way beyond our imagination. We read that China's Foreign Currency Reserves amount to over US\$3,3 trillion. Such figures make us feel very humble and small. While in Europe we are busy trying to save banks and to keep countries staying in the EU, it seems that the economic crisis is not having any impact on the Chinese economy. On the contrary, the Chinese Economy is on the right track and is becoming less dependent on exports to Europe and to the US. China is successfully focussing on its own domestic market.

Like the US and Europe, China has also made strategic decisions concerning certain sectors and products, such as, for instance, the case of China's rare earth supply. Rare earths, Ladies and Gentlemen, are a group of 17 chemical elements, which exist in nature. Although rare elements are not really rare, they are often very difficult to retrieve. They are also difficult to find which makes them relatively expensive. What is more, the main locations and the major producers and suppliers of rare earths are mainly found in China! Rare earth elements have special chemical characteristics. They play a very important role in the electronic equipment industry, in particular in the production of mobile phones, energy saving lamps and detection systems, and batteries.

Nowadays, about 70 kg of rare earth is being used for the production of high-tech cars. So keeping in mind the continuously growing automotive sector in China, it is no wonder that China is taking care of its own stock. The world usage of rare earth has tripled in the past 10 years reaching 125 000 tons per year. It is expected that in 2014 world demand will further increase to 200 000 tons per year. As a result, high technology companies all over the world may be confronted with a shortage of rare earth metals.

What is the solution? Again the question is: how can we cooperate together and what are the alternatives? I am happy to see that agreements are being initiated and although the re-use of old mines will be expensive and will take time, it may be necessary to open them up again.

The Netherlands, Ladies and Gentlemen, imports and exports large amounts of commodities, containers and raw materials to and from China. The Rotterdam harbour is continuing to grow in spite of the stagnating economy. The Netherlands still remains China's second highest investor and trading partner within the EU. China has built the best harbours in the world. Take a look at Rotterdam, Antwerp, Hamburg, Marseille and lately Piraeus in Greece: in these harbours the main activities are in the hands of Chinese companies.

This definitely shows the promotion of a soft power approach on behalf of China! At the same time, due to the tremendous Chinese production lines and imports, we can acknowledge that the disposable income of the average Dutchman (in spite of the stagnating economy) has increased by at least 15 percent over the past decade as a result of our close cooperation.

However when it comes to protecting or boosting employment with regards to our own domestic markets, the label 'made in China' can be a

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problem. As we all know Chinese production is often stimulated and supported by the Chinese government, which leads to problems with regard to fair competition and import obstacles for bicycles, electronics, solar panels, etc. While it must be very confusing for China at times, I am glad that the Chinese, nevertheless, have never asked the European consumer not to buy iPads or iPhones or wear Nike shoes.

The Chinese market is rapidly changing as people's living standards rise. There is increasing demand on many resources, such as water and energy. Furthermore, farmers living in urban areas do not have the possibility yet to enjoy equal treatment in relation to urban dwellers. In China, farmers account for the majority of the population. There are still many problems to tackle such as social security, education, housing and medical care. This is the consequence of the 'hukou' system (the Chinese household registration system), which will need to be changed in the future.

There are huge challenges facing China with regard to Chinese urban development. China's urbanisation process continues to move forward at a tremendous speed. Since China's reform and opening-up, the country's urbanisation rate has risen from 17 percent to over 50 percent. Just imagine: this means that over 500 million farmers have moved into cities. The strong urbanisation rate does not represent an issue of concern for China alone but rather affects the world as a whole. Looking at Europe today approximately 75 percent of Europeans live in cities and metropolitan areas. It is estimated that by 2050, 70 percent of the world population will live in cities, showing an increase of between 40-45 percent.

Let's go back to China: what are the consequences of this urbanisation? According to the recent survey on China by *the Economist Intelligence Unit*, it is foreseen that the number of super-sized urban agglomerations will rise from three in 2000 to thirteen in 2020. These agglomerations (cities with a population of more than 10 million people mainly located in the Centre and Western part of China) will represent nearly one-third of the total Chinese urban population by the end of this decade. Just think of the tremendous implications (apart from the building and housing sector) for key sectors, such as eco-environment, healthcare, education, agriculture, distribution etc. The strong urbanisation and further industrialisation mean a new rebalancing act for China's economy. It will open up new consumer markets that will go beyond the development of the present coastal provinces. To serve the new consumer segment, companies (no matter whether they are Chinese or foreign) will need to expand their business rapidly. At present, in order to reach 80 percent of China's mid-class consumer population, a company must distribute to or be present in approximately 300 urban locations. This number will double in the next decade.

Ladies and Gentlemen, Let me conclude. I am aware I may have raised more questions than providing you with answers. The future development of China is a fantastic challenge for the East, as well as for the West. It is impossible to provide all the answers. My knowledge of China is, as the Chinese like to say, "one hair of nine buffaloes". However, I am an optimistic person and, according to Chinese standards, the Vice Mayor of a



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very small city of only 0,5 million inhabitants. My name is Henk Kool, and I am convinced that we should work together to overcome our present small differences in the fields of finance, trade, etc. Our wonderful journey of 10 000 miles has only just begun!

Xie Xie!

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