

API 6999
Major Research Paper

**A Research on the Cultural Industry
Development
and Cultural Exports of China**

Yuying Hou | 8625990
Graduate School of Public and International Affairs
University of Ottawa
Date: November 20, 2018
Supervisor: Yongjing Zhang

Table of Contents

ABSTRACT.....	3
CHAPTER 1 The Related Concepts and Theoretical Basis.....	4
1.1 The Concept and Characteristics of Cultural Industry.....	4
1.2 The Concept and Characteristics of Cultural Export	7
1.3 The Theories of Cultural Export	10
1.4 Soft Power Theory and Public Diplomacy Theory	14
1.5 Cultural Export: A Means to Enhance the Image of the Country.....	17
CHAPTER 2 The Development History and Features of China’s Cultural Exports.....	23
2.1 Budding Phase	24
2.2 Initial Launch Phase.....	25
2.3 Rapid Developing Phase	29
2.4 The Features of China’s Cultural Exports	33
CHAPTER 3 Data Analysis on the Problems and Dilemmas of China’s Cultural Exports	38
3.1 The Influence of Chinese Immigrant	39
3.2 The Confucius Institutes	43
3.3 The 2008 Beijing Olympic Games	49
CHAPTER 4 Conclusion.....	53
BIBLIOGRAPHY	55
APPENDIX I	61
APPENDIX II.....	62

ABSTRACT

Since the end of World War II, peace and development have become the themes of modern society. Besides military power, economy, diplomatic power and cultural influence are becoming increasingly important. In the 1990s, Joseph Nye points out that soft power deriving from attractiveness of the culture and ideology is as significant as hard power such as military and economic behavior, because soft power can guide others to follow a nation's culture, ideology and sense of value. Nowadays, as the second largest economy in the world, China pays more attention to the development of cultural industries and increasing cultural exports. To figure out whether China's cultural exports are successful or not, it need to do a research.

In this paper, the concepts of cultural industry, cultural exports and some theories of cultural export will be explained. Based on these the existing theories, a hypothesis that China's cultural export activities has positive impact on foreign people's attitude toward China will be put forward. Then, the paper combs through the development history and features of China's cultural exports and the relationships relationship between the number of Chinese immigrant and the opinion of China will be discussed. Then the empirical tests of Confucius Institutes and the 2008 Beijing Olympic Games will be analyzed to verify or reject the hypothesis, finding that the perspective of cultural exports, the Confucius Institutes is a failure but the 2008 Beijing Olympic Games is a successful event.

CHAPTER 1 The Related Concepts and Theoretical Basis

To study the development of China's cultural industry and cultural export, a good understanding and a deep comprehension on the related concepts of cultural industry are necessary. In this chapter, some related concepts on cultural industry and cultural export, such as soft power theory and public diplomacy will be introduced.

1.1 The Concept and Characteristics of Cultural Industry

Internationally, the concept and classification of cultural industry are the hot spots in the related field among scholars. However, due to the different cultural backgrounds and conditions of different countries, there is no strict or unified definition for this concept because with different appellations, the connotation and denotation of cultural industry are not the same in those countries. For instance, cultural industry could also be called as creative industry, context industry or copyright industry. Sometimes, the unclear definitions of the cultural industry are even contradictory according to different organizations.

United Nations Educational, Scientific and Cultural Organization (UNESCO) thinks "the cultural industry, which include publishing, music, cinema, crafts and design, continue to grow steadily apace and have a determinant role to play in the future of culture."¹ According to UNESCO, the cultural industry has very closed relations with freedom of expression, cultural diversity and economic development, so it has become a worldwide popular industry.

¹ "Creative Industries," UNESCO, accessed January 19, 2018, <http://www.unesco.org/new/en/culture/themes/creativity/creative-industries/>.

Although there is no official definition of culture industry in the United States, the United States owns the most developed culture industry around the world. On a national scale, American cultural industry which is called creative industry includes art and cultural industry, film and television industry, book industry and music and phonographic industry.²

Canadian Heritage calls the culture industry as the Arts and cultural industry which is “generally regarded as a convergence of many components”.³ In Canadian arts and cultural industry, there are six key sub-sectors, including audio-visual (film and video), music, written and published works (books, magazines, periodicals), performing arts, visual and applied arts and heritage and museums.⁴

In China, in 2004, National Bureau of Statistics of the People's Republic of China defined the cultural industry as a collection of cultural, recreational products and services for the public, and a collection of activities associated with those activities, and cultural industry was classified into three areas: 1) press, media and publishing, 2) TV, film and radio and 3) the arts.⁵ With the development of cultural industry, this definition has been changed into “a collection that provides productions of cultural products and cultural-related products to the public.”⁶ As a programmatic document, *The Plan on Reinvigoration of the Cultural Industry*, plays a vital role in guiding the reform and development of China’s cultural industry. It indicates that cultural industrial should

² Kieran Healy, “What’s New for Culture in the New Economy?” *The Journal of Arts Management, Law and Society* 32, no. 2 (2002): 86-103.

³ “Arts and cultural industry,” The Canadian Trade Commissioner Service, accessed January 19, 2018, <http://tradecommissioner.gc.ca/sectors-secteurs/arts-and-cultural-industries-arts-et-industries-culturelles.aspx?lang=eng>.

⁴ Ibid.

⁵ EU SME Centre, *Report: Culture and Creative industries in China*, http://ccilc.pt/wp-content/uploads/2017/07/eu_sme_centre_report_-_culture_and_creative_industries_in_china_jul_2014.pdf.

⁶ “Classification of Culture and related industry (2012),” National Bureau of Statistics, accessed January 30, 2018, http://www.stats.gov.cn/tjsj/tjbz/201207/t20120731_8672.html.

rely more on film and television productions, publishing, advertising, entertainment, cultural exhibition, digital content and animation industry.⁷

Although there is no unified and authoritative concept, definition and classification of cultural industry at present, the characteristics of cultural industry are specific and clear. First, from the view of cultural characteristics, cultural resources are the production factors of cultural industry, and cultural products are the output of cultural industry, which indicates that the development of cultural industry is based on culture. With more cultural contents in the merchandise, the additional value of cultural industry will be higher this more consumers will be attracted. Therefore, the core characteristic of cultural industry is the cultural content.

Second, the development of cultural industry is promoted by economic benefits. Cultural industry gets profit from creating cultural products, and carry out sustainable economic production with high added value. The high added value, in turn, also encourages more companies to enter the cultural industry. Thus, as a form of cultural economy, the cultural industry chases the economic profit.

Third, the social characteristics of cultural industry are also very obvious. As an integration of economy, culture and technology, the cultural industry is an organic whole of multi-system. Despite the high added value, cultural industry is closely linked to technology, so cultural industry has a high position in the industrial chain. For example, as an upstream product in the cultural industry chain, film industry combines picture language, script and other cultural contents. The development of technology has also enriched the expressive power of the film. Compared with the primary cultural crafts located at the low end of the industrial chain, a successful commercial film

⁷ “Cultural industry revitalization plan,” The Central People’s Government of People’s Republic of China, accessed January 31, 2018, http://www.gov.cn/jrzq/2009-09/26/content_1427394.htm.

usually could bring with higher profits. So, the high level of high-tech content and economic added value of cultural products and services show that the cultural industry is a comprehensive industry.

Fourth, compared with traditional industries such as agriculture, cultural industry is more environmentally friendly. From the perspective of resource allocation, the production of cultural industry is a kind of spiritual production that creates new wealth through intellectual resources. Culture industries rely more on spiritual creation than the natural resources, especially on non-renewable resources, which to some extent removes the limitations of natural resources on traditional industries.

1.2 The Concept and Characteristics of Cultural Export

A clear understanding on the concept and characteristics of cultural industry exports is the basis of constructing the theory of cultural industry exports in China. Since the concept, definition and classification of cultural industry is not unified or authoritative around the world, it is difficult to measure the outcome of culture export. Meanwhile, there is no unified definition of cultural export in academia, neither.

In the Chinese academic circles, three definitions of cultural export from different perspectives have been put forward. First, from the perspective of international export, cultural export is “the process by which cultural products have an impact on the economy and citizens of other countries cross national borders”.⁸ With the help of cultural export, Chinese cultural values can spread widely and China would possess a positive image of the participants in the

⁸ Huilin Hu, “National Cultural Governance: New Dimension of Developing cultural industry,” *Academic Monthly* 44, no.5 (2012): 28-32.

reconstruction of the cultural order. Second, from the perspective of cultural industrial development, cultural export is the process which brings the mature products of cultural industry into the international market, and then the trade scale would gradually expand.⁹ Thus, the development and quality of cultural industry is of vital importance. The last definition is defined from the perspective of exporters and enterprises, according to which cultural export is the operation modes and the international cooperation of transnational culture companies.¹⁰

The researches of western scholars on cultural export focus more on its role in diplomacy and international relations. In the modern international society, any act among countries including economic and cultural exchanges can be regarded as a diplomatic means. Diplomacy is also a process a kind of communication and exchange of different cultures. In addition, Frank Ninkovich, the Professor Emeritus of St. John's University, thinks that while cultural exchanges promote mutual understanding among nations and encourage the development of each nation respectively, they may sometimes become a special tool of a government to achieve its diplomatic aims in foreign relations.¹¹ Although different nations' political motivations or political purposes are different, they produce the similar outcome upon the culture in other countries. Therefore, both these two situations could be regarded as cultural export, and the former one could be regarded as a kind of soft culture export, the later one could be considered as radical cultural export. In international relations, the soft cultural export follows two principles, namely equality and interaction, and each cultural subject should have a strong cultural productivity to extend and

⁹ Youguang Zhao and Beibei Sheng, Beibei, "The International Development Strategy and Implementation of China's Cultural Industry Outward," *Cultural Product and Service Trade* 10, no.003(2008): 32-38.

¹⁰ Chi Ying and Xiao-an Qi, "Analysis of International Expansion of China's Cultural Industry," *Taxation and Economy* 6, no. 191 (2013): 47-51.

¹¹ Frank Ninkovich, *The Diplomacy of Ideas: U.S. Foreign Policy and Cultural Relations* (New York: Cambridge University Press, 1981), 1938-1950.

preserve its culture. Radical cultural export is a purposeful and conscious activity of a nation. It refers to the process of spreading or imposing its own culture on other countries. In this process, the exporting country forces the audience countries to accept its culture, and even the culture of audience countries will be replaced.

Integrating all viewpoints, China's cultural export, in this paper, is defined as the activities and processes in which cultural industry takes the active participation in the international division of labor and competing in the world market, providing Chinese cultural products and services around the world and expanding China's national cultural influence.

Strictly, the concept of china's cultural export contains two kinds of view. The first one is that cultural export should be more focused on the outcome of international expansion, which is an outcome issue. The second one is about how to promote China's cultural export, which is an operational issue. The core of this paper is the outcome of China's cultural export in the aspect of international relations, such as foreigners' opinions about China and the international influence that China gains from this process, so the cultural export in this paper refers to the outcome issue.

No matter which aspect of cultural export is considered, the characteristics of cultural exportation are obvious. The subjects of culture export are nations and enterprises. The cultural strategy of a nation would be reflected in its foreign policy and foreign relations. The international behavior of a nation also influences its cultural export. As the greatest nation of cultural export, the cultural export strategy of the United States is always a part of the foreign cultural strategy and global strategy. Exporting democracy and mass culture have become the basic goal of the cultural export strategy of the U.S. after the Cold War. Moreover, if the cultural export is encouraged by nations, more cultural enterprises would participate in cultural industry since the orientation of national policies will affect the development of enterprises to a certain extent. For example, when

the Hollywood blockbusters provide huge profits for American film companies, the American mass culture could also be spread across the world and the international influence of America is improved.

The developed countries have a significant advantage in the competition of cultural exports. On the one hand, the development of cultural industry lags behind industrial development, since the manufacture of cultural products requires industrial support. With advanced cultural industry, developed countries take the lead in realizing the importance of culture export, which makes their cultural export start earlier than other countries. On the other hand, in the tide of the economic globalization, the developed countries, by the virtue of economic strength and advanced technical support, have not only sold their cultural products throughout the world, but also seized the initiative in cultural export. Popular cultures such as American Hollywood film, Japanese animation and South Korean TV drama have great international influences and make up the most share in the international market of cultural industry. Therefore, the monopoly of the developed countries in international cultural market is strong, while the developing countries have no alternative but to be at relative inferiority positions.

1.3 The Theories of Cultural Export

As one of the most important research field in western academia, the theories and practices of cultural export have captured the attention from the scholars in culturology, cultural anthropology, cultural economy and intercultural communication. The researches and opinions of these scholars have become important concepts that guide the cultural exchange, cultural development and cultural exports in today's world.

The cultural export is an intercultural communication issue, and there are plenty of intercultural communication theories. In the 1950s, American culture anthropologist and intercultural researcher, Edward T. Hall first proposed the concept of “intercultural communication” in his book *The Silent Language*. Intercultural communication mainly contains two aspects: in the aspect of daily life, intercultural communication refers to the integration, contradictions, conflicts and solutions caused by social members from different cultural backgrounds. In the aspect of human cultural interaction, intercultural communication refers to the process and influence of interaction among different cultures on the culture fusion, development and change on different cultural systems.¹² No matter in which aspect, intercultural communication and cultural exports are interacting. Since the 1990s, with the rapid development of science and technology, the integration and conflicts among different cultures become more and more frequent. With different levels of frictions, contradictions and conflicts, intercultural communication has become the focus of social science. At the same time, intercultural communication could help people compare their own culture with different cultures, and improve people's self-awareness and urge people to re-examine their own culture.

The theory of comparative advantage in economics can also provide reference for the study of cultural exports. One of the most famous comparative advantage theories is Ricardo's “Law of Comparative Advantage”. He emphasizes that the productivity of labor depends on the technological level of each country.¹³ If a country can produce a product with a lower cost, it has a comparative advantage in this product than other countries. If a country specializes in the

¹² William B. Gudykunst and Bella Mody, “Forward,” in *Handbook of International and Intercultural Communication*, ed. William B. Gudykunst, Bella Mody (Thousand Oaks: Sage Publications, 2002), ix-x.

¹³ Steven M. Suranovic, *International Trade Theory and Policy* (Boston: Flat World Knowledge, 2010), <http://internationalecon.com/Trade/Tch40/T40-0.php>.

production and exports the products with comparative advantage, such international trade can increase the productive forces, which would benefit all countries in the world. In the field of cultural exports, the comparative advantage theory could be understood as that the cultural exports of a country could be influenced by its economic development level. The similar cultural background among different countries is the basis for the emergence and development of international cultural trade. However, the reason why developed countries are dominant in the field of cultural exports cannot be explained by the theory of comparative advantage. Therefore, the theory of intra-industry trade is needed to explain this phenomenon.

Intra-industry trade refers to the phenomenon that a country or region imports and exports similar types of goods and services of the same industry over a period of time. The famous Swedish economist, Linder, explains intra-industry trade from the perspective of demand. He thinks that the domestic demand of a country determines the possibility of its exports, and between two countries with similar domestic demand, the similarity of the demand structure is proportional to the quantum of foreign trade.¹⁴ From this opinion, two conclusions can be drawn. The first is that the huge demands in domestic would bring the products with comparative advantage. Second, the more similar the demand preferences of the two countries, the greater the quantum of foreign trade of the two countries will be. Recently, although the cultural exports develop rapidly and the development of global cultural industry driven by international cultural companies is accelerating, developed countries are still dominant in the global cultural exports market, because the cultural industry in developed countries started earlier, and could now create more high-tech cultural products. Exactly, culture will affect consumer demand preferences to some extent, which means

¹⁴ Staffan B. Linder, *An Essay on Trade and Transformation* (New York: Stockholm, Almqvist & Wiksell), 13.

the smaller cultural differences between the two countries would also increase cultural exports. Thus, intra-industry trade could explain cultural export issues in similar cultural groups better.

In China, Wang Yuechuan of Peking University first proposed the concept of “discovering orient and China’s cultural exports”. It has been explicitly recognized that globalization does not aim at unifying everything, and China must encourage and persist in cultural exports while adopting “the bringing principle”,¹⁵ which has captured the academia attention. Furthermore, he also thinks that Chinese culture cannot always rely on studying other cultures. Facing the wave of post-colonialism study and the trend of “Cultural Studies”, China ought to not only learn advanced culture from western countries, but also do something to contribute to its own cultural exports with its own cultural sources and cultural support. It is important to reverse the deficit in the cultural exchanges between China and the West and realize the equal dialogue between Chinese and Western cultures.¹⁶

Xinyu Mei, an economist, thinks Chinese cultural could and should have the ability to spread its ideologies, and then drive others to understand its own game rules, other than blindly pursuing to please others.¹⁷ As an economic power, China is a major exporter of goods trade, but it is a small exporter of culture. China's economic advantages would provide favorable conditions for cultural exports. Whether it is for the development of cultural exports and trade in services, or for capturing the initiative in formulating the rules for international trade and responding the “China threat” theory, enlarging the scale of China’s cultural exports is extremely urgent.

¹⁵ Yuechuan Wang, *Discover Orient* (Beijing: Peking University Press, 2011), 102.

¹⁶ *Ibid.*

¹⁷ Xinyu Mei, “The consciousness of a big country in the era of economic globalization,” *Shanghai Securities News*, December 01, 2004.

1.4 Soft Power Theory and Public Diplomacy Theory

With further development of economic globalization and political multipolarization, the role of culture is increasingly important in the competition of comprehensive national strength. Theoretically, the two most representative theories about cultural exports are soft power and public diplomacy theory.

The concept of “soft power” was created by Joseph Nye in 1990. In his book *Bound to Lead: The Changing Nature of American Power*, he analyzes the changes of the major powers of powerful countries in the world for the latest five hundred years, and points out that the nature of powers is changing: at the most general level, power means the ability to get the outcomes one wants.¹⁸ It leads to the conclusion that intangible power resources, namely the power of political values are increasingly important. Then in his book *Soft Power: The Means to Success in World Politics*, Nye explains that the attractiveness and contagion of a country's ideology is mainly to let other countries take the behavior and system as the country expects.¹⁹ Soft power depends on the persuasion of one culture sometimes. Nye emphasizes the importance of soft power since “the best propaganda is not propaganda”.²⁰ A culture with strong persuasiveness can play a role of political propaganda. Now, the term is widely used in international affairs by analysts and statesmen.

According to the soft power theory, the greater the attraction of a nation's culture and ideology, the lower the trade cost of the nation in international intercourse will be and the easier

¹⁸ Joseph Nye, *Bound to Lead: The Changing Nature of American Power* (New York: Basic Books, 1990), 261.

¹⁹ Lin Li and Xiaonan Hong, “Analysis of Joseph Nye's Soft Power Theory,” *Journal of Dalian University of Technology (social sciences)*, 4(2011): 88-93.

²⁰ Joseph Nye, “China's Soft Power Deficit: To catch up, its politics must unleash the many talents of its civil society”. *The Wall Street Journal*, May 8, 2012, <https://www.wsj.com/articles/SB10001424052702304451104577389923098678842>

the country's international action goals will be achieved. The attractiveness of American culture of United States has been proven by its large share in global cultural market and its global cultural trade network. Although Chinese government attaches great importance to the development of cultural industry and China's soft power has grown rapidly, China's cultural exports are still not comparable to its economic achievements. Besides, both the competitiveness of China's cultural industry and the productivity of Chinese culture are far away from the level of the United States.

Nye's soft power theory is related to the cultural development level of the nation, which unifies a nation's value system, foreign policy and influence in international affairs. The improvement of soft power of a nation would also reflect the nation's confidence in its own culture and ideology, and show a sense of superiority to its own value system.

Another representative theory about cultural exports is public diplomacy. It originates in the United States, and both Academics and politicians generally agree that the concept of public diplomacy is first proposed and defined by Edmund Gullion, dean of the Fletcher School of Law and Diplomacy at Tufts University.²¹ In 1965, the Edward R. Murrow Center for Public Diplomacy was established, and in its earlier brochures, Gullion described public diplomacy as follows: "public diplomacy ... deals with the influence of public attitudes on the formation and execution of foreign policies. It encompasses dimensions of international relations beyond traditional diplomacy; the governments cultivation of the public opinions in other countries; the interaction of private groups and interests in one country with those of another; the reporting of foreign affairs and its impact on policy; the communication among those whose job is communication, such as

²¹ Nicholas Cull, "'Public Diplomacy' Before Gullion: The Evolution of a Phrase". *USC Center on Public Diplomacy*, accessed February 12, 2018, <https://www.uscpublicdiplomacy.org/blog/public-diplomacy-gullion-evolution-phrase>

between diplomats and foreign correspondents; and the processes of inter-cultural communications, and central to public diplomacy is the transnational flow of information and ideas.”²² This definition clarifies the connotation and scope of public diplomacy. Later, the definition of the concept of public diplomacy by academics and politicians is also greatly influenced by Gullion’s definition of public diplomacy. In 1987, U.S. Department of State compiled a book called *Dictionary of International Relations Terms*. According to this book, public diplomacy “seeks to promote the national interest and the national security of the United States through understanding, informing, and influencing foreign publics and broadening dialogue between American citizens and institutions and their counterparts abroad.”²³

After the 911 attacks, academics and politicians in the United States began to rethink their foreign policies, so the research on public diplomacy has shifted to improving the national image and gaining understanding and trust. For example, as one of the world famous public diplomacy research institutes, the USC Center on Public Diplomacy, defines public diplomacy as “an integral part of state-to-state diplomacy... includes activities such as educational exchange programs for scholars and students; visitor programs; language training; cultural events and exchanges and radio and television broadcasting. Such activities usually focus on improving the “sending” of the image or reputation of a country as a way to shape a wider policy environment for the “receiving” country.”²⁴ Besides, the USC Center on Public Diplomacy even offered a “broader” conception that public diplomacy could also be used by some non-state actors such as supranational institution

²² PublicDiplomacy.org, “About U.S. Public Diplomacy,” accessed February 12, 2018, http://pdaa.publicdiplomacy.org/?page_id=6

²³ U.S. Department of State, *Dictionary of International Relations Terms* (Michigan: University of Michigan Library, 1987), 85.

²⁴ “Defining Public Diplomacy,” The USC Center on Public Diplomacy, accessed February 15, 2018, <http://uscpublicdiplomacy.org/page/what-pd>

and non-governmental organizations, who can participate in world politics and thereby develop and promote public diplomacy policies of their own. Hence, public diplomacy is not limited to countries, but has expanded to non-state organizations. As a means of public diplomacy, the situation of cultural events and exchanges are similar.

Synthesize the development process of public diplomacy theory, the basic attributes of public diplomacy mainly lie in five aspects. First, the actors of public diplomacy are a nation's government, or the relevant organizations and agencies entrusted and authorized by governments. Second, the implementation target of public diplomacy is other countries rather than other governments. Third, the fundamental purpose of public diplomacy is to create conditions for the realization of national interests by influencing and changing the public's attitude and perception of the nation. Fourth, public diplomacy is the information dissemination, cultural exchanges and international public relation. Fifth, the power source of public diplomacy mainly comes from the nation's soft power rather than hard power.²⁵

1.5 Cultural Export: A Means to Enhance the Image of the Country

Soft power refers to the way of being able to make a strong impact on other countries without military deterrence.²⁶ According to Joseph Nye, soft power of a nation derives from attractiveness of their culture and ideology. Nye describes culture as “the set of values and practices that create meaning for a society”.²⁷ Cultures, political values and foreign policies are

²⁵ Alan K. Henrikson, *What Can Public Diplomacy Achieves?* (The Netherlands: Netherlands Institute of International Relations ‘Clingendael’, 2006)

<https://www.diplomatie.gouv.fr/IMG/pdf/publicdiplo.pdf>.

²⁶ Joseph Nye, *Soft Power: The Means to Success in World Politics* (New York: Public Affairs, 2004), 11.

²⁷ Ibid.

the three main sources of soft power.²⁸ The greater the attraction of a nation's culture, the lower the trade cost of the nation in international intercourse and the easier the country's international action goals will be achieved. Therefore, one important way to increase soft power is let more people in the world accept the culture, which needs to be achieved through cultural exports.

Another theory notes the role of culture in diplomacy is public diplomacy. The traditional style of public diplomacy puts its emphasis on the ways in which a nation communicates with other nations, non-government individuals and organizations.²⁹ Although there is no unambiguous definition of public diplomacy, some scholars have linked public diplomacy and culture. Hans Tuch, an American diplomat, describes that "public diplomacy is a government's way of communicating with foreign public to achieve an understanding of its country's ideas, culture, institutions and national policies."³⁰ Because culture is one of the components of public diplomacy, the concept of "cultural diplomacy" is subsequently proposed as a secondary concept under public diplomacy. The U.S. Department of State describes cultural diplomacy as "linchpin of public diplomacy"³¹. The American political scientist and author, Milton C. Cummings, defines cultural diplomacy as "the exchange of ideas, information, art, and other aspects of culture among nations and their peoples in order to foster mutual understanding".³² Carnes Lord, American political scientist, points out that public diplomacy "advertises that society and culture to the world at

²⁸ Ibid.

²⁹ "Defining Public Diplomacy," The USC Center on Public Diplomacy, accessed February 15, 2018, <http://uscpublicdiplomacy.org/page/what-pd>

³⁰ Jan Melissen, *The New Public Diplomacy: Soft Power in International Relations* (New York: Palgrave Macmillan, 2005).

³¹ U.S. Department of State, *Report of the Advisory Committee on Cultural Diplomacy* (2005), <https://www.state.gov/documents/organization/54374.pdf>.

³² Milton Cummings, *Cultural Diplomacy and the United States Government: A Survey* (Washington D.C.: Center for arts and culture, 2009), 1.

large”,³³ the cultural diplomacy, in turn, promotes the understanding between different countries. Thus, cultural and public diplomacy are intimately linked.

Considering the above theories, it is obvious that culture communication plays an irreplaceable role in diplomatic. Cultural export is an important way of cultural communication and spread with the cultural products as the output to other countries which would enable more people to get in touch with and understand the culture of a country. The cultural products could be divided into cultural crafts and cultural content. The cultural-specific products produced by factories or handcrafting belong to the former, such as Peking Opera mask decoration, Qipao and Chinese calligraphy. The latter focuses on the content expressed by cultural products, which has strong entertaining and creative value, such as commercial film, popular fiction. Consumers feel like to be a part of it when they are watching, reading or playing the cultural contents. As one of the world's largest cultural exporters, the United States has gained the worldwide popularity of its sense of value, democracy and freedom by American Hollywood movies, hippies and pop music sweep around the world. Japan and South Korea are also adept in creating modern cultural contents. Japanese anime shows the Japanese way of life and sense of value. In the same way, South Korea's cultural exports to Asia relies on drama, reality television and idol bands, rather than Hanbok or Koguryo frescos. Therefore, compared with exporting cultural crafts, exporting cultural contents could better promote cultural communication and spread.

Furthermore, cultural export would improve political persuasion of the exporter. According to Nye's theory, a strong soft power deriving from attractiveness of culture and value of a nation

³³ Carnes Lord, *Losing Hearts and Minds? Public Diplomacy and Strategic Influence in the Age of Terror* (Westport, CT: Praeger Security International, 2006), 15.

could help the nation get what it wants from other nations.³⁴ In other words, if the country has effective cultural exports, its political persuasion also would be stronger. From the perspective of public diplomacy, “direct communication with foreign people with the aim of affecting their thinking”³⁵ can ultimately influence the government. To actualize effective and successful communication with foreign people with different cultural backgrounds, it is necessary to build the cross-culture communication ability. The scholar in Shanghai Academy of Social Science, Hua Jian points out that multicultural communication depends on cross-culture ability, and cross-cultural communication is largely achieved by international cultural trade.³⁶ Thus, cultural export, as a part of cultural trade, could influence foreign government and improve political persuasion.

In addition, as an economy activity, cultural export would create huge economic benefits with high-tech and high value-added cultural products, such as commercial film and video games. Compared with the high value-added cultural products, even if the crafts with cultural contents have low added value, it could also make huge profits under large-scale production. In 2013, there were 7 high-income economies, 2 upper middle-income economies (China and Turkey) and 1 lower-middle-income economy (India) in the top 10 exporters of cultural goods around the world.³⁷ The arts and culture of the United States have run a trade surplus which has grown every

³⁴ Joseph Nye, *Bound to Lead: The Changing Nature of American Power* (New York: Basic Books, 1990), 261.

³⁵ Eytan Gilboa, “*Diplomacy in the media age: Three models of uses and effects,*” *Diplomacy and Statecraft* 12, 2 (2001), 1-28.

³⁶ Hua Jian, “Chinese Cultural Geostrategy and the New Pattern of Chinese Going Global,” *Dongyue Tribune* 33, no.1 (2012): 46-52.

³⁷ UNESCO, *The Globalization of Cultural Trade:*

A Shift in Consumption (Montreal: UNESCO Institute for Statistics, 2016), 32,

http://uis.unesco.org/sites/default/files/documents/the-globalisation-of-cultural-trade-a-shift-in-consumption-international-flows-of-cultural-goods-services-2004-2013-en_0.pdf.

year since 2006.³⁸ In 2013, the total export-import volume of cultural products of the United States was US\$27.9 billion.³⁹ By comparison, China's cultural exports also contribute to economic development. In 2017, China's total export-import volume of cultural products has reached US\$97.1 billion.⁴⁰

Both the improvement of soft power and the public diplomacy effort could garner favorable public opinion. Nye points out that "World War I saw a rapid acceleration of efforts to deploy soft power, ... The United States ... was a central target of other countries. During the early years before American entry into the war, Britain and Germany competed to create favorable images in American public opinion."⁴¹ Similarly, public diplomacy is another way to improve image of a nation and favorable opinions. For example, after 9/11 attack the U.S. State Department increased public diplomacy staffs in the Middle East to improve a nation's global image. Doris A. Graber, a political scientist, analyzed the public diplomacy efforts of the U.S. and found that "thirty-one percent of the respondents said the programs improved the image (abroad) greatly, whereas 53% saw moderate improvement"⁴² in 2003. Cultural exports, with close relationship with soft power and public diplomacy, can spread national culture, improve political persuasion and promote

³⁸ Sally Gifford, "Arts and Cultural Production Contributed \$704.2 Billion to the U.S. Economy in 2013." The National Endowment for the Arts, February 16, 2016, <https://www.arts.gov/news/2016/arts-and-cultural-production-contributed-7042-billion-us-economy-2013>

³⁹ UNESCO, *The Globalization of Cultural Trade: A Shift in Consumption* (Montreal: UNESCO Institute for Statistics, 2016), 33, http://uis.unesco.org/sites/default/files/documents/the-globalisation-of-cultural-trade-a-shift-in-consumption-international-flows-of-cultural-goods-services-2004-2013-en_0.pdf.

⁴⁰ XINHUANET, "40 years of reform and opening up: the cultural industry is marching towards the pillar industry of the national economy," last modified September 14, 2018, http://www.xinhuanet.com/fortune/2018-09/14/c_129953408.htm.

⁴¹ Joseph Nye, "Public Diplomacy and Soft Power," *Political and Social Science* 616, no. 1 (2008): 94-109.

⁴² Doris A. Graber, "Looking at the United States Through Distorted Lenses," *American Behavioral Scientist* 52, no. 5 (2009): 735-754.

economic benefits. Cultural exports can spread national culture, improve political persuasion and promote economic benefits. With these advantages, the cultural exporter would establish global image with great cultural, political, and economic power. Thus, it can be concluded that the purpose and function of cultural export is to enhance the global image of a nation and receive more favorable opinions.

On the basis of the existing theories, this research paper raises a hypothesis that China's cultural export activities has positive impact on foreign people's attitude toward China. By combing through the development history of China's cultural exports, data analyses of Chinese cultural exports cases, such as Confucius Institutions and Beijing Olympics Games will be done to verify or reject the hypothesis. As mentioned above, cultural exports can be divided into cultural crafts exports and cultural content exports from the perspective of product. And from the perspective of output form, this research would segment cultural export activities into "culture walks out" and "culture catches eyes". The former exports both cultural content and crafts to foreign countries, and the latter displays culture interiorly to fascinate foreign people. The Confucius Institute and the 2008 Beijing Olympic Games are the best representatives of these two cultural export forms. The purpose of the Confucius Institute is to promote the spread of Chinese culture overseas, and the 2008 Beijing Olympic Games is broadcast worldwide to attract international public's attention. The data analysis of the impact of these two kinds of cultural export activities will support the idea that cultural export would enhance the global image of the country and gain more favorable opinions.

CHAPTER 2 The Development History and Features of China's Cultural Exports

Cultural exports are based on the development of the cultural industry, which is a kind of market-oriented and market-centered industry. Before the reform and opening-up policy, the traditional Chinese planned economy ignored commodity product, the law of value and the benefits of the market, so during this time the development of China's cultural industry was seriously hindered by the economic system. In addition to the impact of the Cold War, China did not have any cultural exports at that time.

After 1978, the era of reforming time was coming. With the establishment of the socialist market economy in 1992, the history of China's cultural industry and cultural exports really started. In the historical process of China's cultural exports from closure to opening-up, the pace of China's cultural industry and cultural exports has also gradually accelerated. In 2009, the Chinese government proposed *China's Cultural Industry Promotion Plan* as a programmatic document, which would play a vital role in guiding the reform and development of cultural industry. Since then, the development of China's cultural industry and cultural exports has reached a new stage.

In this research paper, the development history of China's cultural exports is divided into three phases: budding phase, initial launch phase and last one is rapid developing phase. In this chapter, the three phases will be introduced respectively.

2.1 Budding Phase

The budding phase of China's cultural industry and cultural exports begins in 1992. Before this year, the highly-centralized planned economy has been implemented for quite some time by the Chinese government and the role of the market economy has been denied. As a result, cultural industry is fully integrated as a part of the national public service. Cultural products only have meet the basic cultural needs of the domestic people. Therefore, there is almost no cultural exports at all in China before 1978.

After 1992, when Xiaoping Deng made a speech in Shenzhen, the Chinese government pushes hard for the reform of the economic system. China's reform and opening-up has entered the stage and the cultural market in China is recognized, so China's cultural exports has stepped into the budding phase.

In 1985, culture was included in the tertiary industry in the *Report on the Establishment of Statistics on the Tertiary Industry*.⁴³ This is the first time that the Chinese government has recognized the nature of culture industry. Since the late 1980s, the Chinese government had started to reduce the investment in the business of some cultural institutions (mainly media units) in phases and in batches and implemented the policy of "independent accounting, self-financing, tax payment, and financial non-subsidy".⁴⁴ On June 16, 1992, the *Decision of the CPC Central Committee and the State Council on Accelerating the Development of the Tertiary Industry* clearly

⁴³ "Report on the establishment of statistics on tertiary industry," National Bureau of Statistics, accessed March 1, 2018, <http://gaige.rednet.cn/c/2008/04/14/1483741.htm>

⁴⁴ Peng Liu and Xiaochen Du, "Historical Evolution and Analysis of China's Cultural Industry Fiscal Policy." *Open Journal of Social Sciences*, no. 4(2016): 62-68.
<https://www.scirp.org/journal/PaperInformation.aspx?PaperID=65688>

stated that the implementation of industrialized operation was the direction of the modern cultural development of China.⁴⁵ The concept of cultural industry appeared in this decision, and the status of the cultural market was officially confirmed. In the 1980s and the early 1990s, China applied a tax refund policy to export cultural products.⁴⁶ The Chinese government did its most cultural exports to few developed countries, and the cultural exports were mainly one-way exports rather than multinational cultural intercommunion or spreading.

In the budding phase, with the continuous expansion of the cultural development space, cultural operation and cultural marketing campaigns had cultural begun to launch with hardware manufacturing, advertising, cultural services and other methods. Various forms of profit-oriented cultural institutions and entertainment groups were constantly appearing, thus the embryonic forms of both cultural industry and cultural exports formed. However, China's cultural exports was in small scale both in quantity and quality in the early days of economic reform. The coverage of cultural exports was narrow, the types of cultural exports were single, and the degree of development was still in the early period.

2.2 Initial Launch Phase

In October 1992, the Communist Party of China clearly stated to establish the system of socialist market economy as an ultimate objective for China's economic reform. After establishing the goal, China has formed an all-around opening-up structure. In 2001, China entered the World

⁴⁵ "Decision of the CPC Central Committee and the State Council on Accelerating the Development of the Tertiary Industry," State Council of the People's Republic, accessed March 4, 2018, <http://www.cnki.com.cn/Article/CJFDTotal-GWYB199218002.htm>

⁴⁶ Yonglin Huang, "The Historic Selection, Characteristics and Experience of Development Strategies of the Cultural Industry in China," *Journal of Tongji University (Social Science)* 25, no. 5 (2015): 10

Trade Organization (WTO), and China's cultural exports has stepped into the initial launch phase. In this phase, both Chinese government and enterprise noticed the importance of cultural development, and China's cultural exports can has changed a lot in three aspects: government policy, the international expansion of cultural enterprise, export of cultural products.

First, the Chinese government places high importance on cultural industry, and the related policies are gradually maturing. The environment of cultural exports is getting stable. In 1998, the Ministry of Culture newly established the Cultural Industry Department, which marks that the cultural industry and cultural exports are officially recognized by the government. At the same time, Publicity Department of CCP established a department called "Press, Publication, Radio, Film and Television Reform and Development Office".⁴⁷ After entering the millennium, the "Go globally" strategy was put into implementation. China's 10th Five-year Plan (2001-2005) called for "promoting the development of cultural industry", "promoting the integration of information industry and related cultural industry", and "making good use of both domestic and overseas resources".⁴⁸ This was the first time that Chinese government had used the term "cultural industry" in the official documents, and the requirements were put forward to promote the development of the cultural industry.⁴⁹ In 2003, the Chinese government issued *Several Opinions on Supporting and Promoting the Development of Cultural Industry*, which clearly points out the importance of "Go globally" strategy once again.⁵⁰ In 2007, the report of the 17th National Congress emphasized

⁴⁷ Ibid.

⁴⁸ "Report on the Outline of the Tenth Five-Year Plan for National Economic and Social Development (2001)," www.npc.gov.cn, accessed November 13, 2018, http://www.npc.gov.cn/wxzl/wxzl/2001-03/19/content_134506.htm.

⁴⁹ *Selected Documents from the 15th National Congress of the Communist Party of China (II)* (Beijing: People's Publishing House, 2001), 1390.

⁵⁰ "Several Opinions on Supporting and Promoting the Development of Cultural Industry," Ministry of Culture, accessed November 13, 2018, http://zwgk.mct.gov.cn/auto255/200807/t20080724_465696.html.

the enhancement of the international competitiveness and international influence of Chinese culture.⁵¹ This represents the developing process of the cultural industry from has risen from the theoretical level to planning level, which offers a foundation for cultural exports.

Second, the international expansion of cultural enterprise is getting mature, and cultural investments continues to grow. After the CCP's 14th Congress, more cultural enterprises put their eyes on the international market and gain more opportunities to "go globally". In 1995, China was ranked among the top five world cultural trade countries after the United States, Japan, the United Kingdom and France, and China's position in global cultural industry and cultural trade was gradually rising. Since 1999, Chinese government holds a series of cultural exchange activities with the theme of "Perceive China" every year. These activities have been held in the United States, France, Germany and other countries, have received high praise.⁵² In 2000, the Chinese government officially established the strategy of "Go globally". Since then, Chinese foreign investment has grown tremendously, investment in cultural industrial is no exception. Table 1 shows that the sum of foreign investment in cultural industry has increased by 18 times from 2004 to 2008, and the proportion of foreign investment in cultural industry in all foreign investment has also improved significantly, increasing by about 5 times.

Table 1: 2008 Statistical Bulletin of China's Outward Foreign Direct Investment⁵³

(Unit: 100 million US dollars)

⁵¹ People.cn, "Hold High the Great Banner of Socialism with Chinese Characteristics and Strive for New Victories in Building a Moderately Prosperous Society in all Respects," last modified October 25, 2007, <http://www.gapp.gov.cn/govpublic/86/566.shtml>.

⁵² Kunming Li and Mian Wang, *The Chinese Culture Development Strategy of Tongxiang Daguozhi Road* (Beijing: People's Daily Press, 2009), 336.

⁵³ "2008 Statistical Bulletin of China's Outward Foreign Direct Investment," Ministry of Commerce of People's Republic of China, accessed March 13, 2018, <http://images.mofcom.gov.cn/hzs/accessory/200909/1253868856016.pdf>

Year	2004	2005	2006	2007	2008
Sum of Foreign Investment in Cultural Industry	592	538	2614	9220	10733
Sum of All Foreign Investment in Various Industries	4477726	5720562	9063091	11791050	18397071
Proportion	0.013%	0.009%	0.029%	0.078%	0.058%

Although cultural investments accounts for a small proportion of total investments, the development of foreign investment continues to grow. Until the Chinese government officially established the strategy of “Go globally”, the cultural exports in this phase was developing slowly, which was a kind of preliminary attempt.

Third, the export of Chinese cultural products and services is in sustainable growth, and its structure is constantly improved. According to United Nations Conference on Trade and Development (UNCTAD) statistics, Chinese handicraft export has reached \$107.22 billion and design products export has reached \$588.48, which is ranked first in the world in 2008.⁵⁴ From the perspective of export structure, the high value-added cultural products such as information consulting services has showed strong growth momentum, and the proportion of cultural service

⁵⁴ Huailiang Li and Haixia Yu, “Analysis on the Export Structure and Competitiveness of China's Cultural Products and Cultural Services,” *International Trade*, 9 (2013): 59-66

trade in exports continues to increase. Therefore, Chinese cultural export has presented a transformation from cultural products export to cultural content export.

In the initial launch phase, although the concept of cultural industry had been proposed, in-depth theoretical discussions had not begun yet. The cultural industry was in urgent need of the construction of a theoretical system.

2.3 Rapid Developing Phase

At the Seventh National Congress of CPC in 2007, former Chinese President Hu Jintao said: “Improving cultural soft power is the basic requirement for achieving the goal of scientific development and social harmony, which is necessary to meet the growing demand for spiritual culture and national development strategies.”⁵⁵ In 2010, the cultural industry was included in the strategic pillar industries of nation's economy at the fifth plenary session of the 17th CPC Central Committee. The development of China's cultural industry and cultural exports are in the rapidest developing phase ever.

President Xi Jinping inherits this concern for soft power. In 2011, the 17th Central Committee of the CPC held a plenary session to discuss cultural issues. The final communique announces that the country's goal is to “build China into a socialist cultural power.” Xi announced that China must strengthen China's soft power and talk about Chinese narrative, and better

⁵⁵ Jian Wang, “Introduction: China's Search of Soft Power” in Jian Wang, ed., *Soft Power in China: Public Diplomacy Through Communication*, (New York: Palgrave Macmillan, 2011)

communicate China's information to the world.⁵⁶ In November 2012, the 18th National Congress of the CPC proposed a strategic policy of "solidly promoting the building of a socialist cultural power", and pointed out that China should "improve the soft power of national culture".⁵⁷ In November 2013, the Third Plenary Session of the 18th CPC Central Committee adopted the *Decision on Major Issues Concerning Comprehensively Deepening Reforms*. The reform of the cultural system was incorporated into the overall deep reform of the country, and the cultural markets were required to be further opened by enlarging the scope of cultural exchanges.⁵⁸

With the support of industrial policies, China's cultural industry and its international expansion have been greatly promoted. In 2016, the National Bureau of Statistics did a survey of 50,000 national scale companies in cultural and related industries. According to the survey, a profit of 803.41 billion RMB has been gained with an increase of 7.5% over the same period of the last year. The growth rate was 0.6% higher than the last year.⁵⁹ In 2017, the number of China's cultural and related industries at national scale was about 55,000. The profits of those industries stood at 919 billion RMB, which increased by 10.8% year-on-year. The growth rate increased by 3.3%.⁶⁰ In the first half of 2018, the number of enterprises has increased by 4000. All cultural enterprises

⁵⁶ USC Center on Public Diplomacy, "China's Soft Power: A Comparative Failure or Secret Success," last modified August 25, 2017, <https://uscpublicdiplomacy.org/blog/chinas-soft-power-comparative-failure-or-secret-success>

⁵⁷ The Central People's Government of the People's Republic of China, "Decision of the CPC Central Committee on Major Issues Pertaining to Deepening Reform of the Cultural System and Promoting the Great Development and Flouring of Social Culture," last modified October 25, 2011, http://www.gov.cn/jrzq/2011-10/25/content_1978202.htm

⁵⁸ The Central People's Government of the People's Republic of China, "Decision on Major Issues Concerning Comprehensively Deepening Reforms," last modified November 15, 2013, http://www.gov.cn/jrzq/2013-11/15/content_2528179.htm

⁵⁹ National Bureau of Statistics, "The Growth of the Cultural and Related Industries in 2016," last modified February 6, 2017, http://www.stats.gov.cn/tjsj/zxfb/201702/t20170206_1459430.html

⁶⁰ National Bureau of Statistics, "The Growth of the Cultural and Related Industries in 2017," last modified January 31, 2018, http://wap.stats.gov.cn/fb/201801/t20180131_1579219.html

at national scale has gained a profit of 422.27 billion RMB with an increase of 9.9% over the same period of the last year, which continues to maintain rapid growth.⁶¹ For the international expansion of China's cultural industry, in 2017, the total import and export of cultural products and services in China is US\$126.51 billion with a year-on-year increase of 11.1%. Among them, the total import and export of cultural products is US\$97.12 billion, which increases 10.2% year-on-year; the total import and export of cultural services is US\$29.39 billion, which increases 14.4% year-on-year.⁶²

The development of cultural industry accelerates China's cultural exports. According to the report, over the past decade, China has spent 10 billion US dollars each year to develop soft power.⁶³ As of 2018, China has set up more than 500 Confucius Institutes and more than 1100 Confucius Classrooms around the world.⁶⁴ China is also increasing the influence of its foreign news agencies. For instance, the Xinhua News Agency has already established about 170 international branches, and both China Daily and Global Times are currently publishing English editions which are available worldwide. In the past three years, China's soft power has indeed increased. In 2015, China ranked 30th (in the bottom) in the global soft power index rankings. In 2016, its ranking rose to 28; in 2017, it rose to 25.⁶⁵ According to the 2017 Global Soft Power Report, this is mainly because "the Chinese rise and American retreat dynamic become the

⁶¹ www.gov.cn, "The Growth of the Cultural and Related Industries in the First Half of 2018," last modified July 31, 2018, http://www.gov.cn/xinwen/2018-07/31/content_5310734.htm. 2018-8-20.

⁶² www.gov.cn, "China's Cultural Products Exports Grow Rapidly," last modified February 12, 2018, http://www.gov.cn/shuju/2018-02/12/content_5266021.htm.

⁶³ USC Center on Public Diplomacy, "China's Soft Power: A Comparative Failure or Secret Success," last modified August 25, 2017, <https://usepublicdiplomacy.org/blog/chinas-soft-power-comparative-failure-or-secret-success>.

⁶⁴ "About the Confucius Institute and Confucius Classroom," Office of Chinese Language Council International, accessed September 19, 2018, http://www.hanban.org/confuciusinstitutes/node_10961.htm.

⁶⁵ Jonathan McClory, *The Soft Power 30—A Global Ranking of Soft Power 2017* (Portland: USC Center on Public Diplomacy, 2017), <https://softpower30.com/wp-content/uploads/2017/07/The-Soft-Power-30-Report-2017-Web-1.pdf>.

dominant trend again”, especially in Africa and Latin America.⁶⁶ Despite all this, China is still not beloved by all abroad, including in the West.

The main characteristics of this period are as follows: both the culturalization of the economy and the economicization of culture make the cultural and social development more effectively integrated. On the one hand, social development always exists as a foundation for cultural development and promotes cultural development; on the other hand, culture is the motive force and source of social development and promotes social development. Through the development of industrialization, cultural industry could provide more cultural products to the society to meet the growing spiritual needs of the society. Besides, the cultural industry are characterized by high knowledge, high value-added, great value-added potential, low consumption, and low pollution. It can greatly improve the quality of economic operations and enhance the economic strength of national development.

It can be foreseen that the cultural industry will become a leading, strategic and pillared sunrise industry in the national economy. China’s cultural industry also will become an important way to meet people’s growing spiritual needs. At the meantime, with the development of cultural industry, the “Go Globally” strategy and excess cultural products will access to foreign market, which would bring further development and growth to China’s cultural exports.

⁶⁶ Ibid.

2.4 The Features of China's Cultural Exports

Now, when the volume of China's cultural exports increase, the exporting methods and contents would also become more plentiful. Though the national cultural soft power has been improved, the disadvantages of China's cultural exports are obvious as well. Compared with America, Japan and South Korea, the scale of China's cultural is insufficient, and the market-expanding mode is not innovative enough. Both developments and disadvantages of China's cultural exports will be discussed in next few paragraphs.

In recent years, the total volume of foreign trade of cultural products in China has steadily increased, and the trade in cultural products has consistently achieved a surplus. In 2017, the total export-import volume of cultural products in China was US\$97.1 billion with an increase of US\$86.9 billion or 8.5 times over 2006. The trade surplus of cultural products was \$79.3 billion with an increase of \$70.2 billion over 2006.⁶⁷

China continues to innovate the way of cultural exports. The Confucius Institute plays an important role in the "Going global" strategy with its "Chinese Bridge" project. China has already set up more than 500 Confucius Institutes and more than 1100 Confucius Classrooms around the world.⁶⁸ Besides, China Radio International also plays an important role in cultural exports. At the end of 2016, there has been 101 overseas broadcast stations of China Radio International on the whole frequency, broadcasting nearly 3,000 hours of programs every day, covering about 500

⁶⁷ National Bureau of Statistics, "*The construction of cultural undertakings has been continuously strengthened*," last modified September 13, 2018, http://www.stats.gov.cn/zjtj/ztfx/ggkf40n/201809/t20180913_1622703.html

⁶⁸ About the Confucius Institute and Confucius Classroom," Office of Chinese Language Council International, accessed September 19, 2018, http://www.hanban.org/confuciousinstitutes/node_10961.htm

million people in the capital or major cities of more than 50 countries.⁶⁹ Furthermore, more Chinese online gaming and web novels are emerging in foreign markets. There are even some European and American authors wrote Chinese Xianxia novels.⁷⁰

China's cultural exports are dominated by traditional cultural exports. For example, ancient costume or martial arts movies and television plays are the major part of movie and television play exports. As the precipitation of Chinese culture for thousands of years, martial arts culture is an extension of Chinese culture. After nearly a hundred years of development, martial arts films have become a special type of film that is independent of other countries in the world. From Hong Kong martial arts films, to mainland films such as *The Promise*, *Hero* and *The Great Wall*, all these films show Chinese traditional cultural elements. In addition, the online gaming and web novels mentioned above are also based on Chinese traditional culture.

Despite the developments and advantages mentioned above, the disadvantages of China's cultural exports should not be ignored. On the one hand, the economic transformation of modern China makes new demands on cultural exports. On the other hand, cultural export needs to correspond the growing customer requirements for cultural products. Therefore, China's cultural exports still face many challenges, such as the shortage of exports scale, irrational structure, and behindhand export model.

First, some abnormal situations can be found in China's cultural exports. Compared with the cultural industry in developed countries, China's cultural industry contributes less in national

⁶⁹ National Bureau of Statistics, "*The construction of cultural undertakings has been continuously strengthened*," last modified September 13, 2018, http://www.stats.gov.cn/zjtc/ztfx/ggkf40n/201809/t20180913_1622703.html

⁷⁰ Rachel Suet Kay Chan, "Game of Translations: Virtual Community doing English Translations of Chinese Online Fiction," *Journal of Science and Technology of the Arts* 9, no. 1 (2017): 39-55.

economy with lower competitive power. Compared with cultural artifacts, cultural contents carry more cultural connotations and values. Although China's cultural exports are transforming from cultural artifacts to content contents, most cultural products are still primary, which is far lower than the cultural products of developed countries.

There are not many cultural products that really created in China, and the added value is low. Besides, as a participant in international exports, the subject of cultural exports plays an important role in the international cultural market. With China's accession to the WTO, all cultural enterprises with different proprietorship can export their cultural products and services globally. However, the ideological nature of culture prompts that it is difficult for state-owned cultural enterprises to extend their global business. On the contrary, private and foreign-invested cultural enterprises become the main part of China's cultural exports. The pattern which a single kind of cultural enterprise dominates cultural exports, has not changed. In addition, the economic development gap among the east, middle and west regions is becoming wilder with most cultural enterprises located in the developed eastern region. At present, only cultural enterprises in central cities such as Beijing, Shanghai and Guangzhou have more international competitiveness. Therefore, due to the imbalance of economic development in different regions, cultural industry development is not synchronized, which brings the structure of China's cultural exports with spatial concentration and imbalance.

Second, the main market-expanding mode of China's cultural exports is not innovative enough. In the process of cultural exports, China is still in the explorative stage. On the one hand, until today, direct export of traditional cultural products, such as Peking Opera mask decoration, Qipao and cultural performance, is the major components of China's cultural exports. It is difficult for the products to directly express the value of a nation. For those who are not familiar with the

hidden meaning of the cultural artifact and contents, they can only feel the “exotic style”, because of the cultural barriers. The cultural barriers between China and other countries affect the effect of cultural exports to some extent. Foreigners can only feel the exotic atmosphere of these of traditional cultural products, but usually do not go deep into the cultural connotation behind them. In fact, one of the preconditions for cultural exports is to let consumers accept the products, that is, to achieve ‘others’ agree’.⁷¹ Cultural exports are important, but the appropriate exports mode and exports contents are also important. On the other hand, China’s cultural service exports rely on foreign purchases and introductions. As mentioned, the exports of Chinese movies and television plays are independent of the recognition of some world-class awards or foreign cultural enterprises which provide streaming media services. China’s cultural enterprises have not developed a complete exports mode even if they have a complete production chain. That is because cultural enterprises do not have enough understanding of international rules, and cannot fully understand and perceive the international cultural market segment. Therefore, the initiative and good opportunity may be lost to occupy the international market due to information asymmetry. This situation drags down the process of China’s cultural exports and also results in the loss of initiative in cultural exports.

Third, the international pattern of China’s cultural exports has not yet been finalized. The rules of the international market are made by the strongest powers who first entered the market. Most of the powerful countries with culture industries have an international popular product, such as Japanese animation, Korean idol groups, American film and French fashion item. However, China does not yet own its own contemporary cultural card, which is still being exploring. At

⁷¹ Changyong Zhang and Bei Yu, “Others Agree: The Premise of Cultural Exports,” *China Newspaper Industry*, 2012(10).

present, China's cultural enterprises do most cultural exports with developed countries. Although consumers in developed countries have relatively strong purchasing power for cultural products and services, the simple target market greatly restricted developing space for China's cultural industry. As the production level of China's cultural industry is still not comparable to that of developed countries, some Chinese cultural enterprises cannot be adjusted in time according to the needs of the international market. In addition, China's cultural exports mainly aim at the Chinese language market, which seriously affects the positioning of China's cultural industry in the global market. As a result, Chinese modern culture does not have an accurate positioning in the development of world culture, and Asian markets which could accept Chinese culture are the main targets of China's cultural exports. By comparison, Japan and South Korea has carved out a sizable share of this market, leading to tremendous competitive pressure on Chinese cultural products and services in the Asian market. As for European and American markets, due to language and aesthetic differences, it is difficult for China's cultural products and services to break into their mainstream market. China's effect of expanding its cultural exports market is not ideal, even though China is geographically closer to Central Asian and Arab countries and the Pacific with the space advantage. Generally, China has not established a comprehensive global cultural exports system.

CHAPTER 3 Data Analysis on the Problems and Dilemmas of China's Cultural Exports

In the past 30 years, China's cultural exports have made great achievements, but there are certain problems as well. The Chinese government and Chinese private companies have invested a large amount of money in China's cultural exports, and the volume of trade and the number of Chinese schools are increasing. However, this does not directly make people in other countries have a positive attitude and a high evaluation of China. The development of China's cultural industry has encouraged China's cultural exports which are benefit to increase China's soft power in the global stage. If a nation has strong soft power, it would achieve its international goals easier.⁷² On the other point of view, people in the other national would recognize that nation and the cultural of it. Some statistics show that even if China's economic status has raised and cultural exports has increased, the recognition of China by other countries in the world is still not high. Therefore, the effect of China's cultural exports investment is likely to be problematic.

In this chapter, the effects of Chinese cultural exports will be analyzed through relevant data and regression equations. First, the relationship between the number of Chinese in a country and its opinion about China will be compared. Second, as an important part of official cultural exports of China, the Confucius Institutes could not be ignored. When the Chinese government is promoting the Confucius Institute to the whole world, some controversies on Confucius Institutes have occurred in some countries, such as the United States. Third, the impact of the Beijing Olympic Games, which have left a deep impression on the people of the world on Chinese cultural exports will be analyzed by comparing the number of inbound tourists coming to China before and

⁷² Lin Li and Xiaonan Hong, "Analysis of Joseph Nye's Soft Power Theory," *Journal of Dalian University of Technology (social sciences)*, 4(2011): 88-93.

after the Beijing Olympics. Through these analyses, the problems and dilemmas of China's cultural exports would be clearer.

3.1 The Influence of Chinese Immigrant

Apart from the direct export of cultural products, cultural export has various forms, such as the communication among different cultural groups. Both population and capital flows can promote the spread of Chinese influence, so China's foreign investment and Chinese immigrant can promote the cultural exports unconsciously. The American economist, Bedassa Tadesse, makes a research to examine whether cultural differences affect the trade flows, and has found that immigrants exert a pro-export effect, including cultural and non-cultural products exports.⁷³ This chapter would focus on the relationship between the number of Chinese in a country and its people's opinion on China. .

To discuss the relationship between the number of Chinese immigrant and the opinion about China, the data comes from three data sets. One is the density of Chinese migrants⁷⁴ in each nation, which is calculated from population size and number of Chinese migrants. In the original data set, *Global Migration Map: Origins and Destinations of the World's Migrants, 1990-2017*, an international migrant is defined as "someone who has been living for one year or longer in a country other than the one in which he or she was born"⁷⁵, so all second-generation immigrants

⁷³ Bedassa Tadesse, "Cultural distance as a determinant of bilateral trade flows: do immigrants counter the effect of cultural differences?" *Applied Economics Letters* 17, no. 2 (2010), 147-152.

⁷⁴ Appendix I.

⁷⁵ Pew Research Center, "Origins and Destinations of the World's Migrants, 1990-2017," last modified September 21, 2018, <http://www.pewglobal.org/2018/02/28/global-migrant-stocks/?country=AU&date=2017>

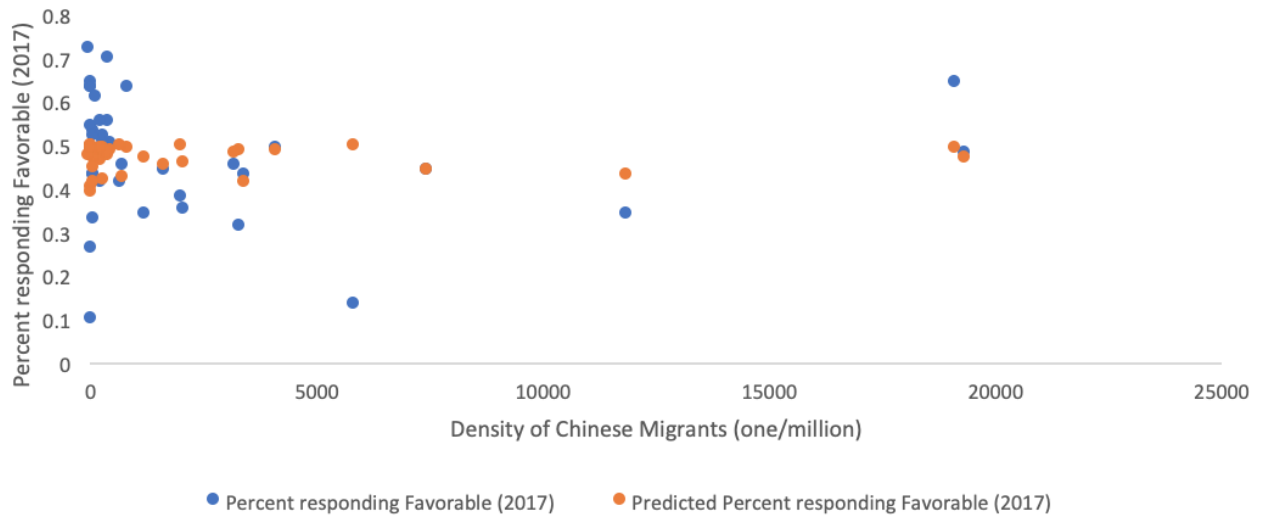
are not counted as migrants but many foreign workers and international students are counted as migrants. Because the second-generation immigrants have moved away from the cultural environment of their parents' nationality and have integrated into the new cultural environment. Many temporary worker and international students would bring their own culture to the destination country. Therefore, the definition of international migrant can be adopted by this paper. Another data set is about people's opinion about China, which is from Global Indicators Database of Pew Research Center's Global Attitudes Project.⁷⁶ The survey question is "Do you have a favorable or unfavorable view of China?", and the data shows the percent responding favorable view. The third data is the GDP per capita of each nation, which was counted by the World Bank.⁷⁷ The above data are all based on the statistical results or survey of 2017.

The independent variable (X_1) is the amount of Chinese migrant. Because the number of Chinese are less than 1,000 (<1,000) or less than 10,000 (<10,000) in some countries, these amounts should be re-stated as 500 and 5000. The control variable (X_2) is the GDP per capita of each nation. The dependent variable (Y) is the percent responding favorable opinion of China. Diagram 1 in next page is the scatter plot of the regression.

Diagram 1: Multiple Regression Between the Number of Chinese Migrants and Opinion about China

⁷⁶ "Global Indicators Database," Pew Research Center, accessed September 20, 2018, <http://www.pewglobal.org/database/about/>.

⁷⁷ "GDP per capita (current US\$)," The World Bank, accessed November 16, 2018, <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD>.



In the scatter plot, the distribution of each point is scattered, and there is no obvious linear trend. Even the fitted regression line has a slight negative correlation trend, which means if the number of Chinese migrant increases, the percent responding favorable opinion about China would decrease. To ensure the goodness of fit of the regression line, the regression output should not be ignored.

Table 2: Results of Multiple Regression Analysis

SUMMARY OUTPUT								
Regression Statistics								
Multiple R	0.213264792							
R Square	0.045481872							
Adjusted R Square	-0.009062021							
Standard Error	0.139548117							
Observations	38							
ANOVA								
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>			
Regression	2	0.03247657	0.01623828	0.833858184	0.442815861			
Residual	35	0.681578693	0.01947368					
Total	37	0.714055263						
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0.497287524	0.03355382	14.8205935	1.18641E-16	0.429169648	0.5654054	0.429169648	0.5654054
Density of Chinese	3.49417E-06	6.14906E-06	0.56824492	0.573496631	-8.98909E-06	1.59774E-05	-8.98909E-06	1.59774E-05
GDP per capita (2	-2.01046E-06	1.58873E-06	-1.2654487	0.214070314	-5.23575E-06	1.21484E-06	-5.23575E-06	1.21484E-06

From Table 2, it can be seen that the multiple R is only around 0.21 and the determination adjusted R^2 is around 0.04, which indicates that only about 4% change in percent responding favorable opinion about China is resulted by the change in the number of Chinese migrant and the GDP per capita. In addition, the significance F is around 0.44 and the P-value of X_1 is around 0.57, which are greatly larger than $P=0.05$, which indicates that the multiple regression is not significant under the control of the GDP per capita. Thus, according to the regression between the number of Chinese in a country and the people of the country's opinion about China, the number of Chinese migrant has little impact on the opinion about China and China's cultural exports.

In general, a country's foreign investment would bring more jobs to other countries, ease unemployment rate and promote economic development, therefore improve other country's attitude toward the investment country to a certain extent. Some studies show that "immigrant cultures" includes how immigrants adapt to the new environment and how they deal with their dominant national culture.⁷⁸ Immigrants can also bring the culture of the origin country to other countries and subtly carry out cultural exports. However, the two regression analyses above show that both China's foreign investment and Chinese immigration cannot improve the opinion about China by other nationals. In a word, China's foreign investment and Chinese immigrants have failed in expanding China's cultural exports and improving China's soft power.

The footprints of Chinese people are almost all over the world. Chinese language, culture and ideology are the cultural characteristics attached to these people, which they bring to the local community. Although they would not transmit Chinese culture and ideology in their daily lives

⁷⁸ Gerard Noiriel, "The Historian in the Cite': how to reconcile history and memory of immigration," (Paper presentation, Museum International, The Cultural heritage of migrants, Vol LIX, n°1-2 / 233-234, May 2007), <http://unesdoc.unesco.org/images/0015/001510/151011e.pdf>

actively, local people could also learn about Chinese culture and ideology from the daily words and deeds of the Chinese. Moreover, immigrants exert a pro-export effect, so that more Chinese cultural products can exports to foreign counties, which results in that locals have more chances to touch with Chinese culture. Thus, the cultural exports caused by immigration can be regarded as a kind of implicit cultural export.

The regression analysis is performed to measure the relative impact on the locals' opinion about China with the number of Chinese immigrants. If the implicit cultural exports caused by immigrant are obvious, the local people would not reject Chinese cultural and the Chinese sense of value, and even would be guided to follow, which shows China's soft power. So, the regression analysis could be an appropriate method to discuss the influence factors of China's cultural exports and soft power. But the results show that in the country with more Chinese immigrants, there would be less people who think highly of China. It follows that Chinese immigrant have no impact on increasing foreign people's opinion on China. From the perspective of soft power and cultural exports, Chinese immigrant is a failure.

3.2 The Confucius Institutes

The Confucius Institute is a non-profit organization managed by the Chinese government to export cultural content. The purpose of the establishment of the Confucius Institute is to promote the spread of Chinese culture overseas. As of 2018, China has set up more than 500 Confucius Institutes and more than 1100 Confucius Classroom around the world to teach Chinese language

and culture.⁷⁹ Although the development of the Confucius Institute is fast, there are lots of problems.

The Confucius Institute was questioned by the destruction of academic freedom and intelligence gathering. Because the Confucius Institute is a kind of official institution belonging to the Chinese government, it needs to sign many secret agreements between the Chinese government and the colleges and universities, and its teaching material only follows the Chinese version which are accused of propaganda materials.⁸⁰ The academic community is worried that the Confucius Institute will damage academic freedom. Thus, the University of North Florida believes that the teaching of the Confucius Institute is inconsistent with the idea of university, so it decides to terminate cooperation. At the same time, another criticism of the Confucius Institute is spy activities. The Confucius institute is perceived “both as an arm of Chinese soft power abroad and as a potential vehicle for intelligence gathering.”⁸¹ Rachele Peterson, a policy director at National Association of Scholars, even recommends universities and colleges to close Confucius Institute and end contracts with the Hanban.⁸² Up to now, there have been more than ten Confucius Institutes closed,⁸³ for the reasons given above.

⁷⁹ “About the Confucius Institute and Confucius Classroom,” Office of Chinese Language Council International, accessed September 19, 2018, http://www.hanban.org/confuciousinstitutes/node_10961.htm

⁸⁰ John Pomfret, “The furor over the Confucius Institutes is distracting from real Chinese threats,” *The Washington Post*, July 2, 2018, https://www.washingtonpost.com/news/global-opinions/wp/2018/07/02/the-furor-over-the-confucius-institutes-is-distracting-from-real-chinese-threats/?noredirect=on&utm_term=.5b8a4beb84bd

⁸¹ Adam McDowell, “Are China’s Confucius Institutes in Canada Culture Clubs or Spy Outposts?” *National Post*, July 9, 2010.

⁸² Rachele Peterson, “Outsourced to China: Confucius Institutes and Soft Power in American Higher Education,” https://www.nas.org/images/documents/NAS_outsourcedToChinaMediaPacket.pdf.

⁸³ John Pomfret, “The furor over the Confucius Institutes is distracting from real Chinese threats,” *The Washington Post*, July 2, 2018, https://www.washingtonpost.com/news/global-opinions/wp/2018/07/02/the-furor-over-the-confucius-institutes-is-distracting-from-real-chinese-threats/?noredirect=on&utm_term=.5b8a4beb84bd

Despite of the criticism, the relationship between the Confucius Institutes and foreign people's opinion about China is also worth studying. To discuss the relationship, the related data comes from three data sets. One is the distribution density of Confucius Institutes⁸⁴, which is calculated from population size⁸⁵ and number of Confucius Institutes⁸⁶. The other data set is from Global Indicators Database of Pew Research Center's Global Attitudes Project, and the data shows the percent responding favorable opinion about China. The third data is the GDP per capita of each nation, which was counted by the World Bank. The above data are all based on the statistical results or survey of 2017.

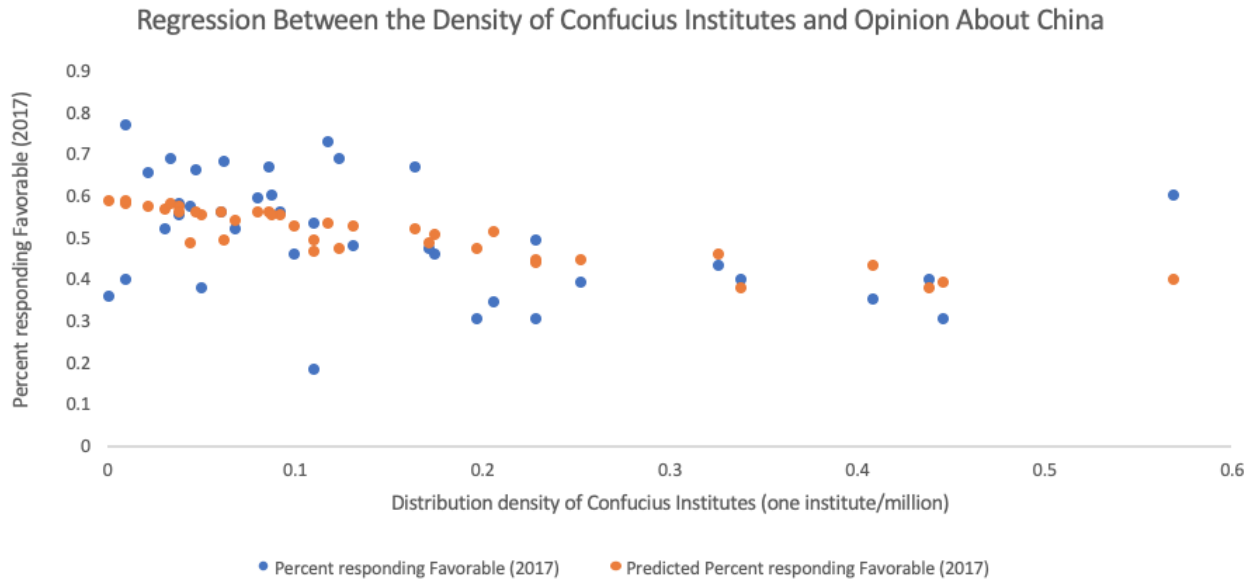
The independent variable (X_1) is the distribution density of Confucius Institutes, and the control variable (X_2) is the GDP per capita of each nation. The dependent variable (Y) is the percent responding favorable opinion of China. Diagram 2 is the scatter plot of the regression.

Diagram 2: Regression Between the Density of Confucius Institutes and Opinion about China

⁸⁴ Appendix I.

⁸⁵ Source: "Population," World Bank, accessed September 25, 2018, <https://www.populationpyramid.net/population-size-per-country/2017/>

⁸⁶ Source: "About the Confucius Institute and Confucius Classroom," Office of Chinese Language Council International, accessed September 25, 2018, http://www.hanban.org/confuciousinstitutes/node_10961.htm.



In the scatter plot, the distribution of each point is scattered, and there is an obvious negative linear trend. Even the fitted regression line has a negative correlation trend, which means if the density of Confucius Institutes is large, the percent responding favorably opinion about China would decrease. To ensure the goodness of fit of the regression line, the regression output should not be ignored.

Table 3: Results of Regression Analysis

SUMMARY OUTPUT								
<i>Regression Statistics</i>								
Multiple R	0.437290855							
R Square	0.191223292							
Adjusted R Square	0.14500748							
Standard Error	0.130866804							
Observations	38							
<i>ANOVA</i>								
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>			
Regression	2	0.141722627	0.070861313	4.137616194	0.024378171			
Residual	35	0.599414216	0.01712612					
Total	37	0.741136842						
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	0.589214451	0.035744292	16.48415498	4.51477E-18	0.516649681	0.661779	0.51665	0.661779
Distribution densi	-0.331825592	0.161351343	-2.056540627	0.047245497	-0.659386232	-0.004265	-0.659386	-0.004265
GDP per capita (2	-1.64292E-06	1.23262E-06	-1.332867716	0.191187281	-4.14528E-06	8.59E-07	-4.15E-06	8.59E-07

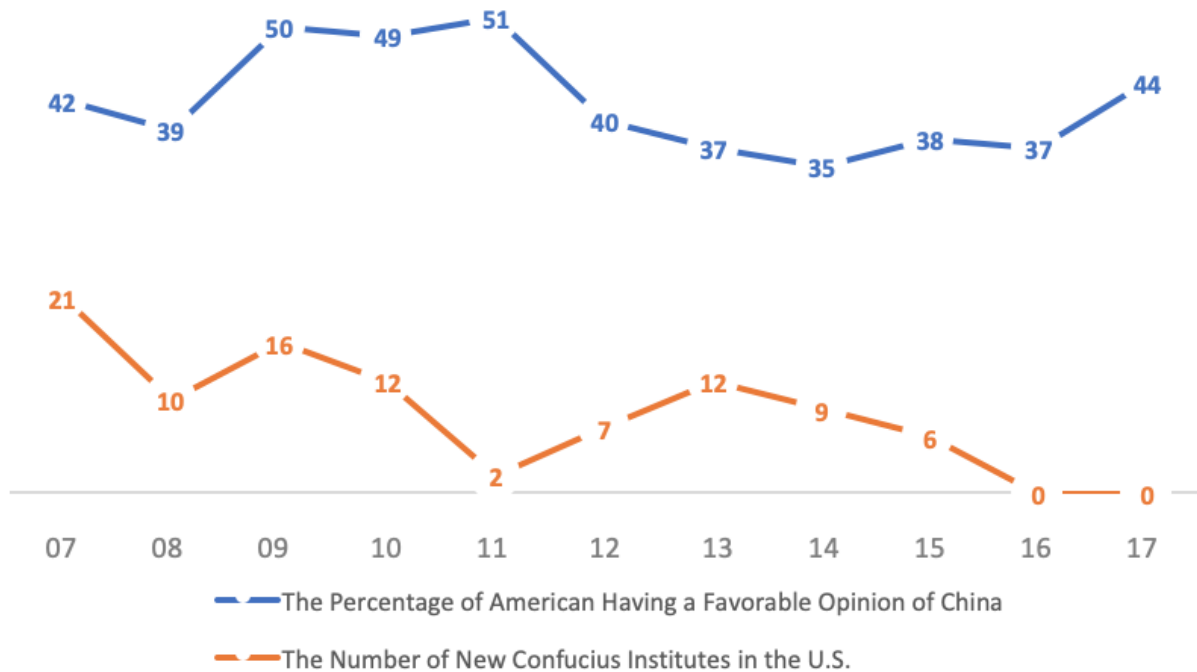
From Table 3, it can be seen that the multiple R is only around 0.44 and the determination adjusted R^2 is around 0.14, which indicates that about 14% change in percent responding favorable opinion about China is resulted by the change in the density of Confucius Institutes and the GDP per capita. In addition, the significance F is around 0.024 and the P-value of X_1 is around 0.047, which are less than $P=0.05$. It is suggested that the regression is significant at $\alpha=0.05$ level under the control of the GDP per capita. According to the regression between the density of Confucius Institutes and the people of the country's opinion about China, the density of Confucius Institutes has a negative impact on the opinion about China.

However, this multiple regression only indicates the relationship between the Confucius Institutes and people's favorable views of China in 2007, but cannot show the dynamic effect of the number of the Confucius Institutes on foreign people's attitude toward China. To figure out the dynamic effect, there is a line chart showing the relationship between the number of new Confucius Institutes in America⁸⁷ and Americans' attitude toward China⁸⁸.

Line Chart 1: The Percentage of American Having a Favorable Opinion of China and The Number of New Confucius Institutes in the U.S.

⁸⁷ Source: "About the Confucius Institute and Confucius Classroom," Office of Chinese Language Council International, accessed November 18, 2018, http://www.hanban.org/confuciousinstitutes/node_10961.htm.

⁸⁸ Source: Richard Wike and Kat Devlin, "As Trade Tensions Rise, Fewer Americans See China Favorably," Pew Research Center, accessed November 18, 2018, <http://www.pewglobal.org/2018/08/28/as-trade-tensions-rise-fewer-americans-see-china-favorably/>.



From Line Chart 1, it can be seen that the variation trends of the percentage of Americans with a favorable opinion of China and the number of new Confucius Institutes are reversed in most years. Only in 2009, the percentage of Americans with a favorable attitude toward China is obvious more than last year with Chinese government established more new Confucius Institutes. However, the overall trend is negative which means that when more new Confucius Institutes are established, less Americans have favorable view of China; or China establishes less new Confucius Institutes, the favorable percentage increases. Thus, the result shows that in most years obvious anti-variations can be found in the percentage of American with a favorable opinion of China and the number of new Confucius Institutes, which indicates that more Confucius Institutes would not improve Americans' attitudes towards China.

Not only the Confucius Institutes face many criticism, but from the results of the two regressions, it can be concluded that the increase in the number of Confucius Institutes does not improve the attitude of local people toward China. Therefore, as an institute to export Chinese language and culture, Confucius Institutes did not meet expectations. It can be said to be a failure to a certain extent.

3.3 The 2008 Beijing Olympic Games

With more than one hundred years of development, the modern Olympic Games is not only a sporting event, but also have already developed into a window of comprehensive political, economic and cultural display. The Olympic Games greatly enhance the international reputation of the host country and the host city, and bring political and economic benefits. Judging from the holdings of recent Olympic Games, the tourism development of the host countries and host cities have been greatly boosted and the culture displayed through the Olympic Games has attracted more overseas tourists. Therefore, hosting the Olympic Games could be regarded as a cultural export event of the host country.

According to the effects of cultural export mentioned in 1.5, the Olympic Games have a positive influence on the global image and opinions about the hosting country. Chapter 3.3 aims to figure out whether the 2008 Beijing Olympic Game influenced China's global image and the overseas tourists' opinion about China by data analysis. To investigate foreign people's attitudes toward China, a data set from a Beijing Sport University's questionnaire survey based on the effect of the 2008 Beijing Olympic Games will be adopted.

The research questions for Chapter 3.3 are set as follows:

The Research Questions for Chapter 3.3:

Does watching the 2008 Beijing Olympic Games have a positive impact on foreign people's attitude toward China?

This research question includes two secondary questions: “Does watching the 2008 Beijing Olympic Games have an impact on foreign people’s attitude towards China?” and “If it has an impact, the impact is positive or negative?” To figure out the first question, the hypothesis is set as follow:

Hypothesis: Watching the 2008 Beijing Olympic Games has no impact on foreign people’s attitude toward China.

To testify this hypothesis, the ANOVA test will be adopted, and both the data processing and the statistical analysis were done via Excel. The dataset includes six variables: attitude toward China in 2007, attitude toward China in 2008, the duration of watching 2008 Beijing Olympic Games, gender, age group and education level. With the aim to analyze whether watching the 2008 Beijing Olympic Games would impact people’s attitude toward China, one variable is calculated from “attitude toward China in 2008” minus “attitude toward China in 2007”. Another variable is whether watch the 2008 Beijing Olympic Games, which based on the watching duration. Table 5 shows the full descriptive statistics of variables from questionnaire surveys.

Table 5: Descriptive Statistics of Major Variables from Questionnaire Surveys

	Mean	S.D.
--	------	------

The duration of watching the 2008 Beijing Olympic Games Never = 0 1-3 hours = 1 4-7 hours = 2 7-10 hours = 3 more than 10 hours = 4	1.7	1.29
Attitude toward China in 2008 very dissatisfied = 1 a little bit dissatisfied = 2 no attitude = 3 a little bit satisfied = 4 Very satisfied = 5	3.44	1.24
Attitude toward China in 2007 very dissatisfied = 1 a little bit dissatisfied = 2 no attitude = 3 a little bit satisfied = 4 Very satisfied = 5	2.78	1.05

Because of the research question and hypothesis, the date is divided into two groups: “Never watch the 2008 Beijing Olympic Games” and “Have watched the 2008 Beijing Olympic Games.” Table 5 shows the descriptive statistics of variables used in ANOVA test.

Table 6: Descriptive Statistics of Major Variables used in ANOVA

	Never watch			Have watched		
	Count	Mean	Variance	Count	Mean	Variance
The changes of respondents' attitude (Attitude toward China in 2008 - Attitude toward China in 2007)	105	0.438	0.594	403	0.699	1.325

Table 7 shows the result of ANOVA test. P-value is 0.028, smaller than 0.05, which means the hypothesis is reject in $\alpha=0.05$ level. Therefore, it can be concluded that watching the 2008 Beijing Olympic Games has impact on foreign people’s attitude toward China.

Table 7: The Result from ANOVA Test

ANOVA						
<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	5.70287821	1	5.70287821	4.85377792	0.02803557	3.85990193
Within Groups	594.517594	506	1.17493596			
Total	600.220472	507				

Next, to analyze the impact of watching 2018 Beijing Olympic Games on foreign people’s attitude is positive or negative, it needs to research the correlation coefficient of the two variables. Table 8 shows the result of correlation. The correlation is around 0.38, larger than 0, which means the change in attitude toward China is positively correlated with watching the 2008 Beijing Olympic Games.

Table 8: The Result from Correlation Test

	<i>Column 1</i>	<i>Column 2</i>
<i>Column 1</i>	1	
<i>Column 2</i>	0.37764468	1

With the two analyses above, the research supports that watching the 2008 Beijing Olympic Games has a positive impact on foreign people’s attitude towards China. Therefore, the 2008 Beijing Olympic Games is a successful cultural export event, and has improved foreign people’s opinion on China.

CHAPTER 4 Conclusion

When peace and development has become the mainstream of the world, competitions among countries has become diverse. Cultural exports have no long just been cultural exchanges and cross-cultural communication, but an important basis for a country to increase its soft power and implement public diplomacy. In the past 30 years, China's cultural exports have made great achievements with increasing foreign investment, and China has played its role in more international activities and situations. Confucius Institutes are spread all over the world, and the 2008 Beijing Olympic Games made China eye-catching. More and more people know more about China, but it does not mean that most people can accept and recognize China and Chinese culture.

This research paper aims to figuring out the results of China's cultural export activities. In Chapter 1, explanations of some concepts of cultural industry, cultural exports and some theories relating to cultural export, such as soft power and public theory are introduced. Based on these concept, Chapter 1.5 points out the purpose and effect of cultural exports, which would improve the country global image and influence people's attitude towards the country. Chapter 2 combos the history of the development of China's cultural industry and the track of policy changes. Meanwhile, the features of Chinese cultural exports and its existing problems and dilemmas are also introduced. In Chapter 3, the effect of Chinese immigrant, the Confucius Institutes and the 2008 Beijing Olympic Games are analyzed as examples. The hypotheses about the positive influence of cultural exports on foreign people's opinion on the exporter are put forward at the base of the academically theory frame.

As for the main findings of this paper, both soft power theory and public diplomacy are in relation to cultural export. One important way to increase soft power is to let more people accept

the culture, which needs to be achieved through cultural exports. Public diplomacy also advertises culture to the world. Both the improvement of soft power and the public diplomacy effort could garner favorable public opinion, cultural export would also enhance the image of a country and increases foreign people's attitude toward it. By data analyzing, it is found that Chinese immigrant has no relationship with the improvement of locals' opinion of China, the Confucius Institutes does not improve the attitude of local people towards China, and the 2008 Beijing Olympic Games has a positive impact on foreign people's attitude towards China. Therefore, it can be concluded that from the perspective of cultural exports, the Confucius Institutes is a failure but the 2008 Beijing Olympic Games is a successful event.

Finally, there are also some defects and shortcomings of this research paper. In the part of theoretical analysis, this paper has introduced several concepts and theories about cultural exports, but the new theoretical framework proposed is relatively simple. The regression and hypothesis are plain. For further research about China's cultural export, a more complete theory on cultural export should be applied and more influencing factors should be involved to analyze the effect of China's cultural export activities.

BIBLIOGRAPHY

Books

- Cummings, Milton C. *Cultural Diplomacy and the United States Government: A Survey*. Washington D.C: Center for arts and culture, 2003.
- Gudykunst, William B. and Bella Mody. *Handbook of International and Intercultural Communication*. Thousand Oaks: Sage Publications, 2002.
- Jian, Hua. "Chinese Cultural Geostrategy and the New Pattern of Chinese Going Global." *Dongyue Tribune* 33, no.1 (2012): 46-52.
- Li, Kunming, and Mian Wang. *The Chinese Culture Development Strategy of Tongxiang Daguozhi Road*. Beijing: People's Daily Press, 2009.
- Linder, Staffan B. *An Essay on Trade and Transformation*. New York: Stockholm, Almqvist & Wiksell, 13.
- Lord, Carnes. *Losing Hearts and Minds? Public Diplomacy and Strategic Influence in the Age of Terror*. Westport, CT: Praeger Security International, 2006.
- McClory, Jonathan. *The Soft Power 30—A Global Ranking of Soft Power 2017*. Portland: USC Center on Public Diplomacy, 2017. <https://softpower30.com/wp-content/uploads/2017/07/The-Soft-Power-30-Report-2017-Web-1.pdf>.
- Melissen, Jan. *The New Public Diplomacy: Soft Power in International Relations*. New York: Palgrave Macmillan, 2005.
- Ninkovich, Frank. *The Diplomacy of Ideas: U.S. Foreign Policy and Cultural Relations*. New York: Cambridge University Press, 1981.
- Nye, J. S. *Bound to Lead: The Changing Nature of American Power*. New York: Basic Books, 1990.
- Nye, J. S. *Soft Power: The Means to Success in World Politics*. New York: Public Affairs, 2004.
- Selected Documents from the 15th National Congress of the Communist Party of China (II)*. Beijing: People's Publishing House, 2001.
- Suranovic, S. M. *International Trade Theory and Policy*. Boston: Flat World Knowledge, 2010. <http://internationalecon.com/Trade/Tch40/T40-0.php>.
- UNESCO. *The Globalization of Cultural Trade: A Shift in Consumption*. Montreal: UNESCO Institute for Statistics, 2016. <http://uis.unesco.org/sites/default/files/documents/the-globalisation-of-cultural-trade-a-shift-inconsumption-international-flows-of-cultural->

goods-services-2004-2013-en_0.pdf.

U.S. Department of State. *Dictionary of International Relations Terms*. Michigan: University of Michigan Library, 1987.

Wang, Jian. "Introduction: China's Search of Soft Power" in *Soft Power in China: Public Diplomacy Through Communication*, edited by Jian Wang 1-18. New York: Palgrave Macmillan, 2011.

Wang, Yuechuan. *Discover Orient*. Beijing: Peking University Press, 2011.

Journal

Gilboa, Eytan. "Diplomacy in the media age: Three models of uses and effects." *Diplomacy and Statecraft* 12, 2 (2001), 1-28.

Gill, Bates, and Huang Yanzhong. "Sources and Limits of Chinese 'Soft Power'." *Survival* 2, no. 48 (2006): 18-19.

Gil, Jeffrey. "The Promotion of Chinese Language Learning and China's Soft Power." *Asian Social Science* 4, no. 10 (2008): 116-122

Graber, Doris A. "Looking at the United States Through Distorted Lenses." *American Behavioral Scientist* 52, no. 5 (2009): 735-754.

Hartig, Falk. "Communicating China to the World: Confucius Institutes and China's Strategic Narratives." *Politics* 35, no. 3-4 (2015): 245-258.

Henrikson, Alan K. "What Can Public Diplomacy Achieves?"
<https://www.diplomatie.gouv.fr/IMG/pdf/publicdiplo.pdf>.

Hu, Huilin. "National Cultural Governance: New Dimension of Developing Cultural Industries." *Academic Monthly* 44, no.5 (2012): 28-32

Huang, Yonglin. "The Historic Selection, Characteristics and Experience of Development Strategies of the Cultural Industry in China." *Journal of Tongji University (Social Science)* 25, no. 5 (2015): 10

Lee, Jung-Nam. "The Rise of China and Soft Power: China's Soft Power Influence in Korea." *China Review* 8, no. 1(2008): 127-154.

Li, Huailiang, and Haixia Yu, "Analysis on the Export Structure and Competitiveness of China's Cultural Products and Cultural Services," *International Trade*, 9 (2013): 59-66.

Li, Lin, and Xiaonan Hong. "Analysis of Joseph Nye's Soft Power Theory." *Journal of Dalian*

University of Technology (social sciences), 4(2011): 88-93.

Liu, Peng, and Xiaochen Du, "Historical Evolution and Analysis of China's Cultural Industry Fiscal Policy." *Open Journal of Social Sciences*, no. 4(2016): 62-68.
<https://www.scirp.org/journal/PaperInformation.aspx?PaperID=65688>.

Noiriel, Gerard. "The Historian in the Cite': how to reconcile history and memory of immigration," (Paper presentation, Museum International, The Cultural heritage of migrants, Vol LIX, n°1-2 / 233-234, May 2007),
<http://unesdoc.unesco.org/images/0015/001510/151011e.pdf>

Nye, J. S. "Public Diplomacy and Soft Power." *Political and Social Science* 616, no. 1 (2008): 94-109.

Nye, J. S. "Soft Power." *Foreign Policy* 1, no. 80 (1990): 153-171.

Sun, Gennian, and Lijun Ma. "Forecast on the tourist-generating market of Beijing Olympic Games in 2008 based on tourism background trend line," *Geographical Research*, 27(2008): 65-74.

Ying, Chi and Xiao-an Qi. "Analysis of International Expansion of China's Cultural Industry." *Taxation and Economy* 6, no. 191 (2013): 47-51.

Zhang, Changyong, and Bei Yu. "Others Agree: The Premise of Cultural Exports," *China Newspaper Industry*, 10 (2012).

Zhao, Youguang, and Beibei Sheng. "The International Development Strategy and Implementation of China's Cultural Industry Outward." *Cultural Product and Service Trade* 10, no. 003(2008): 32-38.

Newspaper

Nye, J. S. "China's Soft Power Deficit: To catch up, its politics must unleash the many talents of its civil society." *The Wall Street Journal*, May 8, 2012.
<https://www.wsj.com/articles/SB10001424052702304451104577389923098678842>

Mei, Xinyu. "The consciousness of a big country in the era of economic globalization," *Shanghai Securities News*, December 01, 2004.

Pomfret, John. "The furor over the Confucius Institutes is distracting from real Chinese threats," *The Washington Post*, July 2, 2018. https://www.washingtonpost.com/news/global-opinions/wp/2018/07/02/the-furor-over-the-confucius-institutes-is-distracting-from-real-chinese-threats/?noredirect=on&utm_term=.5b8a4beb84bd

Redden, Elizabeth. "Confucius Controversies," *Inside Higher Ed*, July 24, 2014.

<https://www.insidehighered.com/news/2014/07/24/debate-renews-over-confucius-institutes>

Websites

American Enterprise Institute. “China Global Investment Tracker.” Accessed September 20, 2018. <http://www.aei.org/china-global-investment-tracker/>.

Beijing Municipal Bureau of Statistics. “2008 Tourism Market Profile.” Last modified February 4, 2009. http://tjj.beijing.gov.cn/zxfb/201601/t20160129_334309.html.

UNESCO. “Creative Industries.” Accessed January 19, 2018. <http://www.unesco.org/new/en/culture/themes/creativity/creative-industries/>.

The Canadian Trade Commissioner Service. “Arts and Cultural Industries.” Accessed January 19, 2018. <http://tradecommissioner.gc.ca/sectors-secteurs/arts-and-cultural-industries-arts-et-industries-culturelles.aspx?lang=eng>.

Cull, Nicholas J. “‘Public Diplomacy’ Before Gullion: The Evolution of a Phrase.” USC Center on Public Diplomacy. April 18, 2006, <https://www.uscpublicdiplomacy.org/blog/public-diplomacy-gullion-evolution-phrase>.

USC Center on Public Diplomacy. “Defining Public Diplomacy.” Accessed February 15, 2018. <http://uscpublicdiplomacy.org/page/what-pd>.

USC Center on Public Diplomacy. “China’s Soft Power: A Comparative Failure or Secret Success.” Last modified August 25, 2017. <https://uscpublicdiplomacy.org/blog/chinas-soft-power-comparative-failure-or-secret-success>.

Ministry of Commerce of People’s Republic of China. “2008 Statistical Bulletin of China’s Outward Foreign Direct Investment.” Accessed March 13, 2018. <http://images.mofcom.gov.cn/hzs/accessory/200909/1253868856016.pdf>.

National Bureau of Statistics. “Classification of Culture and related industry (2012).” Accessed January 30, 2018. http://www.stats.gov.cn/tjsj/tjbz/201207/t20120731_8672.html.

National Bureau of Statistics. “Report on the establishment of statistics on tertiary industry,” accessed March 1, 2018, <http://gaige.rednet.cn/c/2008/04/14/1483741.htm>.

National Bureau of Statistics. “The construction of cultural undertakings has been continuously strengthened.” Last modified September 13, 2018. http://www.stats.gov.cn/ztjc/ztfx/ggkf40n/201809/t20180913_1622703.html.

National Bureau of Statistics. “The Growth of the Cultural and Related Industries in 2016.” Last modified February 6, 2017.

- http://www.stats.gov.cn/tjsj/zxfb/201702/t20170206_1459430.html.
- National Bureau of Statistics. "The Growth of the Cultural and Related Industries in 2017." Last modified January 31, 2018. http://wap.stats.gov.cn/fb/201801/t20180131_1579219.html.
- Office of Chinese Language Council International. "About the Confucius Institute and Confucius Classroom." Accessed September 19, 2018. http://www.hanban.org/confuciousinstitutes/node_10961.htm.
- Pew Research Center. "Global Indicators Database." accessed September 20, 2018. <http://www.pewglobal.org/database/about/>.
- Pew Research Center. "Origins and Destinations of the World's Migrants, 1990-2017." Last modified September 21, 2018. <http://www.pewglobal.org/2018/02/28/global-migrant-stocks/?country=AU&date=2017>.
- PopulationPyramid.net. "List of countries ordered by their population size." Accessed September 25, 2018. <https://www.populationpyramid.net/population-size-per-country/2017/>.
- PublicDiplomacy.org. "About U.S. Public Diplomacy." Accessed February 12, 2018. http://pdaa.publicdiplomacy.org/?page_id=6.
- The Central People's Government of the People's Republic of China. "Cultural industry revitalization plan." Accessed January 31, 2018. http://www.gov.cn/jrzg/2009-09/26/content_1427394.htm.
- The Central People's Government of the People's Republic of China. "Decision of the CPC Central Committee on Major Issues Pertaining to Deepening Reform of the Cultural System and Promoting the Great Development and Flouring of Social Culture." Last modified October 25, 2011. http://www.gov.cn/jrzg/2011-10/25/content_1978202.htm.
- State Council of the People's Republic. "Decision of the CPC Central Committee and the State Council on Accelerating the Development of the Tertiary Industry." Accessed March 4, 2018. <http://www.cnki.com.cn/Article/CJFDTotal-GWYB199218002.htm>.
- The Central People's Government of the People's Republic of China. "Decision on Major Issues Concerning Comprehensively Deepening Reforms." Last modified November 15, 2013. http://www.gov.cn/jrzg/2013-11/15/content_2528179.htm.
- Wike, Richard and Kat Devlin. "As Trade Tensions Rise, Fewer Americans See China Favorably." Pew Research Center. Accessed November 18, 2018, <http://www.pewglobal.org/2018/08/28/as-trade-tensions-rise-fewer-americans-see-china-favorably/>.
- www.gov.cn. "China's Cultural Products Exports Grow Rapidly." Last modified February 12, 2018. http://www.gov.cn/shuju/2018-02/12/content_5266021.htm.

www.gov.cn. “The Growth of the Cultural and Related Industries in the First Half of 2018.” Last modified July 31, 2018. http://www.gov.cn/xinwen/2018-07/31/content_5310734.htm. 2018-8-20.

XINHUANET, “40 Years of Reform and Opening Up: The Cultural Industry Is Marching towards the Pillar Industry of the National Economy.” Last modified September 14, 2018. http://www.xinhuanet.com/fortune/2018-09/14/c_129953408.htm.

APPENDIX I

Table 9: Density of Chinese Migrants in Some Countries (2017)

country	Number of Chinese Migrants (until 2017)	Population (million)	Density of Chinese Migrants (one/million)
Lebanon	5,000	6.082	822.0979941
Israel	500	8.712	57.39210285
Jordan	20,000	9.702	2061.430633
Hungary	20,000	9.781	2044.780697
Greece	5,000	10.77	464.2525534
Tunisia	500	11.53	43.36513443
Senegal	500	15.85	31.54574132
Netherlands	70,000	17.08	4098.360656
Chile	5,000	18.05	277.0083102
Australia	470,000	24.6	19105.69106
Ghana	500	28.83	17.34304544
Venezuela	10,000	31.98	312.6954346
Peru	5,000	32.17	155.4243084
Canada	710,000	36.71	19340.77908
Poland	5,000	37.97	131.6829076
Argentina	10,000	44.27	225.8866049
Sweden	30,000	44.27	677.6598148
Spain	160,000	46.57	3435.688211
Colombia	5,000	49.07	101.8952517
Kenya	500	49.7	10.06036217
South Korea	610,000	51.47	11851.56402
South Africa	40,000	56.72	705.2186178
Tanzania	500	57.31	8.724480893
Italy	200,000	60.59	3300.874732
United Kingdom	210,000	66.02	3180.854287
France	110,000	67.12	1638.855781
Turkey	5,000	79.81	62.64879088
Germany	100,000	82.79	1207.875347
Vietnam	5,000	95.54	52.3341009
Philippines	40,000	104.9	381.3155386
Japan	740,000	126.8	5835.962145
Mexico	10,000	129.2	77.3993808
Russia	60,000	144.5	415.2249135
Nigeria	500	190.9	2.619172342
Brazil	20,000	209.3	95.5566173
Indonesia	70,000	264	265.1515152
United States	2,420,000	325.7	7430.150445
India	5,000	1339	3.734129948

APPENDIX II

Table 10: Distribution Density of Confucius Institutes in Some Countries (2017)

Country	population (million)	number of Confucius Institutes	Distribution density of Confucius Institutes (one institute/million)
United States	325.7	110	0.337734111
United Kingdom	66.02	29	0.43926083
South Korea	51.47	23	0.44686225
Germany	82.79	19	0.229496316
France	67.12	17	0.253277712
Russia	144.5	17	0.117647059
Australia	24.6	14	0.569105691
Japan	126.8	14	0.110410095
Canada	36.71	12	0.326886407
Italy	60.59	12	0.198052484
Brazil	209.3	10	0.047778309
Spain	46.57	8	0.171784411
Indonesia	264	6	0.022727273
Poland	37.97	5	0.131682908
South Africa	56.72	5	0.088152327
Mexico	129.2	5	0.03869969
Hungary	9.781	4	0.408956139
Peru	32.17	4	0.124339447
Kenya	49.7	4	0.080482897
Turkey	79.81	4	0.050119033
Philippines	104.9	4	0.038131554
Netherlands	17.08	3	0.175644028
Colombia	49.07	3	0.061137151
Israel	8.712	2	0.229568411
Jordan	9.702	2	0.206143063
Chile	18.05	2	0.110803324
Ghana	28.83	2	0.069372182
Argentina	44.27	2	0.045177321
Tanzania	57.31	2	0.034897924
Nigeria	190.9	2	0.010476689
India	1339	2	0.001493652
Lebanon	6.082	1	0.164419599
Sweden	9.995	1	0.100050025
Greece	10.77	1	0.092850511
Tunisia	11.53	1	0.086730269
Senegal	15.85	1	0.063091483
Venezuela	31.98	1	0.031269543
Vietnam	95.54	1	0.01046682