

## China's Soft Power: Its Limits and Potentials

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### I. Assessing China's Soft Power into a Balance Sheet

China's impressive rise is essentially China's economic rise. With a real Gross Domestic Product growth rate of 9.8 percent from 1979 to 2007, China is expected to surpass Japan next year and become the second-largest economy in the world. China's exports of US\$1,218 billion surpassed United States exports of US\$1,162 billion at the end of 2008, and it is already the world's largest holder of foreign exchange reserves, valued at US\$1.9 trillion. This phenomenal economic rise has generated a popular projection that China will surpass the United States as an economic power sometime in the mid-twenty-first century. Considering the fact that China's economic size today is already a quarter of that of the United States, the contemporary perception of China's economic influence reflects its future. In this sense, the popular confidence that China's high performance will continue, which is usually thought of as hard power, actually constitutes China's soft power. The Asian economy is becoming Sino-centric, with China emerging as the engine of regional growth as it builds up a multilayered export production network with dynamic foreign direct investment in many parts of the country. China's neighbors increasingly look to Beijing for regional leadership, and China's own diplomacy has become more confident, omnidirectional, and proactive (Ohashi 2005; Shambaugh 2005). Moreover, China can utilize the resources derived from its high performance to gain diplomatic influence. Rot-

berg (2008) writes that as China has become the largest investor, trader, buyer, and aid donor in a number of important African countries, it has replaced European, American, and Japanese diplomatic soft power in many nations of the sub-Saharan. The "sticky" economic strength (Mead 2004) of China has been more pronounced lately as the U.S.-led global financial crisis in 2008 has stripped Washington and European governments of the resources and credibility needed to maintain their roles in global affairs (Altman 2009; James 2009).

Despite all these positive signs and the potential of China's soft power, soft power is the complex "ability to get what you want through attraction rather than coercion or payment" (Nye 2004, x). Payment, a primary channel of exercising a country's resource power, is not likely to generate soft power if it is not viewed as being committed to mutually beneficial relations. Kuriantzick (2007a) termed China's public diplomatic practice of transferring its trade, investment, and Official Development Assistance (ODA)-driven resource

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power to its aid recipients to gain soft power as its “charm offensive.” The effectiveness of this offensive, however, has not been empirically examined from the recipient country’s perspective.

The economic angle of Chinese soft power is better found in China’s developmental model. Characterized as socialist state guidance with flexible market adaptability, China’s model appeals more to many developing countries than the aggressive neo-liberal market reforms of the West. The “Beijing Consensus,” which stresses political stability and the flexibility of states to choose a development path, is attractive to many third world countries whose leadership is concerned with maintaining political control while pushing their weak economies (Wuthnow 2008; Zheng 2009). However, this consensus prompts two questions. One is that China’s ODA is not yet substantial enough to support the consensus in full practice. Brautigam (2008) estimates that China’s annual budget for foreign aid expanded from around US\$450 million to US\$1.4 billion in 2007. This amount is still much smaller than the average ODA of the Organisation for Economic Co-operation and Development’s Development Assistance Committee countries, which was US\$4.7 billion in the same year and US\$5.4 billion in 2008. The Japanese contributed US\$7.7 billion (US\$9.7 billion in 2008), while the United States gave away US\$21.8 billion (US\$26 billion in 2008). The other problem of the Beijing Consensus is that China’s indiscriminating aid to dictatorial countries is making democratic countries frown, reducing China’s soft power in these democracies. Despite these problems, China’s developmental leadership in the third world is an important source of China’s soft power.

Another dimension of China’s soft power is its increasing leadership in convening countries in multilateral forums. Since moving from its long preferred bilateral relations with periphery countries to multilateral ones, China has been active in various multilateral regional forums such as the Asian Regional Forum, the ASEAN Plus Three, and the Shanghai Cooperation

Organisation. China is also exercising convening powers in the Forum for East Asia–Latin America Cooperation (FEALAC) and the Forum on China-Africa Cooperation (FOCAC). The first FOCAC summit was held in Beijing in 2006 as part of China’s “Year of Africa,” commemorating the fiftieth anniversary of China’s diplomatic relationship with Africa. Political equality and mutual trust, economic win-win cooperation, and cultural exchanges were called for at that time (Jiang 2007).

Chinese multilateral diplomacy has not been limited to regional or cross-regional forums; it has also been global. China sends more peacekeepers to various parts of the world than any other United Nations Security Council member except France. In particular, China is actively sending peacekeepers to Africa through United Nations peacekeeping missions. About 15,000 doctors were sent to more than 47 African countries and treated 180 million African patients (Zheng 2009). China has also gained a greater voice in global financial governance by enlarging its voting rights in the International Monetary Fund (IMF) and other financial institutions. Recognition of China as a responsible stake holder in the global financial system is ironically played out by the United States, whose financial stability depends on China’s cooperation in keeping U.S. Treasury bonds. While the United States has many reasons to hem in China’s growing influence, it is limited by its own lack of resources and ends up encouraging China to take on more global financial responsibilities. Inevitably, U.S. rhetoric that coaxes China to play such a role unintentionally builds up China’s soft power rather than that of the United States’ conventional allies, such as Japan. Simply put, the world, in recognizing China, follows the example of its effective hegemonic leader, the United States.

Challenges to China’s soft power come primarily from its domestic politics. Chinese oppression of some ethnic groups’ aspirations for independence, as in the case of Tibet, invites attacks from human right activists in developed countries. Harsh handling of Chinese



nationals who are critical of the Chinese government also draws international criticism. These soft power demerits are counterbalanced by active multilateral political diplomacy. Yet, if such diplomacy mainly involves elites and government officials, individual citizens outside China, exposed to negative media, retain the images of China's domestic blunders. China needs to guard its diplomatic soft power gains from being depleted by its oppressive domestic political actions.

One other way that China has aimed at enhancing its soft power is through culture. The Chinese government has consciously promoted academic training and cultural exchange programs. China has opened 260 Confucius Institutes in more than 70 countries—40 in the United States alone with the first one established at the University of Maryland in 2004—and plans to set up 500 institutes worldwide by 2010. In Africa, Confucius Institutes have opened in Kenya, Nigeria, Zimbabwe, and South Africa, following the first one at the University of Nairobi (Li A. 2008). The number of international students studying in Chinese universities, often with support from the Chinese government, has also increased to 140,000 in mainland China as of 2006. China has held high-level leadership meetings and training for diplomatic corps from Africa and South Asia. The Chinese education ministry supports vocational education training programs as part of the Addis Ababa Action Plan of the Forum on China-Africa Cooperation (Li A. 2008). Whether transmitting Confucian culture to foreign countries results in increased cultural soft power for China is questionable, however. There is no evidence of Chinese cultural soft power spreading across the Asian region. China is not a producer but a consumer of popular culture and information produced in other parts of the region (Shambaugh 2005; Kurlantzick 2007b).

In sum, it is fair to say that an assessment of China's soft power primarily based on its economic influence as a trader and an investor is somewhat exaggerated. Chinese developmental leadership in the third

world looks more promising in building up China's soft power as an alternative development model and as a growing ODA provider. On the political front, China's occasional undemocratic practices deplete its soft power. However, China's increasingly proactive multilateral diplomacy and an expected visible role in financial global governance help China accumulate soft power. While the attractiveness of Chinese culture as a source of soft power is difficult to measure, it is certain that China lags behind Japan and Korea in integrating East Asia through popular culture at this point.

## II. Soft Power as a Great Power Strategy: A Chinese View

Inside China, discussions of soft power took off in the first decade of the twenty-first century, stimulated by the debate over how to formulate the domestic and foreign policy necessary for “comprehensive national power (*zonghe guoli*).” The comprehensive national power concept developed in the 1980s as an analytical construct, of which the main categories are natural resources, economic growth, military capabilities, and social development, to measure China's overall power position against other states. As the new century began, Chinese analysts added soft power as an abstract rubric in their toolbox (Wuthnow 2008, 5-6). Interest in soft power derived from the notion that hard power alone cannot be sufficient for China to become a global power. Many Chinese strategists view the utility of soft power as lying in its ability to foster an external environment conducive to China's rise as an economic and military power. In this sense, soft power is a requirement guaranteeing China's hard power by diffusing perceptions of China as a threat. This notion is quite different from Nye's original conception of soft power that is primarily extended from existing hard power despite the independence of soft power *vis-à-vis* hard power.

Accordingly, soft power has become a critical



component in China's grand strategy, which includes a peaceful rise (*heping juequi*), peaceful development (*heping fazhan*), and the building of a harmonious world (*hexie shijie*). Cho and Jeong (2008) also maintain that the introduction of the peaceful rise theory in 2003 and the Beijing Consensus in 2004 both helped in decisively shaping the use of soft power into a national trend. They see Chinese discussions of soft power as a diplomatic strategy that has been taken in two directions: how to counter American soft power, and how to help China become a global power. The first direction reflects Chinese wariness of American soft power, which is believed to have played a significant role both in the collapse of socialism in the Soviet Union and Eastern Europe and in the maintenance of the United States hegemony in the post-Cold War era.

Chinese soft power advocates are divided between culturalists and strategists. Culturalists view their own culture as too weak to cope with America's cultural hegemony, and this defensive perception compels them to pursue a policy of aggressively building up China's cultural soft power. On the other hand, another group of Chinese strategists approach soft power as part of a global power strategy, but to be pursued more proactively. In their view, the emergence of

China as a regional power is already an established fact, so China should aim at a global power strategy by easing foreign perceptions of China as a threat and raising China's voice in the international community by taking on more responsibilities internationally. This group emphasizes external political influence rather than culture as the essential source of China's soft power (Li M. 2008).

Chinese leadership has accepted the mainstream culturalist view to the extent that the State Council set up a leading small group to oversee the establishment of Confucius Institutes in 2004, and in 2006, as part of the Five-Year Plan for Cultural Development, put forward a "go global" strategy—encouraging the media and the culture industry to expand Chinese culture's coverage internationally. Despite soft power's degree of domestic influence in strengthening Chinese traditional culture and as a socialist core value, Glaser and Murphy (2009) argue that Chinese thinking about soft power policy remains largely ad hoc and primarily reactive, aiming to counter perceptions of China as a threat and improve China's image abroad. However defensive China's approach to soft power may be, it is notable that the Chinese leadership approaches it as a foreign policy tool helping China rise as a great power.

**Table 1 Soft Power Indices of China, Japan, South Korea, and the United States**

Survey Countries	United States soft power	China soft power	Japan soft power	South Korea soft power
United States	--	47 (3)	67 (1)	49 (2)
China	71 (1)	--	62 (3)	65 (2)
Japan	69 (1)	51 (3)	--	56 (2)
South Korea	72 (1)	55 (3)	65 (2)	--
Indonesia	72 (2)	70 (3)	72 (1)	63 (4)
Vietnam	76 (2)	74 (3)	79 (1)	73 (4)

Source: Chicago Council on Global Affairs (2009).

Note: Number in parenthesis is rank. The survey did not ask about the soft power of Indonesians and Vietnamese in the other four stronger countries.



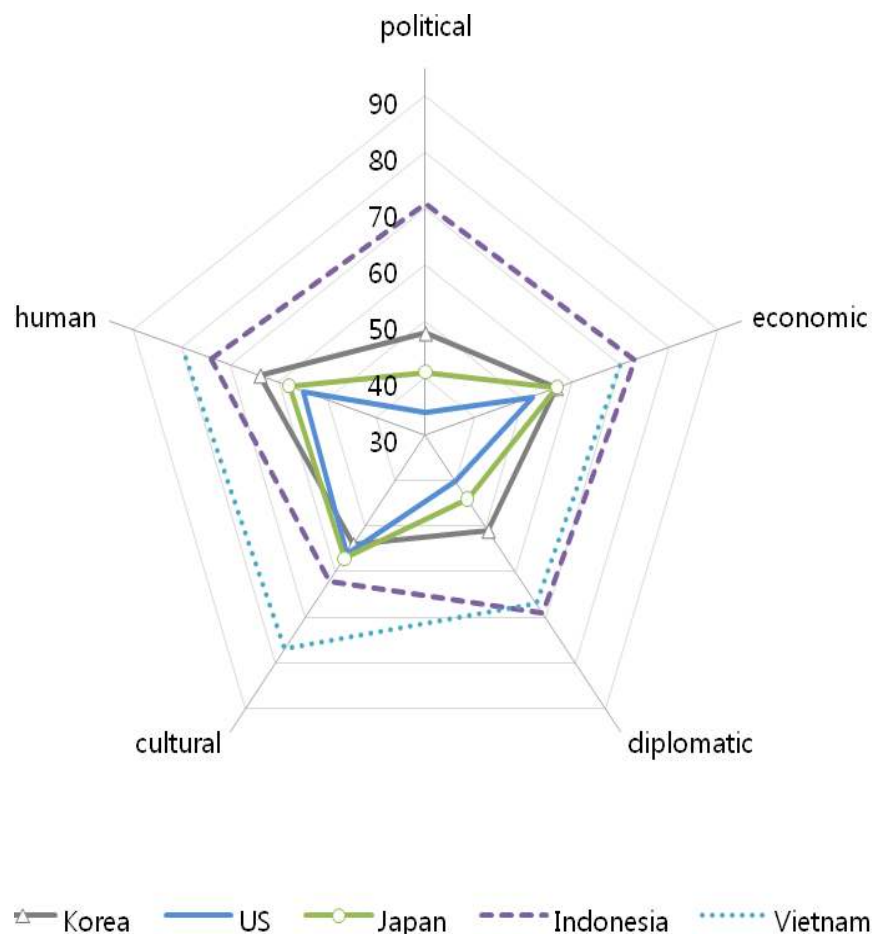
### III. China's Soft Power Mediated by the Self-Identity of a Recipient Country

Whether China can be successful in counterbalancing the “China threat” with soft power is an interesting question, especially because the extent of China's soft power is not known. Despite much writing on the subject, China's soft power had not been empirically investigated until the Chicago Council on Global Affairs (CCGA) and the East Asia Institute (EAI) in 2008 took a cross-national survey designed to measure soft power in East Asia. Although this data set is limited to the United States and the five Asian countries of China, Japan, South Korea, Indonesia, and Vietnam, it is nevertheless useful in putting China's soft power under an

empirical eye. Table 1 illustrates the mutual perceptions of average soft power among the six countries. The overall finding is that China still lags behind the United States in terms of soft power in Asia, and South Korea fares better than China in the United States and Japan.

Figure 1 also shows the average score for China's soft power in each of the other five countries. Questions used to measure soft power by area are listed in the Appendix. China's soft power is perceived to be strong in Indonesia and Vietnam, both of which are categorized as developing countries. On the other hand, the United States, Japan, and South Korea, all developed countries, give China lower scores. South Koreans tend to view China as more attractive than

Figure 1 China's Soft Power by Area



Source: Chicago Council on Global Affairs (2009).

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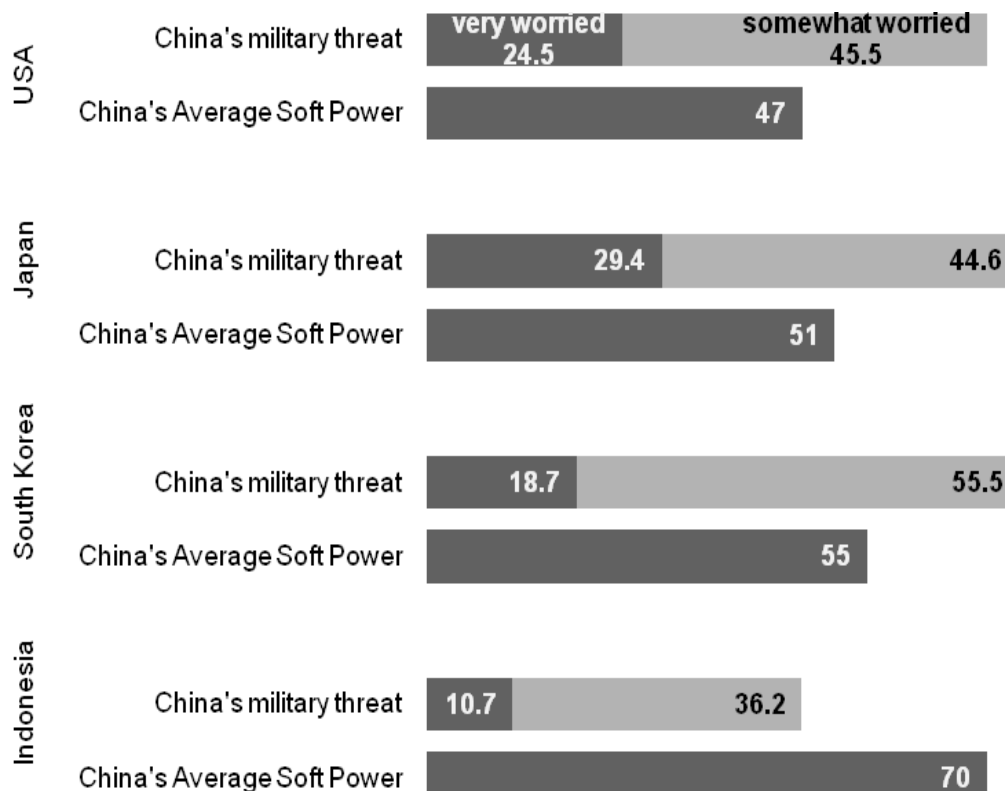


Americans and Japanese do in all areas except the cultural area. It is understandable that Americans, Japanese, and Koreans give negative answers for the two political soft power questions of “respect for human rights and rule of law” and “political system of country serving the needs of its people.” Perceptions of China’s diplomatic soft power also reveal a gap between the three developed countries and the two developing ones. Indonesia and Vietnam tend to view Chinese developmental leadership in East Asia and its cooperation with other countries more favorably than do the United States, Japan, and South Korea. South Korea tends to assess China’s diplomatic soft power more favorably than do the United States and Japan. While all surveyed countries recognize that China will be the leader of Asia, the majority of respondents except Indonesians answered that they are uncomfortable with this

prospect.

As expected, China’s soft power is positively related to warm feelings toward China. Members of the public in these five countries have favorable feelings toward China when they perceive it as attractive or good. As seen in Figure 2, on the other hand, soft power is negatively related to military threat. According to answers to a more direct question regarding whether China could become a military threat to the surveyed country, “China threat” perception is strong among Americans (70 percent said they were “somewhat worried” or “very worried”), Japanese (74 percent), and South Koreans (74.2 percent). On the other hand, only 46.9 percent of Indonesians regard China as a military threat. It is difficult to establish the one-way causality between military threat and soft power. Nevertheless, it is more sensible to maintain that the stronger the

**Figure 2 China’s Military Threat and Soft Power**



Source: Chicago Council on Global Affairs (2009).



military threat, the lower the soft power, or the perception of soft power, rather than the other way around. In that case, it is plausible to argue that China's soft power strategy aimed at reducing the perception of China as a threat through its massive "resource offensive" may work only for periphery countries. It is still a challenge for China to "soft balance" an established power such as the United States or Japan in developed countries. That said, however, the post-2008 financial crisis may give China a good chance to turn perceptions around in its favor. To achieve this, China will need more patience and softness in exercising its more elevated power.

One might expect China's soft power to be be rated more highly if the CCGA-EAI poll were taken after the fall 2008 global financial crisis. But the Pew Global Attitudes Project provides more information.<sup>1</sup> Between the Pew polls of 2008 and 2009, favorable opinion of China increased in 14 countries out of the 20 surveyed in both years. For the United States, favorable opinion increased in 17 countries. The United States favorability gain in the 2009 poll was widely recognized as the result of expectations for the globally popular Barack Obama as he assumed the U.S. presidency. Moreover, the United States favorability advantage *vis-à-vis* China strengthened despite the U.S.-led global financial crisis. In the 2008 poll, China was viewed more favorably than the United States in 11 countries among the 24 countries polled, while the United States was viewed more favorably than China in the remaining 13 countries. This ratio of 13 to 11 to the advantage of the United States was further strengthened to a ratio of 16 to 9 in 2009 when the poll was taken in 25 countries. Except in Indonesia, where President Obama is viewed almost as a countryman, all countries—China, Russia, Argentina, Egypt, Pakistan, and Turkey—that viewed China more favorably than the United States in the 2008 poll continued to do so in 2009. Other countries that showed a more favorable opinion of the United States than of China continued to do so. This observation leads to the conclusion that

the effect of the financial crisis upon the global attitude toward the United States was relatively neutral. Since the favorable opinion of a country is closely related to its soft power, there seems to be no sound support for the projection that the U.S.-led global financial crisis has reduced American soft power to China's gain.

Despite lack of sufficient empirical evidence, it is plausible to argue that China's soft power is mediated through the self-identity of a given country. Relational comparison will continue to be a primary source of a foreign public's collective perception of China (Abdelal et al. 2006). Developed democracies tend to discount China's soft power as long as China represents the "other" group identity that cannot be reconciled with their own identity, such as having a free market economy, democratic polity, and pluralistic civil society. On the other hand, developing countries are likely to be more receptive of China's soft power due to their demands for China's material assistance and an alternative development model. If modernization succeeds, even these countries will be less enchanted by the Chinese "charm offensive." In addition, competition deriving from the geopolitical environment may prevail in assessing China's soft power regardless of stages of development and polity types, as in the cases of Japan and South Korea.

#### IV. Conclusions

It is fair to say that the recent outside debate on China's soft power is somewhat exaggerated, as it is primarily based on China's economic influence as a trader and an investor. China's soft power diplomacy has been more effective in the developing countries of Africa and Asia, where China's resources are in higher demand. Now, less strapped by the current financial crisis than the United States and European countries, China has an advantage in being able to allocate its resources to gain soft power in developing countries.



Even so, the transformation of resource power into soft power is only possible when the foreign public views China's resource input as an investment in mutually beneficial club goods or widely open public goods rather than a mercantilist venture. The Chinese leadership's approach to using soft power as a great power strategy will fail in the long run if it is viewed as a nationalistic "charm offensive" or an extractive resource diplomacy. With the U.S. model and IMF market-centered guidelines discredited, China's developmental model can be used to build up China's soft power if Chinese practices are believed to be good and fair.

On the other hand, developed countries tend to be more punctilious in questioning the political values China is propagating inside and outside of China. There is no sign that developed countries will see the need for correction of the market model as having anything to do with a Chinese economic model. People in the developed countries tend to view soft power as involving essentially political and normative values. China will have an increased chance of demonstrating the beneficial role it can play in global financial governance. China may change the exacting attitudes of developed countries if it acts wisely in transforming its increased influence into responsible leadership. As symbolized by the G2, cooperating and competing with the United States, China has earned the right to participate in complicated global affairs. This right will bring China not only national glory but also more demands testing its political will to put the global agenda ahead of its domestic one.

China's multilateral diplomacy is likely to continue to contribute to its soft power. Already proactive in forming and participating in regional forums, China will increase its convening power with higher visibility in global economic affairs. With all this potential for credibility and leadership, however, China's soft power will constantly be checked by the lingering "China threat" psychology that can only be effectively mitigated by China's own serious efforts to make its mili-

tary buildup accountable and transparent.■

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## Appendix Questions Included in Measuring Soft Power

Index	Question
Economic soft power	Q80: Importance of economic relations (ESP1) Q90: Probability of buying product (ESP1) Q110: Free trade agreement (ESP2) Q220: Economic influence in Asia (ESP1) Q291C: Helps Asian countries develop economies (ESP2) Q291E: Humanitarian assistance (ESP2) Q347A: Contribution of companies (ESP2) Q795A: Competitive economy (ESP1) Q795H: Economic opportunities for workforce (ESP1) Q795J: Entrepreneurial spirit (ESP1) Q795K: Leading multinational corporations (ESP1) Q850: Product quality (ESP1)
Human Capital soft power	Q780: Learn language Q795B: Highly educated population Q795C: Advanced science/tech Q795L: Quality universities
Cultural soft power	Q680: Spread of cultural influence Q681: Influence of popular culture Q685: Positive influence of popular culture Q790: Movies, TV, music Q795D: Popular culture Q795E: Rich cultural heritage Q795F: Tourist destination Q795L: Quality universities
Diplomatic soft power	Q291A: Uses diplomacy to solve problems (DSP1) Q291B: Respects sovereignty (DSP1) Q291D: Builds trust and cooperation (DSP1) Q291E: Humanitarian assistance (DSP1) Q291F: Leadership in international institutions (DSP1) Q360: North Korean nuclear program effectiveness (DSP2) Q370: China/Taiwan tensions effectiveness (DSP2) Q910: Promoting policies in Asia effectiveness (DSP1)
Political soft power	Q291G: Respect for human rights (PSP1) Q795G: Political system that serves its people (PSP2)

Source: Chicago Council on Global Affairs (2009).



## Notes

<sup>1</sup> “Pew Global Attitudes Project: Key Indicators Database.” Pew Research Center. Available at <http://pewglobal.org/database>.

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